



[aggregate]

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PEOPLE
PLANET

Driving the Sustainability Agenda

This Book details our pillars of sustainability (People and Planet), demonstrating our commitment to sustainable growth and an equitable supply chain where both the farmer and end consumer will profit equally. The report discusses our material factors covering Environmental, Societal and Governance (ESG) topics and outlines our contributions towards meeting the UN's Sustainable Development Goals (SDGs).

All data refers to Halcyon Agri Group's operations in Asia, Europe, America and Africa unless stated otherwise. No restatements were made from the previous report except for refinements on a few past performance data as detailed under "Planet" section. There were no significant changes to our organisation and supply chain during the reporting period.

Please contact us at sustainability@halcyonagri.com for any questions or feedback.

This report has been prepared in accordance with the GRI Standards: Core option, as well as with the Singapore Exchange's (SGX) Sustainability Reporting Guide. The report covers the financial year of 2019 (1st January to 31st December).

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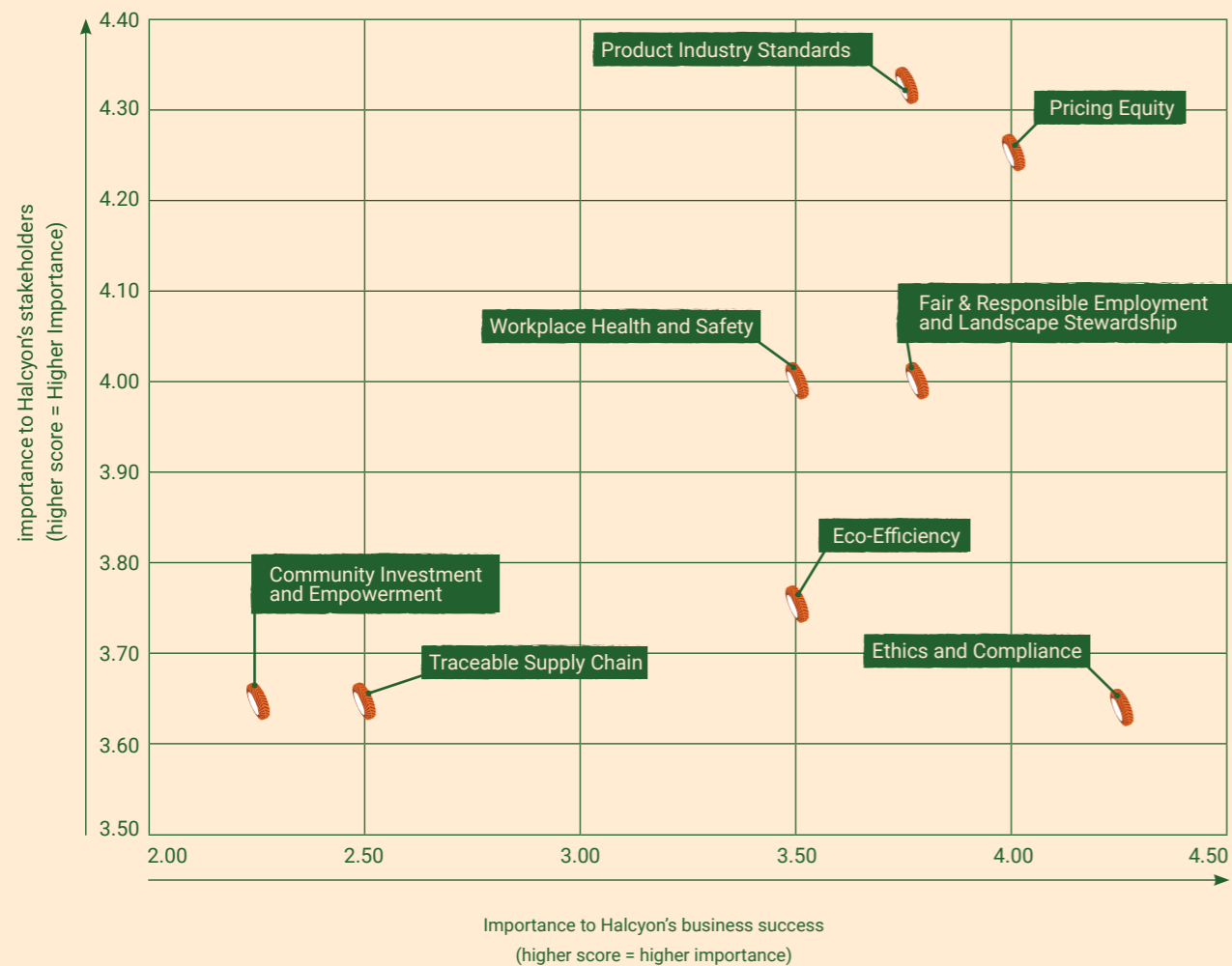
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Materiality

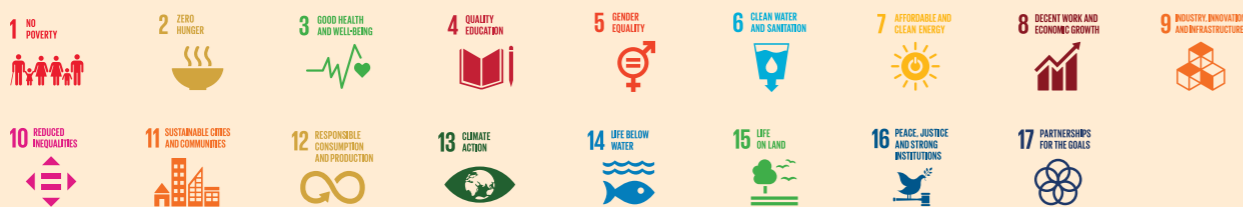
Guided by our SNRSCP commitments, we undertook a broad-ranging materiality assessment in 2019 which built on assessments conducted in previous years. In determining materiality, we took into account: where the issues matter across our supply chain, relevance to our key stakeholders and the risks and opportunities posed to our business.

Following guidance provided by the Global Reporting Initiative (GRI) and analysis of the areas most important to our stakeholders, we streamlined our material issues into nine key areas. This has since been approved by our Board.

Our materiality matrix illustrates the relative importance of material issues across our stakeholders and business. We will continue to engage with our stakeholders and refresh our analysis where appropriate.



The table in the next page provides further detail on how we define our material issues, where these issues are relevant across our supply chain, and the corresponding stakeholders, activities and GRI disclosures. The table also maps our material issues and activities against the United Nations (UN) Sustainable Development Goals (SDGs) following the Business Reporting on the SDGs developed by GRI and UN Global Compact.



Material Issue Description	Boundary	Key Stakeholders	Halcyon's Activities/ Initiatives	Relevant GRI Disclosures
Pricing Equity				
Just and fair distribution of the economic value of raw material across the supply chain	Relevant to both within and outside of Halcyon's operations. Halcyon's business depends on sustained supply from smallholders. Smallholder livelihoods are at stake	<ul style="list-style-type: none"> Smallholders Civil society (NGOs) Regulatory agencies, industry associations and certification bodies Financial community 	<ul style="list-style-type: none"> BOUNCE initiative HeveaConnect trading platform HeveaGROW training modules development Smallholders financing study Outgrower Programme implementation Various community investment activities for smallholders 	SDG: 1,8,9,10 GRI: Indirect Economic Impacts
Traceable Supply Chain				
Ability to trace raw material sources to identify our risk exposure against threats such as deforestation, environmental degradation or human rights and build transparency with our stakeholders	Relevant mainly outside of Halcyon's operations specifically with our smallholder suppliers	<ul style="list-style-type: none"> Customers Civil society (NGOs) Regulatory agencies, industry associations and certification bodies Financial community 	HeveaTRACE and Rubberway	SDG:9,12,13,15 GRI: Supplier Social and Environmental Assessments
Workplace Health and Safety				
Protecting the safety and health of staff, workers and surrounding community	Mainly relevant within Halcyon's operations. Visitors, suppliers and contractors entering our operations would be required to comply with our policies	<ul style="list-style-type: none"> Employees Suppliers Regulatory agencies, industry associations and certification bodies Financial community 	<ul style="list-style-type: none"> Health and Safety performance, HeveaPRO and management systems implementation, EHS trainings, International SOS service 	SDG: 3,8 GRI: Occupational Health and Safety
Fair and Responsible Employment				
Compliance to employment regulations and respecting the rights of staff and workers. Respect for human rights serve as a foundation principle for this material issue	Mainly relevant within Halcyon's operations	<ul style="list-style-type: none"> Employees Suppliers Regulatory agencies, industry associations and certification bodies Financial community 	<ul style="list-style-type: none"> HeveaPRO and management systems implementation, Women's empowerment programmes 	SDG:1,5,8 GRI: Employment

Material Issue Description	Boundary	Key Stakeholders	Halcyon's Activities/ Initiatives	Relevant GRI Disclosures
Eco-Efficiency				
Conducting business operations that minimise air, water and land pollution or ecological harm and conserving the use of natural resources such as water and energy and other production inputs	This issue is mainly relevant within Halcyon's operations but may affect stakeholders outside the organisation if not managed properly	<ul style="list-style-type: none"> Customers Civil society (NGOs) Regulatory agencies, industry associations and certification bodies Financial community 	<ul style="list-style-type: none"> Environmental performance HeveaPRO and management systems implementation Sudcam factory development 	SDG: 6,7,9,12,13,14 GRI: Water, Energy, Emissions, Effluents and Waste
Landscape Stewardship				
Application of integrated landscape management and good agricultural practices; Respecting community rights; Commitment to no deforestation and responsible acquisition and use of land for the business	Impacts are relevant within and outside of Halcyon's operations	<ul style="list-style-type: none"> Smallholders Customers Civil society (NGOs) Local communities Financial community 	<ul style="list-style-type: none"> SNRSCP Policy Update (No Deforestation) HeveaGROW Community Forest Outgrower Programme Sustainability Council formation 	SDG:12,15,16,17 GRI: Biodiversity
Ethics and Compliance				
Compliance to Halcyon's global standards and local regulations and adherence to universally-accepted standards and guidelines	Relevant within Halcyon's operations	<ul style="list-style-type: none"> Employees Customers Local communities Suppliers Smallholders Regulatory agencies, industry associations and certification bodies Civil society (NGOs) Financial community 	<ul style="list-style-type: none"> Corporate governance HeveaPRO and management systems implementation Environmental and socio economic compliance 	SDG: 8,16 GRI: Anti-Corruption, Environmental Compliance, Socioeconomic Compliance
Community Investment and Empowerment				
Contributing to the social and/ or economic improvement of stakeholders who have an influence and/or dependence on Halcyon's operations	Impacts mainly occur outside of Halcyon's operations. Halcyon can exercise its influence to address concerns of the community.	<ul style="list-style-type: none"> Smallholders Local communities Civil society (NGOs) 	Community Investment activities	SDG: 1,8,10,17 GRI: Local Communities, Indirect Economic Impacts

Stakeholder Engagement

Our stakeholders are those who have a considerable influence on our business, and whom our business has a significant impact on socially and economically. Our economic and social role is tied to our capacity to create value through a multi-stakeholder approach. The table below shows our eight key stakeholders and the methods and frequency of our engagement with them.

Employees

- Annual performance review and employee feedback sessions
- Training and development programmes, including empowering leaders in managing teams
- Quarterly publication of Halcyon Rubber Times Magazine and engagement via Facebook fan page
- Company-wide open-door policy and CEO townhalls in headquarters and other offices
- Grievance and whistleblowing procedures in place with assurance of confidentiality
- Worker unions or associations and collective bargaining arrangements with factory workers
- Volunteering and social activities

Customers

- Annual or periodic on-site assessments of our factories and plantations following customer timeframe
- Networking sessions hosted by industry associations at least once a year
- Periodic meetings and daily communication via phone and emails on topics such as quality and supply chain logistics
- As needed formal communications (letters) to customers to address concerns raised
- Media releases and updates shared with customers relating to company updates and news posted on our website

Smallholders

- Group meetings and discussions regarding concerns raised as and when needed, direct or via dealers
- Training on good agricultural practices as needed. We are on track to completing the HeveaGROW training modules for sharing with farmers in 2020.
- HeveaTRACE and Rubberway initiatives to identify and understand their situation

Suppliers

- Supplier performance feedback on a per project basis
- Sharing project management best practices when needed
- Briefing on environment, health and safety on site regulations (Processing)
- Training on proper usage of agricultural methods, pesticides and fertilisers (Plantations)
- Programmes are conducted as and when needed throughout the year

Civil Society

- Formal responses to civil society feedback posted on our websites or via email as needed
- Periodic or scheduled meetings with NGOs at our plantations or processing sites on a per issue or project basis.
- Establishment of the Cameroon Sustainability Council comprised of independent civil society participants
- Implementation of grievance procedures for access to remedy relating to our operations

Regulatory Agencies, Governments, Industry Associations and Certification Bodies

- Company information and updates online through disclosure of Annual Reports, Sustainability Reports, and news releases
- Periodic reporting of environment, health and safety compliance (regulatory agencies, governments)
- Third party assessments of our processing and plantation assets annually or as needed (certification bodies)
- Attendance in conferences, workshops and speaking engagements as scheduled by organisers (industry associations)

Financial Community: Financial Institutions, Investors, Regulators, Analysts and Shareholders

- Company information and updates online through disclosure of quarterly earnings, Annual Reports, Sustainability Reports and news releases
- Quarterly analysts briefing after the release of financial results
- AGM and EGM serve as important platforms for shareholders to communicate directly with the Board
- Finance and Investor Relations teams as intermediaries between Halcyon and investment community
- Senior management meetings with investors, analysts, and the media. Channels include conference calls, roadshows and industry conferences organised by major brokerage firms throughout the year

Local Communities

- Provision of a feedback channel at our processing and plantation sites to be treated confidentially
- Health campaigns within local communities conducted throughout the year
- Ad hoc and continuous in kind contributions to schools and educational institutions
- Technical or financial support for local infrastructure maintenance or development projects
- Periodic contribution to local socio-cultural activities and families in need

Corporate Governance

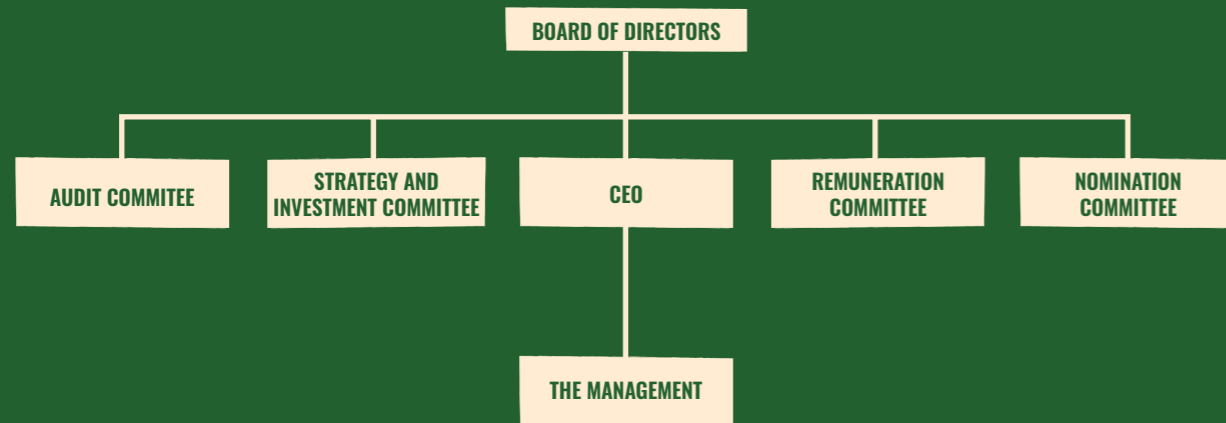
We are committed to upholding the highest standards of corporate governance to create long-term shareholder value. Under the Board's leadership, six key capitals: financial, manufacturing, intellectual, human, social and natural capital are allocated efficiently and productively in the best interests of our shareholders and other stakeholders. We adhere to all material principles and guidelines of the Code of Corporate Governance 2012, and all other applicable laws, rules and regulations. We engage proactively with regulators, governments, industry leaders and industry associations to understand local legal requirements across the jurisdictions where we operate.

Corporate Governance Structure

The Board embraces the principle of empowerment. While the Board delegates certain functions to the Chief Executive Officer (CEO), Board Committees and Management, the responsibility of overseeing the company's sustainability vision and performance in compliance with the GRI Guidelines and SGX Sustainability Reporting Guide, ultimately remains with the Board.

The CEO leads the management of material issues that are indivisible from the day-to-day operations while Management maintains a structured risk management approach that

incorporates a continuous process of identification, evaluation and effective management of the risk factors. Supporting the CEO, the Chief Corporate Officer leads sustainability disclosure and engagement with our stakeholders with guidance from an Independent Director highly experienced in sustainability matters. The Board also appoints professional firms to identify impacts, risks, and opportunities, as well as to conduct comprehensive studies on issues or concerns relating to the material risks when needed.



Ethics and Compliance

We act with integrity, fairness and transparency and do not tolerate corruption in any form. Our business principles underpin how our corporate culture delivers growth and positive contributions to the communities where we operate. The Board oversees these principles, recorded in our standardised Global Employee Policy made readily available to all employees.

We encourage our partners and suppliers to adhere to these principles by undertaking declarations of commitment to integrate these principles into their operations. Furthermore, we hold regular engagement sessions with them to understand the issues they might face in integrating these principles in their operations and provide assistance where required. Where needed, we visit our supplier sites to ascertain demonstrable integration of the principles in their operations.

Halcyon Agri's Business Principles

- 1 UPHOLD CORPORATE GOVERNANCE AND COMPLIANCE
- 2 PROMOTE ETHICAL BUSINESS PRACTICES
- 3 MAINTAIN A SAFE WORKING ENVIRONMENT AND NURTURE AND REWARD COLLEAGUES
- 4 ENGAGE RESPONSIBLY WITH OUR CUSTOMERS, SUPPLIERS AND PARTNERS WITH INTEGRITY
- 5 CONTRIBUTE TO SOCIETY AND SUSTAINABLE ENVIRONMENT

Ethics and Compliance

The Group has put in place a number of policies and standards, and systems for raising risk concerns as part of a strong ethics and compliance function. Our employees are expected to comply with the Group's policies and uphold strict standards of ethical business conduct. Key policies including but not limited to anti-corruption & anti-bribery, human rights & ethical business practice, anti-harassment and environment, health & safety are embedded into a Global Employees Policies handbook which has been communicated to each employee through our mandatory induction programmes.

To supplement the implementation of the Group's policies, open door and whistleblowing policies are also in place to allow employees and/or third parties to share their questions, concerns, suggestions or complaints and to ensure that their area of concern is addressed in the most appropriate manner. All instances of whistleblowing, including those that do not warrant investigation or any further action, will be reported to the Audit Committee. Grievances can be also directed to a dedicated email that goes to the Audit Committee.

As in recent years, we maintained an unblemished record of zero confirmed cases of corruption in 2019. An anonymous note concerning a subsidiary company was brought to the Company's attention in 2019. Investigation has since been concluded and there is no credible evidence that any misconduct has occurred. We also did not record any material breaches of relevant laws and regulations in our respective jurisdictions except for effluent quality issues experienced by our Cameroonian and Ivory Coast operations.

Focus Area	Compliance Cases			
	2017	2018	2019	2020
Grievances	1	1	0	Target:0
Corruption	0	0	0	Target:0
Whistleblowing	0	0	1	Target:0

Our Global Employee Policies

Equal Employment Opportunity and Diversity

Health, Safety and Environment

Competition and Antitrust

Human Rights and Ethical Business Practice

Responsible Use of Work Resources

Workplace Harassment

Anti-Corruption and Anti-Bribery

Whistleblowing

Sustainable Natural Rubber Supply Chain Policy (SNRSCP)

As the world's largest supplier of natural rubber and the owner of large plantation concessions, Halcyon understands its role and obligation to minimise impact on the environment while continuing to meet the growing demand for a critical natural resource. In response, the Group updated its Sustainable Natural Rubber Supply Chain Policy (SNRSCP) in February 2020 to reflect our commitment to **NO DEFORESTATION** in all Halcyon operations. We are the first rubber producer to publicly announce this commitment, further demonstrating our leadership in driving towards sustainable natural rubber.

Our SNRSCP is believed to be the most comprehensive policy in the industry embracing the following headline commitments:

1

Working conditions and living environment

To protect the rights of all supply chain stakeholders and create a positive work environment

2

Responsible land acquisition and use

To promote a socially and environmentally responsible value chain and improve the livelihoods and economic viability of local communities, ensuring FPIC methodology and guidelines are applied

3

Ecosystem protection

Commitment to zero deforestation and ensure responsible cultivation, harvesting and processing of natural rubber across the value chain

4

Ethics and transparency

To prevent corruption across the value chain, practice free and fair competition and develop a transparent grievance mechanism process for all stakeholders

5

Good agricultural practices and yield improvement

To promote effective and safe methods to maximise yields, including providing training, encouraging the use of natural fertilisers and improving environmental conservation practices

6

Traceability

To actively facilitate the development of traceability and improve transparency across the supply chain

7

Policy implementation and compliance

To ensure corruption-free and transparent implementation and reporting of this policy across the value chain

Sustainable Sourcing Policy

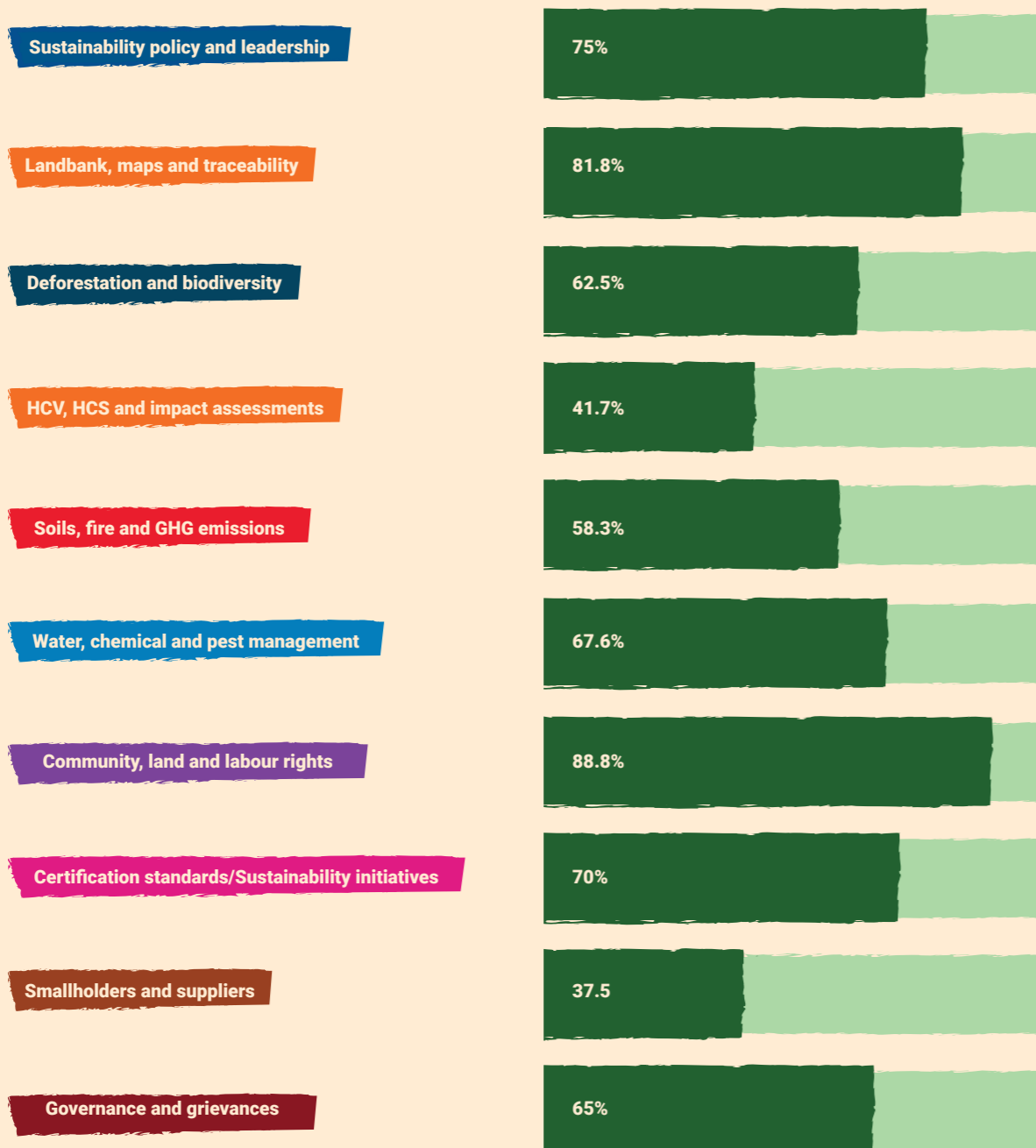
In 2019, we developed a Sustainable Sourcing Policy to articulate our requirements to suppliers. The policy mirrors our commitments to the SNRSCP. Being close to raw material sources, we recognise the complexities and challenges faced by our suppliers in implementing our sourcing policy. Our teams across Europe, the Americas and Asia have worked together throughout the year in developing a holistic rollout plan for suppliers. We will communicate this policy to our key suppliers in 2020.

The following sections report on our performance against these commitments. Halcyon remains determined to meet the highest sustainability standards for the industry and to provide customers with a premium critical product.

Sustainability Policy Transparency Toolkit (SPOTT)

SPOTT is an initiative of the Zoological Society of London (ZSL). In 2019, SPOTT expanded its scope to include natural rubber by launching its inaugural ESG policy transparency assessment. SPOTT assessed multiple natural rubber producers and processors based on publicly disclosed policies, operations and commitments to ESG best practices. The research assessed 15 significant natural rubber companies on leading company disclosure practices. The scoring was based on each company's practices and policies across ten key criteria.

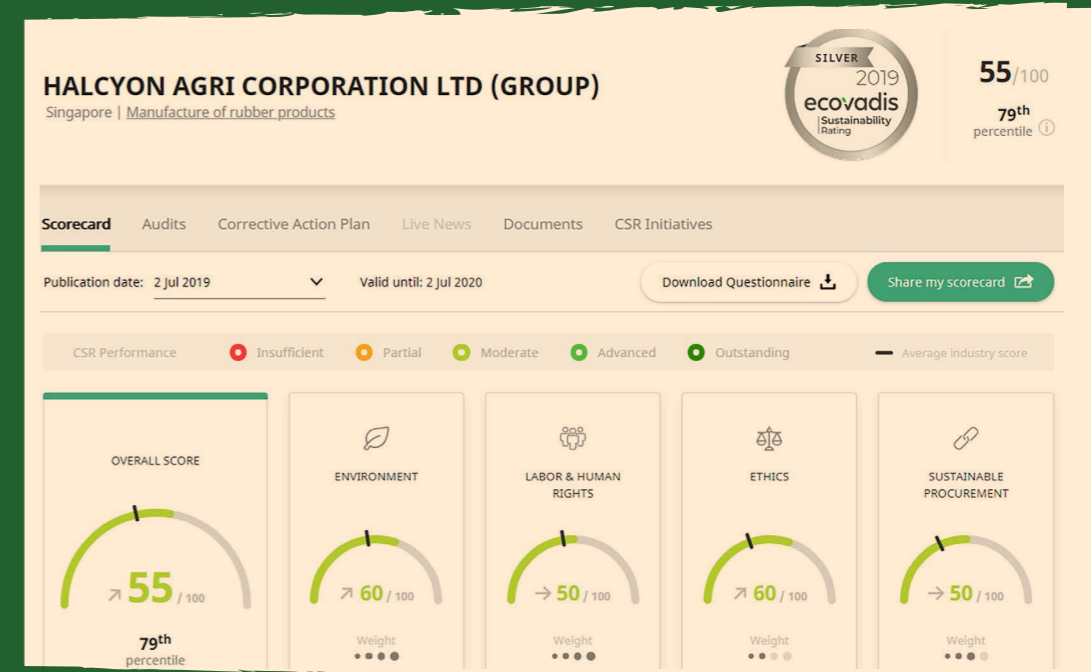
Halcyon was rated as the second most transparent natural rubber producing company globally with a total score of 69.9%. Our score is double the average score of 35% among major natural rubber companies and shows our strong commitment to transparency and sustainable practices. Our scores against all ten assessment categories are presented in the chart below.



For more details, please visit <https://www.spott.org/natural-rubber/halcyon-agri/>

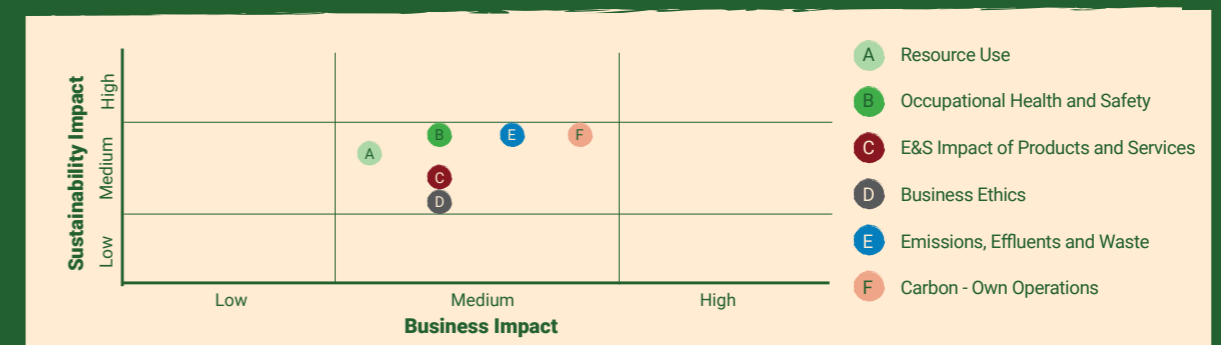
EcoVadis Business Sustainability Ratings Gives us a Silver

2019 marked our third EcoVadis supplier assessment evaluation. We went through our first evaluation in 2015 and obtained a score of 38/100 coming in at the 37th percentile amongst our peers. Our second assessment in 2017 witnessed our score increase to 45/100 and we maintained our bronze rating. Our performance amongst peers has improved significantly, with Halcyon Agri coming in at the 55% percentile. The latest assessment witnessed our overall score leap to 55/100 and attain a silver rating for the first time. We are now in the top 79% percentile amongst our industry peers, making us a sustainability leader in the natural rubber industry. Our scores for each component were higher than the industry average, with the areas of environment and ethics strong with a weighted score of 60/100. The scores for sustainable procurement and labour & human rights had a weighted score of 50/100 for each component. For our upcoming assessment in 2021, we hope to increase our overall score by another 10%. We understand and acknowledge that the EcoVadis supplier assessment tool remains the most robust in the industry and we strive to meet the higher standards and expectations placed by the assessment framework.



Sustainalytics ESG Report Rating

We obtained a total score of 64/100 for our 2019 ESG assessment by ratings agency, Sustainalytics, coming in at the 65th percentile amongst our peers in the assessment category. We were assessed across 30 criteria which focuses on ESG's policy, implementation, monitoring and measurement. There are no strong controversies reported in our operations and the ESG factors assessed were deemed to be of medium business and sustainability impact, and our preparedness led us to a neutral overall rating to ESG management. We have sound policies and programmes for managing material ESG issues relative to our peers in the assessed category. We hope to improve on our overall ESG score in 2020 through increased disclosures in data sets, trends and policy implementation. We recognise that ESG dynamics will continue to evolve and we need to be nimble in addressing and managing the ESG risks.



At Halcyon Agri, we believe in responsible human resource management and equal opportunity for all. We recognise contributions from our employees and share best practices to build learning throughout the organisation. We have put in place group-wide policies to guide our global workforce and enable a culture of collaboration and teamwork.

Mission Statement

- To provide a pleasant, nurturing and growth-oriented environment, which encourages our employees to be highly productive and to grow personally and professionally
- To support our customers by providing superior products of exceptional value, which help them gain a competitive advantage in their markets
- To develop diversified markets, which provide stability and adequate financial returns allowing us to achieve our vision and to provide full opportunities for all employees
- To operate with integrity and clear business conscience, and to achieve perfect health, safety and environmental records
- To sustain our vision and mission by constantly seeking renewal via continuous education and learning, and the application of new technologies and skills
- To develop a world-class group of companies serving the rubber industry

Halcyon Agri Values

Our values direct how we behave and our approach to achieving our goals

PERFORMANCE

QUALITY

RESPONSIBILITY

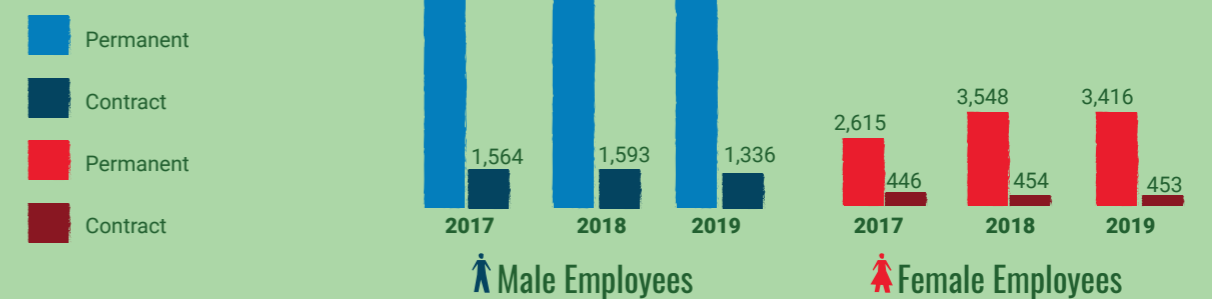
INTEGRITY

Human Capital

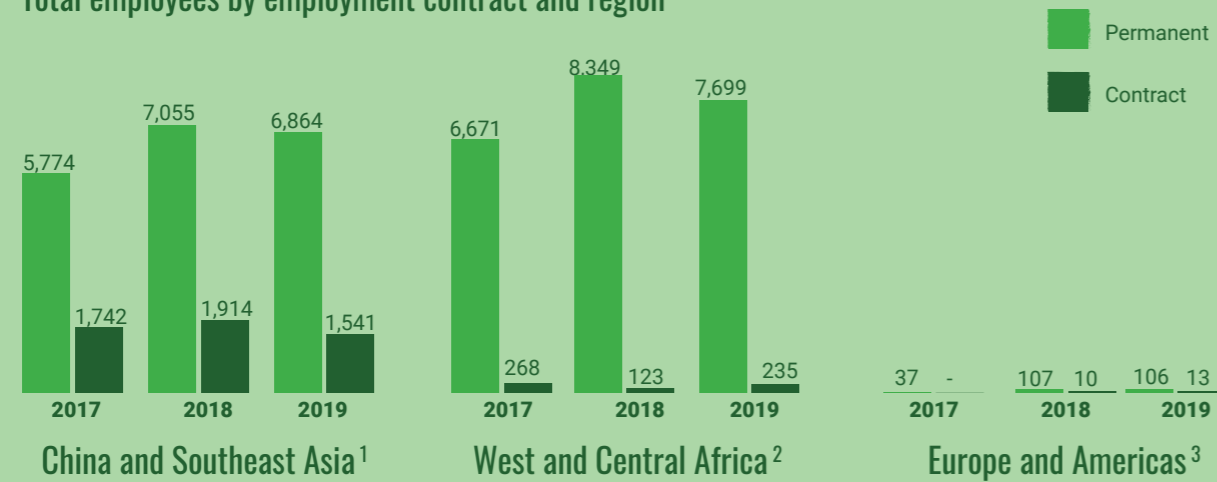
We support the careers and families of over 16,000 employees globally. Our workforce is comprised of 24% females with close to 90% regular employees working mainly in West & Central Africa, Southeast Asia and China.



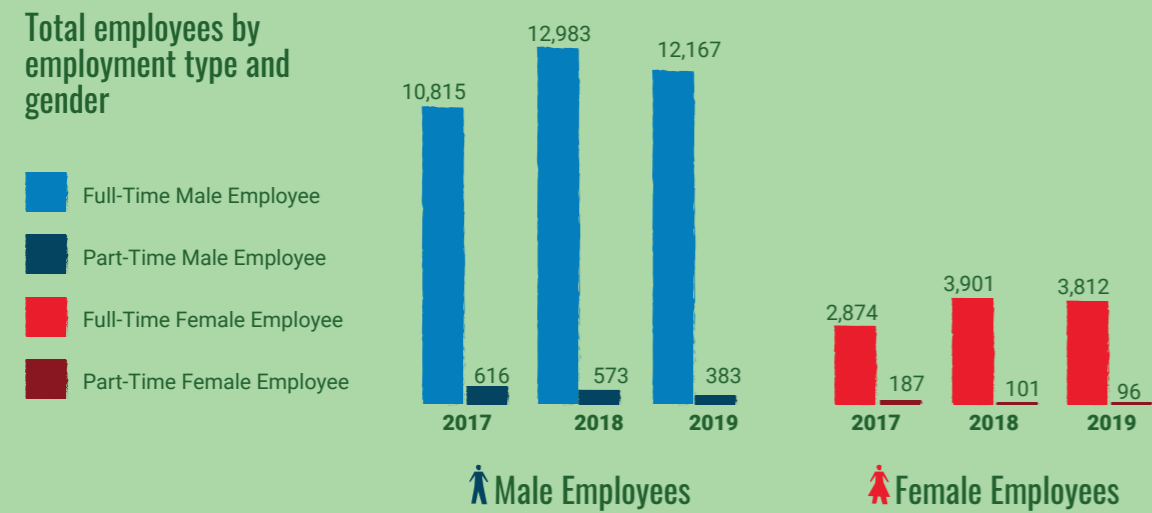
Total employees by employment contract and gender



Total employees by employment contract and region

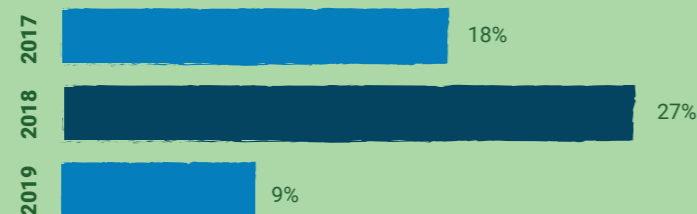


Total employees by employment type and gender



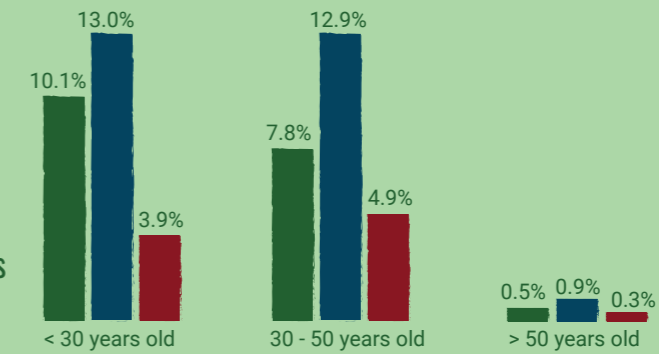
NEW HIRES AND TURNOVER

Total New Hires

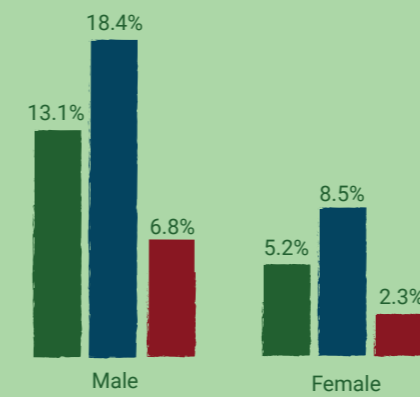


¹ China, Indonesia, Malaysia, Thailand and Vietnam
² Cameroon and Ivory Coast
³ Germany, Netherlands, Turkey, United Kingdom and United States of America

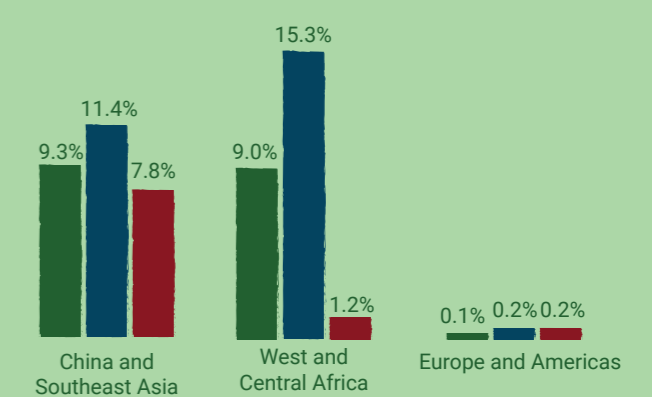
New hires by age



New hires by gender



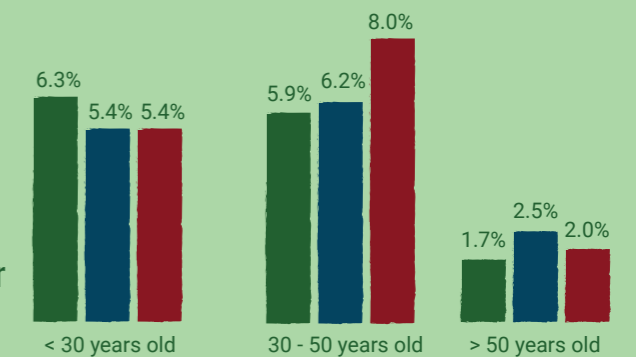
New hires by region



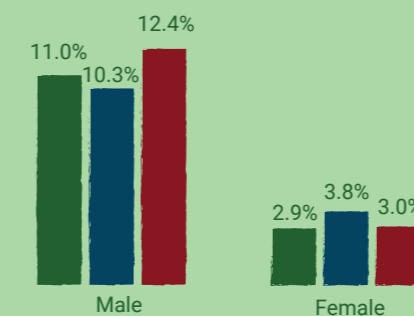
Total Turnover



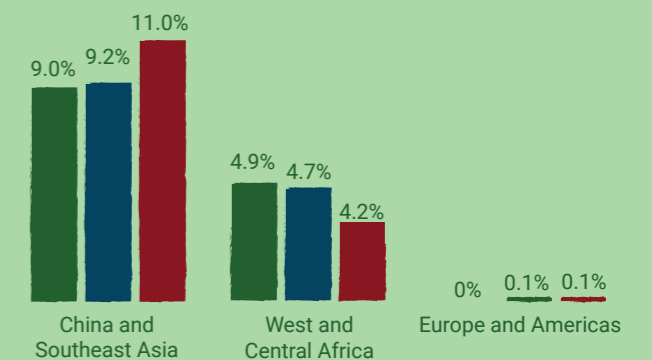
Turnover by age



Turnover by gender



Turnover by region

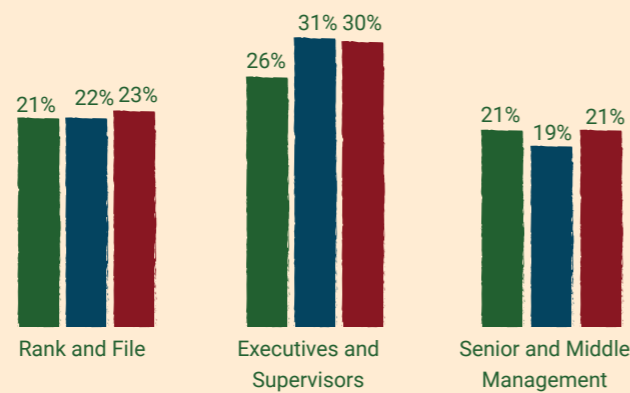
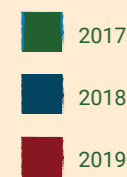


Note : Rates calculated based on total employees from previous year
 2016 : 13,883 2017: 14,492 2018: 17,558

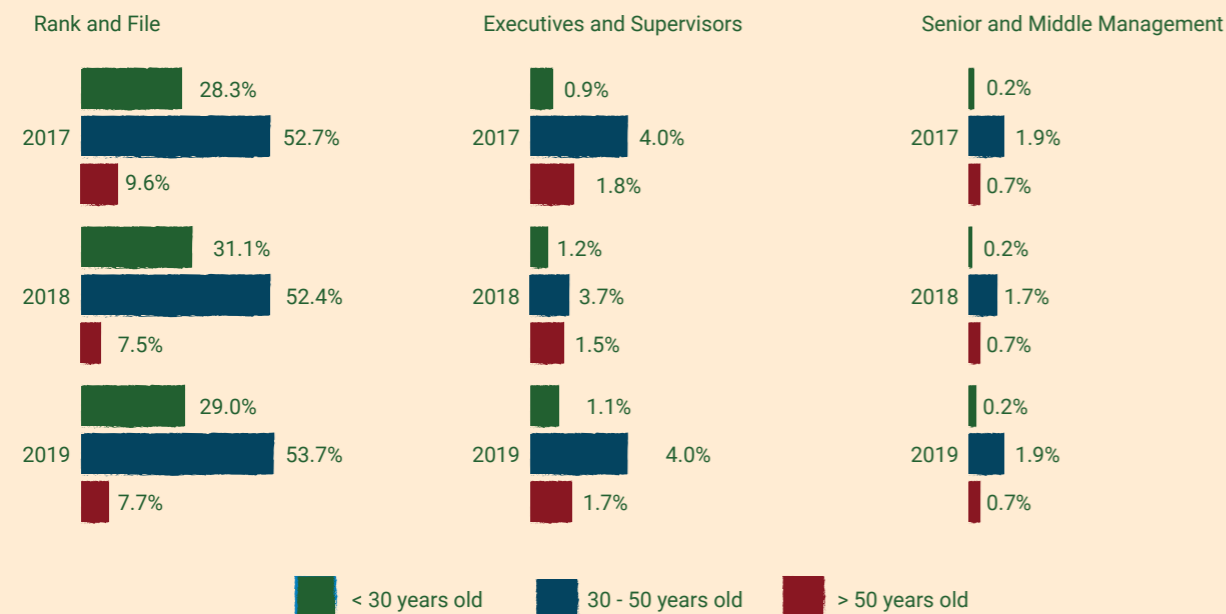
Legend: 2017 (Green), 2018 (Blue), 2019 (Red)

Diversity

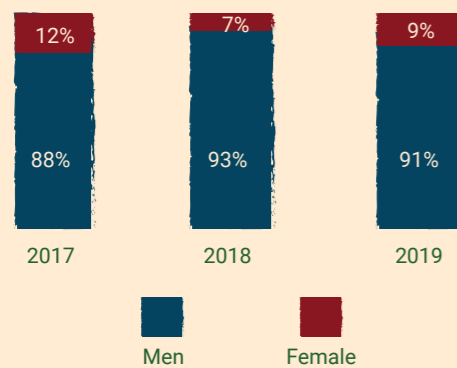
Employee category by gender (% Female)



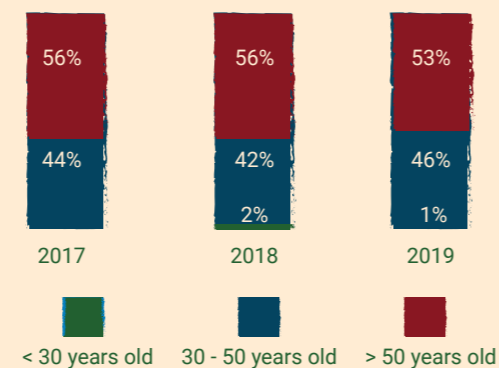
Employee category by age (% Total)



Senior management by gender (as governance body)



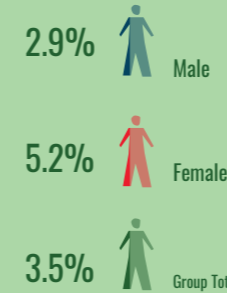
Senior management by age group (as governance body)



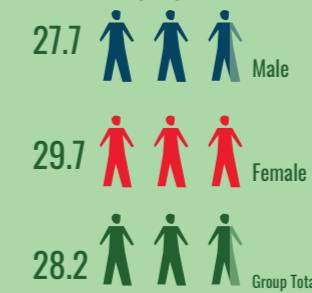
Workplace Health and Safety

Our commitment to health and safety is embedded in our Sustainable Natural Rubber Supply Chain Policy (SNRSCP). All our processing sites across Malaysia, Indonesia, China, Africa and Thailand are HeveaPRO-certified. All our HeveaPRO-certified sites have health and safety committees which are represented jointly by workers and management. The committees are implemented at a local level across our operations and report directly to senior management. Depending on customer requirements, our factories also possess various ISO certifications. All our factories are ISO9001-certified. We have 20 factories certified to ISO14001, and three factories certified to ISO18001. In 2019, we conducted an engagement session with our factory teams in Indonesia. The session aimed to strengthen implementation of our HeveaPRO integrated management system. The session facilitated the development of a global three-year plan starting 2020. This roadmap aims to strengthen accountability of environment, health and safety (EHS) activities across all levels in the organisation from factory to headquarters. This will be supplemented by EHS training and education programmes. We aim to have all ISO14001 certified factories transit to the latest ISO 14001: 2015 standards and move towards transiting our ISO18001-certified factories to ISO 45001: 2018. We remain on track to transit our factories to the latest versions of international management standards. Through the three-year plan, we hope to strengthen our implementation of HeveaPRO, ISO14001, ISO45001 and other relevant certification standards.

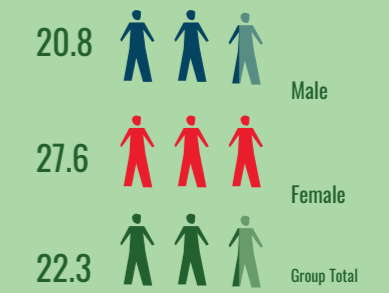
Absenteeism Rate



Injury Rate



Occupational Disease Rate



Lost Day Rate (Injuries)



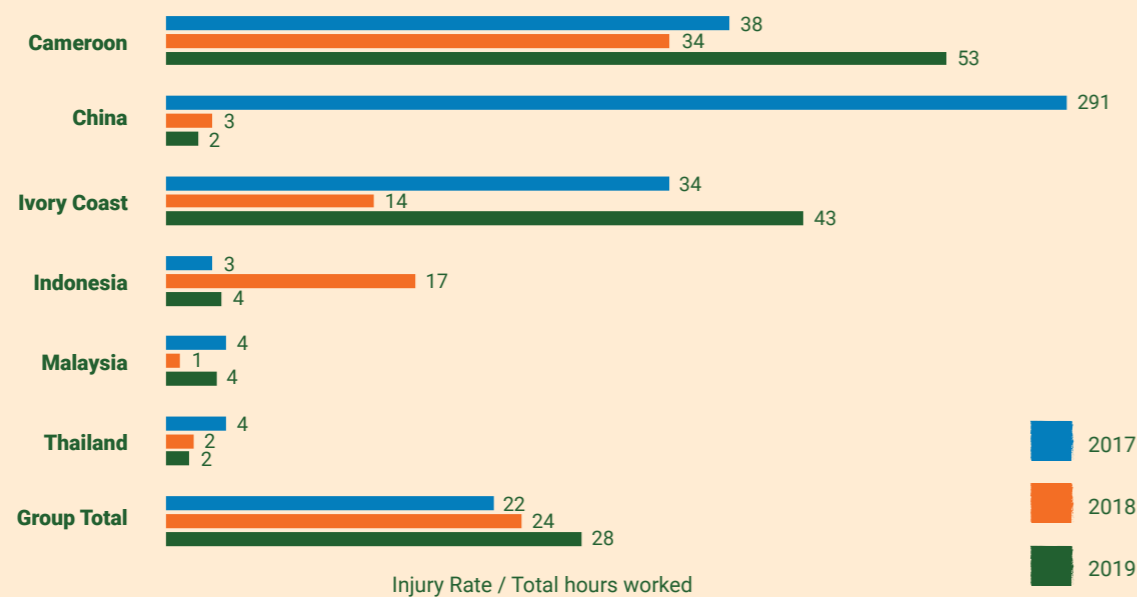
Workplace Fatalities



By Region	Absenteeism Rate (%)			Injury Rate			Occupational Disease Rate			Lost Day Rate (Injuries)		
	Male	Female	Group Total	Male	Female	Group Total	Male	Female	Group Total	Male	Female	Group Total
China and Southeast Asia	2.1%	5.2%	2.58%	4.0	1.3	3.4	35.0	54.1	39.0	19.3	17.6	19.0
West and Central Africa	3.1%	5.2%	3.5%	50.9	54.4	51.7	6.9	4.6	6.4	144.3	225.5	163.1
Group Total	2.9%	5.2%	3.5%	27.7	29.7	28.2	20.8	27.6	22.3	82.6	129.0	92.9

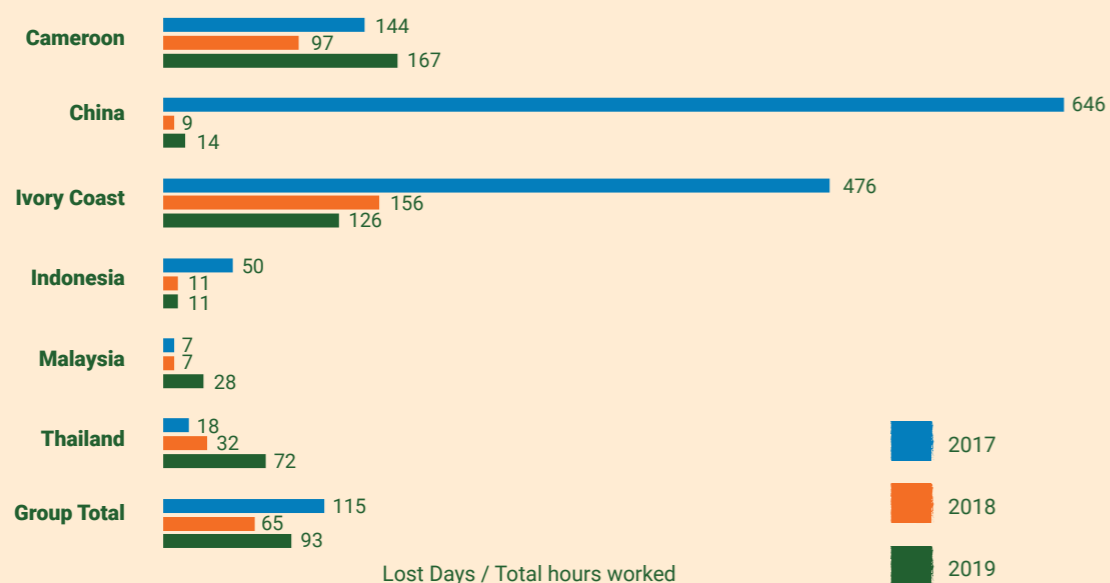
We are fortunate to report zero fatalities for 2019 and aim to achieve zero for 2020. We have also noted higher rates for female employees in relation to absenteeism, injuries, disease and lost days. In response, we will conduct root cause analyses to better understand these statistics. We will use 2019 data as benchmark for setting targets and monitoring progress.

Injury Rates for Processing and Plantation Operations



Calculation: Injury Rate = (Number of new cases of occupational injury x 1,000,000) / Total hours worked during a specific period

Lost Day Rates for Processing and Plantation Operations



Calculation: Lost Day Rate (Injuries) = (Number of days lost as a result of new cases of occupational injury x 1,000,000) / Total hours worked during a specific period

Our Group performance for Injury Rates in 2019 increased by 15% over previous year and is the highest in the last three years. The increase was driven by incidences at our African operations with a number of reported field injuries from our rubber-tapping workers in Cameroon and operations-related injuries from our factory workers in Ivory Coast.

Our performance on Lost Day Rates showed a 40% increase compared with the previous year but is still below the reported rate in 2017. Our operations in Cameroon, Malaysia and Thailand reported a higher number of lost days than previous

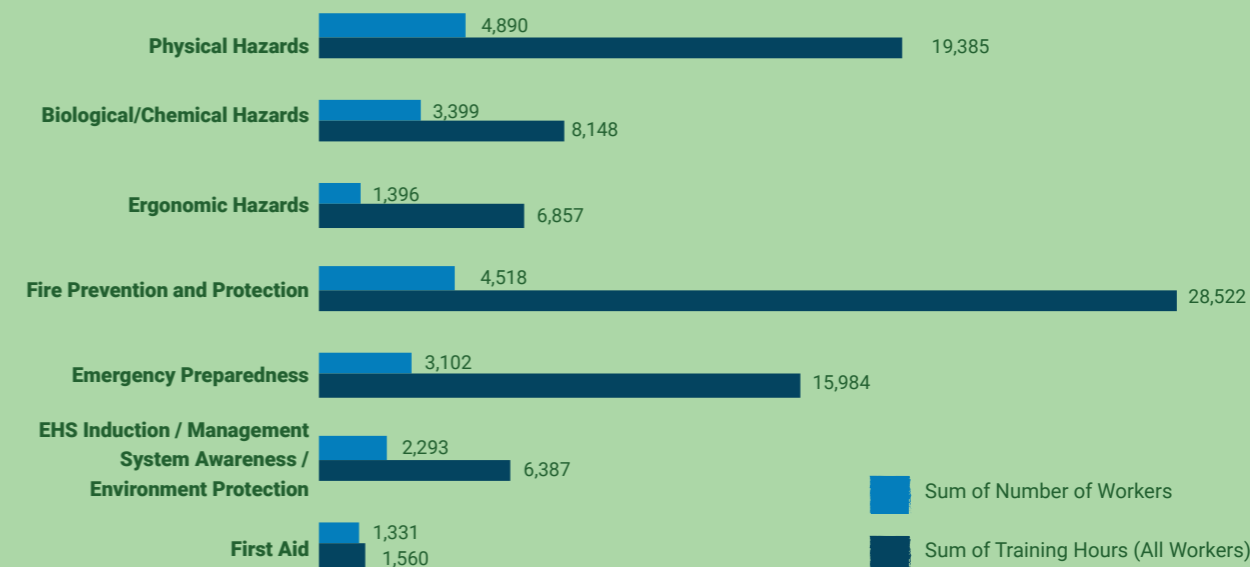
years. Lost days were a result of accumulated recovery time from injuries sustained by workers at our operations. Injuries reported include insect bites, slips and falls, cuts and fractures, and contact with chemicals from activities such as fieldwork, work at height, machine operation and rubber tapping. Guided by our EHS plan and strengthened implementation of HeveaPRO standards and other health and safety management systems, we aim to reduce our group overall injury rates and lost days from 2020. We will achieve this through strengthening EHS accountability across organisational levels and delivering targeted training and education programmes to our site teams.

Travel Safety

As part of our commitment to workplace health and safety, Halcyon also provides employees with medical, safety and security expertise and emergency evacuation when travelling for business via International SOS, the world's leading medical and travel security risk services company. This reinforces the health and safety of our mobile workers, international assignees and their dependants by giving them access to country-specific risk ratings, expert medical and travel security advice or referrals, and 24/7 assistance prior to travel, during travel, and in the event of an incident.

Our partnership with International SOS also allows us to accurately locate our mobile workers and international assignees in the event of an incident, to be able to respond effectively and take appropriate measures to safeguard their health and safety. Thanks to our digital travel risk mitigation programme, we have implemented health and safety management practices that identify, eliminate, mitigate, or avoid foreseeable occupational health and safety incidents for all of our mobile workers and international assignees especially when Halcyon has no control of the workplace(s) involved. This forms part of our risk management strategy to fuel business growth and productivity.

2019 Global EHS Training Records



In 2019, we continued EHS training programmes across our African, Chinese and Southeast Asian sites. A total of 21,149 workers logged a total of 88,093 training hours. This is an average of four hours training per worker, an increase compared with 2.5 hours per worker in the previous year. Preparedness training was mainly on fire prevention and protection followed by emergency preparedness, EHS inductions and awareness, and first aid. For hazards, most training related to physical hazards such as working at height, confined spaces, machine and tools operations, and road safety. Chemicals handling, Personal Protective Equipment (PPE) usage and maintenance, personal hygiene and sanitation and proper posture and movement are some of the topics covered under biological, chemical and ergonomic hazards training. Tracking our training activities will enable us to formulate effective policies and practices supporting our global EHS roadmap.

Women's Empowerment

Female empowerment remains both an opportunity and social challenge in many societies, and we recognise our responsibility to accelerate gender equity and equality throughout our supply chains.

Community forums provide large platforms to disseminate messages of empowerment. Last year, our communities held various celebrations such as International Women's Day, African Women's Day and the International Day of Rural Women. We continued our support for marital unions following the memorable wedding of almost 60 couples in Cameroon presided over by the Lord Mayor of Niete Sub-division, Mengue Jean Jaures on the International Day of Rural Women in 2019. Our support for these legalised unions ensures that the rights of married women are given stronger protection. In addition, we

plan to formalise birth certificates of unregistered children in collaboration with the district's Social Affairs Department and the Court of Kribi, Cameroon.

We continue to increase the scale of our drive to recruit more women as we recognise the need for women to provide additional income for their families to improve their quality of life. More training programmes and childcare facilities will be developed, freeing many women from the barriers hampering their professional development. We will also focus on campaigns fighting gender violence and sexual abuse. We remain committed to support gender equity and equality throughout our operations.



Traceable Supply Chain

Traceability has become a fundamental requirement for the natural rubber industry. Rubberway and HeveaTrace are tools that help to identify and profile smallholder farmers to enable greater transparency in the supply chain. While both tools are different in their approach, they have the common goal of ensuring a sustainable supply chain.

Rubberway is a smartphone application co-created by Michelin, Continental and SMAG. It is designed to map sustainability activities across the natural rubber industry by assessing practices and risks relating to human rights, environmental protection, social development, and source provenance. More specifically, Rubberway's overall assessment is obtained from 12 risk indicators:

1. Decent wage and minimum wage
2. Working hours
3. Workers' entitlement to rest
4. Presence and management of migrant workers
5. Child labour
6. Health and safety
7. Grievance systems
8. Environmental management
9. Biodiversity and deforestation
10. Land ownership
11. Agricultural training
12. Traceability and transparency

2019 Rubberway results on the social and environmental risks of specific geographies in Thailand and Indonesia.

Country Region:	Southern Thailand					Jambi and South Sumatra, Indonesia						
Administrative Division ⁴	1	2	3	4	5	6	7	8	9	10	11	12
Overall Rubberway Assessment	Green	Green	Green	Green	Green	Green	Green	Green	Green	Yellow	Green	Green
I. Respecting People	Green	Green	Green	Green	Green	Green	Green	Green	Green	Yellow	Green	Green
II. Protecting the Environment	Green	Green	Green	Yellow	Green	Green	Green	Green	Green	Green	Green	Green
III. Agricultural Practices	Yellow	Red	Yellow	Green	Green	Yellow	Red	Green	Yellow	Yellow	Yellow	Yellow
IV. Supply Chain Traceability and Transparency	Green	Green	Green	Green	Green	Green	Green	Green	Green	Yellow	Green	Green

85 to 100	Minimal risk	65 to 84	Low risk	45 to 64	Risk under control
25 to 44	Medium risk	0 to 24	High risk		

As of December 2019, Halcyon has rolled out Rubberway to 12 administrative divisions across Thailand and Indonesia, reaching approximately 1,600 smallholder farmers in our supply chain. The results provide a detailed breakdown of geographic risks inherent in the locations we operate. From human rights and social development indicators, we observed that low rubber prices are affecting the incomes of smallholder farmers and in many cases have resulted in reduced incomes below legal minimum wages. We also observed a lack of access to knowledge on best agriculture practices for farmers. This poses supply chain risks as farmers are not able to optimise tree productivity and thus enhance their yields.

Low yields directly translate to reduced incomes for farmers. HeveaGROW training modules will address these issues for farmers, especially in locations where this has been identified as a risk. Biodiversity conservation and protection also poses a supply chain risk as farmers are not made aware of the importance to preserve biological assets. The training also

teaches farmers to maintain and clear land in a sustainable manner without adopting illegal practices.

HeveaTRACE

Another initiative is HeveaTRACE. Developed by Halcyon, it is a supply-chain traceability tool to map and provide data from smallholder farmers to processing mills with key ESG metrics. The tool aims to provide visibility and transparency of the supply chain while achieving the UN Sustainable Development Goals (SDGs). While Rubberway adopts a risk-based qualitative approach to supply chain traceability and transparency, HeveaTRACE provides a quantitative approach to assess socio-economic and environmental issues within the natural rubber supply chain.

Using CropIN's smartphone based application, HeveaConnect field staff traced and profiled 1,000 smallholder farmers in Jambi province, Indonesia. Farmer plots were geo-tagged and GPS coordinates captured together with qualitative information

⁴ For data privacy reasons, administrative divisions are represented numerically

on the sub-districts and villages where farmers reside. The GPS coordinates show the source provenance of natural rubber being processed at Halcyon factories in Jambi. The farmers were surveyed in various regencies to obtain a representative sample size across Jambi. Information gathered from smallholder farmers include family unit size, land area and location, income levels and farm maintenance practices. Any information gathered is kept confidential and secure. HeveaTRACE aims to provide the information to meet upstream traceability requirements of tyre companies and natural rubber processors stated in their respective sustainability policies.

The results from the concurrent rollout of HeveaTRACE and Rubberway have been complimentary. For instance, prolonged low natural rubber market prices were equally reflected in both rollouts as farmers struggled to secure sufficient incomes to feed their families, send their children to school and pay their utility bills. This translated to longer working hours in the field, sometimes for up to six days compared with three days previously. Both rollouts also indicated a need for technical assistance to manage pests and diseases in the field. We found that rubber trees were affected and destroyed by termites, leaf blight and white root fungus disease but farmers lack of knowledge about the application of fertilisers. The strong call for agricultural training and assistance for smallholder farmers resonated across both approaches. HeveaGROW will address these issues via modular training videos on best agricultural practices.

HeveaTRACE has also met its target of surveying 1,000 smallholder farmers from June to December 2019. The data collected provided us with interesting insights. For example, there were significantly more farmers obtaining their income from multiple streams compared with a single income stream from natural rubber in some regencies than others. We also used the freely available Global Forest Watch (GFW) Pro tool to conduct deforestation alerts, tree cover loss and land conversion analysis on the smallholder farmer plots and found that the deforestation alerts in August and September 2019 correlated well with haze episodes.



HeveaTRACE field representatives conducting interviews with smallholder farmers in Jambi, Indonesia.

HeveaTRACE will now focus on impact monitoring and measurement. Having traced farmers to source and developed a database of their profiles and geo-locations, HeveaTRACE would segment farmers based on their income profile and offer targeted assistance. The identified farmers will be trained via the HeveaGROW programme to improve agricultural practices and secure better prices for their rubber. Where needed, agricultural resources will also be provided to them. These farmers can then adopt a collective selling model and transact with factories through a collection station. This direct selling method will enable farmers to secure higher prices for their rubber without needing to go through and negotiate with intermediaries. The impact of any training can be measured by assessing the improvement in quality and Dry Rubber Content (DRC) of rubber purchased at the collection stations. After this pilot implementation, we will assess if this collective selling model can be scaled up.

The HeveaTRACE questionnaire to profile farmers will be expanded to address all other relevant sustainability policy requirements of tyre companies and processors to make this more suite. The data collected will feed into an ESG risk matrix with an ESG risk score assigned to each regency.

Partnership for Sustainable and Traceable Supply Chain

We have been in partnership with a major tyre customer since 2017 to pilot a fully traceable system for natural rubber production in Kalimantan, Indonesia. As part of the programme, a targeted group of smallholders in the pilot area are trained to grow high-quality rubber in accordance with a set of clearly defined sustainability criteria developed by a third-party agency. A mobile application has been developed to facilitate the collection and registration of farmers' details and to track transactions made. To safeguard the traceability of raw material, a dedicated collection point was set up to support the collection of raw material from these registered farmers. The traceable raw material will be sent to our designated factory in Kalimantan and be processed separately for delivery to the said tyre customer. This pilot project exemplifies a 100% traceable and sustainable natural rubber supply chain. Smallholders who participate in this project are rewarded with better prices compared to non-traceable raw material.



Smallholder Capacity Building (HeveaGROW)

HeveaGROW is an initiative by HeveaConnect focused on curating and providing natural rubber smallholder farmers with best agronomical practices to improve yields. Our engagement with smallholder farmers through Rubberway and HeveaTRACE in Indonesia has found that they lack information on good agronomical practices but that they are eager to gain access to these. HeveaGROW is the bridge to impart knowledge on best practices to smallholder farmers. By collaborating with SNV, a Dutch-based non-profit international development organisation with strong expertise in farmer training and development within the natural rubber industry, HeveaConnect is working to develop digital content for smallholder natural rubber farmers.

We are working on five modules on Best Management Practices (BMP) that address key elements of rubber tapping, agroforestry, crop maintenance, pest management and natural rubber storage and processing. By digitising training material, we can offer this to a wider group. This would improve farmer yields which translates to increased incomes and improved livelihoods. Land stewardship is enhanced through sustainable land clearing practices in line with the Group's Sustainable Natural Rubber Supply Chain Policy.



Video production crew filming HeveaGROW videos with smallholders in Jambi, Indonesia

HeveaGROW's format using bite-sized modular videos offer a more targeted approach to training and will allow easier assimilation of knowledge. Trainers are able to quantify yield improvement within specific periods and conduct analysis to correlate it with income improvement.

HeveaConnect and SNV signed a Memorandum of Understanding (MOU) in February 2019. SNV provided the training content and framework with HeveaConnect adding technical and digital expertise to shoot and curate the video series. Fieldwork for the project commenced in October 2019, and the storyboard and video for the first module were completed by the end of 2019. Feedback was obtained from about 30 smallholder farmers from Jambi province and incorporated into the final product.

HeveaConnect will continue to collaborate with SNV to complete the creation of all modules in the first half of 2020. These videos will be translated to other languages for interested stakeholders to target farmers in other areas. The key goal of HeveaGROW remains to impart best management practices to smallholder farmers not only in Indonesia but in other rubber-producing countries.



Community Investment

Across our operations in West & Central Africa, China and Southeast Asia, we implemented various development and engagement programmes with local communities. In 2019, we invested an estimated US\$656,000 globally in these activities. Almost 50% of this amount was spent on smallholder empowerment through skills training, contribution of equipment and planting material and direct purchase of raw materials through programmes like the Outgrower Programme in Africa. Approximately 23% was spent on education support through in-kind donation of school supplies and sponsorship of teacher wages. The rest of the funds were spent on in-kind or as monetary donations to activities ranging from local cultural and religious activities, healthcare programmes, sports for persons with disabilities, community financial assistance and infrastructure projects. We share notable examples from our territories in this report.

Cameroon

Corrie MacColl believes that accessible healthcare is key to a thriving society. 2019 saw the coordination of several large-scale awareness campaigns across our Cameroon plantations, supported by the Cameroonian authorities that aided communities in prioritising good health.

In advocating prevention over cure, we had a vaccination campaign of 2,500 young children against Rubella and Measles. We also conducted a Malaria awareness campaign and distributed over 15,300 mosquito nets. Through educational talks, games and interactive sessions, our health teams encouraged more open dialogue surrounding the management of health risks; an approach that resulted in over 2,000 people participating in our 2019 HIV-AIDS awareness and testing campaign. These initiatives add to the permanent community facilities of two hospitals with ambulances and the 23 medical dispensaries.



Participants in our campaign

Southeast Asia

Halcyon Agri also supported the disabled community by becoming the title sponsor of the International Wheelchair Rugby Super Series 2019 in collaboration with BSF Asia, a non-profit organisation that aims to improve the lives of persons with disabilities through the power of sport and play. Wheelchair Rugby is a Paralympic sport recognised by the Singapore Disability Sports Council and is played in over twenty-five countries around the world. Studies have shown that Paralympic sports promote resilience, enhance self-esteem and self-efficacy among persons with disabilities. The Super Series aimed to promote these values and build awareness as well on their greater inclusion in society.

The Super Series was held throughout the year across Malaysia (Ipoh), Indonesia (Bali and Palembang) and finally Singapore which hosted the finals matches. Cheered on by their families and friends, teams across Indonesia, Malaysia, Europe and Singapore played against each other and displayed great sportsmanship and camaraderie.

Almost a hundred of our staff volunteered their time to assist the match organisers, BSF Asia. At least 1,400 volunteer hours were spent to ensure the success of each match. The event not only provided a bonding experience for the players and their

China

Our Chinese operations in 2019 heeded the call of United Nations and the Chinese government to support a poverty alleviation programme for a Mange village, a community located in Yunnan Province. The project aimed to increase total income through the provision of employment opportunities and raw material purchase from villagers.

The project was completed in December 2019 with the following outcomes achieved: (1) 20 jobs offered to villagers, (2) Direct purchase of natural rubber raw material from Mange village with a value at almost 2 million Yuan, (3) Assistance in establishing a purchasing site, and (4) In-kind donation of raw material handling equipment. Moving forward, we will continue to work with local governments to promote community investment activities such as poverty alleviation at villages within our communities.



Our Halcyon team inspecting raw material purchased from Mange Village members

loved ones but also gave our employees and their families a source of inspiration from witnessing the players' determination despite their disabilities.



Indonesia against Europe at the semi-finals match

Indonesia

We initiated a health campaign in one of our Palembang factories targeting staff and their families living in company-provided housing. Factory management initiated this to build a spirit of cooperation and shared responsibility in hygiene and cleanliness.

The team launched two programmes with the themes "My House is a Healthy Home" and "Green My House" in 2019. The programmes were launched as competitions, with factory management setting participation rules and sponsoring materials and equipment for cleaning and decorating housing blocks. Judges then conducted inspections and chose the winning blocks with the winners given cash prizes.

Beyond holding the competition, the campaign was successful in promoting cleanliness in and outside of the home and building good hygiene and healthy living habits for our employees and their families. A spirit of neighbourliness was also observed as families came out to clean common housing areas and set up of a community pharmacy. The factory also saw an estimated 70% reduction in annual contracted maintenance and cleaning costs as a result of the campaign. The plan is to introduce this programme to other factories in our group.



Image of housing blocks before and after the competition

Malaysia

As a matter of company policy, our plantation teams regularly interact with neighbouring stakeholders including other companies and villagers. These interactions aim to understand common concerns or issues. At our estate in Malaysia, we learned that a bridge used by our plantation team and stakeholders was in a state of disrepair. In response, we engaged in a concerted effort with local officials and villagers and a timber company to rebuild the bridge.

In-kind contributions were made with the timber company providing logs, Halcyon supplying heavy equipment and construction material, and villagers providing manpower. A temporary wooden bridge was built first to allow continued access for all users while an iron bridge will be built by the end of 2020 for permanent long-term use. The collaboration provided mutual benefits for all parties as it will provide a commuting route for local villagers and strategic access for companies such as Halcyon who have operations in the area. The collaboration will continue to ensure regular structural monitoring and inspection of the bridge.



Temporary bridge in the foreground taken in August 2019

Thailand

In our Thai operations Teck Bee Hang (TBH), our team initiated a supplier engagement workshop in partnership with our customer, Bridgestone. The workshop aimed to raise awareness on the benefits of good quality rubber and issues arising from raw material contamination.

Over 50 dealer representatives attended the one-day workshop which was delivered by Bridgestone and TBH. For dealers and farmers, good quality rubber can command a better price. For processors and customers, good quality rubber means less water and electricity consumption and waste generation in the production of tyres.

TBH, together with Bridgestone and dealers aims to reach out to farmers and build awareness on the negative effects of contamination and promote mutual benefits of ensuring good rubber quality across the supply chain.



Workshops participants listening to presenters from Teck Bee Hang and Bridgestone

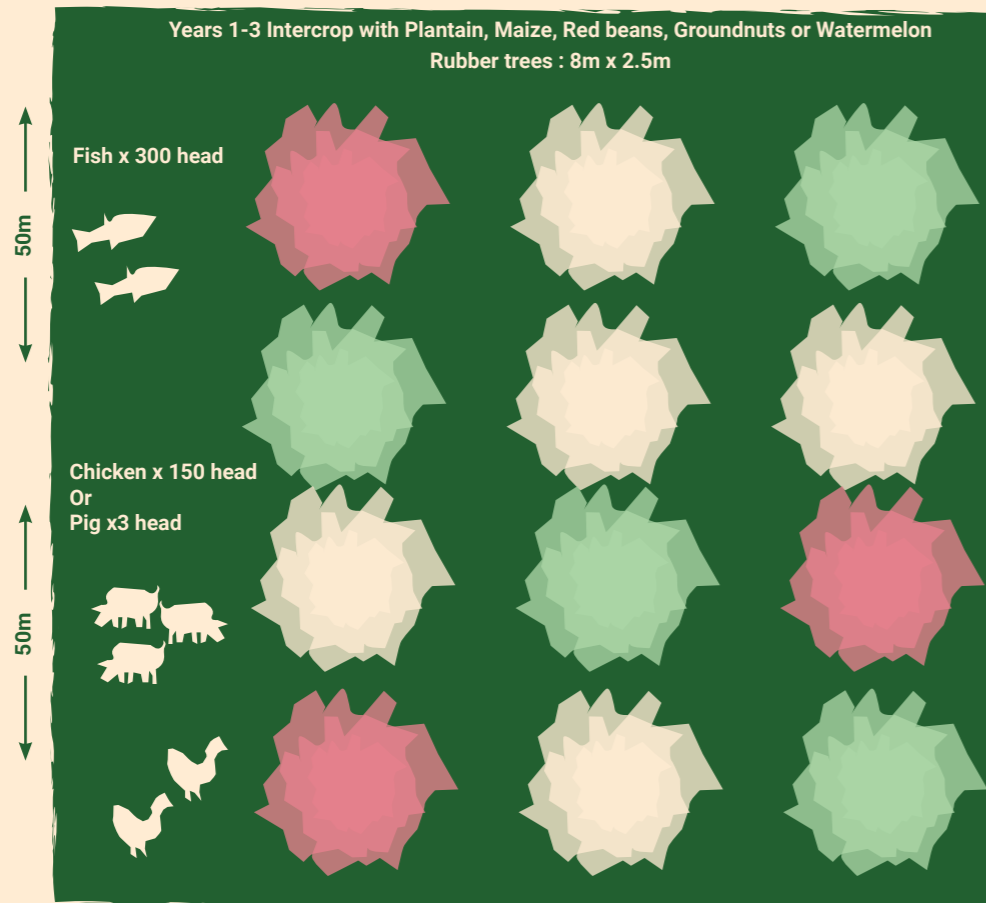
Outgrower Programme

The Outgrower Programme is our latest strategic measure in improving the livelihoods and economic viability of the rural communities that border our plantations. The objective of the programme is to educate and empower smallholders in possession of degraded or fallow land and assist them to create multi-crop farms around a core of natural rubber. The guaranteed purchasing of raw material and the teaching of agronomical best practices will create sustainable employment and strengthen rural economies.

The programme was first launched in Cameroon with the participation of approximately 13,000 Cameroonian smallholders. 27,000 hectares of land has been earmarked,

with an initial development of 750 hectares in 2019. Land within High Conservation Value or High Carbon Stock areas are exempted, and appropriate land deeds were secured prior to development. To ensure best practice and to adhere to our SNRSCP, all candidate-smallholders must undergo rigorous sustainability assessments while the independent Cameroon Sustainability Council has full oversight of the programme.

Based on an integrated farming model, rubber trees are intercropped with plantain, maize, red bean, watermelon or groundnuts, and combined with livestock of fish, pigs or chicken. This model brings opportunities for food security and trade between farmers.



Smallholder Financing Study

The natural rubber industry is supported by approximately six million smallholder farmers mostly in remote regions of developing economies. Living and working conditions of these farmers vary greatly depending on their geographical location. At current prices, it seems that the average monthly earnings of a smallholder farmer in Indonesia is typically US\$85, representing less than 50% of the country's minimum wage. This is neither acceptable nor sustainable over the long term, both in terms of farmer remuneration as well as security of future rubber supply.

HeveaConnect entered into a partnership with United States Agency for International Development Green Invest Asia (USAID GIA) in February 2019 to commission a study to understand smallholder economics in the natural rubber supply chain in Indonesia. The study aims to gather information required to design a mechanism to finance smallholders producing rubber at scale. The study will quantify the need for finance in replanting rubber trees on smallholders' plantations, identify obstacles currently hindering financing, assess the trade-offs in alternative financing mechanisms and review the role of agents and intermediaries in the value chain. The study is conducted jointly by a group of stakeholders which include USAID GIA, HeveaConnect, Financial Access and SNV Indonesia (SNV). The study report will be shared publicly in 2020.

A pioneering study focused on smallholder livelihoods in Indonesia, this project brings together various stakeholders within the natural rubber supply chain looking to evaluate the feasibility of a self-sustaining financial model to enhance natural rubber farmer livelihoods in Indonesia. The outcomes of this study are critical as the low natural rubber market prices witnessed in 2019, has, together with the lopsided price

disparity between farmers and dealers for rubber, pushed many farmers in Indonesia to depressed earnings and be saddled in debt. There is therefore an urgent need to address inequality within the natural rubber supply chain.

The outcomes of this study will be put to test in a planned pilot second phase. The key intention would be to determine if the financial model derived from the study is feasible and has the potential to be scaled up. In the first half of 2020, USAID GIA and the other stakeholders involved in the project will be approaching potential donors to raise initial funds for the pilot rollout.

The study is based on desk research and supplemented by interviews with collection intermediaries, processors, banks, MFIs, service providers, potential donors and NGOs. Some of the desk studies involved value chain mapping, exploring various sustainability standards linked to natural rubber, examining the ESG risks within the natural rubber supply chain, existing finance for smallholders and the role of offtake agreements. Surveys were carried out with about 250 smallholders and other stakeholders in Sumatra and Kalimantan and involved collection of key socio-economic data pertaining to their family size, income derived from natural rubber, income from other activities, types of agricultural material and clones used and knowledge of the natural rubber market.

The portion of the study focused on the development of smallholder financing model with data gathered from farmer surveys. The detailed level of data collected has provided accurate insights for the development of a financial model. This information was fed into a fund structuring and design for a pilot rollout.



Cameroon Sustainability Council

In April 2019, our Group established the Cameroon Sustainability Council (CSC), an independent body that brings together international, multi-stakeholder individuals along the value chain, uniting over a progressive agenda of ecological conservation and socio-economic development. The Founding Members represent leading institutions in business, politics and NGOs who are deeply committed to monitoring the implementation of the Group’s Sustainable Natural Rubber Supply Chain Policy (SNRSCP) and other external party recommendations.

The Council will act independently of management and shareholders, and has extensive rights of information, consultation and initiative. Civil society on the Council is represented by Mighty Earth and Community Forests Platform (PFC). Mighty Earth, a global pro-environmental NGO, and PFC, a Cameroonian national civil society representing over 50 local NGOs, will help the Council guide sustainable, community-led rubber production in Cameroon. This collaboration emphasises discussion and input at local level – and ensure that indigenous and local communities have a voice in all council decisions.

More information about CSC is available at <https://www.corrie-maccoll.com/cameroon-sust-council/>

Formation of Community Forest

In June 2019, we announced the formation of our 25,000 hectare Community Forest within the Sudcam concession – a land space equal to four times the size of Manhattan Island. A legal boundary has been established around the Community Forest perimeter and working with local and international NGOs and the Cameroon government, this permanently protects the land and its ecosystems. The Forest also ensures that indigenous communities have continued access to forest resources. Employment opportunities will be created for local people in the management of the land, which is strategically governed by the Cameroon Sustainability Council and other specialist agencies.

conservation concern, including vulnerable forest elephants (*Loxodonta Cyclotis*), endangered chimpanzees (*Pan troglodytes*) and critically endangered western lowland gorillas (*Gorilla gorilla*) – classified according to the IUCN Red List. The independent Cameroon Sustainability Council ensures that the Reserve’s animals remain unaffected by our activities.

In support of conservation efforts, we signed a five-year convention in 2018 continuing our assistance since 2013 in the fight against poaching at Dja Reserve. Activities supported by our assistance include biodiversity monitoring, anti-poaching patrols, staff training and local community engagement.

The Community Forest runs adjacent to the UNESCO World Heritage Dja Faunal Reserve, home to many species of

With 70% of our Cameroon plantation to remain non-planted – including 8,000 hectares of High Conservation Value (HCV) and High Carbon Stock (HCS) land – our conservation efforts at Dja Reserve aim to protect the unique habitats and species that exist in the Congo basin.

State-of-the-Art Factory and Laboratory

Motivated by our ambition to supply responsibly-produced rubber, we constructed a state-of-the-art factory and laboratory in Sudcam, Cameroon. Factory operations will commence from first half 2020 with an estimated annual production capacity of 45,00 mT. The Sudcam factory is expected to produce 75% centrifuged latex and 25% cup lump grades certified against HeveaTRACE and LatexPRO processing standards. The 1,200 audit-point certification will ensure the highest standards of quality, worker safety and environmental sustainability. With the adoption of heightened efficiency measures and installation of advanced equipment such as centrifuges, the factory is expected to consume energy efficiently and minimise generation of waste. Other features that distinguish the factory include:

- Solar panels installed to power the office
- Green corridors and soil erosion control

Technical expertise is provided by the Group’s Ohio, USA based Momentum Technologies Laboratories (MTL) to the on-site natural rubber and latex laboratory. Planned as an extension of the Ohio facility, MTL oversees equipment selection, training and certification of the Sudcam laboratory. Development of this modern and state-of-the-art factory and laboratory will enable the Group to host research and development activities such as specialty products and formulation testing.

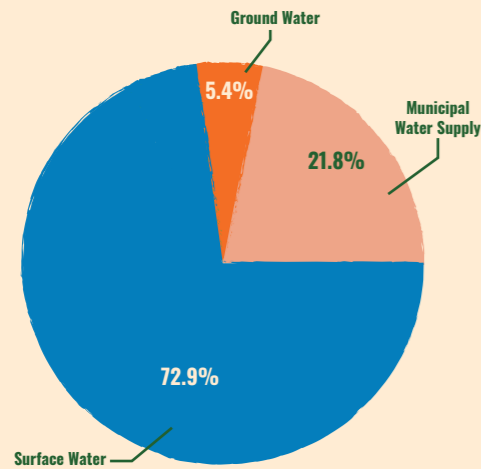
- Advanced effluent treatment systems to target zero effluent discharge
- Rainwater collection systems on the roof and factory surroundings to minimise water required from surrounding rivers

Sudcam factory’s raw material output will be 100% traceable as supply will be provided by the Outgrower Programme. Furthermore, the plantation’s sustainability practices are overseen and governed by both local and international NGOs, as well as the Cameroon Sustainability Council. With raw material set to feed the modern factory – flanked by the state-of-the-art laboratory – Sudcam will solidify Cameroon as a producer of certified sustainable, quality rubber and latex, produced to individual customer requirements.

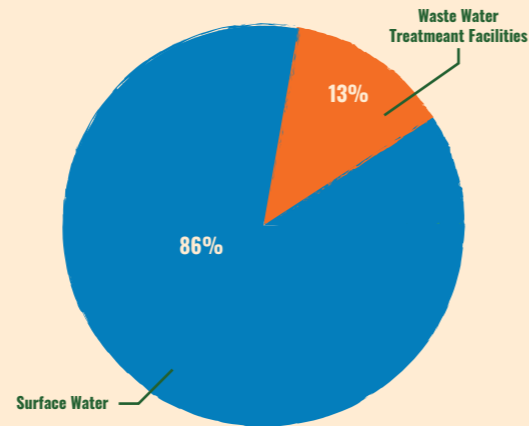
Water Consumption and Management

Over 90% of our group's water consumption occurs at our rubber processing sites. This is because large volumes of water are required to remove physical impurities from rubber to meet quality requirements. With most of our factories located in urban or semi-urban areas and with the looming threat of climate change to our communities, it is crucial for us to manage our water resources responsibly. Our processing sites draw water primarily from surface water bodies and discharge them back to the same source. Surface water consumption is supplemented by drawing from local water utilities where available⁵. Through teams across sites, we actively track our water consumption in our processing sites as frequently as on a shift basis.

2019 Water Consumption by Source (Processing Sites)

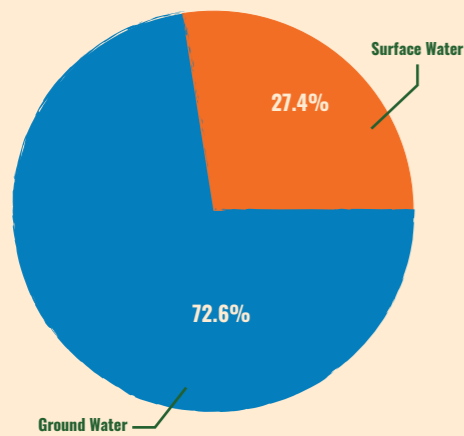


2019 Water Discharge Destination (Processing Sites)



At our plantations, we mainly source from ground and surface water, as these sites are largely located in rural areas. Water is consumed for domestic use at staff housing facilities and watering activities across our planted estates. Sewage is collected through septic tanks and maintained regularly by plantation teams. Discharge from other domestic uses and watering activities return back to groundwater or surface water in accordance with local effluent limits

2019 Water Consumption by Source (Plantations)

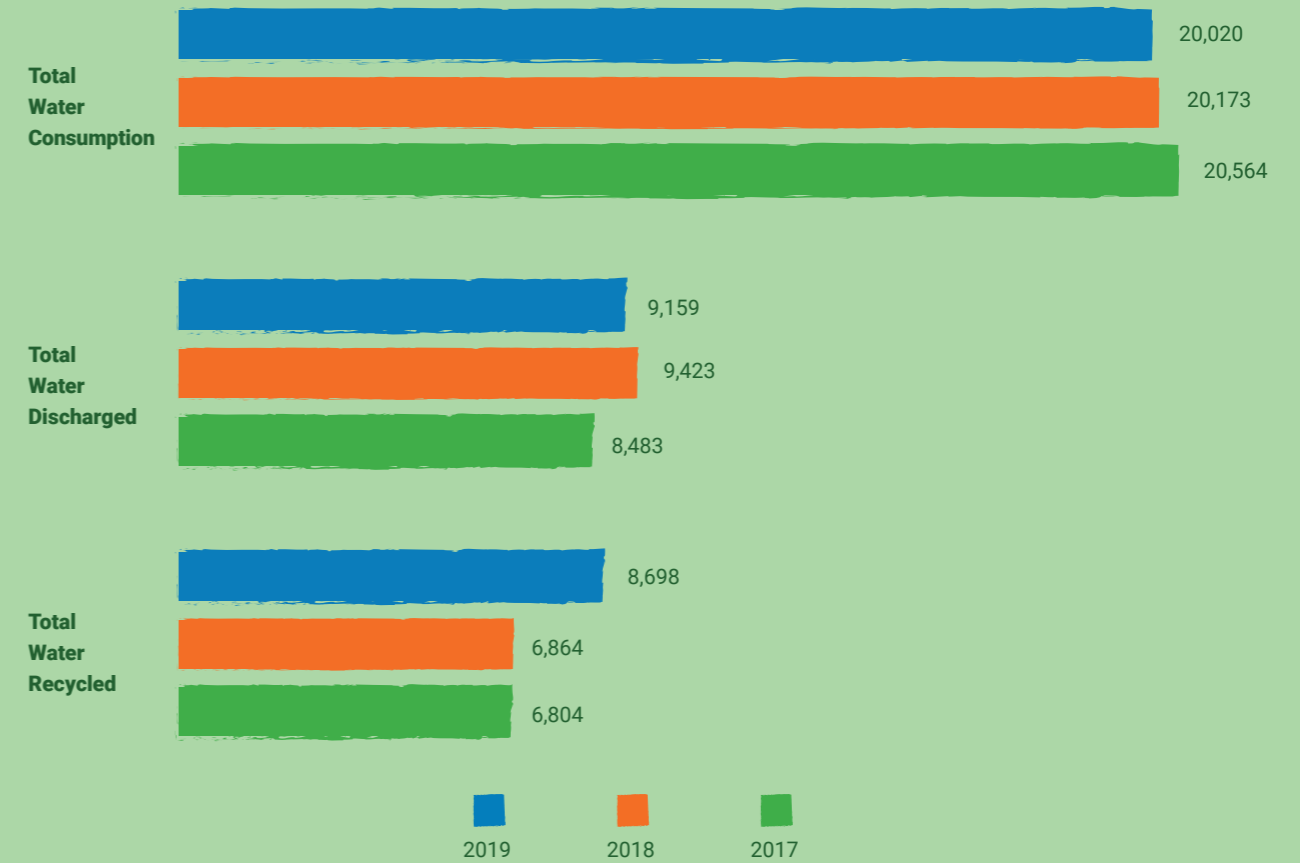


Through the years, we have endeavoured to reduce our reliance on freshwater sources as this not only supports eco-efficient behaviour but also realises cost efficiencies in our operations. Through implementing our HeveaPRO standards on environmental management and educating our factory teams on responsible water management, we have realised a gradual improvement in our group-wide water recycling rates from 33% in 2017⁶ to 43% in 2019.

Over a three-year period, we experienced an increase in total water recycled and a reduction in total water consumption. This is attributable to the application of our Halcyon Data Centre (HDC). More than just a reporting tool, HDC allows factory teams to track their operational performance – including water consumption data – and set targets. As a result, our site teams have become more aware of their resource consumption and take proactive steps in improving efficiency. In 2020, we aim to reduce our total water consumption by 5% and will continue our efforts to improve our water consumption efficiency over the long term.

^{5,6}Data differs from past reports due to enhanced data analysis

Water Use Trends (2017 to 2019) ('000m³)



Water Use Trends (2017-2019) (in thousand cubic meters)	2017	2018	2019
Recycling Rate (Water Recycled / Water Consumed)	33%	34%	43%

Water Stewardship Action Learning Project in PT Hok Tong, Jambi

The Action Learning Project (ALP) of the Global Agribusiness Alliance (GAA) was a collaboration between AWS Asia-Pacific Indonesia (AWS A-P Indonesia), Halcyon, and HeveaConnect. This project provided an opportunity for HeveaConnect to set standards for sustainably-processed natural rubber and promote the uptake of good water stewardship in the water-intensive rubber sector and enable informed decision-making.

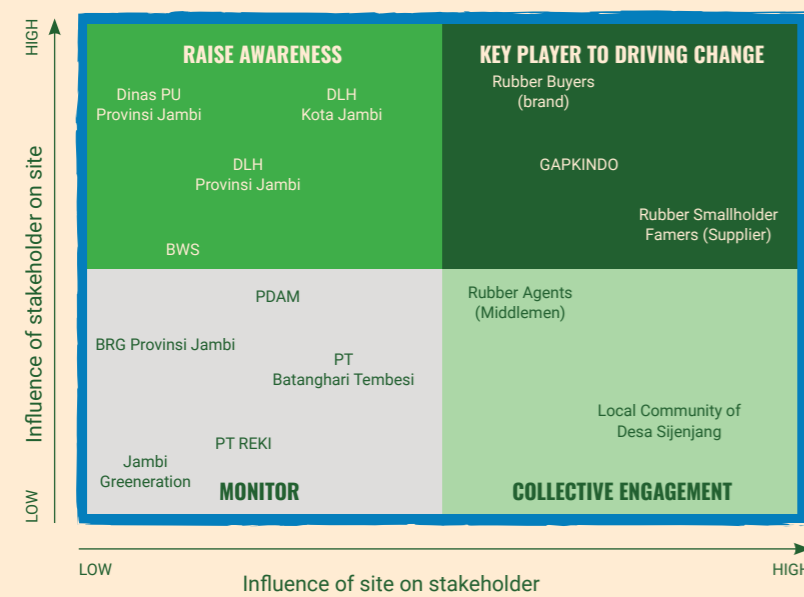
The ALP consisted of two components: 1) An AWS assessment of Halcyon's factory in Jambi and 2) A survey of all Halcyon rubber processing sites in Indonesia. The site-level AWS assessment focussed on the first two steps of the AWS Standard, to provide the site and company with insights into readiness for AWS certification and provide recommendations at site level to improve water-related performance.

AWS A-P collaborated with engineering firm PT Witteveen+Bos Indonesia as part of this assessment. As this ALP was geared towards a pilot case to improve water stewardship at site and company level, the gap analysis was strengthened with additional data gathering, analysis and recommended actions.

The assessment provided:

- 1) insights into current gaps according to the AWS core indicators,
- 2) recommendations on how to tackle gaps, and
- 3) additional analysis and recommendations on site and catchment data.

The assessment provided insights on water risks and opportunities, water quality and regulations, and multi stakeholder collaborations. Stakeholders were identified through research and interviews with various site staff. Stakeholders such as government, private sector, civil society organizations and other water users of the site were mapped against their level of influence to the site and the impact of the site to their activities. The resulting analysis provided recommendations on ways to engage these stakeholders.



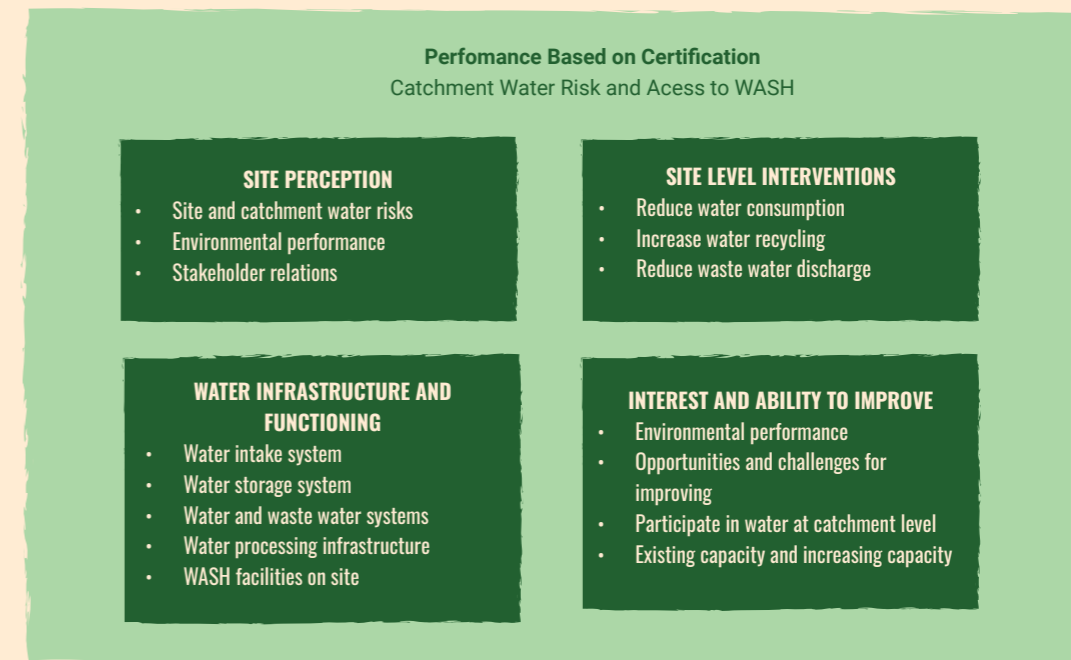
A site water balance was also established to identify and map each main water flow and water storage component on-site. The water flows of the site were divided into two parts: office and factory. It was found that the largest component in water consumption for the site was the water used in the factory, which is catchment river water.

WATER IN	WATER OUT
River Water	<ul style="list-style-type: none"> • Steam and evaporation • Spills on the factory floors moving towards drains and direct discharge to the river • Flushing of toilets in the factory • Discharge of waste water from the factory and discharged to the river
Waste water, which is partially re-used after treatment in WWTP	Same as above
PDAM water	<ul style="list-style-type: none"> • Discharge of waste water via septic tanks and ground water infiltration • Discharge via a drainage system to the WWTP of the Factory
Bottled water for drinking water	• Via toilets in office building and factory. See above
Rain water	<ul style="list-style-type: none"> • Discharge via surface runoff and drainage system in workshop • Discharge of waste water via septic tanks and ground water infiltration

Note: PDAM (Perusahaan Daerah Air Minum or the Indonesian regional water utility company)

Water consumption in the catchment remained well below water yield, which indicates sufficient water availability throughout the year. The water intake accounted for a total estimated amount of approximately 1.14 million m³ of water per year. Technical findings for the site included the need for flood protection, improvement in septic tanks, storage and use of rainwater and optimisation of wastewater treatment process to enable cost savings. Shared water challenges included climate change, stricter environmental water regulation and low access to Water, Sanitation and Hygiene (WASH). Indirect water was found to potentially pose the highest legal and reputational risks.

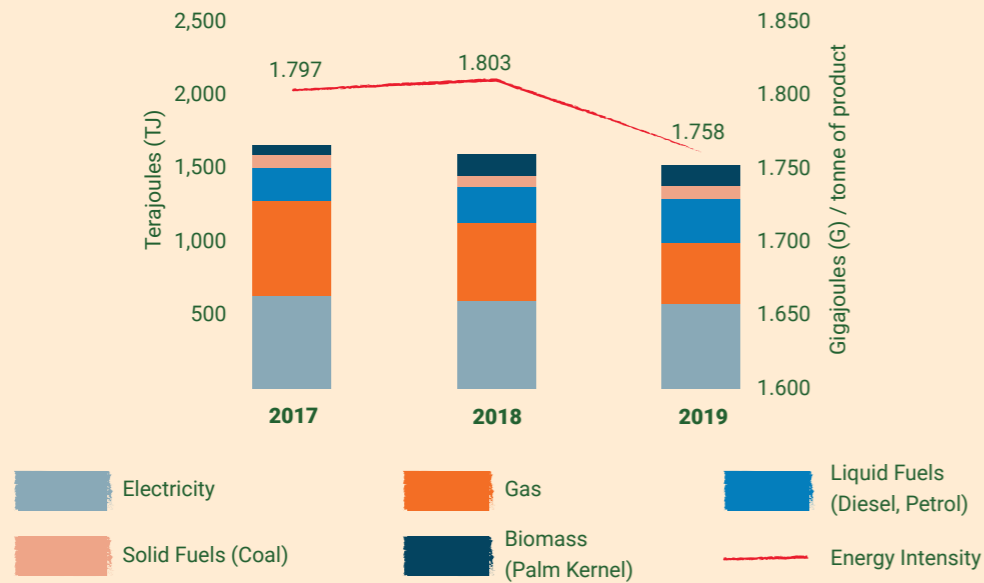
The survey for all the rubber-processing sites was organised around four main topics and sets of sub-questions as presented in the chart below. These provided insights into site perceptions on water risks, water infrastructure and functioning, the extent of site-level interventions related to water, and the sites' interest and ability to improve environmental performance related to water.



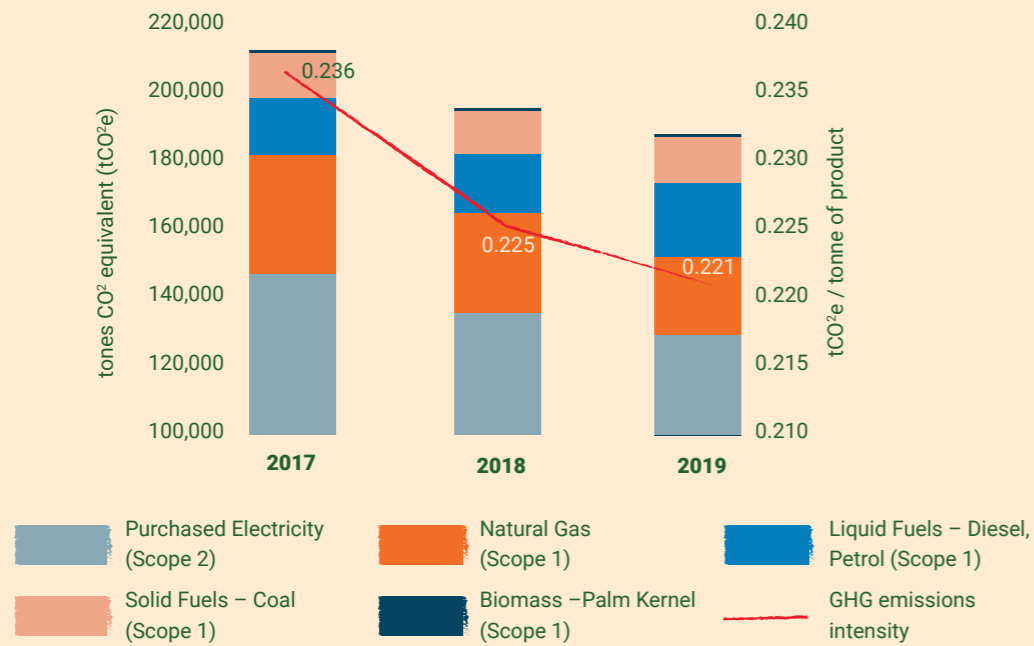
The next steps for Halcyon factories would involve focusing on legal compliance, monitoring water consumption and identifying cost-saving measures. Engaging with key stakeholders, targeting mainly local government and rubber farmers to gather catchment data, assessing opportunities for collaboration, and strengthening existing initiatives related to water is key. Further studies can be undertaken to analyse embedded water risks in rubber growing areas providing supplies to our factories and to integrate more in-depth analysis of water risks and opportunities in the overall strategy for the management of rubber processing sites.

Energy and Emissions Performance

Energy Consumption and Intensity



Greenhouse Gas Emissions and Intensity



Energy and GHG Emissions Intensities	2017	2018	2019
Energy consumption in Gigajoules per mT of product	1.797	1.803	1.758
GHG emissions in tCO ₂ e per mT of product	0.236	0.225	0.221
GHG emissions in tCO ₂ e per US\$'000	0.097	0.09	0.097

Energy consumption

Producing natural rubber requires significant energy input across various sources. To maintain operational continuity, we consume multiple energy sources where it is locally accessible and reliable. Electricity consumption is measured through metered connections from the national grid. Site teams measure fuel consumption through duly-calibrated meters and weighing scales and reported to our company's central data centre.

Our largest energy source is from purchased electricity comprising about 38% of our requirements across the years. The next significant contribution comes from natural gas used primarily for drying process at our factories. With access to biomass (palm kernel) in Indonesia, we steadily increased its application for our dry process infrastructure, supplementing

fuel and gas consumption over time. As of 2019, biomass consumption stood at 10% of our total energy needs, up from 4% in 2017. Our liquid fuels, mainly diesel, are used for dryers and on-site generators either for back up purpose or as main electricity source at off-grid locations.

Across our plantations, the primary energy source is liquid fuels mainly diesel and petrol. This contributed to a notable increase in diesel consumption in 2019 compared with previous years. On coal consumption, we experienced higher production volumes at our Chinese factories which caused a slight increase in consumption and emissions in 2019⁷.

Overall, we report steady improvement of our energy intensity over the last three years at 1.758 GJ of energy consumed per mT of natural rubber produced from our operations in 2019.

Greenhouse Gas (GHG) emissions

Climate change and global warming remains a key concern across our supply chain. We are committed in reducing our emissions over the long term. Our greenhouse gas emissions calculations applied guidance from The Greenhouse Gas Protocol⁸. Fuel emission factors for each reported year were taken from the UK Government GHG Conversion factors for Company Reporting⁹ while grid emission factors were obtained from Trucost.

The largest contribution to total emissions comes from our Scope 2 emissions (purchased electricity) with an average of 70% across the years. Scope 1 emissions (direct emissions) account for about 30% with natural gas, liquid fuels and coal accounting for 12%, 11% and 7% respectively in 2019. Biomass use contributed to approximately 0.2% of GHG emissions. Emissions from natural gas reduced gradually from 2017 due to reduced consumption. Liquid fuels consumption increased in 2019 with the reporting of fuels use from our plantations.

Emissions from coal consumption increased contribution slightly (0.7%) in 2019 compared to 2018 but remained within the 6 to 7% range across the years.

We reported 2018 as our base year for GHG emissions in our previous report. As we improve the robustness of our reported data, we are considering applying an average of annual emissions over a few years as a base figure. Such averaging is in line with guidance provided in The Greenhouse Gas Protocol.

GHG emissions intensity decreased steadily over the last three (3) years with 2019 at 0.221 tCO₂e per mT of product. When compared on a per revenue basis, our average intensity from 2017 to 2019 is at 0.095 tCO₂e per US\$'000. Overall, we attribute reduction of our emissions on a per product basis from dryer retrofitting initiatives in the past several years. Retrofitting of our dryers provides the ability to combust natural gas or biomass alongside or as a replacement to liquid fuel (diesel). The case below reports on our experience with biomass fuels.

Biomass: Towards decarbonising our processing operations

In line with our support for the UN SDGs and our sustained push towards decarbonising our energy portfolio, we steadily increased the number of factories adopting the use of biomass (palm kernels) in their operational processes. Currently, eight of our factories in Indonesia fuel their dryers by palm kernels, with the first biomass heat exchange system implemented in 2010. The current average market price of palm kernel is about US\$ 45 dollars per mT. This offers a cheaper fuel option compared with diesel, natural gas, coal and electricity from the grid.

Operational efficiency is not compromised as the burners require an average of 110 kg of palm kernels to dry 1 mT of Standard Indonesia Rubber (SIR). Therefore, for a production of 4000 mT of dry rubber, only about 440 mT of palm kernels are required. Production of large volumes of rubber is supported by the processing capacity of the heat exchange systems. With an average production capacity of 5.3 mT of SIR per hour, our palm kernel based heat exchange systems are well placed to meet high volume production demands with no quality compromise.

⁷ Data differs from past reports due to enhanced data analysis

⁸ World Business Council for Sustainable Development (WBCSD) and World Resource Institute (WRI). The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Revised Edition. Source: <https://ghgprotocol.org/corporate-standard>

⁹ Source: <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

Our modelling studies have shown that palm kernels contribute significantly towards carbon emissions reduction. Comparing an energy portfolio comprising grid electricity and diesel with a portfolio comprising grid electricity, diesel and palm kernels, there is an observable reduction of approximately 30% in the carbon emissions intensity for the production of per mT of dry rubber. More significantly, there is an approximate 60% reduction in absolute emissions for the production of per mT dry rubber. Not only do palm kernels present an option of enhanced efficiency and cost savings, they also play a huge role in decarbonising our operational energy portfolio.

In the coming years and in line with our emissions reduction plans, we will assess operational feasibility and transit more of our factories to incorporate palm kernels in their fuel mix. Furthermore, we target a reduction in our total energy consumption by 3% in 2020. This target aims to positively affect our overall GHG emissions performance.

Kelvin Terminals: Greening the largest latex terminal in Europe

Following a €3.2 million investment, Kelvin Terminals in Terneuzen, the Netherlands completed their largest expansion in over 50 years to become the largest latex-dedicated storage facility in Europe. The latex terminal accommodates approximately 20 trucks per day with capacity at 6,500 mT and 1,700 mT of natural and synthetic latex respectively. The expansion offers a wider range of capabilities that will support both our general commodity latex business and our diversification into the niche and premium grades that customers increasingly request. The investment represents

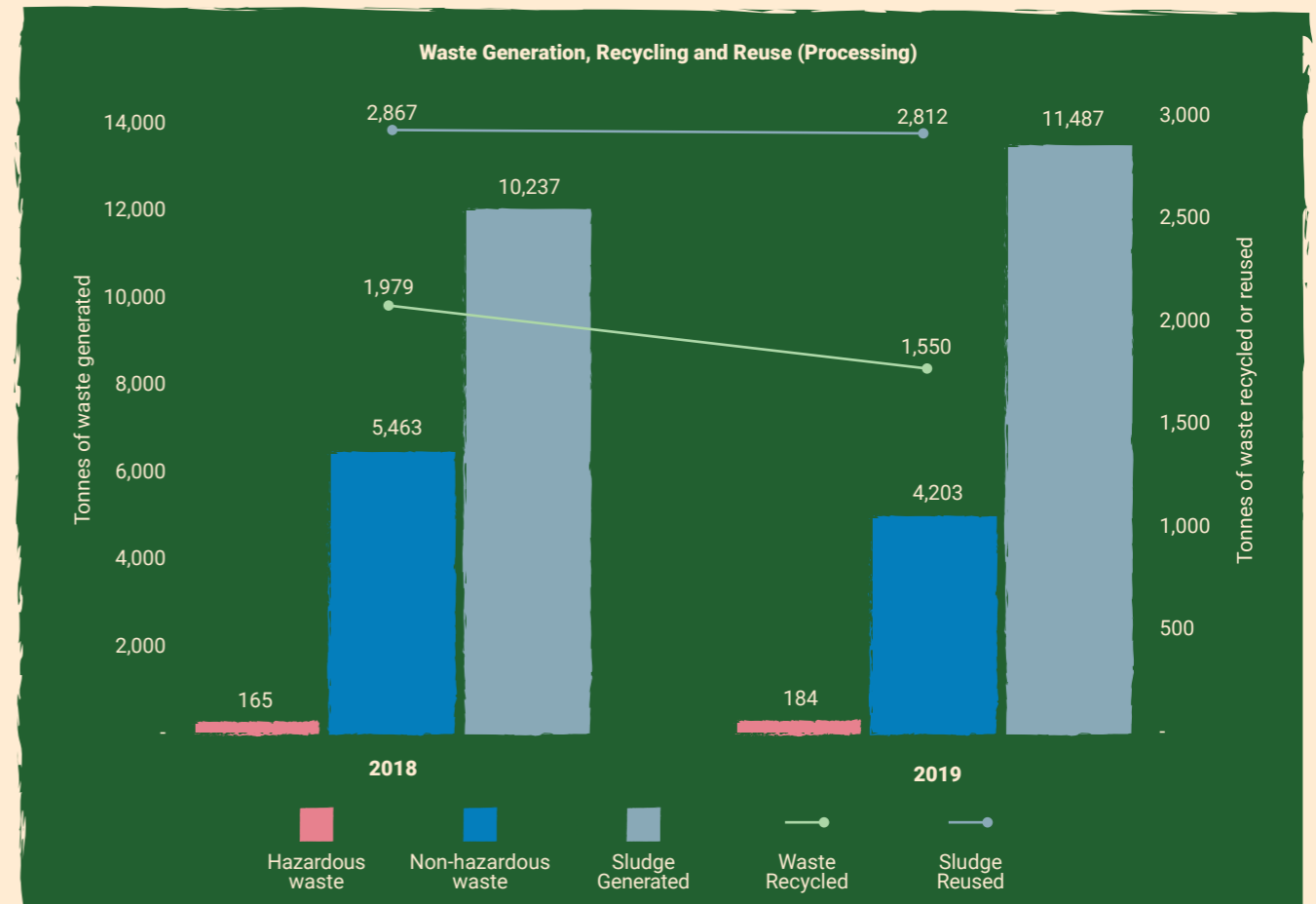
Corrie MacColl's commitment to offer customers a best-in-class support facility.

In 2019, the terminal completed installation of 126 solar panels on the roof of the new tank hall, with output capacity of 51,000 kWh per annum, providing the terminal the capability of producing close to 100% of electricity needs of site operations. This also supplements the installed air-source heat pumps that cut the site's dependence on liquid fuels.

Waste, Chemicals and Effluent Quality

In line with our SNRSCP commitment to protect ecosystems, we present our performance across waste management, chemicals use and effluent quality. Reducing our negative environmental impact across terrestrial and aquatic resources are of paramount importance. For waste management, we

report our waste generation and recycling quantities. For chemicals use, we report on our consumption intensity with the long-term aim of consuming less chemicals per mT of natural rubber produced. On effluent quality, we report on our performance across the Group.



Rubber processing generates significant volumes of waste particularly from wastewater treatment. Sludge, a by-product of wastewater activity, contributes 65% to 70% of total waste by mass. Classified as non-hazardous, sludge possesses soil composting potential due to its organic matter content. Thus, it is a practice across our sites to have the sludge used by local smallholders for their farming requirements. Other non-hazardous waste sources come from physical impurities removed from raw material during the cleaning process. Impurities include forest debris, soil, plastic and metal bits. Typical recycled items include packaging waste, paper and metals. Hazardous waste is generated from spent chemicals, used chemical containers, oils, oily rags and lubricants. Our

sites collect these and store them appropriately before being sent to licensed hazardous waste collectors and treatment facilities.

Our performance on waste management is mixed over a two-year period¹⁰. We observed an increase in hazardous waste and sludge while a decrease was reported in non-hazardous waste in 2019. Sludge reuse is fairly constant across the two years. Our waste recycling performance unfortunately decreased in 2019. Guided by our SNRSCP commitments and Group EHS plan, we will strive to reduce waste and increase reuse and recycling efforts across our operations.

¹⁰ Data differs from past reports due to enhanced data analysis.

Consumption Intensity	Application	Liquid form (Liters/mT of product)	Solid form (kg/mT of product)
Plantations	Fertilisers	0.05	186.7
	Fungicides, Herbicides and Pesticides	4.4	2.8
Processing	Chemicals for Production of Crumb Rubber and Latex Concentrate	1.4	0.6

Chemicals Use

The chart above illustrates our use of chemicals and their consumption intensities across processing and plantation activities in 2019. For plantations, we use mainly solid state fertilisers, while fungicides, herbicides and pesticides are primarily in liquid form for application across our estates.

For our processing sites, both solid and liquid chemicals are used in the production of crumb rubber and latex concentrate. Ammonia, formic acid and Deorub solutions represent most of the liquid chemicals used. Ammonia is used for latex preservation while formic acid aids in latex coagulation. Deorub application helps to mitigate odour in processing sites.

Hydrated lime, hydroxylamine sulphate and caustic soda are the largest contributors to chemicals use in solid form at our processing sites. Hydrated lime prevents processed rubber sheets from sticking together. Hydroxylamine sulphate is used for latex grades requiring constant viscosity while caustic soda application helps to remove contamination from moving parts in contact with latex raw material.

We aim to improve our consumption intensity over time in line with our commitment to our SNRSCP.

pH	2017	2018	2019	Limits	COD ¹¹ (mg/L)	2017	2018	2019	Limits
Cameroon	7.7	7.7	7.2	6-9	Cameroon	116	80	428	200
China	6.8	7.9	7.4	6-9	China	66	36	28	100
Indonesia	6.9	6.9	6.8	6-9	Indonesia	61	50	51	200
Ivory Coast	6.7	7.4	7.3	5.5-8.5	Ivory Coast	128	71	503	500
Malaysia	7.4	7.5	7.3	6-9	Malaysia	76	63	62	250
Thailand	7.1	7.4	7.5	6-9	Thailand	59	83	84	120
BOD ¹² (mg/L)	2017	2018	2019	Limits	TSS ¹³ (mg/L)	2017	2018	2019	Limits
Cameroon	12	30	147	50	Cameroon	-	38	139	40
China ¹⁴					China	47	17	15	70
Indonesia	27	20	18	60	Indonesia	31	18	20	100
Ivory Coast	45	43	168	150	Ivory Coast	82	43	163	150
Malaysia	21	15	15	100	Malaysia	43	29	33	150
Thailand	16	19	16	20	Thailand	17	40	25	50

¹¹ Chemical Oxygen Demand

¹² Biochemical Oxygen Demand

¹³ Total Suspended Solids

¹⁴ BOD testing is not required by local government if COD testing is already conducted.

Effluent Quality

During the course of 2019, we experienced a setback in effluent quality standards at our Cameroonian and Ivory Coast operations. Due to positive historical compliance records in Africa, we chose to postpone previously planned desludging works and capital expenditure in response to the challenging market conditions. Unfortunately, the result of this was more significant than anticipated.

Remedial measures have since been taken by our local teams in conjunction with local government authorities. In the Ivory Coast, we have commenced major desludging works in early 2020. Additionally, we are installing a new Activated Sludge System with wastewater recycling capability in Cameroon, which will be operational before the end of 2020. These initiatives are in motion at the time of publishing this report and we expect to be in full compliance with local environmental regulations before the end of 2020.

In support of our mission statement to develop a world-class organisation serving the rubber industry, we adhere to various international certifications and standards across our plantations, processing and distribution assets. A significant number of our sites are certified against quality (ISO9001), environmental management (ISO14001), occupational health and safety (OHSAS 18001/ISO 45001) frameworks as well as specific certifications such as ISO 17025. Our processing sites are also HeveaPRO-certified, covering the pillars on Quality, Environment, Health and Safety (EHS), Supply Chain Security and Social Responsibility.

We discontinued the use of Silver, Gold and Platinum rating system as we found it minimally effective in driving continuous improvement. For instance, many factories were found to be content with their Silver & Gold ratings and lacked motivation to obtain Platinum rating. To address this, we transited towards focusing on raw HeveaPRO audit scores to benchmark processing facilities. Through this, we hope to drive our processing factories toward the highest HeveaPRO scores possible. As a group, we remain committed to continuous improvement and best-in-class operations through our various international standards and certifications.

	Country	Supply Chain	Site Name	Factory Code	Location	ISO9001	ISO14001	OHSAS18001/ISO45001	HEVEAPRO
1	Indonesia	Processing	PT Hevea MK I	SDR	Palembang	Y	Y		Y
2	Indonesia	Processing	PT Hevea MK II	SEA	Palembang	Y	Y		Y
3	Indonesia	Processing	PT Hok Tong Plaju	SCX	Palembang	Y	Y		Y
4	Indonesia	Processing	PT Hok Tong Keramasan	SGO	Palembang	Y	Y		Y
5	Indonesia	Processing	PT Remco	SDQ	Palembang	Y	Y		Y
6	Indonesia	Processing	PT Sunan Rubber	SCY	Palembang	Y	Y		Y
7	Indonesia	Processing	PT Remco	SBG	Jambi	Y	Y		Y
8	Indonesia	Processing	PT Hok Tong	SCL	Jambi	Y	Y		Y
9	Indonesia	Processing	PT Hok Tong	KAZ	Pontianak	Y	Y		Y
10	Indonesia	Processing	PT Rubber Hock Lie	SDH	Medan	Y	Y		Y
11	Indonesia	Processing	PT Rubber Hock Lie	SCM	Rantau Prapat	Y	Y		Y
12	Indonesia	Processing	PT Pulau Bintan Djaya	SAR	Bintan	Y			Y
13	Indonesia	Processing	PT GMG Sentosa	KBM	Pontianak	Y			Y
14	Indonesia	Processing	PT Bumi Jaya	KBQ	Tanjung	Y	Y		Y
15	Indonesia	Processing	PT Sumber Djantin unit Sanggau	KBP	Pontianak	Y	Y		Y
16	Indonesia	Processing	PT Sumber Djantin unit Sambas	KBE	Pontianak	Y	Y		Y
17	Indonesia	Processing	PT Sumber Djantin	KAB	Pontianak	Y	Y		Y

	Country	Supply Chain	Site Name	Factory Code	Location	ISO9001	ISO14001	OHSAS18001/ISO45001	HEVEAPRO
18	Indonesia	Processing	PT Sumber Alam	KBD	Pontianak	Y	Y		Y
19	Malaysia	Processing	Hevea KB I & II	HL1	Ipoh	Y	Y	Y	Y
20	Malaysia	Processing	Euroma	JJ	Kedah	Y	Y		Y
21	Thailand	Processing	Teck Bee Hang	H1T	Thung Song	Y	Y	Y	
22	Thailand	Processing	Teck Bee Hang	H2Y	Yala	Y			Y
23	Thailand	Processing	Teck Bee Hang	H6N	Narathiwat	Y			Y
24	Thailand	Processing	Teck Bee Hang	H7P	Pattani	Y			
25	Thailand	Processing	Teck Bee Hang	H8S	Suratthani	Y	Y	Y	Y
27	China	Processing	Hainan Sinochem Rubber	CX (1A,1B)	Hainan	Y	Y	Y	Y
28	China	Processing	Xishuang Banna Sinochem Rubber	BX (1A,1B,1C)	Yunnan	Y	Y	Y	Y
29	China	Processing	Xishuang Banna Sinochem Rubber	BX2M	Yunnan	Y	Y	Y	Y
30	China	Processing	Xishuang Banna Sinochem Rubber	BX3T	Yunnan	Y	Y	Y	Y
31	China	Processing	Xishuang Banna Sinochem Rubber	BX4L	Yunnan	Y	Y	Y	Y
32	China	Processing	Xishuang Banna Sinochem Rubber	BX5R	Yunnan	Y	Y	Y	Y
33	Africa	Processing	Tropical Rubber Cote d'Ivoire	SDCI-A	Cote d'Ivoire	Y			Y
34	Africa	Processing	Ivoirienne De Traitement du Caoutchouc	SDCI-B	Cote d'Ivoire	Y			Y

	Country	Supply Chain	Site Name	Factory Code	Location	ISO9001	ISO14001	OHSAS18001/ISO45001	HEVEAPRO
35	Africa	Processing & Plantation	Hevea Cameroun	HVC / HVC-P	Cameroon	Y			Y
36	Africa	Plantation	Sudcam	SUD-P	Cameroon				
37	Malaysia	Plantation	JFL	JFL	Kelantan	Certified MSPO for Oil Palm			
38	Netherlands	Distribution	Kelvin Terminals	Not Applicable	Terneuzen	Y	Y	Y	
39	United States of America	Distribution	Alan L. Grant Polymers	Not Applicable	Norfolk, Virginia	Y			
40	Germany	Distribution	Centrotrade	Not Applicable	Eschborn	Y			
41	Netherlands	Distribution	Wurfbain Polymer B.V.	Not Applicable	Zaandam	Y			
42	United States of America	Distribution	Momentum Technologies International	Not Applicable	Ohio	ISO 17025			

ISO9001: Quality Management System

ISO14001: Environmental Management System

OHSAS18001/ISO45001: Occupational Health & Safety Management System

ISO17025 : Technical competence on quality management system for testing and calibration laboratories

MSPO : Malaysian Sustainable Palm Oil Certification

GRI CONTENT INDEX

GRI CONTENT INDEX

GRI Standard	Disclosure Requirements	Location or Reason(s) for Omission	Page	References	
				SDGs	UNGC
GRI 102: General Disclosures 2016					
Organisational profile					
102-1	Name of the organisation	Halcyon Agri Corporation Limited			
102-2	Activities, brands, products, and services	Halcyon at a Glance	4		
102-3	Location of headquarters	Corporate Information Address: 180 Clemeanceau Avenue #05-02 Haw Par Centre Singapore 239922	95		
102-4	Location of operations	Halcyon at a Glance Our Global Footprint Your Source of Mobility	4 12-14 15-16		
102-5	Ownership and legal form	Corporate Structure	93-94		
102-6	Markets served	Where Does Our Rubber Go	17-18		
102-7	Scale of the organisation	Halcyon at a Glance Human Capital	4 54-55		
102-8	Information on employees and other workers	Human Capital	54-55		
102-9	Supply chain	Our Global Footprint Your Source of Mobility Where Does Our Rubber Go Halcyon's Website: https://www.halcyonagri.com/what-we-do/natural-rubber-supply-chain/	12-14 15-16 17-18		
102-10	Significant changes to the organisation and its supply chain	Driving the Sustainability Agenda	41		
102-11	Precautionary Principle or approach	Risk Management Our Commitment for Sustainable Natural Rubber Sustainable Natural Rubber Supply Chain Policy (SNRSCP)	31 40 50		All 10 principles

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				SDGs	UNGC
102-12	External initiatives	Our Commitment for Sustainable Natural Rubber	40		
102-13	Membership of associations	<ul style="list-style-type: none"> · Rubber Trade Association of Singapore · International Rubber Study Group (IRSG) · Member/Panel of Advisor/Signatory to SNRI (Sustainable Natural Rubber Initiative) · Singapore International Chamber of Commerce Rubber Association (SICCRA) · Singapore Institute of Directors · LGM (Malaysian Rubber Board Pricing Panel) · Federation of Malaysian Manufacturers · Malaysian SMR Rubber Processors Associations · GAPKINDO (Gabungan Perusahaan Karet Indonesia/ Rubber Association of Indonesia) · The Thai Rubber Association · China Rubber Industry Association · China Natural Rubber Association · The Rubber Trade Association of Europe (RTAE) · Global Platform for Sustainable Natural Rubber (GPSNR) · Global Agribusiness Alliance · UN Global Compact 			
Strategy					
102-14	Statement from senior decision-maker	<p>Chairman's Welcome Message</p> <p>CEO's Review</p>	3 5-8		Statement by the Chief Executive expressing continued support for the UN Global Compact and commitment to the initiative

GRI Standard	Disclosure Requirements	Location or Reason(s) for Omission	Page	References	
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102-26	Role of highest governance body in setting purpose, values and strategy	Corporate Governance Board Matters	47 102-104		
102-29	Identifying and managing economic, environmental, and social impacts	Corporate Governance	47		
102-32	Highest governance body's role in sustainability reporting	Corporate Governance	47		
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102-41	Collective bargaining agreements	All production workers covered			3
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	46		
102-43	Approach to stakeholder engagement	Stakeholder Engagement	46		
102-44	Key topics and concerns raised	Materiality Stakeholder Engagement Mighty Earth Website: http://www.mightyearth.org/a-dialogue-with-halcyon-encouraging-change-in-the-rubber-industry/ BOUNCE Website: https://www.demandustainable.com/	43-45 46		1,2,6,7,8 1,2

GRI Standard	Disclosure Requirements	Location or Reason(s) for Omission	Page	References	
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102-46	Defining report content and topic boundaries	Driving the Sustainability Agenda	41		
102-47	List of material topics	Materiality	43-45		
102-48	Restatement of information	Materiality	43-45		
102-49	Changes in reporting	Driving the Sustainability Agenda	41		
102-50	Reporting period	Driving the Sustainability Agenda	41		
102-51	Date of most recent report	January 1, 2019 to December 31, 2019			
102-52	Reporting cycle	8 April 2019			
102-53	Contact point for questions regarding the report	Annual			
102-54	Claims of reporting in accordance with the GRI Standards	Driving the Sustainability Agenda	41		
102-55	GRI content index	Driving the Sustainability Agenda	41		
102-56	External assurance	GRI Content Index	84-90		
	External assurance	External assurance has not been sought for sustainability reporting in this report			
Material Issues					
Pricing Equity					
GRI 103: Management Approach 2016	103-1 103-2 103-3	Materiality Stakeholder Engagement Corporate Governance Sustainable Natural Rubber Supply Chain Policy (SNRSCP) 2019 Year in Review BOUNCE Website: https://www.demandstainablerubber.org/	43-45 46 47 50 11		1,2,10 All 10 principles
GRI 203: Indirect Economic Impacts 2016	203-1	A digital marketplace for sustainable, traceable rubber Smallholder Capacity Building (HeveaGrow) Outgrower Programme Smallholder Financing Study Community Investment	19 64 67 68 64-66		1,2

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Fair and Responsible Employment					
GRI 103: Management Approach 2016	103-1 103-2 103-3	Materiality Stakeholder Engagement Corporate Governance Sustainable Natural Rubber Supply Chain Policy (SNRSCP) Certifications and Standards HeveaPro Case Study Women's Empowerment	43-45 46 47 50 81-83 24-25 61		1,2,10 All 10 principles

GRI Standard	Disclosure Requirements	Location or Reason(s) for Omission	Page	References	
				SDGs	UNGC
GRI 401: Employment 2016	401-1	Human Capital	55-56		6
GRI 405: Diversity and Equal Opportunity 2016	405-1	Human Capital	57		
Eco-Efficiency					
GRI 103: Management Approach 2016	103-1	Materiality	43-45	6,7,9,12,13,14	1,2,10 All 10 principles
	103-2	Stakeholder Engagement	46		
	103-3	Corporate Governance	47		
GRI 303: Water 2016	303-3	Sustainable Natural Rubber Supply Chain Policy (SNRSCP) Certifications and Standards	50	6,7,9,12,13,14	All 10 principles
		HeveaPro Case Study	81-83		
		State-of-the-Art Factory and Laboratory	24-25		
		Biomass: Towards Decarbonising Our Processing Operations	70		
GRI 302: Energy 2016	302-1	Water Consumption and Management	71-74		7,8,9
	302-3	Water Stewardship Action Learning Project	75-77		7,8,9
GRI 305: Emissions 2016	305-1	Energy and Emissions Performance	75-77		7,8,9
	305-2				
	305-4				
GRI 306: Effluents and Waste 2016	306-1	Water Consumption and Management	71		7,8,9
		Effluent Quality	80		7,8,9
Landscape Stewardship					
GRI 103: Management Approach 2016	103-1	Materiality	43-45	12,15,16,17	1,2,10 All 10 principles All 10 principles
	103-2	Stakeholder Engagement	46		
	103-3	Corporate Governance	47		
		Sustainable Natural Rubber Supply Chain Policy (SNRSCP) Cameroon Sustainability Council	50		
			70		

GRI Standard	Disclosure Requirements	Location or Reason(s) for Omission	Page	References	
				SDGs	UNGC
GRI 304: Biodiversity 2016	304-1 304-3	Formation of Community Forest	70		7,8
Ethics and Compliance					
GRI 103: Management Approach 2016	103-1	Materiality	43-45	8,16	1,2,10 All 10 principles
	103-2	Stakeholder Engagement	46		
	103-3	Corporate Governance	47		
		Sustainable Natural Rubber Supply Chain Policy (SNRSCP) HeveaPro Case Study	50		
GRI 205: Anti-corruption 2016	205-3	Ethics and Compliance	24-25		1,2,10
	307-1	Ethics and Compliance	48-49		1,2,10
GRI 419: Socioeconomic compliance 2016	419-1	Ethics and Compliance	48-49		1,2,10
Community Investment and Empowerment					
GRI 103: Management Approach 2016	103-1	Materiality	43-45	1,8,10,17	1,2,10 All 10 principles
	103-2	Stakeholder Engagement	46		
	103-3	Corporate Governance	47		
		Sustainable Natural Rubber Supply Chain Policy (SNRSCP) Community Investment	50		
GRI 203: Indirect Economic Impacts 2016	203-1	Community Investment	64-66		6
GRI 413: Local Communities 2016	413-1	Certifications and Standards Note: All HeveaPro-certified factories conduct community engagement activities	81-83		



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