



Annual Report **2015**

PREFACE

To the Antwerp diamond industry

Due to a wide range of factors unsettling the global economy in general and the extractive industry in particular, the Antwerp diamond trade was unable in 2015 to match the record import and export figures from 2014. Nevertheless, Antwerp demonstrated its resilience even under the most difficult market conditions, and its sound fundamentals and forward thinking make it well-positioned to make a full recovery when the diamond market eventually improves.

Like any industry conducting trade around the world, the diamond industry rises and falls on the waves of the global economy. Furthermore, our trade faces its own particular set of challenges, and these have only intensified over the past year: bank de-risking policies have further tightened access to financing; the industry overestimated the growth of demand in emerging economies and flooded the system with overpriced goods; and the luxury sector faces stiff challenges from other products when it comes to winning the hearts, minds and discretionary incomes of the younger generation.

Antwerp and AWDC did not sit still and idly hope for a recovery to occur. Rather, we redoubled our efforts to secure the supply of rough diamonds from Russia, Canada and southern African producers. We initiated a program to bring foreign buyers of polished goods to the Antwerp market. And we significantly stepped up the added value we provide to the Antwerp diamond community with a wide range of service-oriented initiatives, seminars and information sessions. These efforts are but a sampling of our untiring efforts to further solidify Antwerp's position as the most transparent and forward-looking trade hub in the industry, to communicate more effectively with the diamond community in Antwerp and to promote our industry at home and abroad.

"The global diamond industry took a beating this year," says AWDC CEO Ari Epstein. "Thanks to our strong foundations and ability to be agile and adopt innovative new technologies, Antwerp has succeeded in safeguarding its world-leading position with regard to rough as well as polished diamonds. Antwerp will consequently emerge from this downturn in better shape than our competitors."



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AWDC Mission Statement

Antwerp and diamonds are inseparable. Antwerp is the capital of the world diamond trade for more than five centuries and is widely recognized as the leader in the industry today. Our mission is to ensure Antwerp remains at the forefront of the global diamond industry, to foster awareness of Antwerp's unparalleled contributions to local and international trade and to inspire current and future generations to embrace

the beauty and value of our product.

AWDC promotes and defends the interests of more than 1,700 individual companies representing 6,600 direct jobs and 26,000 indirect jobs. More than 70 nationalities work together every day. We are committed to facilitating a favorable business environment while ensuring strict implementation of best practices and transparency.

Central to these efforts is the Diamond Office, where we monitor and streamline the vast amount of imports and exports that pass through Antwerp on a daily basis. It is the cornerstone of the Antwerp diamond industry that represents 5 percent of all Belgian exports and 15 percent of all exports outside the EU.

ANTWERP DIAMOND DATA 2015

Diamond Office

Diamond Office is where we streamline the vast import and export flow of diamonds in and out of Antwerp. 84% of all rough diamonds and 50% of all polished diamonds worldwide pass through Antwerp and through the Diamond Office. Every day, approximately 220 million US dollars in diamonds pass through Antwerp.

The Diamond Office (D.O.) acts as the supervising body for the Belgian government, controlling all imports and exports of all types of loose diamonds: polished and rough, industrial diamonds, diamond powder, natural as well as synthetic. The control system inside the D.O. is a collaboration between AWDC, the FPS Economy (Licensing) and the FPS Finance (Customs). It is the only customs office in Belgium where diamonds can and must be declared for import and export outside the EU. Every rough diamond that passes through D.O. with its KP certificate, and is thus traded in Antwerp, is conflict free. When it leaves Antwerp, it receives a new certificate. This process is repeated when the stones enter a new market.

Three FPS Economy and two FPS Finance staff members are present in the D.O.

at all times. The FPS Economy Licensing Department is responsible for the physical checks of all imports and exports of diamonds. Sworn experts working under the supervision of the FPS Economy conduct these checks.

The 18 sworn experts open all shipments and conduct an examination according to a number of parameters. The documented origin, weight, value and classification of diamonds are compared with the information on the trade documents. This form of 100% physical controls does not exist anywhere else in the world. Most other countries work with targeted checks on the basis of a risk analysis.

Customs conducts a control of all import- and export declarations prepared by AWDC personnel within D.O. Since 2011, AWDC has the status of a fully Authorized Economic Operator (AEO). This confirms that the FPS Finance (Customs) recognizes AWDC as a reliable partner in the field of customs procedures as well as security. Within D.O., AWDC is not only a declarant of all imports and exports from the Belgian diamond sector; the organization also offers assistance in all import and export formalities.

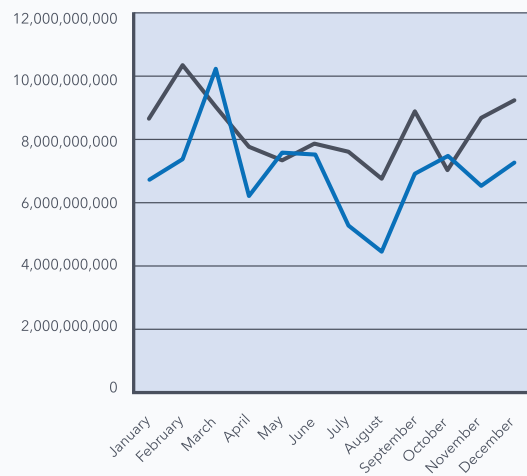
This triple control (AWDC, FPS Economy and FPS Finance) ensures that the Belgian diamond sector is not only the most controlled sector in Belgium, but is also the most transparent from a global perspective.

Diamond Data

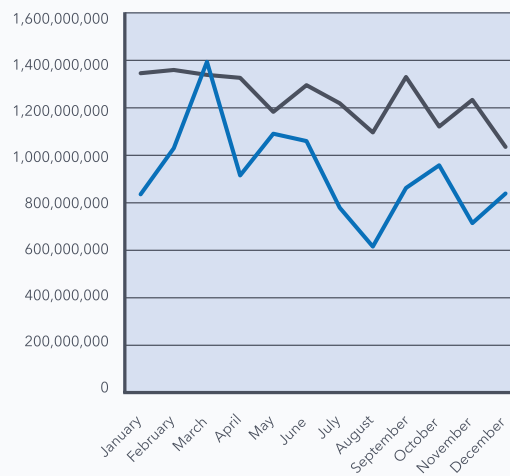
ROUGH DIAMOND IMPORTS

| | 2015 | | 2014 | | Difference | |
|--------------|----------------------|-----------------------|-------------------|-----------------------|----------------|----------------|
| | Carats | USD | Carats | USD | Carats | USD |
| January | 6,776,459.76 | 839,233,106 | 8,743,976.97 | 1,349,162,252 | -22.50% | -22.50% |
| February | 7,423,242.85 | 1,039,967,001 | 10,443,674.84 | 1,360,580,437 | -28.92% | -23.56% |
| March | 10,373,596.71 | 1,401,041,088 | 9,068,160.10 | 1,340,496,956 | 14.40% | 4.52% |
| April | 6,156,554.47 | 907,250,099 | 7,757,687.51 | 1,327,597,924 | -20.64% | -31.66% |
| May | 7,638,442.61 | 1,101,544,685 | 7,381,889.39 | 1,180,978,236 | 3.48% | -6.73% |
| June | 7,571,685.26 | 1,065,756,972 | 7,928,533.64 | 1,301,241,759 | -4.50% | -18.10% |
| July | 5,194,420.22 | 779,136,994 | 7,630,173.28 | 1,225,501,600 | -31.92% | -36.42% |
| August | 4,449,958.80 | 605,901,711 | 6,753,256.85 | 1,093,607,854 | -34.11% | -44.60% |
| September | 6,979,432.87 | 870,405,616 | 8,987,060.01 | 1,340,168,621 | -22.34% | -35.05% |
| October | 7,534,696.94 | 961,782,027 | 7,091,839.80 | 1,120,722,582 | 6.24% | -14.18% |
| November | 6,548,496.87 | 709,266,838 | 8,79,413.69 | 1,237,676,548 | -25.41% | -42.69% |
| December | 7,330,279.80 | 844,718,896 | 9,290,798.69 | 1,031,943,740 | -21.10% | -18.14% |
| TOTAL | 83,977,267.16 | 11,126,005,032 | 99,856,465 | 14,909,678,509 | -15.61% | -25.38% |

ROUGH DIAMOND IMPORTS (Carats)
2014 | 2015



ROUGH DIAMOND IMPORTS (USD)
2014 | 2015

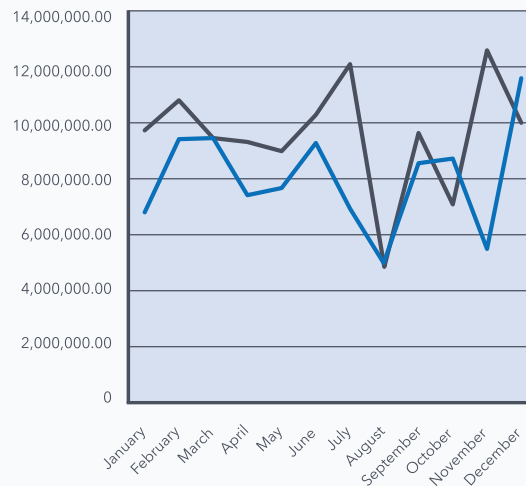




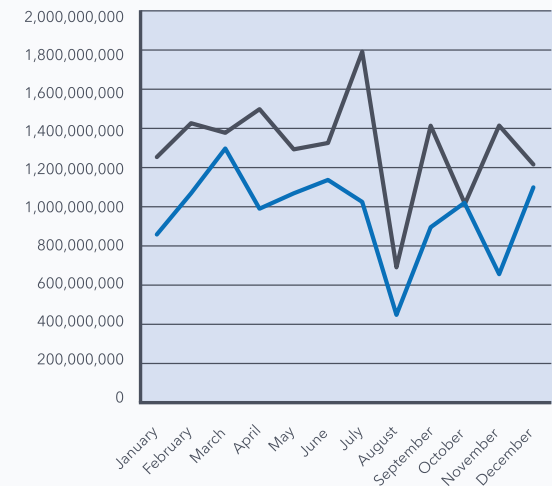
ROUGH DIAMOND EXPORTS

| | 2015 | | 2014 | | Difference | |
|--------------|----------------------|-----------------------|--------------------|-----------------------|----------------|----------------|
| | Carats | USD | Carats | USD | Carats | USD |
| January | 6,723,333.25 | 848,980,248 | 9,736,048.67 | 1,244,841,916 | -30.94% | -31.80% |
| February | 9,456,952.14 | 1,057,019,634 | 10,827,930.96 | 1,421,403,360 | -12.66% | -25.64% |
| March | 9,525,523.73 | 1,303,332,763 | 9,434,291.50 | 1,370,721,669 | 0.97% | -4.92% |
| April | 7,347,025.32 | 983,277,524 | 9,280,874.68 | 1,490,553,606 | -20.84% | -34.03% |
| May | 7,603,563.53 | 1,061,073,383 | 8,946,785.13 | 1,290,499,387 | -15.01% | -17.78% |
| June | 9,288,720.54 | 1,141,503,478 | 10,231,382.29 | 1,324,608,384 | -9.21% | -13.82% |
| July | 7,053,876.65 | 1,025,169,429 | 12,123,041.61 | 1,797,137,909 | -41.81% | -42.96% |
| August | 4,828,389.09 | 432,374,370 | 4,735,649.19 | 674,507,917 | 1.96% | -35.90% |
| September | 8,549,887.69 | 884,464,948 | 9,648,094.67 | 1,416,045,376 | -11.38% | -37.54% |
| October | 8,693,541.33 | 1,010,652,245 | 6,918,535.45 | 999,761,730 | 25.66% | 1.09% |
| November | 5,380,752.92 | 643,426,436 | 12,655,706.52 | 1,408,627,267 | -57.48% | -54.32% |
| December | 11,547,797.40 | 1,099,533,799 | 9,900,935.58 | 1,215,257,947 | 16.63% | -9.52% |
| TOTAL | 95,999,363.59 | 11,490,808,257 | 114,439,276 | 15,653,966,468 | -16.02% | -26.55% |

ROUGH DIAMOND EXPORTS (Carats)
2014 | 2015



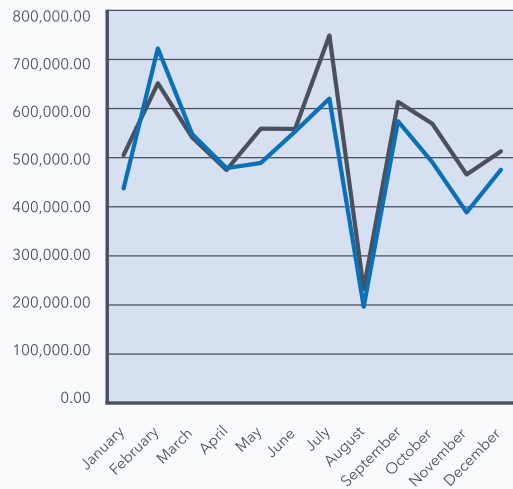
ROUGH DIAMOND EXPORTS (USD)
2014 | 2015



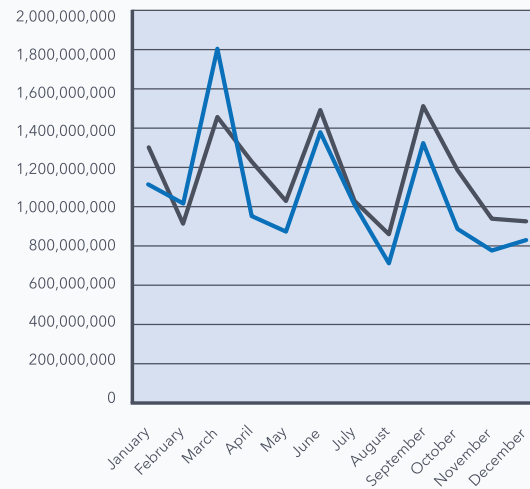
POLISHED DIAMOND IMPORTS

| | 2015 | | 2014 | | Difference | |
|--------------|---------------------|-----------------------|---------------------|-----------------------|---------------|---------------|
| | Carats | USD | Carats | USD | Carats | USD |
| January | 621,709.79 | 1,112,894,561 | 733,670.21 | 1,290,695,809 | -15.26% | -13.77% |
| February | 624,213.21 | 1,000,692,278 | 507,829.30 | 904,747,278 | 22.92% | 10.60% |
| March | 776,890.75 | 1,813,820,000 | 695,578.61 | 1,458,971,259 | 11.69% | 24.32% |
| April | 520,943.61 | 944,407,262 | 526,489.18 | 1,223,524,018 | -1.05% | -22.81% |
| May | 511,075.19 | 863,500,810 | 512,333.69 | 1,012,847,538 | -0.25% | -14.75% |
| June | 594,996.52 | 1,399,478,890 | 675,879.87 | 1,509,003,475 | -11.97% | -7.26% |
| July | 521,156.26 | 1,012,035,975 | 525,443.07 | 1,026,818,989 | -0.82% | -1.44% |
| August | 419,906.23 | 694,554,797 | 501,885.41 | 833,342,555 | -16.33% | -16.65% |
| September | 610,853.12 | 1,339,819,089 | 707,137.46 | 1,522,651,528 | -13.62% | -12.01% |
| October | 510,540.12 | 879,981,327 | 579,099.38 | 1,179,631,084 | -11.84% | -25.40% |
| November | 443,614.67 | 770,218,801 | 489,383.76 | 931,822,415 | -9.35% | -17.34% |
| December | 350,682.61 | 819,590,680 | 433,355.91 | 922,732,614 | -19.08% | -11.18% |
| TOTAL | 6,506,582.08 | 12,650,994,470 | 6,888,085.85 | 13,816,778,562 | -5.54% | -8.44% |

POLISHED DIAMOND IMPORTS (Carats)
2014 | 2015



POLISHED DIAMOND IMPORTS (USD)
2014 | 2015

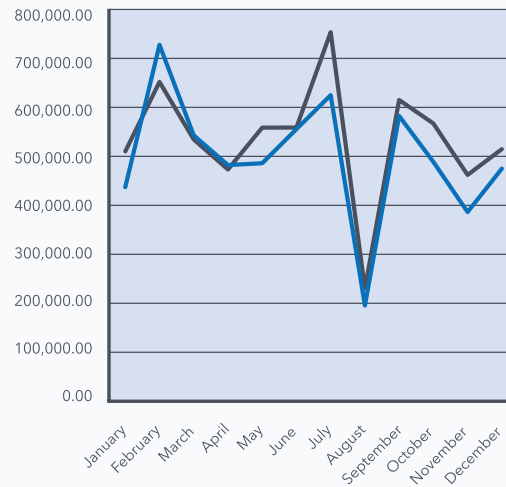




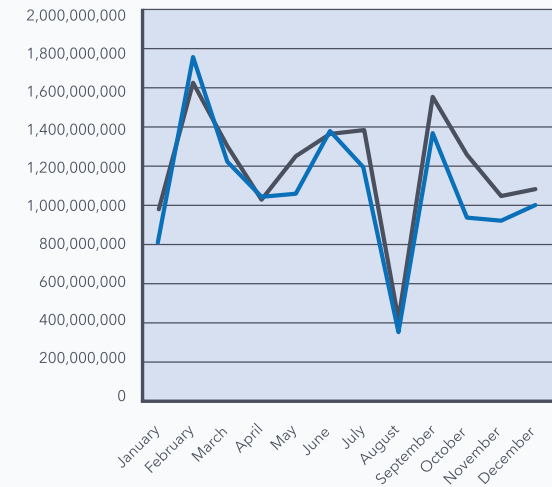
POLISHED DIAMOND EXPORTS

| | 2015 | | 2014 | | Difference | |
|--------------|---------------------|-----------------------|---------------------|-----------------------|---------------|---------------|
| | Carats | USD | Carats | USD | Carats | USD |
| January | 432,418.15 | 808,345,518 | 505,128.05 | 976,201,344 | -14.39% | -1719% |
| February | 731,208.11 | 1,766,358,457 | 654,142.58 | 1,624,645,749 | 11.78% | 8.72% |
| March | 532,665.98 | 1,233,550,478 | 535,293.61 | 1,320,062,483 | -0.49% | -6.55% |
| April | 481,691.81 | 1,040,600,685 | 468,791.27 | 1,027,814,926 | 2.75% | 1.24% |
| May | 486,539.20 | 1,060,803,288 | 556,264.94 | 1,255,343,312 | -12.53% | -15.50% |
| June | 557,664.75 | 1,386,049,445 | 557,816.67 | 1,363,360,898 | -0.03% | 1.66% |
| July | 625,094.93 | 1,195,295,121 | 756,048.47 | 1,381,724,723 | -17.32% | -13.49% |
| August | 185,871.69 | 341,212,378 | 221,834.63 | 483,964,829 | -16.21% | -29.50% |
| September | 578,558.44 | 1,387,443,235 | 615,217.63 | 1,572,105,217 | -5.96% | -11.75% |
| October | 484,157.99 | 929,338,661 | 565,325.65 | 1,280,554,440 | -14.36% | -27.43% |
| November | 382,490.82 | 920,415,960 | 456,660.44 | 1,045,081,928 | -16.24% | -11.93% |
| December | 472,341.13 | 995,298,809 | 512,753.97 | 1,085,921,386 | -7.88% | -8.35% |
| TOTAL | 5,950,703.00 | 13,064,712,035 | 6,405,278.00 | 14,416,781,235 | -7.10% | -9.38% |

POLISHED DIAMOND EXPORTS (Carats)
2014 | 2015



POLISHED DIAMOND EXPORTS (USD)
2014 | 2015



POLISHED DIAMOND EXPORTS BY COUNTRY

| | 2015 | | Difference 2014 | |
|--------------------|---------------------|-----------------------|-----------------|---------|
| | Carats | USD | Carats | USD |
| U.S.A. | 758,268.95 | 3,592,506,810 | -1.69% | -9.54% |
| HONG KONG | 1,547,552.70 | 3,460,501,888 | 2.79% | -2.68% |
| ISRAEL | 439,258.54 | 1,248,711,586 | -8.30% | -22.66% |
| U.A.E. | 727,885.17 | 1,223,054,679 | -13.10% | -0.12% |
| SWITZERLAND | 496,606.18 | 1,081,314,843 | -15.31% | -1.44% |
| INDIA | 531,411.91 | 476,741,614 | -10.83% | -27.47% |
| CHINA | 281,073.25 | 342,701,678 | -14.74% | -29.73% |
| ITALY | 281,073.25 | 281,653,630 | -2.86% | -10.28% |
| FRANCE | 333,748.49 | 246,021,477 | -22.95% | -21.28% |
| UNITED KINGDOM | 127,486.02 | 193,463,687 | -24.11% | 11.41% |
| OTHERS | 670,337.92 | 921,158,577 | | |
| TOTAL GROSS | 5,951,409.66 | 13,067,830,468 | | |

POLISHED DIAMOND IMPORTS BY COUNTRY

| | 2015 | | Difference 2014 | |
|--------------------|---------------------|-----------------------|-----------------|---------|
| | Carats | USD | Carats | USD |
| HONG KONG | 1,396,029.06 | 2,970,221,941 | 2.37% | -1.01% |
| U.S.A. | 515,998.64 | 2,938,355,875 | -3.23% | -8.02% |
| INDIA | 1,946,729.91 | 1,706,114,665 | -10.14% | -22.73% |
| U.A.E. | 784,933.90 | 1,225,345,809 | 1.48% | 11.31% |
| ISRAEL | 417,194.67 | 1,213,509,555 | 1.51% | -15.99% |
| SWITZERLAND | 257,497.76 | 812,874,415 | -22.04% | 8.42% |
| CHINA | 475,038.25 | 425,814,479 | -9.11% | -19.30% |
| THAILAND | 184,122.97 | 301,667,540 | -14.87% | -16.04% |
| RUSSIA | 119,052.95 | 251,444,987 | -12.86% | -17.58% |
| SOUTH AFRICA | 38,358.79 | 213,883,275 | 4.05% | 8.25% |
| OTHERS | 371,081.12 | 592,822,529 | | |
| TOTAL GROSS | 6,506,038.02 | 12,652,055,068 | | |

* The figures in the tables and graphs reflect the export and import figures of rough and polished diamonds, as issued by the Antwerp Diamond Office on a monthly basis, providing an insight into the trends of the Antwerp diamond trade throughout the entire year. At the end of the year, the Antwerp Diamond Office calculates and issues the total yearly figures, based on updated monthly figures, which explains potential discrepancies in the sums of the tables of the entire year.

2015 – A Difficult Year

The diamond trade around the world is under duress. Antwerp, the most important international trade center, did not escape the year unscathed, but was the best performer. This past year, 48.3 billion USD worth of diamonds were imported to and exported from Antwerp. While this represents a decline of nearly 18%, competitors such as India and Israel endured much steeper declines.

As the diamond industry rises and falls on the waves of the global economy, the economic slowdown in the BRIC countries – particularly China, the second largest market for polished diamonds after the United States – had a huge impact on the diamond trade.

While the dramatic downturn in the diamond industry resulted in a slight decline in prices for rough diamonds for the first time in decades, soft prices for polished diamonds made it increasingly difficult for diamond traders to turn a profit. As a result, the average profit margins for wholesalers were between 0.11% and 0.37%, the same as in 2014.

Additionally, the banking and sovereign debt crises led to drastic changes in the availability of bank lending to businesses. As a result,

many industries found it difficult to obtain financing. For diamantaires, this means that they had fewer resources available for purchasing rough diamonds, which has an impact on the global trade.

It was a difficult year for the diamond industry worldwide. But Antwerp held its own and managed to secure its world-leading position thanks to its heritage, knowledge and courage to adjust and adopt new technologies. Antwerp did not become the world leader in the industry by shrinking from adversity but by facing it head-on. And that is exactly how we will face these challenges again.

1. AWDC AT YOUR SERVICE

1.1 AML & Compliance Helpdesk

The Anti-Money Laundering (AML) & Compliance Helpdesk provides assistance to Antwerp Diamond companies on various issues. As always, the AML & Compliance Helpdesk provided help to complete the annual AML form, which is mandatory under Belgian Anti-Money Laundering Legislation. Since 2015, the FPS Economy launched a new form, which is shorter and clearer. Because of this new format, the number of diamond companies filing in their AML form via AWDC has increased from 272 in 2014 to 502 in 2015. New in 2015 was that the AML & Compliance Helpdesk organized several 'Fill in your form@AWDC' sessions in order to increase the visibility and reach of the Helpdesk. In 2015, the AML & Compliance Helpdesk received 212 questions relating to AML legislation.

The AML & Compliance Helpdesk also created a client acceptance policy, which is mandatory under Belgian Anti-Money Laundering Legislation. The policy is tailor made for the diamond sector and contains a step-by-step guide through a diamond trader's legal obligations under the AML legislation.

Eight Anti-Money Laundering seminars were organized in 2015. During these seminars,

the Helpdesk teaches small groups (around 15-20 people) about implementation of the AML legislation by using the client acceptance policy in real case studies. During the seminar, diamond traders are taught how to implement an effective and efficient client acceptance policy within their company. The seminars have also proven to be an accessible platform for discussing AML matters.

The AML & Compliance Helpdesk also regularly sends out newsletters containing information about the Financial Action Task Force (FATF), seminars and general compliance issues.



1.2 Diamond Financing

While it might be difficult to appreciate right now, 2015 may well come to be seen as a turning point in the world of diamond financing, the year that Antwerp broke with the old yet familiar way of doing things and came to realize that we would need to innovate in order to move forward. It is not always easy to embrace change, and indeed, developments this year caused considerable pain, but AWDC firmly believes we will eventually come to see them as growing pains. So what happened in 2015?

The Antwerp Diamond Bank (ADB) made it known in 2014 that it would be terminating its activities, and indeed, it closed its doors in 2015. As ADB was one of the pillars of the Antwerp diamond-financing ecosystem, its wind-down presented the Antwerp diamond industry with some major challenges, such as finding new sources of funding. This is not an easy thing to do, especially given the 'new normal' of the financial climate in general and of the diamond market in particular.

The reduction of available credit to diamond companies operating in the Antwerp diamond industry resulted in a reduction of liquidity on the Antwerp market, but neither

Antwerp nor diamonds are by any means an exception in this regard. The Financial Action Task Force (FATF) is the intergovernmental body that develops and determines standards for combatting money laundering and the financing of terrorism. FATF clearly states that its objective of risk management is not intended to lead to the wholesale exclusion of entire countries and classes of customers from access to financial transaction services. However, it is widely recognized that FATF recommendations to banks to follow a risk-based approach are having the unintended consequence of inciting the very de-risking they want to avoid.

The core issue is therefore the global trend within the banking industry toward 'de-risking'. De-risking effectively removes access to funding and transaction services for all types of businesses and transactions that carry a 'perceived risk' of money laundering or terror financing. Risk management is an important objective, yet its blanket application has cut off access to financial services for a wide range of legitimate businesses, including many in our own industry.

The some 500 small-sized Antwerp diamond companies that were confronted with the closure of their USD payment bank account - which is essential for the diamond trade - represent the direct fallout of this newly intensified global banking practice. These diamond companies have struggled to open new bank accounts.

AWDC's activities in 2015 therefore concentrated on the recovery of the diamond industry financing market. We began by organizing the Antwerp Diamond Seminar on the financial challenges currently facing the diamond industry, with Herman Van Rompuy presenting the keynote speech. This seminar featured a lively discussion panel of industry financial experts and was attended by over 250 members of the diamond community.

AWDC also held several targeted information sessions and set up a Bank Account Helpdesk, providing assistance to diamond dealers in their efforts to find banks willing to open a USD bank account. Most of AWDC's efforts to work out concrete financial solutions for the many companies whose interests we defend, however, actually took place behind the scenes. Major initiatives such as this take time



to develop, but AWDC remains cautiously optimistic that solutions will be forthcoming in 2016.

On 13 February, AWDC organized together with Febelfin – the umbrella federation for the Belgian financial sector – an informative meeting for Belgian banks to address the issue of financing in the diamond industry. It explained the existing vigilance measures

with regard to the applicable legislation and transparency.

Throughout the year, AWDC continually brought the issue of financing to the attention of various policy makers, including the Federal Government's Minister of Finance, Johan Van Overtveldt, the former permanent President of the European Council Herman Van Rompuy, and the Governor of the

National Bank of Belgium Jan Smets. AWDC considers it unacceptable that banks deny an entire industry access to fundamental banking services. To this end, AWDC was also in contact repeatedly with the FATF to ensure that its prescriptions did not result in the banks avoiding the diamond industry as a whole.

1.3 Diamond Regime

To date, diamond traders are subject to the general Belgian provisions with regard to the taxation of business profits, be it under the corporate income tax or the personal income tax regime. Their taxable base is calculated in the same manner as any other entity or individual in any other industry.

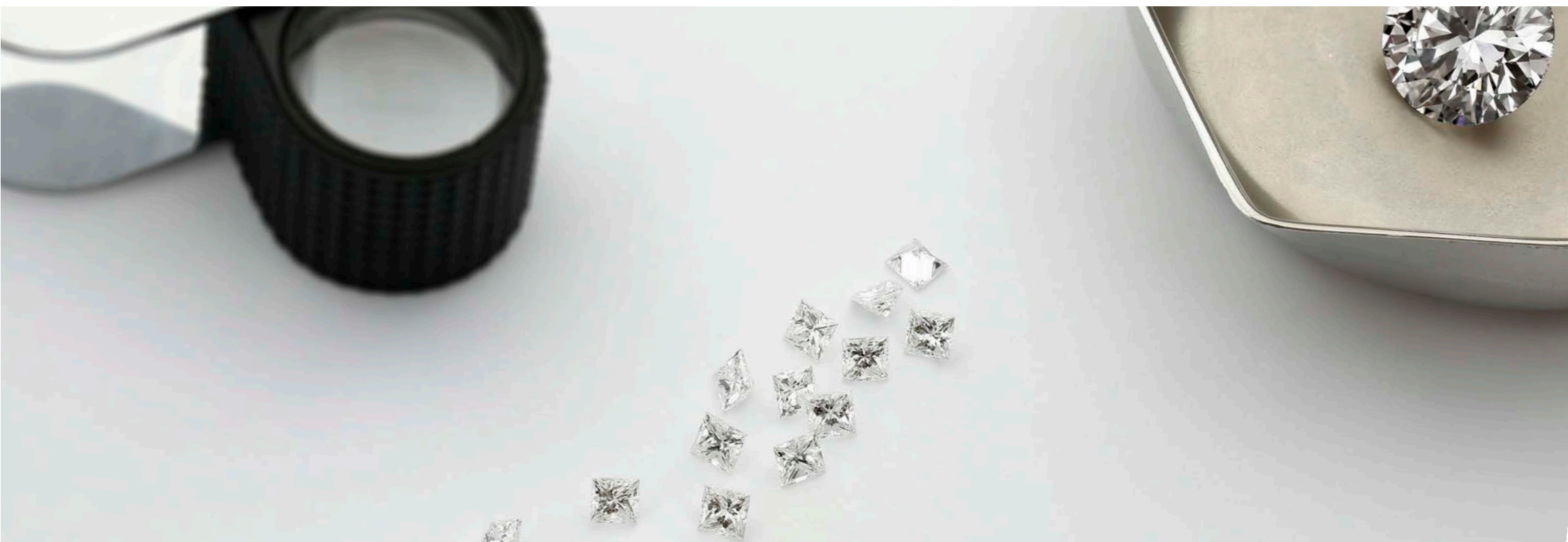
The Kingdom of Belgium, upon proposal of the AWDC, accepted to introduce a simplified tax regime for diamond wholesale traders in rough and polished diamonds in Belgium.

Under this approach, the taxable income of diamond traders would be determined as a fixed percentage of the turnover realized through diamond trading

The net amount of income generated by trading diamonds as it is shown in the accounts of the taxpayer, will be replaced by a percentage of the turnover realized in diamond sales out of inventory. This Diamond Regime will increase the bankability of diamond dealers in Antwerp.

The Diamond Regime will be mandatory for all registered diamond traders.

Currently the European Commission is assessing the proposed Diamond Regime in order to analyze if this Regime does not constitute State Aid.





1.4 Conflict Minerals

In 2014, the European Commission published its proposal for a regulation concerning the responsible import of conflict minerals. The proposal only concerned tin, tantalum and tungsten, their ores, and gold (3T&G). A number of voices inside the European Parliament wished to expand the regulation to other natural resources, such as diamond. AWDC approached the Belgian government,

European Parliament members as well as members of the national parliaments to explain that applying the proposal to the diamond industry would have an adverse impact on the Kimberley Process. Furthermore, such an expansion would have a negative influence on the European Union's position in the KP, as well as on the Antwerp diamond industry, which would be confronted

with regulations that apply nowhere else in the world. The European Parliament, the Flemish Parliament and the Belgian Chamber of Representatives ultimately endorsed the arguments the AWDC put forward and did not argue in favor of the expansion, which is a positive outcome for our diamond industry.

1.5 Kimberley Process

Also in 2015, AWDC worked hard to support and strengthen the Kimberley Process (KP), the international framework that combats the trade of conflict diamonds. AWDC is a member of the World Diamond Council (WDC) that plays the role of observer of the KP. In this capacity, AWDC participated in the KP plenary and intersessional meetings, participated in review visits to the United Arab Emirates, Mexico and Congo Brazzaville and

served as the chair of the Working Group of Diamond Experts (WGDE) and of the Sub-Group on Valuation of rough diamonds. It also provided permanent administrative support to the Chair of the KP by means of the Administrative Support Mechanism (ASM).

In order to promote equivalent implementation of the KP throughout the world, AWDC trained three officials from Ivory

Coast in the valuation of rough diamonds. This project, which the Federal Public Service (FPS) Foreign Affairs financed, was completed with a one-week training module in Abidjan. On 12 March, AWDC organized a seminar about the KP in Brazil, which all actors from the Brazilian diamond industry and government attended.





1.6 AWDC Security Office

The AWDC Security Office (AWDC SO) strives to enable, support and facilitate business activity within the Secure Antwerp Diamond Area and to safeguard its personnel, visitors, products, reputation and information against all internal and external threats.

The AWDC SO sets out to be the Secure Antwerp Diamond Area's principle and trusted advisor in all security-related matters, an indispensable and critical facilitator of the Antwerp diamond industry's future and to become a security reference for all diamond centers worldwide. Our role is based on cooperation via a two-way information exchange, disseminating information within the respective communities and constituencies of the Secure Antwerp Diamond Area, the organization of structural meetings, the provision of security-related recommendations and the inspection and assurance of their best implementation.

The AWDC SO acts as a single point of contact to the Secure Antwerp Diamond Area buildings, the bourses, private security companies active within the area, the insurance industry, the City of Antwerp, Local Police, Federal Police, government services

and state security. The AWDC SO Board of Directors meets 4 times annually and consists of 4 members representing the industry and the trade and 1 independent member. Relevant information and current topics are provided directly by the AWDC SO Head of Security and Operations. Ultimately, the AWDC SO Board of Directors advises the AWDC Board of Directors on all security-related topics.

Throughout 2015, AWDC SO invested its efforts in, among other things, the proposal, organization and implementation of the following specific projects:

- Increasing security awareness programs
- Register, analyze, report and communicate on incidents
- The renewal and expansion of the CCTV System
- The renewal of the vehicular access control system

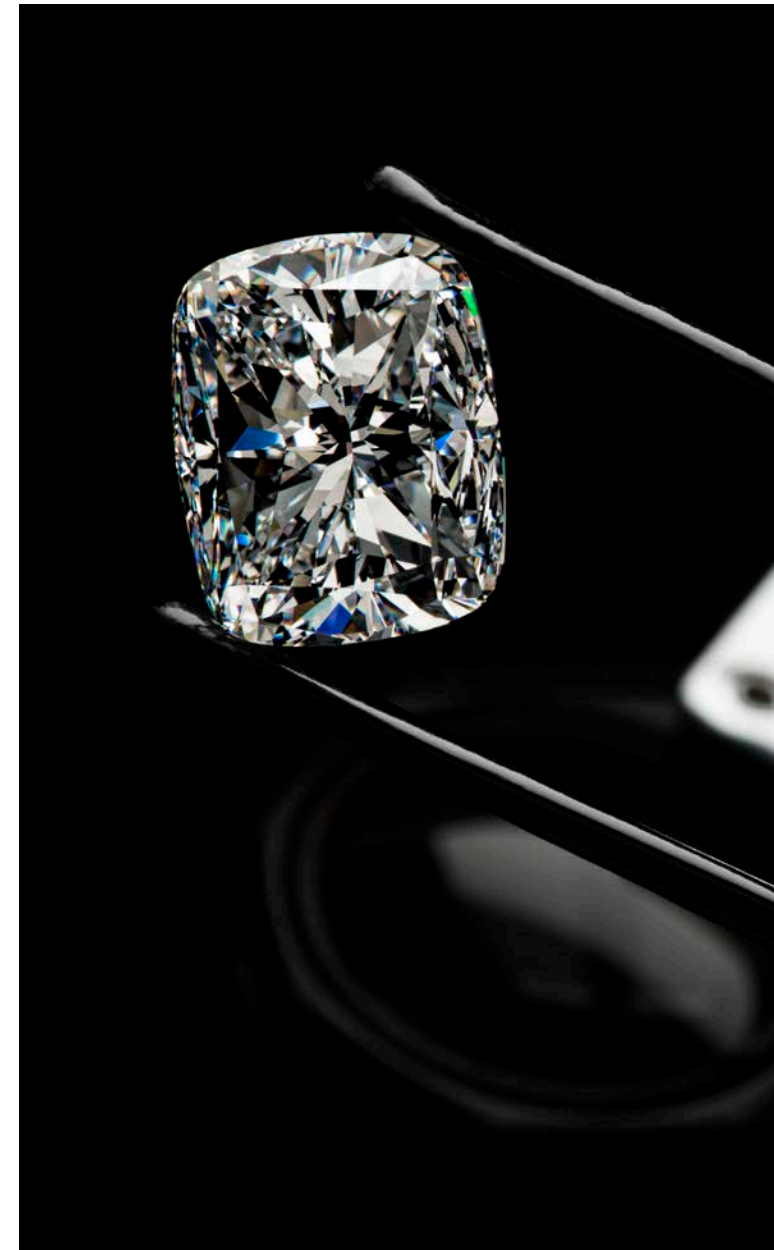
1.7 Sustainability

AWDC's first ever sustainability report won the award for Best Belgian Sustainability Report in 2014. In the wake of this success, on 2 July AWDC organized a consultation in which its stakeholders – twenty people, half of whom work in the diamond industry – could offer their input about AWDC's strategic priorities with regard to sustainability. The stakeholders were very positive about the sustainability report as well as AWDC's intentions, and encouraged AWDC to continue to fulfill its pioneering role with regard to sustainability.

Several specific initiatives were also taken in 2015: AWDC renewed its financial support of the Diamond Development Initiative (DDI), reduced the number of printed pages by 10% and planted over 24,000 young trees in Brazil with the support of WeForest. We visited this latter project on 14 March, accompanied by Secretary of State for Foreign Trade Pieter De Crem.

The Antwerp diamond industry was instrumental in the formation of Antwerp-ITCCO Action Learning for Sustainability, an organization affiliated with the United Nations that organizes training programs and gathers knowledge about sustainability, corporate

social responsibility and business ethics. In 2015, Antwerp-ITCCO was recognized officially as the local branch of the United Nations Institute for Training and Research (UNITAR), and changed its name to CIFAL Flanders. This is a significant achievement that expands the organization's support basis and action radius.





1.8 Antwerp Diamond Jobs

AD JOBS has been a success story ever since its launch in 2013, and the figures bear this out. In 2015, 124 job openings were announced on the website, more than 2,891 job seekers created a profile and companies received 4,179 applications. The most popular jobs are in the categories: administration, diamond manufacturing and sales & marketing. AD JOBS succeeded in filling 45% of the listed jobs.

Each year, AD JOBS participates in several job fairs and events at regional schools, universities and on job websites, such as the Sid-in fair for graduating secondary school students, and Talent Forum, a job fair organized by Antwerp University.

On 5 & 6 March, we welcomed 2nd and 3rd year students from the 'Diamond' and 'Gold and Jewelry' programs at the Municipal Lyceum on the Meir during the Diamond Immersion Days. The students became thoroughly acquainted with the industry, received additional information from the Syndicate of the Belgian Diamond Industry concerning the status of a diamond polisher, and their visit to a high-tech cutting and polishing workshop completed their day

on a high note. Furthermore, these young prospective diamond polishers received job interview tips from AWDC. AWDC was also on hand as the jury for the final-year students' final exam.

2. AWDC AROUND THE WORLD

2.1 Rough Diamond Trade

Antwerp is still the most important rough diamond trade hub in the world according to the 2014 annual figures from the Kimberley Process Certification Scheme, which monitors and maps out diamond production and distribution worldwide. Each year, 30,000 Kimberley Process certificates are issued in the EU and thus in Antwerp, or almost half of all the KP certificates issued worldwide. That is why one of the main activities of AWDC is to tap new markets and reaffirm existing relationships. To this end, AWDC organizes various missions to diamond producing countries such as Russia and Canada.

AWDC Missions

AWDC participates in economic mission to Brazil

AWDC participated in Secretary of State for Foreign Trade Pieter De Crem's economic mission to Brazil. AWDC organized a seminar on the Kimberley Process on 12 March, in

which all actors from the Brazilian diamond industry and government participated. On 14 March, under the leadership of the Secretary of State, the delegation paid a visit

to WeForest, the organization in cooperation with which AWDC planted 24,000 trees.

Antwerp further strengthens strong ties with Canadian miners

Canada is the third largest diamond producer in the world and one of the most important suppliers of rough diamonds to Antwerp. In May, AWDC travelled to Montreal, Toronto and Yellowknife on a visit spearheaded by the Governor of the Province of Antwerp Cathy Berx.

Stornoway Diamond Corporation, a mining company, is the first producer to exploit a mining area in the Canadian province of Quebec. The Renard Mine is expected to yield 1.6 million carats of diamonds annually, representing a value of 304 million USD, with production estimated to hit the market starting in the second quarter of 2017. If the Renard production is marketed in Antwerp,

the share of rough diamonds from Canada on the Antwerp market could increase by 64%.

In recent years, Canada has undergone significant changes with regard to diamond mining. A number of legislative changes have ensured that the regional and local authorities, such as the Northwest Territories, have obtained wider competencies as

concerns the mining industry. This mission was important for Antwerp as a diamond center because of these new political arrangements. The new political leaders confirmed and reinforced the strong current relationship.

Currently, Canada's diamond mining is mainly concentrated in the Northwest Territories, with the Ekati mine as the largest, followed

by Diavik, Gacho Kué and Snap Lake Mine. The rough production of Ekati and Diavik are entirely commercialized on the Antwerp market. The meetings with mining company Stornoway provided strong indications the company is considering to commercialize its entire production from the Renard mine in Quebec through Antwerp starting in 2017.

Throughout the conversations with the Canadians, it was very striking that all of them praised Antwerp as a reliable and highly transparent trade partner. We clearly share the same values, such as transparency, the importance of correct controls and corporate social responsibility. These shared values can only further strengthen our good relationship.

AWDC participates in economic mission to Vancouver

AWDC participated in the Belgian Economic Mission to Vancouver led by H.R.H. Princess Astrid. AWDC had several meetings on location with diamond mining and exploration

companies that are principally active in Canada, but also in Southern Africa. In the long term, a number of these projects will become commercial mines, and it is

therefore important to establish contacts proactively with these companies in order to demonstrate the many advantages of Antwerp.

Alrosa and AWDC reaffirm excellent relationship at Antwerp diamond industry networking evening

The excellent collaboration between Antwerp, the leading diamond trade hub, and Russian mining giant Alrosa, the world's largest diamond producer, was once again highlighted at an exclusive networking event in the margins of Alrosa's diamond tender period. The event, a joint initiative by Alrosa and AWDC, was held in the Belgian Ambassador's residence in Moscow.

AWDC and Alrosa jointly organized a high-

level networking evening in cooperation with the Belgian Ambassador in Russia, Mr. Alex Van Meeuwen, who hosted the event. Among those in attendance were: the Governor of the Province of Antwerp, Ms. Cathy Berx; the President of Alrosa, Mr. Andrey Zharkov; representatives of the AWDC Board of Directors, Mr. Ramesh Patel and Mr. Jacques Weisz; representatives from the Gokhran – the Russian State Precious Metals and Gems Repository – and several senior officials from

the Russian government. All Alrosa long-term clients were invited to this networking evening.

A total of 33 Belgian companies made the journey to Moscow, including 15 long-term contract holders. During the event, companies without an exclusive contract with Alrosa also received the opportunity to establish contacts with the world's largest diamond producer.



2.2 Polished Diamond Trade

AWDC Missions

Antwerp Diamond Industry reconnects with US on networking tour in Chicago and New York

From 18 – 23 April, a delegation of AWDC representatives and ten Antwerp diamond companies went on a successful networking tour in Chicago and New York. Especially the Antwerp presence at the annual Smart Jewelry Show in Chicago succeeded in re-establishing Antwerp as a reliable and competitive partner for the local market and enabled the Antwerp traders to reconnect with small and medium-

sized independent retailers.

The trade show kicked off with an impressive educational program. The headliner was the Diamond Power Panel, a lively panel discussion between industry specialists including Cathy Calhoun, Dr. Ben Chavis, Danielle Max and AWDC President Stéphane Fischler. Topics discussed included, amongst others, the

increased pressure on profit margins, the need for generic marketing for diamonds, changing market conditions and consumer behavior – with online sales and the 'millennials' requiring bespoke strategies – and the overall sentiment that consumer confidence in diamonds as the ultimate symbol of emotions – telling the story – needs to be restored.

During the show, AWDC provided visitors with information on the Antwerp diamond industry at a dedicated AWDC booth, while the delegation of Antwerp diamond traders and AWDC representatives got the chance to meet and network with exhibitors, buyers, and various local trade organizations during several networking opportunities. In addition,

AWDC set up a special networking event prior to the AWDC-sponsored InStoreMag/Smart Party for all show participants and visitors, where attending retailers and visiting buyers were invited to connect with the Antwerp delegation.

In New York, the delegation joined the

Antwerp diamond traders at the Antwerp Diamond Week. In the framework of this Bourse-DDC initiative, AWDC hosted an Antwerp Diamond Night, inviting Antwerp Diamond Week participants as well as local traders and retailers to meet with the Antwerp traders that participated in the AWDC U.S. networking tour.

AWDC reinforces foothold on Turkish market

In 2015, the Antwerp diamond industry also focused on reinforcing its foothold on the Turkish diamond and jewelry market. Turkey is one of the fastest growing economies in the world. Its sustained economic growth and burgeoning middle class has created greater purchasing power and made the luxury market flourish. Having an extensive jewelry manufacturing culture and a rich tradition of gold consumption, Turkey is Europe's largest gold producer and one of the most dynamic jewelry markets globally, serving as the trading hub for countries in the Mediterranean,

Eastern Europe, Russian Federation, Middle East and North Africa.

Having participated in the Istanbul Jewelry Show in March, AWDC signed a Memorandum of Understanding with the Borsa Istanbul and the JTR Jewellers Association aimed at further promoting the diamond trade between the two countries. Signing took place during the Belgian trade mission to Istanbul and Baku from 26 April to 1 May. In addition, AWDC set up a Turkish Visitor Program from 4 - 6 May that brought Turkish diamond jewelers,

jewelry wholesalers and manufacturers to the diamond capital.

AWDC invited a delegation of 25 Turkish jewelers to come to Antwerp for a Visitor Program, a unique B2B event to establish contacts with Antwerp diamond traders. With the lifting of the Special Consumption Tax, together with Turkey's stated intention for Istanbul 'to become a jewelry and diamond hub' by 2023, Turkish jewelers came to the world's largest trading center with solid ambitions.

AWDC and Diamond Administration of China (DAC) sign Memorandum of Understanding

AWDC and the Diamond Administration of China (DAC) signed a Memorandum of Understanding that aims to reinforce

cooperation between the two diamond centers. The MOU was signed during the Antwerp-Shanghai Investment Forum

that took place in Antwerp on 3-4 June and welcomed an economic and political delegation, led by Shanghai Party Secretary



and former mayor of Shanghai Han Zheng. The Investment Forum aimed to follow up on the official visit to Shanghai by Antwerp Mayor Bart De Wever, in collaboration with the Port of Antwerp and AWDC, in October 2014.

The wide-ranging agreement oversees the bilateral exchange of information and data about market and industry trends, jointly promoting and supporting Belgian and Chinese diamond trade and investments

Diamond industry debates future and challenges in Vladivostok

Russian diamond mining giant Alrosa staged an industry-specific session, 'New Development Drivers of the Global Diamond Business in Asia Pacific', during the East Russia Economic Forum (EREF) on 3 September. Leading diamond and jewelry industry figures took part in a debate on the challenges facing the business.

The session was moderated by AWDC CEO Ari Epstein and featured distinguished representatives of major industry organizations, manufacturing and jewelry businesses, including Alrosa's President Andrey Zharkov; WFDB President Ernest Blom; GJEPC Chairman Vipul Shah; Chairman of the World Diamond Mark Foundation Alex Popov; Dilip

as well as developing marketing initiatives to drive the sale of diamonds and diamond jewelry. AWDC as well as DAC specifically support HRD Antwerp's activities in China.

The aim of the MOU is to strengthen cooperation and exchange between the two diamond sectors, and to promote the development of the diamond industries in both countries.

Mehta, CEO of Rosy Blue and Patrick Kwok of the world's largest jewelry retailer Chow Tai Fook.

They discussed the current situation and prospects for further development of the global diamond market, the potential of new jewelry consumption markets (including Russia), measures to simulate consumer demand and how to promote demand for polished diamonds as a unique product.

Royal Missions

Royal Mission to China

From 20 - 28 June, the Belgian royal couple made a state visit to the People's Republic of China. The program featured activities in Wuhan, Beijing, Shanghai, Suzhou and Shenzhen. AWDC participated in the Beijing

- Shanghai part of the visit and served as exclusive partner for the Belgian reception in Shanghai. The high level audience in attendance was treated to a display of Antwerp diamonds and jewelry during the

reception. In Shanghai, in the presence of the King and Queen, AWDC signed a Memorandum of Understanding with the Shanghai Diamond Exchange (SDE) to reinforce mutual cooperation.

Antwerp Diamond Pavilions

Antwerp Diamond Pavilion among largest at 2015 Hong Kong March show

AWDC hosted 109 leading diamond traders in the Antwerp Diamond Pavilion at the 2015 Hong Kong International Diamond, Gem and Pearl Show from 2 - 6 March. The March show featured a separate loose stones venue for the second consecutive year. The

show welcomed over 76,000 buyers from 140 countries and regions. Considering that Hong Kong remains the number one destination in the world for polished diamonds, with a market that is second in value only to the United States, this show is highly

important to Antwerp diamond companies. Representatives from businesses of all sizes had a tremendous variety of loose stones on display at an extremely favorable price/quality ratio.

Second Antwerp Diamond Pavilion in Freiburg

For the second consecutive year, AWDC organized an Antwerp Diamond Pavilion at the Jewellery & Gem Fair - Europe in Freiburg. The fair took place at the Freiburg Fairgrounds from 22 - 25 March and was

organized by UBM Asia. 12 Antwerp diamond companies showcased their goods in the only Antwerp Diamond Pavilion in Europe. The Freiburg show hosted more than 445 exhibitors from 28 countries and regions and

welcomed over 6,000 industry professionals from all over the world.



New Antwerp Diamond Pavilion in Dubai

From 23 - 26 April, AWDC organized a new Antwerp Diamond Pavilion at the VicenzaOro Dubai show. The show is a unique B2B event in the Middle East, dedicated to the jewelry

business community and is organized by Fiera di Vicenza and Dubai World Trade Center. The goal of this show is to satisfy a strong demand from the worldwide market, in particular from

the Middle East, Eurasia, North and East Africa, Central and South Asia. 16 Antwerp diamond companies were represented at the show.

Antwerp diamond industry well represented at JCK Las Vegas show

JCK Las Vegas is the leading jewelry event in North America. It is open to all jewelry professionals, offering exclusive buying, networking and educational opportunities. For almost 20 years now, the world diamond industry gathers in Las Vegas for the largest

jewelry trade show in the business, at the epicenter of the world's first and largest jewelry market. Each year 23,000+ retail stores and 2,300+ exhibitors from around the globe gather at Mandalay Bay Resort & Casino. From 29 May to 1 June, 30 Antwerp diamond

companies participated in the Antwerp Diamond Pavilion and showcased Antwerp's finest assets, combining excellence, tradition, high standards and the best service.

81 Antwerp diamond companies attend Hong Kong June show

The June Hong Kong Jewellery & Gem Fair took place from 25 - 28 June. This fair is the last important show before the entire diamond industry goes into summer recess.

As they are every year, the Antwerp diamond industry was present in large numbers. No less than 81 Antwerp diamond companies were represented at the Antwerp Diamond Pavilion.

With its track record of excellence, the June fair attracts thousands of buyers from over 100 countries and regions.

Antwerp Diamond Pavilion at IIJS Mumbai

As Antwerp is India's number one supplier of rough diamonds, the India International Jewellery Show (IIJS) gives the Antwerp diamond companies the opportunity to

increase their presence in India and actively broaden their network in India's burgeoning retail market. From 6 - 10 August, 17 Antwerp diamond companies were represented in

the Antwerp Diamond Pavilion at IIJS, India's prime jewelry event of the year.

AWDC Power Sessions at Hong Kong September show attract over 150 buyers

The Hong Kong Jewellery & Gem Fair is the world's number one business-to-business marketplace for the gem and jewelry sector, with the September Fair drawing more than 59,000 buyers and more than 3,690 exhibitors from around the world. The Antwerp diamond industry was very well represented with 107

Antwerp diamond companies participating in the Antwerp Diamond Pavilion from 16 - 20 September. For the first time, AWDC organized "Diamond Power Sessions" in the Antwerp Diamond Pavilion, which attracted over 150 buyers to hear the latest industry insights from Antwerp diamond experts on 17

& 18 September. The highlight was the world premiere of the M-screen, the brand new automated melee-screening device from WTOCD/HRD Antwerp.

3. AWDC LOCALLY



3.1 Antwerp Diamond Visits

AWDC welcomes new diplomatic contacts

Given that Belgian diplomats rotate frequently, AWDC briefs all new heads of missions or staff workers that arrive from a country relevant to the diamond industry

before they take up residence. In 2015, AWDC welcomed new ambassadors in Abidjan, Luanda, Dar es Salaam and Bangkok, the new consul-generals in Montreal and Hong

Kong, the new permanent representative in Paris and staff from the diplomatic mission in Pretoria, Beijing and Brazil, among others, for a briefing and a visit to the diamond industry.

Ambassador of Zimbabwe in Belgium visits AWDC

The European Union lifted its sanction that affected the Zimbabwean diamond industry in 2013, which has allowed Zimbabwe to resume its exports of rough diamonds to Antwerp. The new Ambassador of Zimbabwe

in Belgium, H.E. Tadeous Chifamba, paid a visit to AWDC and the Antwerp diamond industry on 7 January. In particular we discussed the sale of Zimbabwean rough diamonds by means of tenders in Antwerp, as well as

developments in the Zimbabwean mining industry. Zimbabwe has great potential to become a leading diamond producer, which in its turn offers opportunities for the Antwerp diamond industry.

Secretary of State for Foreign Trade Pieter De Crem visits diamond industry

The Secretary of State addressed the Antwerp diamond community at the New Year's reception on 20 January. Prior to that, he paid

a visit to the diamond industry and spoke with AWDC. The Secretary of State expressed his willingness to support AWDC by means of

leading foreign missions to countries that are important to the industry.

AWDC invites the rotating chairman of the Kimberley Process

AWDC is a member of the World Diamond Council, which represents the global diamond industry within the Kimberley Process (KP).

On 27 January 2015, the AWDC invited the then Chairperson of the KP, Mr. Bernardo Campos, representing the Republic of

Angola, to Antwerp to discuss his program and to exchange thoughts about the most important challenges facing the KP.

H.E. Ambassador Qu Xing (China) gets acquainted with AWDC

China, including Hong Kong, is the most important market for polished diamonds from Antwerp. Furthermore, our diamond industry has an excellent relationship with

China, as the collaboration between AWDC and the Shanghai Diamond Exchange, or the numerous Antwerp diamond traders attending the trade fairs in Hong Kong testify

to. Immediately after his appointment as Belgian Ambassador, H.E. Qu Xing was invited on 22 April for a visit to the diamond industry and to get acquainted with AWDC.

Lesotho Minister of Mines pays visit to Antwerp diamond sector

Lesotho produces rough diamonds of the highest quality. Furthermore, all rough diamonds from Lesotho are marketed in

Antwerp. Consequently, on 7 May, AWDC welcomed H.E. Thotanyana with open arms when he paid a visit to Belgium.

General Representative H.E. Michel Audet (Quebec)

The Canadian federal system offers the Province of Quebec the opportunity to send diplomatic representatives to other countries. H.E. Audet represents the Province of Quebec from his post in Brussels. Quebec will soon be a

relevant diamond producer when the Renard Mine commences commercial production, scheduled for the second quarter of 2017. H.E. Audet visited the AWDC on 27 May.

President of Federation of Enterprises in Belgium visits AWDC

Like the majority of other industry organizations, AWDC is a member of the Federation of Enterprises in Belgium (FEB). AWDC participates in a variety of working groups and sits on the Board of Directors. Michèle Sioen has been president of the FEB since 2014, as

well as the Chairwoman of the "Group of Ten". In light of these two positions, AWDC considered it important to offer Ms. Sioen a glance behind one of the powerful engines of the Belgian economy, the diamond industry. She visited the Antwerp diamond square mile on 2 June.

Diamond Administration of China

The senior-level delegation from the Diamond Administration of China (DAC), which oversees and regulates the diamond industry in China, paid a visit to the Antwerp diamond industry

on 4 June. The DAC signed a Memorandum of Understanding with AWDC wherein both parties have committed to efforts to strengthen trade relations.



Governor National Bank of Belgium visits the industry

The recently appointed Governor of the National Bank of Belgium (NBB), Mr. Jan Smets, visited the Antwerp diamond industry on 8 July. During this visit, he discussed the

current situation in the financial market at a meeting with AWDC. Mr. Smets showed understanding for the precarious situation that the industry is currently experiencing,

emphasized the importance of the diamond industry and expressed his willingness to search for solutions together with AWDC.

Visit by Mr. Andrey Yurin (Gokhran)

The Gokhran is the Russian State Precious Metals and Gems Repository, a state institution that oversees the state reserves. They have the opportunity to purchase a

percentage of Russian diamond production, and occasionally sell portions of their reserves on the market. The visit from the head of the Gokhran, Mr. Yurin, took place in the context

of the Memorandum of Understanding that AWDC signed with the state institution on 11 September 2014.

H.E. Ambassador Hanno Rumpf (Namibia)

H.E. Ambassador Rumpf, now retired, was the longest serving African ambassador in Brussels. Furthermore, Namibia is a significant producer of rough diamonds.

The ambassador's visit occurred in the framework of reviewed relationships between the Government of Namibia and De Beers, in which the former would be able

to sell a percentage of its national diamond production on the market. The visit took place on 11 September.

General Representatives of the Government of Flanders visit AWDC

General Representatives represent the Government of Flanders in ten countries, including South Africa and the United States,

as well as in the European Union. These representatives have a diplomatic status as well as function. The representatives and their

staff visited AWDC on 18 September in the context of a one-day program in Antwerp.

EU KP Review Visit

During the week of 21 September, a delegation comprised of representatives from participants (countries) and observers (industry and civil society) of the Kimberley

Process paid a visit to the European Union to examine how it implements the KP prescriptions. The delegation was invited to Antwerp on 22 September, where they

received an explanation from AWDC and paid a visit to the Diamond Office, as well as to a diamond trading company.

Andrew Bone (RJC) presents his vision

The newly appointed Executive Director of the Responsible Jewelry Council (RJC), Mr. Andrew Bone, visited Belgium on 30 October

to present his new vision for the RJC. AWDC facilitated a meet-and-greet, at which interested diamond traders could ask Mr.

Bone questions about the functioning of the RJC.

3.2 Local Events & Initiatives

6th Antwerp Diamond Trade Fair a huge success

The 6th edition of the Antwerp Diamond Trade Fair took place from 1 – 3 February. It was again a huge success. The three bourse halls, the Beurs voor Diamanthatel, the Diamantclub van Antwerpen and the Antwerpsche Diamantkring welcomed hundreds of visitors over the three days. Antwerp proved once again to be the world's most important diamond trade hub where every buyer finds a seller and vice versa, at the

best market price. Buyer delegations from the Middle East, China, Eastern Europe and North Africa traveled to Antwerp to network with Antwerp's diamond professionals.

A highlight of the three-day program was the 'Antwerp Diamond Night', a networking event offered by AWDC. On this occasion, AWDC CEO Ari Epstein addressed the audience, saying the Antwerp Diamond Trade Fair,

alongside many other initiatives, bears witness to the fact that Antwerp is and remains the world's most important diamond trading hub in the global diamond industry.



Diplomatic Brunch

Belgian diplomats are our antennae abroad and are continually supplied with current information from AWDC. On 2 February, AWDC organized a working lunch for all Belgian heads of missions (ambassadors and consul generals) in countries that are important to the diamond industry, for rough as well as polished diamonds. They received an explanation about the most important challenges facing the diamond industry, as well as about the most important rough diamond producing countries.

The diplomatic newsletter was also presented during the working lunch, which is forwarded every quarter to all Belgian diplomatic missions and contains information about the most recent developments in the industry. AWDC set up an information booth on 5 February in the Egmont Palace where all Belgian heads of missions were in attendance.

Former President of Europe Herman Van Rompuy keynote speaker at landmark debate on diamond financing

On 27 March, AWDC organized an Antwerp Diamond Seminar on the financial challenges

facing the diamond industry. The seminar featured a lively discussion panel of industry financial experts and was attended by over 250 members of the diamond community. Herman Van Rompuy, former President of Europe, delivered the keynote speech. He presented a broad vision of the financial position of the EU in a rapidly changing world and outlined several strategies moving forward.

Following the keynote speech of Mr. Van Rompuy, AWDC CEO Ari Epstein emphasized the interdependence of Antwerp and Europe during his opening remarks and called on the necessity of Antwerp to continue to fulfill its position as a role model for the global diamond industry, a sentiment that was echoed during the panel discussion afterwards.

The panel discussion featured industry experts including Anish Aggarwal, Des Kilalea, Kishore Lall and Sabine Smets. Discussed topics were, among others, liquidity and the fact that it is inseparable from bankability, sustainability, profitability and transparency; the question of more banks is the solution to the liquidity problem and the inter-relationship between financing and producer strategies, including rough diamond pricing.

AWDC supports first edition of International Day of Yoga in Antwerp

On June 21, the first International Day of Yoga was celebrated around the world. The Antwerp Indian Association and AWDC joined efforts to host the first edition of this event in Antwerp, which took place at the field above the Craeybeckx Tunnel on the

Middelheimlaan in Wilrijk, Antwerp.

Nearly 1,500 yoga enthusiasts participated in the open-air yoga session. The event was part of a global initiative initiated by Indian Prime Minister Narendra Modi, which was adopted

by 192 U.N. Member States. Every participating country used the same program that the Indian government put together. It was a massive success.

AWDC and UNIZO collaborate at structural level

AWDC and the Union of Independent Entrepreneurs (UNIZO) signed a cooperation agreement on 9 July during UNIZO's visit to the Antwerp diamond industry. AWDC and UNIZO joined forces to address several important themes for the diamond industry, such as diamond financing. By means of this structural collaboration, UNIZO will also

include important dossiers on its agenda and will work to ensure that the diamond industry remains firmly anchored in the Belgian economy and SME landscape.

The cooperation agreement was signed by Karel Van Eetvelt, executive director of UNIZO, Jan Sap, director-general of

UNIZO, Stéphane Fischler, president of AWDC and Ari Epstein, CEO of AWDC. The extensive agreement comprises structural collaboration with regard to advocacy, position statements, mutual exchange of information and recommendations, strategy, mutual communication and the organization of events, training programs, etc.

After the signing, the two sides sat down for an initial working session to discuss the priorities for the Antwerp diamond industry.

Belgian Diplomats Working Lunch

The diplomatic staff of the Belgian foreign missions were also invited for a working lunch and briefing while they were gathered together in Belgium. On Thursday 29 October, AWDC organized the Belgian Diplomats

African Diamond Luncheon

The foreign diplomatic corps based in Belgium is also a significant target audience for AWDC. They are well aware of what is happening in their countries and need to be informed continually about the opportunities that the Antwerp diamond industry offers

During the visit, two diamond polishers, Wolf Ollech and Danny Meylemans, received the UNIZO label, "Handmade in Belgium", from

Working Lunch in The Hotel in Brussels in the framework of the contact days for diplomatic staff in late October. During this networking lunch, AWDC delivered a presentation to some forty diplomats on the current state of

their national economy. On 27 November AWDC gathered the ambassadors from African diamond producing countries around the table to discuss recent developments in the international diamond world. The meeting also addressed the decisions from the KP

Karel Van Eetvelt.

affairs in the Belgian diamond industry and outlined the geographic priorities with regard to rough and polished diamonds.

plenary session. Dorothee Gizenga, executive director of the Diamond Development Initiative, also delivered a presentation to the ambassadors.

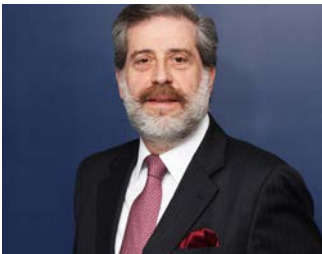
Epilogue

Board of Directors



Mr. Stéphane Fischler

President (Industry)



Mr. Freddy Inzlicht

Vice President (Bourses)



Mr. Kaushik Mehta

Vice President (Trade)



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Agarwal (Kedia)**

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(Bourses)



Mr. Samir Mehta

(Trade)



Mr. Ramesh Patel

(Trade)



Mr. Koen Vandembemt

(Independent)



Mr. Jacques Weisz

(Trade)

Management Team



Mr. Ari Epstein
Chief Executive Officer



Ms. Kim Van Weysberghe
PA to AWDC CEO



Ms. Manuella Merckx
Head of Diamond Office



Ms. Trisevgeni Stavropoulos
Head of Compliance & Legal



Mr. Michel Janssens
Head of Finance



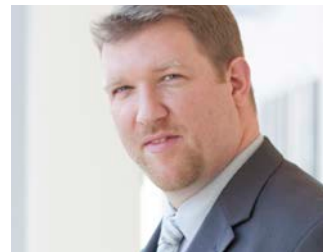
Ms. Margaux Donckier
Head of Communications



Mr. Mark Van Bockstael
Head of Business Intelligence



Ms. Karla Basselier
Head of Public Affairs



Mr. Stephan Van Hauwe
Head of Security and Operations



Ms. Karen Rentmeesters
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Mr. Pieter Van Bocxlaer
Head of Events

Colofon

Photography

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Pages: 1, 15, 17, 22, 27, 39, 43, 44 (photo Ari Epstein)

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Pages: 3, 5, 8, 9, 10, 11, 19, 20, 21, 23, 29, 31, 34

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Pages: 13, 18, 36

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Pages: 44 (photo's AWDC management)