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Sustainability at De Beers: Transforming the Diamond Industry

Amid the bustling 2023 end-of-year holiday season, Gemma Sandergateⁱ had diamonds on her mind, but she wasn't giving or getting one. Instead, as senior strategy director reporting to the CEO of De Beers, she was ringed by alternative proposals for transforming the long-dominant diamond company. At a board of directors meeting the next day, Sandergate was to present three such proposals and recommend what to do with them.

The De Beers CEO was new, just ending his first year after coming to the company with a background as a top executive specializing in sustainability at major petroleum companies.¹ De Beers itself was more than 130 years old,² with a past that was highly profitable but highly controversial, as well. Increasing challenges ranging from sustainability to synthetics to societal changes faced De Beers. It seemed no longer sufficient to assert that a diamond is forever.

The History of De Beers: Glittering and Autocratic

Diamonds form deep within the Earth's mantle over billions of years and gradually make their way to the Earth's surface via volcanic conduits, called kimberlite pipes³ (see **Exhibit 1**). Above ground, diamonds were revered for their rarity and brilliance. Their first recorded discovery was 2,500 years ago in the Golconda region of India.⁴ Initially exclusive to royalty due to their scarcity and high costs of extraction, diamonds became more accessible in the late 19th century with the discovery of extensive diamond deposits in southern Africa, which triggered a diamond rush.⁵

At the center of this transformative era was Cecil Rhodes, a British entrepreneur in Africa who got his start renting water pumps to hopeful diamond miners. He quickly pivoted to purchasing diamond mining

ⁱ Gemma Sandergate is a fictional character.

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