

SPOTT Report from Zoological Society of London scores Halcyon as 2nd most transparent rubber company

SINGAPORE, 9 December 2019 – Halcyon Agri Corporation Limited, the world's leading rubber supply chain manager, has been rated as the second most transparent rubber producing company globally, according to a first-of-its-kind new study.

The research gives Halcyon a score of 69.9% across categories that include Environmental, Social and Governance (ESG) and supply chain assessments. This is almost double the industry average score of 35% among major natural rubber companies.

The report, the world's first analysis of the natural rubber industry, was undertaken by international conservation charity ZSL (Zoological Society of London), using the Sustainability Policy Transparency Toolkit (SPOTT). SPOTT assesses multiple natural rubber producers and processors on the public disclosure of their policies, operations and commitments to ESG best practice.

The research assessed 15 significant natural rubber companies, in order to shed light on leading company disclosure practices within the natural rubber industry.

The scoring was based on each company's practices and policies across ten key criteria:

- Sustainability policy and leadership
- Landbank, maps and traceability
- Deforestation and biodiversity
- HCV, HCS and impact assessment
- Soils, fire and GHG emissions
- Water, chemical and pest management
- · Community, land and labour rights
- Certification standards/Sustainability initiatives
- Smallholders and suppliers
- Governance and grievances

Halcyon Agri's score and high ranking showcases its strong commitment to open visibility of its sustainability actions not only in its own operations, but also in support of all its suppliers. The company has built a reputation for positive disruption in the natural rubber supply chain, in areas such as sustainability and technology.

In 2018, Halcyon Agri announced its zero deforestation policy across its Cameroon plantations. This year, the company has joined forces with international and local NGOs to create a community-first approach to sustainable rubber.

The company also launched HeveaConnect, a first-of-its-kind digital marketplace, designed to bring transparency, sustainability and fair pricing to the natural rubber market. The company is also expected to announce two major industry-wide sustainability initiatives in the next three months.

In recent months, Halcyon Agri has also been vocal about the need for greater scrutiny on the natural rubber industry. With the rubber supply chain facing a sustainability crisis, the company has called for a spotlight to be shone on the industry to spark a global conversation about its future – and the company's CEO has welcomed this report.

Robert Meyer, CEO of Halcyon Agri, commented: "This is an important study for all in the natural rubber industry. The natural rubber industry faces a sustainability crisis and a hugely uncertain future. A crash in the natural rubber market would send shockwaves across vital consumer sectors like mobility and healthcare – and yet no one is talking about this issue.

"A study like this, which shines a spotlight on the industry, should be welcomed – not just by those in the supply chain, but the major companies and billions of consumers who use it every day. We're proud that our own place in the scores validate the efforts we have made to make Halcyon Agri as sustainable and transparent as possible. We are a company that leads from the front, and while there remains much work still to do, we are determined to leave no stone unturned in our sustainability vision."

Campaigning NGO Mighty Earth commented: "To get to sustainable natural rubber that protects our environment and human rights, we need every single rubber and tire company to commit to full traceability and transparency. Today, ZSL SPOTT launched transparency assessments of 15 rubber producers and processors. Halcyon, the world's largest rubber company, stuck to their commitments and received one of the top scores on the assessment. We call on every rubber company to follow their lead and embrace transparency."

More information on the study can be found here: link

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About Halcyon Agri

Halcyon Agri (SGX: 5VJ) is a leading supply chain franchise of natural rubber with a production capacity of 1.63 million metric tonnes per annum. The Group owns 38 processing factories in most major rubber producing origins and produces sustainable natural rubber under the audited HEVEAPRO brand. The Group leverages its extensive network of warehouses, terminals, laboratories and sales offices across the world to distribute a range of natural rubber grades, latex and specialised rubber for the tyre and non-tyre industries. Halcyon Agri is headquartered in Singapore and has about 17,000 employees in over 50 locations. For more information, visit www.halcyonagri.com.

About SPOTT

Developed by ZSL (Zoological Society of London), SPOTT – Sustainability Policy Transparency Toolkit – is an online platform supporting sustainable commodity production and trade. By tracking transparency, SPOTT incentivises the implementation of corporate best practice. SPOTT assesses commodity producers, processors and traders on the public disclosure of their policies, operations and commitments related to environmental, social and governance (ESG) issues. SPOTT scores companies annually against sector-specific indicators, to benchmark their progress over time. Investors, buyers and other key influencers can use SPOTT assessments to inform stakeholder engagement, manage risk, and increase industry transparency. For more information, visit www.spott.org.

About ZSL

ZSL (Zoological Society of London) is an international conservation charity working to create a world where wildlife thrives. From investigating the health threats facing animals to helping people and wildlife live alongside each other, ZSL is committed to bringing wildlife back from the brink of extinction. Our work is realised through our ground-breaking science, our field conservation around the world and engaging millions of people through our two zoos, ZSL London Zoo and ZSL Whipsnade Zoo. For more information, visit www.zsl.org.

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