



## DBS PARTNERS HALCYON TO SET UP HEVEACONNECT - A DIGITAL TRADING MARKETPLACE FOR SUSTAINABLE RUBBER

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- *HeveaConnect is a digital trading marketplace for natural rubber producers and consumers of HEVEAPRO-certified Technically Specified Rubber (TSR)<sup>[1]</sup>*
- *Partnership between DBS and HeveaConnect provides a transparent digital marketplace to trade sustainably processed natural rubber*

SINGAPORE, 17 December 2018 – DBS Bank Ltd (DBS) and Halcyon Agri Corporation Limited (Halcyon) today announced a partnership to launch a digital marketplace for the trading of sustainably processed natural rubber<sup>[2]</sup>. DBS has also taken a minority stake in HeveaConnect, as part of the bank's commitment towards supporting sustainable business practices.

The HeveaConnect digital marketplace aims to connect natural rubber stakeholders such as farmers, rubber producers and tyre manufacturers in an integrated ecosystem, offering a convenient one-stop shop for participants in the natural rubber supply chain. Through the digital marketplace, natural rubber producers and consumers are able to track pricing and supply information and transact directly on HeveaConnect, promoting greater price transparency in the industry. Other offerings provided also include access to value-added services such as financing, insurance and logistics.

Mr Robert Meyer, Executive Director and Chief Executive Officer of Halcyon said, "We are pleased to collaborate with DBS as our key banking partner for HeveaConnect. DBS's successful digital strategy and approach to financing fits with our digitisation strategy to make a difference in the natural rubber industry. HeveaConnect will not only be able to promote greater price transparency in the natural rubber market, but will also serve as an all-inclusive platform for farmers, producers, tyre manufacturers, as well as facilitators such as financial institutions, logistics and warehousing suppliers. Halcyon is first adopter as a natural rubber producer and we are also in discussion with our tyre customers to come onboard."

### DBS-Halcyon partnership offers the scale required to effect change to the rubber industry

As the world's leading integrated natural rubber player, Halcyon has the supply and customer networks in place to provide the scale needed to help transition the global natural rubber industry which is currently heavily reliant on traditional paper-based processes into a unified digital marketplace. HeveaConnect will also be the exclusive platform for the sale of HEVEAPRO-sustainably certified TSR to the global tyre industry, which consumes about 75% of the world's natural rubber.

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<sup>[1]</sup> HEVEAPRO-certified TSR is Halcyon's range of sustainably processed rubber, produced to meet best-in-class industrial and quality standards, occupational health and safety and supply chain security.

<sup>[2]</sup> Natural rubber is the raw material obtained from the latex sap of rubber trees.

In turn, DBS which has strong expertise and a proven track record in digitalisation and innovation in the banking industry is well positioned to provide trade financing and financial advisory to participants on HeveaConnect. As the digital marketplace's main banking partner, DBS will offer services such as working capital financing, trade and commodity financing for buyers, and financing to smallholder rubber producers which previously may not have ready access to banking credit facilities.

Mr Raof Latiff, Head of Digital, Institutional Banking, DBS Bank, said, “*Building industry ecosystems that offer an enhanced customer experience continue to be a key focus in our business. As the bank with the world’s largest API platform in the banking industry, we continuously explore new ways to harness our digital capabilities to help our customers solve their business challenges. By integrating our APIs to facilitate trade financing to both upstream and downstream rubber players through HeveaConnect, we are also able to deepen our understanding of our customers’ needs, allowing us to provide innovative advice to best position their businesses for a sustainable future. We are pleased to be part of Halcyon’s ambition to be the leading provider of sustainable natural rubber.*”

HeveaConnect is targeted for launch globally in the first quarter of 2019 and there are ongoing discussions with other natural rubber producers, consumers and partners to be onboarded onto the digital marketplace.

### **HeveaConnect first step towards encouraging a shift towards more sustainable rubber practices**

To help promote more sustainable practices in the rubber industry, Halcyon will inject the intellectual property rights of its sustainable natural rubber processing standards, HEVEAPRO, into the digital marketplace. In turn, only HEVEAPRO rubber will be transacted on HeveaConnect, with the aim of encouraging a global push towards a more sustainable rubber industry.

Ongoing efforts are also being carried out by Halcyon to expand HEVEAPRO standards to include the tracking of sustainable practices in rubber plantations and smallholders' rubber plots (HeveaGrow) and promote traceability requirements in the sourcing of natural rubber (HeveaTrace). For instance, the natural rubber industry currently faces traceability challenges due to a highly fragmented supply base, comprising millions of farmers. However, with HeveaConnect, once the farmers are onboard the digital marketplace, all participants on the supply chain will be able to trace where each batch of natural rubber is sourced from, and if they are grown responsibly.



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## **About DBS**

DBS is a leading financial services group in Asia, with over 280 branches across 18 markets. Headquartered and listed in Singapore, DBS has a growing presence in the three key Asian axes of growth: Greater China, Southeast Asia and South Asia. The bank's "AA-" and "Aa1" credit ratings are among the highest in the world.

Recognised for its global leadership, DBS has been named "Global Bank of the Year" by The Banker and "Best Bank in the World" by Global Finance. The bank is at the forefront of leveraging digital technology to shape the future of banking, having been named "World's Best Digital Bank" by Euromoney. In addition, DBS has been accorded the "Safest Bank in Asia" award by Global Finance for ten consecutive years from 2009 to 2018.

DBS provides a full range of services in consumer, SME and corporate banking. As a bank born and bred in Asia, DBS understands the intricacies of doing business in the region's most dynamic markets. DBS is committed to building lasting relationships with customers, and positively impacting communities through supporting social enterprises, as it banks the Asian way. It has also established a SGD 50 million foundation to strengthen its corporate social responsibility efforts in Singapore and across Asia.

With its extensive network of operations in Asia and emphasis on engaging and empowering its staff, DBS presents exciting career opportunities. The bank acknowledges the passion, commitment and can-do spirit in all of our 26,000 staff, representing over 40 nationalities. For more information, please visit [www.dbs.com](http://www.dbs.com).

## **About Halcyon Agri**

Halcyon Agri (SGX: 5VJ) is a leading supply chain franchise of natural rubber with a production capacity of 1.63 million metric tonnes per annum. The Group owns 38 processing factories in most major rubber producing origins and produces sustainable natural rubber under its proprietary HEVEAPRO brand. The Group leverages its extensive network of warehouses, terminals, laboratories and sales offices across the world to distribute a range of natural rubber grades, latex and specialised rubber for the tyre and non-tire industries. The Group is headquartered in Singapore and has about 15,000 employees located in over 50 locations.

For more information, please visit [www.halcyonagri.com](http://www.halcyonagri.com).

## **About HeveaConnect**

HeveaConnect is a digital marketplace for all natural rubber stakeholders such as producers and consumers. HeveaConnect aims to be an efficient ecosystem for trading sustainable natural rubber under the HEVEAPRO certification and will provide value-added services to consumers via integration of facilitators such as logistics, financing and insurance services. Its goal is to be the leading digital marketplace for sustainable natural rubber and a trading platform which embraces supply chain transparency. HeveaConnect's operation is independent of Halcyon Agri and functions under its management team and board of directors.

For more information, please visit [www.heveaconnect.com](http://www.heveaconnect.com).

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