



CHAPTER 1

ABOUT AWDC

Mission

Antwerp World Diamond Centre (AWDC) is a private foundation, which serves and represents the collective interests of the Belgian diamond sector, from the heart of the industry itself. AWDC is not a member-based organization but rather represents the diamond sector as a whole, irrespective of the scale of an actor's activities or the size of the company. AWDC strives to further develop Antwerp's position as the leading global diamond hub and to strengthen the image of

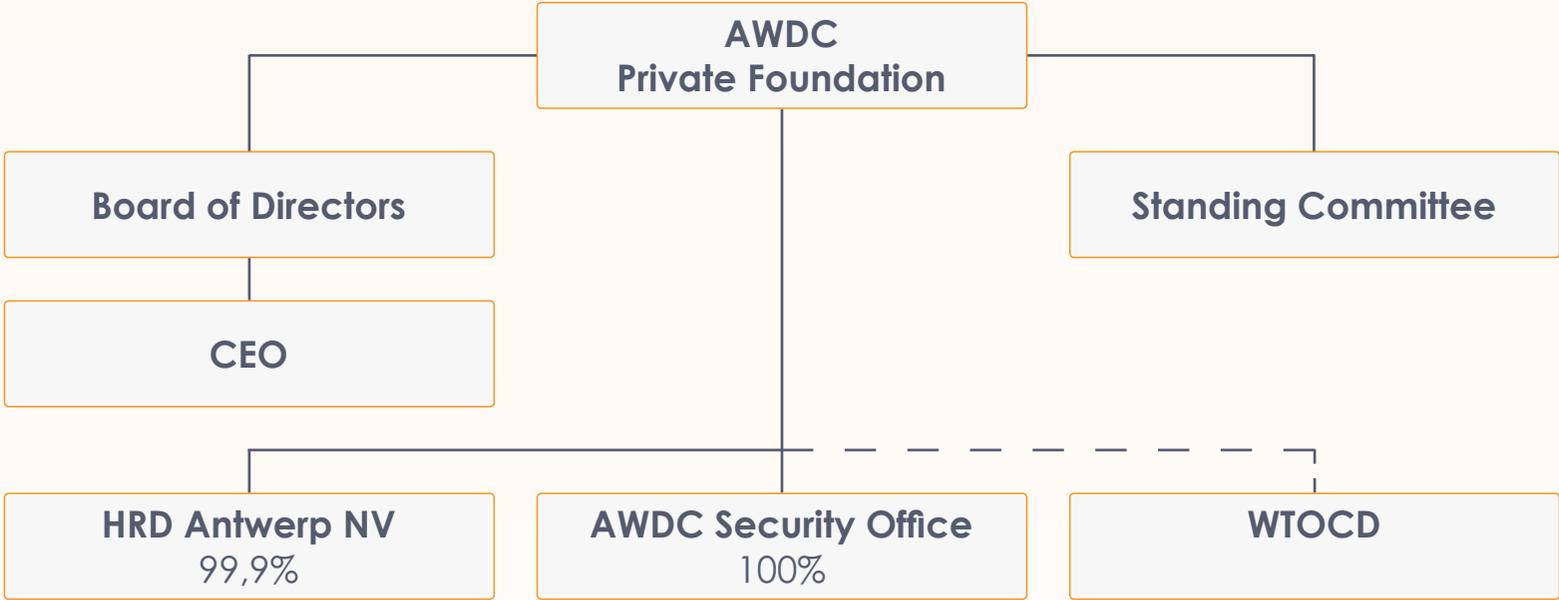
the sector to the general public. These activities are paired with a wealth of services for the sector, namely: marketing and communications campaigns, events in Belgium and abroad, advocacy, services concerning security, compliance and the like.

AWDC is located at Hoveniersstraat 22, 2018 in Antwerp, Belgium; in the heart of the Antwerp diamond district. While we do not have any offices abroad and

we cannot measure our activities in terms of products we deliver and consumer markets, our activities are nevertheless, for a large part, carried out on the international diamond scene.

Governance and management structure

As already mentioned, AWDC is a private foundation and does not have any members. The Board of Directors is the body that oversees and participates in the activities of AWDC.



STANDING COMMITTEE

The Standing Committee consists of 12 legal member entities, which represent the entire diamond sector.

This permanent body monitors the progress of the Board of Directors' election and conformity of the decisions of the Board of Directors with AWDC's

statutes. The Standing Committee determines whether or not the decisions reflect the objectives of AWDC.

The Standing Committee also has an advisory role, which entails taking unanimous decisions about the proposed changes to the regulations, and provides an

opinion on matters, which the Board of Management submits for review.

BOARD OF DIRECTORS

AWDC's by-laws provide for 12 Board of Directors members:

- Six members representing the diamond trade
- Three members representing the diamond bourses
- One member representing the diamond industry
- One member representing the employees
- One independent member

According to AWDC's by-laws, diamond traders can directly elect 'their' six board members. The voting

procedure guarantees an equal representation for small, medium-sized and large diamond companies. Each category is determined by the average annual turnover achieved during the two calendar years prior to the elections.

The other directors are nominated by their respective associations/bodies. The independent director is appointed by the Prime Minister and must obtain a minimum of nine votes from the other Board of Directors members.

The Directors have a four-year mandate, however, a rotation system renews half of the Board of Directors on a bi-annual basis, to ensure the continuity of its operations.

AWDC organises the Board election under the supervision of the Standing Committee, assisted by the Federal Public Service(FPS) Economy.

In principle, the Board of Directors meets every month and at least eight times per year.



REMUNERATION COMMITTEE AND AUDIT COMMITTEE

The Board of Directors has the legal right to establish special committees. Currently a Remuneration and Audit Committee are in place. Both have an advisory role and provide an additional internal check on the operations of the Board.

HRD ANTWERP

HRD Antwerp NV is a subsidiary of AWDC. It houses a laboratory, which enjoys an excellent reputation, offers highly renowned training, carries out important research and develops technologically advanced material. HRD certifies polished diamonds; it develops a sort of identity for each and every diamond where the four Cs, meaning the characteristics of a diamond (carat, colour, clarity and cut), are determined and listed. HRD Antwerp also has offices in China, Hong Kong, Turkey and India.

AWDC SECURITY OFFICE

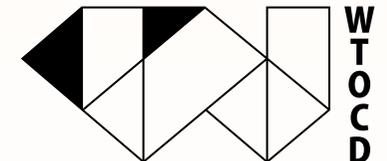
The mission of AWDC Security Office is to support and facilitate security, monitoring and safety in the diamond industry. In addition, the office is also responsible for the protection of personnel, the community, the goods, reputation and information of the sector in view of internal and/or external threats or incidents. In 2013, an AWDC survey conducted within the diamond sector demonstrated that 90% of the respondents feel safe in the Antwerp diamond district.

WTOCD

The mission of the Scientific Research Centre for Diamonds (WTOCD) is to assist the Belgian diamond sector, both the trade and industry, in increasing their competitiveness by making high-tech products and services available. WTOCD offers a wealth of possibilities in the area of development, scouting and implementation of new technology to produce top quality diamonds.



Security
Office



Operational structure

AWDC's operational structure consists of eight departments:

Department	Department	Challenges in terms of sustainability
Diamond Office	Diamond Office (DO) is responsible for the streamlining of all diamond shipments that are imported or exported to and from Belgium. Each shipment is physically checked, and verified by sworn experts, under surveillance of the Belgian government.	Diamond Office (DO) would like to use its experience to provide technical support to diamond producing countries. DO would also like to provide information and advice concerning import and export legislation and complete transparency in import and export settings.
Business Intelligence	The Business Intelligence department consists of the following aspects: knowledge, collective memory and technical work for the World Diamond Council and the Working Group of Diamond Experts of the Kimberley Process.	Providing technical assistance, predominantly to African producing countries with small-scale artisanal mining with the intent to improve internal controls by creating more transparency and greater tracability of the stream of goods. By organizing regular educational programs in partnering countries such as Ivory Coast, Central African Republic, Guyana, etc, this goal can be further anchored.
Business Development	Business Development is continuously looking for new markets and possibilities to expand Antwerp's network worldwide.	Developing long-term relationships with African diamond producing countries via a development model that benefits the respective country. To implement this model, financial as well as human capital is needed.
Public Affairs	Public Affairs (PA) represents the diamond sector vis-a-vis governments, (inter)national stakeholders and organizations.	Public Affairs will develop a guidance document with a number of core principles of ethics and good practices. All initiatives of the PA department will be assessed against this policy and will be recorded and accessible to all. PA will continue to develop AWDC's sustainability agenda, through means such as following up this sustainability report.

Department	Department	Challenges in terms of sustainability
<p>Legal & Compliance Human Resources</p>	<p>The Legal & Compliance department handles the legal dossiers, advises diamond traders and implements legislation in the diamond sector. This department also works actively to foster transparency in the sector.</p> <p>The HR department provides employees with information concerning HR policy. HR creates a framework within which all AWDC employees can perform their work in a driven and motivated manner. In addition this department renders services to the sector, for example through the jobsite www.adjobs.be.</p>	<p>The department is striving to create an international 'Know Your Customer' database so that traders can conduct business in a transparent, safe and sustainable manner.</p> <p>The department strives for sustainable employment in the diamond sector through the Antwerp Diamond Jobs website, which supports all diamond traders in the search for suitable staff.</p>
<p>Operations</p>	<p>Operations provides support within AWDC in the field of ICT, Security, Facility and Purchasing.</p>	<p>The challenges for the Operations department are: waste management, energy saving measures in the building, recycling of closets, desks, chairs etc.</p>
<p>PR & Communications</p>	<p>The PR & Communications department promotes Antwerp as the world's leading diamond hub. This is done through the organization and coordination of a number of activities in Belgium and abroad, such as taking part in trade fairs and organizing national and international events such as PR & prospecting missions, B2B network events, conferences and princely and economic missions.</p>	<p>Transparent communication is high on the PR & Communication department's agenda. The department will strive to extend its outreach to relevant stakeholders. Furthermore, more emphasis will be placed on sustainability in all aspects of event organization.</p>
<p>Finance</p>	<p>The Finance Department coordinates all financial aspects of the organization.</p>	<p>Timely delivery of correct and transparent financial data to all stakeholders within the AWDC group is key for the Finance department.</p> <p>The goal is to diminish the paperwork through electronic delivery and invoice approval through paperless management.</p> <p>Making 'sustainable' purchases from suppliers who hold a sustainability certificate is also a high priority.</p>

Together with the CEO, the department heads form the This team gathers three times per week to discuss the general state of affairs within the departments. Once a month a meeting takes place during which the monthly state of affairs is discussed. The CEO also attends the meetings of the Board of Directors.

Ms. Karla Basselier, as Head of Public Affairs, is responsible for AWDC's sustainability policy.

Finance

AWDC charges administration fees for the declaration of and controls on the import and export of diamonds in Diamond Office. These are the operating funds and thus the revenues of AWDC.

Assets AWDC			
	2011	2012	2013
Revenue	€19,001,643	€19,987,234	€18,760,127
Equity	€26,027,396	€23,372,330	€20,373,668
Liabilities	€6,053,821	€5,654,779	€5,502,485

Equity 2013	
Share capital	€31,346,821
Retained result	€-10,973,153
Equity 2013	€20,373,668



Liabilities 2013

Loans to be paid over several years	€249,998
Loans to be paid in one year	€500,000
Accounts payable	€3,322,631
Paid taxes & social charges	€1,240,464
Accounts receivable	€162,919
Accruals and deferred income	€26,473
Total	€5,502,485

AWDC receives subsidies from Flanders Investment & Trade (FIT) to organize events that promote and support the Flemish diamond trade and diamond industry. Examples of the use of these subsidies are the organization of the Antwerp Diamond Pavilion during trade fairs across the world, PR and prospect missions, B2B networking events and promoting Antwerp and Belgium worldwide, among others in cooperation with the Flanders Fashion Institute. A good example of this

collaboration is the launch of a pair of diamond boots in Hong Kong during the Business of Design Week in December 2013.

The subsidies from Universiteit Hasselt were awarded in the framework of an advisory process where AWDC participated in the Europees Fonds voor Regionale Ontwikkeling (EFRO) project Strategic Innovation in Flanders.

Received subsidies AWDC 2013

Flanders Investment & Trade	€34,126
Universiteit Hasselt	€4,502

Breakdown of AWDC expenses 2013

Donations & Sponsorship	€614,767
Financing WTOCD	€886,519
Taxes	€159,413
RSZ	€1,116,162
Personnel	€4,156,141
AWDC Security Office	€550,000
Bank loan repayment	€537,457

Employment

PERSONNEL FACTS AND FIGURES

Numbers of employees per status and gender									
	2011			2012			2013		
	men	women	total	men	women	total	men	women	total
Employees	33	35	68	34	35	69	33	37	70
Workers	4	4	8	3	2	5	2	2	4
Total	37	39	76	37	37	74	35	39	74

Number of employees per full time & part time category			
	2011	2012	2013
Full time	46	51	53
Part time	30	23	21
Total	76	74	74



Number of employees per age category			
	2011	2012	2013
< 20	1	1	0
20 – 35	21	22	20
35 – 45	12	13	15
45 – 55	22	19	18
> 55	20	19	21
Total	76	74	74

Number of employees per department	
Diamond Office	39
Business Development	1
Business Intelligence	1
Public Affairs	3
Legal & Compliance - HR	4
Operations	12
PR & Communications	10
Finance	4

Staff turnover						
	2011		2012		2013	
	in	out	in	out	in	out
Number	9	14	10	10	6	6
< 20	1	0	0	0	0	0
20 – 35	5	4	9	4	3	3
35 – 45	1	3	0	1	2	1
45 – 55	2	2	1	3	1	1
> 55	0	5	0	2	0	1
Men	3	7	6	6	0	2
Women	6	7	4	4	6	4

Sick leave		
	Sick days	Work days
2011	1,462.50	18,794.30
2012	1,332.50	17,815.50
2013	1,144.00	18,042.50

TRAINING

AWDC's HR department is systematically developing a training policy. The pillars of this policy are:

- Monitoring: ensuring a balance in training offered per staff member as well as per department
- Evaluation: determining the value of the training through staff member assessment

On the basis of this information the HR department advises AWDC staff about future training opportunities.

Days of training per gender and category in 2013

	<i>Employees</i>	<i>Workers</i>	<i>Total</i>
Women	91	1	92
Men	8	53	61
Total	99	54	153

HUMAN RESOURCES POLICY

AWDC adheres to the conditions outlined in the Collective Labour Agreement (CLA) of Paritair Comité (Standing Consultative Employer-Employee Committee on Working conditions - PC) 226 for employees and the CLA of PC 324 for workers.

AWDC observes legally enshrined notice periods. For workers, AWDC applies those stated in CLA 75.

Our organization's professional human resources policy consists of the following:

- A detailed working conditions regulation with clearly stated procedures, including new overtime and on-call procedures
- Biannual performance reviews and evaluation interviews based on clear job descriptions
- A welcome brochure for new staff members
- A clear salary policy on the basis of available budgets and the annual performance evaluation
- An intranet that is used as a communication platform between employer and employee and where useful information and forums can be found
- A recruitment policy where the suitable candidate is selected in a structured and objective manner
- Various personnel events
- Leave of absence and part-time work options
- First Aid, prevention and fire training
- Security and protection including the introduction of a badge system

As AWDC employs less than 100 persons, the Comité voor Preventie en Bescherming van de Werknemer (CPBW - Committee for the Prevention and Protection of the Employee) takes on the function of the Works Council (Ondernemingsraad or OR). Both organs function independently. Both CPBW and the OR consist of an equal amount of employee and employer representation. They have their own employers' delegation, their own president and secretary and their own executive capacities.

Memberships

	Member of the Board of Directors?	Active participation in projects?	Financial contributions in addition to membership fee?
KAURI		✓	✓
UN Global Compact Network Belgium (GCNB)		✓	✓
Verbond der Belgische Ondernemingen (VBO)	✓	✓	✓
Voka Kamer van Koophandel Antwerpen-Waasland	✓	✓	
Antwerp-ITCCO	✓	✓	✓
Responsible Jewellery Council (RJC)		✓	✓
Flanders Investment & Trade (FIT)		✓	
Anti-Money Laundering Europe (AME)		✓	
Kamer van Koophandel CBL-ACP		✓	
Belgian Chinese Chamber of Commerce (BCECC)			
Flanders-China Chamber of Commerce (FCCC)			
Belgo India Chamber of Commerce (BICC&I)			
Belgian Luxembourg Chamber of Commerce for Russia and Belarus (CCBLR)			
American Society for Industrial Security (ASIS)		✓	
Federatie der Belgische Diamantbeurzen		✓	
World Diamond Council (WDC)	✓	✓	✓
European Corporate Security Association (ECSA)	✓	✓	
Syndicaat der Belgische Diamantnijverheid (SBD)		✓	
Fonds voor de Diamantnijverheid		✓	
Nationaal Forum			