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WAR ON PLASTIC

Why Malaysia is breaking up with plastic

Plastic: Yay or Nay

Sunwayians share their take on plastic

Driving Sustainability as a Business

Breaking down sustainability in e-commerce giant JD.com

Giving New Life to Old Plastics

A closer look at Conceptos Plasticos, a startup that uses recycled plastic materials to form bricks

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ADVISORS

YBhg Tan Sri Datuk Seri Razman M. Hashim
Jane Poh

EDITORIAL BOARD

Yap Shi Han
yapsh@sunway.com.my
Sarah Chew Suan Mei
sarahcsm@sunway.com.my
Lim May Kwoon
limmk@sunway.com.my
Anis Shakirah Mohd Muslimin
anissmm@sunway.com.my

PUBLISHER

Sunway Group Brand Marketing & Communications

REGISTERED ADDRESS

Sunway Management Sdn Bhd
Level 16, Menara Sunway
Jalan Lagoon Timur
Bandar Sunway
47500 Selangor Darul Ehsan
Malaysia
Tel: +603 5639 8889
URL: www.sunway.com.my

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Should you wish to be on our mailing list, contact us at:

SUNWAY GROUP BRAND MARKETING & COMMUNICATIONS
Level 18 Menara Sunway
Jalan Lagoon Timur,
Bandar Sunway
47500 Selangor Darul Ehsan, Malaysia
Tel: +603 5639 8793/8059

Send us your feedback at
groupbrandmarketing@
sunway.com.my

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FROM THE CHAIRMAN'S DESK

A NEW OUTLOOK: LOOKING AHEAD

A new year, a new challenge. 2018 has been a good year for us. We have made progress on many fronts, and are in a stronger financial position than many of our competitors to weather the expected economic headwinds forecasted for 2019.



Fellow Sunwayians,

The Sunway Group was established in 1974 and, thanks to the hard work, loyalty and dedication of Sunwayians past and present, we are now one of Malaysia's largest conglomerates. With our 12 Business Units and a staff strength of more than 16,000, Sunway is now involved in a wide range of commercial sectors, in several of which we are the leaders.

Guided by our core values of Integrity, Humility and Excellence, we have achieved remarkable growth over the past four decades. Our commitment to these core values is what helped overcome many of the storms we have faced in the past, and it will serve us well as we head into the future.

This is particularly important at this moment in time, when we are living through what has been dubbed the Age of Disruption. The rapid advance of technology, changing consumer tastes, shifting population demographics and the accelerating transition to the digital age mean that we cannot afford to be complacent.

As we ramp up this initiative in 2019, it may well impact all of you in terms of your work here. I am confident that you will embrace and adapt to these changes, which may require retraining and the learning of skills as well as new structures of organisation. Most important of all, these changes will demand a change in mind-sets. After all, we are in the 21st century. We cannot manage with analogue mind-sets in the digital age.

In addition, we have also begun implementing several initiatives in terms of our HR policies and processes that are aimed at nurturing, fostering, recruiting and retaining talent. When I was at Harvard last year, the president of the university asked me, what was the biggest challenge that Sunway faced as a business enterprise. My answer was simple: "Winning the war for talent."

Ultimately, it is you who will make a difference. We are determined to groom from within, and hire from outside, Sunwayians who are not just capable and competent, but also are passionate about what they do and committed to working hard to realise their goals.

I have challenged our Group HR to make Sunway the number one choice for employment within three years. To help realise this goal, I trust all of you will fully participate in our employee engagement surveys to give us an accurate reflection of the company's work environment, management structure and the issues you face in your workplace.

In this context, it is imperative that we operate as one team, and collaborate closely rather than working in silos. Though we are a sum of many parts, we are still ONE Sunway. Hence, we need to reflect on how we can leverage existing resources across the Group, harness the talent we have to drive innovation, think and act with integrity, and project Sunway as a trusted and desirable brand.

We're all in this together,

Tan Sri Dr Jeffrey Cheah A0

REPURPOSING TO MAKE A DIFFERENCE

Sunway launches 'Soapful', a repurposing project to help the needy and conserve the environment



And fourthly, it is our hope that besides utilising the income for their daily needs the children will use these life skills to start their own business and pursue social mobility, or even employ other youths in the future."

For the next phase of the project, Sunway Hotels will continue to collect used soaps in its raw form. They are targeting to collect 720kgs of soap each year, repurposed into 7,200 bars of 100g soaps to sustain the social enterprise project.

Ecolab demonstrated the proper hand washing procedures during the event, an important step before starting the soap making process to ensure no bacteria is passed on, making it safe for personal use.

Michelle Ho, Kinder Soaps founder, taught the children the five-step soap repurposing process in stations set within the Hotel. The five-step process involved grating, mashing,

melting, molding, cutting and packaging. "Can you imagine, 100 kilos of perfectly good hotel soap – if nobody reclaims, it's just going to landfills," she said, a specialist in hand crafting soap bars, who started making soaps to help relieve her newborn's eczema problems.

Previously, the hospitality division had implemented the #SunwayForGood #ZeroFoodWastage programme which saw the group of hotels collecting surplus food daily from its food and beverage establishments to feed the urban poor. So far, the ongoing project served around 17,657 individuals from the B40 groups.

The community programmes are in line with Sunway's pledge to create a positive and far-reaching impact on the nation under the banner of #SunwayForGood, aligned with Sunway's commitment to the United Nations Sustainable Development Goals.

Kelly Leong, Sunway Hotels & Resorts' regional senior general manager, emphasized the project aims to benefit the environment, society, and the economy in alignment with the hospitality group's commitment to the United Nations Sustainable Development Goals (SDG).

"Firstly, the project intends to benefit the environment by removing soap waste from the landfills. Secondly, it helps the home reduce cost as the repurposed soap bars are also meant for their personal use," he said. "Thirdly, it helps the children cultivate meaningful business skills that will help them break the cycle of poverty.

More than two million bars of partially used hotel soaps are disposed every day in the United States alone, according to Clean The World. Now imagine that number globally.

While most hotel soaps, used once or twice, usually end up in landfills, Sunway has found a more sustainable way to repurpose used soaps – helping underprivileged communities.

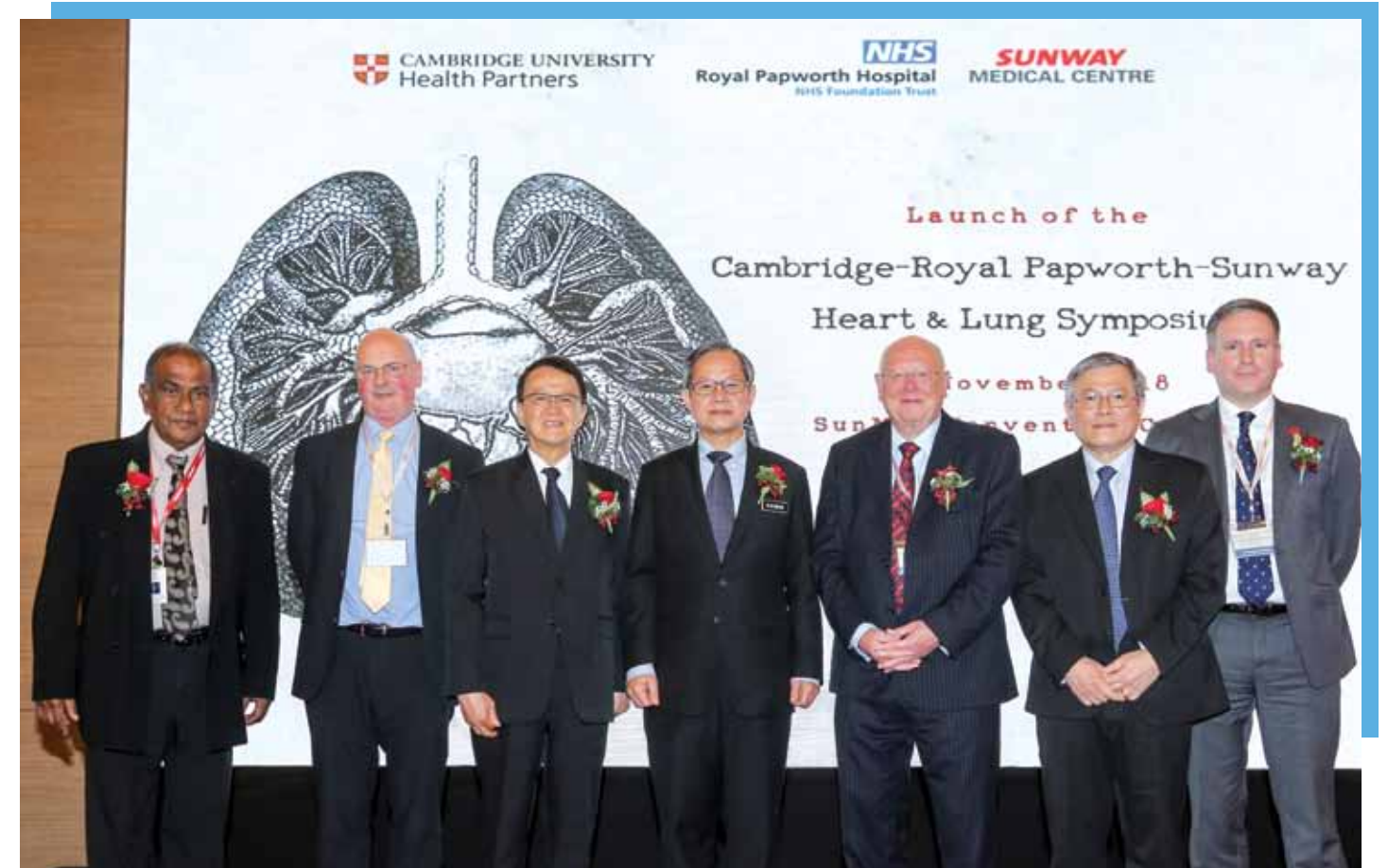
Sunway's hotel division presented 1,000 bars of repurposed soap to the Pertubuhan Kebajikan Anak Yatim Darul Ehsan Malaysia (PKAYDEM), under Yayasan Islam Darul Ehsan (YIDE), to kick-start the orphanage's social enterprise project. The Soapful project is a collaboration with various project partners – Ecolab Sdn Bhd, Kinder Soaps Sdn Bhd and the Selangor Youth Community (SAY).

The repurposed soaps were made from some 100 kgs of leftover soaps, which were collected since last July from Sunway hotels located in Sunway City – Sunway Resort Hotel & Spa, Sunway Pyramid Hotel and Sunway Clio Hotel. The project will include other five Sunway hotels nationwide in the future.



CAMBRIDGE-SUNWAY STRENGTHEN TIES

First Cambridge-Royal Papworth-Sunway Heart and Lung Symposium held at Sunway



Heart disease has been the leading cause of death among Malaysians for the past 10 years. In fact, 13.9% deaths in 2017 were caused by heart diseases. That's a 54% increase from 10 years ago, according to Department of Statistics Malaysia.

Sunway Medical Centre launched its first Cambridge-Royal Papworth-Sunway Heart and Lung Symposium in November 2018 in collaboration with the Cambridge University-affiliated Royal Papworth Hospital (UK), a leading hospital for heart and lung diseases. The symposium included speakers from both hospitals who are specialists in

the areas of cardiology, vascular surgery, cardiothoracic surgery, respiratory medicine, and genetic pathology, among others.

The three-day event, attended by guests and members of the media, was launched by YB Dr Lee Boon Chye, Deputy Minister, Ministry of Health Malaysia. The collaboration will also see the development of clinical services at Sunway Medical Centre through training and research.

The healthcare division's Heart and Vascular Centre is also equipped with cutting edge technology, offering medical services for heart and vascular conditions in both adult and

children, including 24-hour emergency services, screening, scanning machines, genetic testing, angiograms, balloon and stenting procedures, and heart bypass procedures.

Sunway Medical also acquired the Philips Azurion 7 biplane for its centre. The technology is designed to undertake complex interventional procedures in the diagnosis and treatment of blocked heart blood vessels in both adults and children, and is the first of its kind in Southeast Asia.

"As a leading private tertiary hospital in this country, Sunway

Medical Centre is continuously investing in skilled personnel and state-of-the-art equipment to treat the most challenging conditions," said Tan Sri Dr Jeffrey Cheah AO, Sunway Group Chairman and Founder, who gave the opening address at the event.

"We also support extensively the need for a knowledge exchange platform among fellow medical practitioners everywhere. This collaborative event between Royal Papworth Hospital and Sunway Medical is the culmination of all of our efforts to support the advancement of medicine for the benefit of all," he said.

RETHINKING “BUSINESS AS USUAL”

Sustainability can only be achieved if we change the way we do business, says Deepak Xavier, head of Oxfam’s ‘Even It Up’ Campaign

Q. Why do we need to address economic inequality?

A. Economic inequality is growing, unfortunately, at an alarming rate. Various studies have shown that economic inequality will have a very negative impact on the political, social and economic well-being of our planet. It contributes to more social unrest, hinders economic growth and prevents poverty reduction. Data shows that had we stopped inequality from rising in the last decade, we could have lifted 700 million more people out of poverty.

Q. Why is it so difficult to tackle economic inequality?

A. To quote Mahatma Gandhi, “There is enough in this world for every man’s need but not every man’s greed”. Greed is what is affecting the world today. Warren Buffet famously said he pays income tax at a rate lower than his secretary. The super-rich and MNCs are avoiding paying taxes using legal loopholes. Our system has been built to reward those at the top, not those at the bottom. In last year alone, about 82% of wealth generated in the last 1 year went to the top 1%, and the people at the bottom

– about 3.16 billion people – got nothing. The majority are hardworking people on the streets who get nothing after a hard year’s labour.

Q. What are some of the policies or initiatives that have helped people break the poverty cycle?

A. Fair and equitable distribution is very important when it comes to addressing the inequality crisis. If the MNCs and super-rich start paying their fair share of taxes, then we will have more money to invest in tackling inequality – spending on public education and quality healthcare for everyone. In many countries, there is a big gap between minimum wage and living wage. Those who are paid minimum wage are still trapped in poverty because what it takes for you to have a decent life is much higher than minimum wage. Governments need to come up with national policies on living wage and provide better labour protection. We need to have protection, set standards, and make jobs secure; we need to protect labour rights.

Q. The ones who can make economic decisions to change the ways the economic system works, are benefitting from the

current system. How do we change their minds to consider the rest of the world?

A. The onus is on governments. They are not doing enough. The free market economy that has been promoted over the last 20-30 years has always argued for less state intervention and more free market – “The market should regulate itself and the market knows best.” Thirty years later, we are in a situation where we are witnessing unprecedented levels of inequality. The problem is with our current economic model. Without questioning and challenging that, we won’t be able to move forward. The role of businesses are important as employers, investors, service providers, and to promote economic growth activity. But if you and I play a game of chess, should we be left to decide who wins – or do we need a referee? We do need someone to regulate the system. Governments need to ensure that they close tax loopholes which are helping MNCs and super rich individuals to avoid paying taxes, and use those resources to invest in inequality reduction services like healthcare, education, social protection.

Q. What difference can a regular person on the street make to reduce inequality?

A. I think all of us have a role in shaping policies and the destination that we collectively want to reach. We need to be aware of the consequences of our actions and the consequences of inaction by government, corporations and NGOs. We need to hold governments and businesses accountable. If not, governments will become businesses and we become consumers. That’s not what we want. We want a society, where the government is for and by the people, one that actually takes care of the needs and aspirations of all citizens. Somewhere along the journey, we have lost the sense of community, of ‘one’ society. Seeing my problem as yours and yours as mine is very important for us to build societies that are standing hand in hand to fight injustices of poverty and inequality.

Deepak Xavier was a speaker at the recent Sustainability Summit Asia event at Sunway Resort Hotel & Spa. The event was organised by The Economist in partnership with Sunway University’s Jeffrey Sachs Center on Sustainable Development.

To find out more about overcoming inequality through Oxfam’s ‘Even It Up’ campaign, go to: <https://www.oxfam.org/en/campaigns/even-it-up>



LIFE HACKS: HOW TO REDUCE PLASTIC

SAY NO TO

Straws

Drink without a straw or use a reusable one



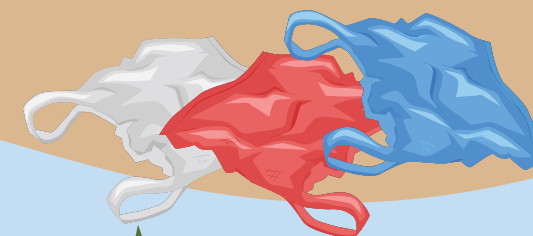
Plastic Bottles

Bring your own reusable cups/mugs/ tumblers for beverages



Plastic Bags

Bring your own reusable shopping bags or baskets



ADOPT A Zero Waste Lifestyle

- Shop smart at places that encourage zero waste
- Prioritise environment over convenience
- Bring your own containers and avoid convenient disposable single-use containers
- Refuse what you cannot reuse



SWAP Disposable For Reusable Items

- Swap plastic toothbrushes for compostable bamboo ones
- Use metal or glass containers
- Use your own cutlery



AVOID Plastic Packaging

- Purchase in bulk quantities
- Buy refillable products
- Opt for packaging made from natural compostable materials
- Buy from fresh markets using reusable containers



WAR ON PLASTIC

Malaysia is taking a step forward in reducing single-use plastic. Under the new government policy, there will be no drinking straws and plastic carrier bags by 2030.

Plastic. It's everywhere. Durable, lightweight, economical and versatile – it's easy to see why plastic is a popular material for all kinds of products across industries. But the ubiquity of plastic also means plastic waste can be found from the highest point on earth on Mount Everest, to the deepest depths of the ocean floor in the Mariana Trench. Plastic has even left its mark on Earth's geology with the discovery of 'plastiglomerate,' rock hybrids formed by plastic trash fusing with natural materials such as coral, wood, sand and rock.

The Problem With Plastic

Disposable plastic products like plastic bags, cups and bottles are some of the modern conveniences that are enjoyed for a few minutes but take more than 400 years to degrade in the environment.

The global shift from reusable to single-use products in the last 60 years are mainly to blame for the increased usage of plastic, according to international journal Science Advances. If nothing changes, an estimated 12 billion metric tonnes of plastic waste will fill up landfills by 2050. Just like on land, the ocean is not spared of plastic pollution. Researchers estimate that 8.5 million metric tonnes of plastic waste turn up in the sea every year.

Concerted Efforts To Reduce Plastic

Malaysia is making strides in the race against plastic. The government aims to eliminate single-use plastic by 2030. Effective January 1, 2019 plastic straws have been banned in Selangor, and the Federal Territories of Kuala Lumpur, Putrajaya and Labuan. The Penang state government has also increased the cost of plastic bags to RM0.50 each in a move to discourage the prevalent use of single-use plastic bags. State governments are also expected to implement the 'no straws on default' policy and issue a 'pollution charge' for plastic bags via local councils this year until 2021.

Spearheaded by Yeo Bee Yin, the Minister of Energy, Science, Technology, Environment and Climate Change, these initiatives fall under Phase 1 of Malaysia's 'Roadmap Towards Zero Single-use Plastic 2018-2030.' Launched late last year, the roadmap is a national-level phased approach to address the burgeoning problem of plastic waste.

Rapid mass production of plastic over the last six decades has resulted in **8.3 billion metric tonnes of plastics** entering the planet. From that number, 76% have become plastic waste.

-2017 study by Science Advances

The Need For Circular Economy

According to the National Solid Waste Management Department's 2012 report, plastic makes up 13.2% of Malaysia's total household waste; disposable diapers account for another 12.1%. Alarmingly, only 24% of total waste is recycled and 76% is sent to landfills.

Acknowledging the need for alternative waste management solutions, the Housing and Local Government Ministry is currently studying more energy-efficient options like biomass waste management, waste-to-energy, incineration and biodigestion, as it hopes to eventually phase out landfills.

Ultimately, sustainability experts believe there is a necessary shift towards the circular economy to resolve the environmental challenges presented by waste and pollution, and to achieve sustainable development. Unlike the traditional linear economy where products are disposed at the end of its life cycle, the circular economy is an industrial system that is regenerative by design, aimed at eradicating waste systematically by keeping products, components and materials at its highest utility and value.

Sunway Group Founder and Chairman Tan Sri Dr Jeffrey Cheah AO believes that the shift towards the circular economy is possible with the right innovation and invention. "We are living in an age where technology is transforming the world. I believe that it is now more important than ever not just to raise awareness about sustainability but to also implement policies that promote the sustainable development agenda," said Cheah at the Sustainability Summit Asia in November last year.

Sunway has taken its own green steps toward eliminating single-use plastic and increasing awareness on plastic waste pollution. Sunway Lagoon swapped its single-use plastic food storage containers with more sustainable alternatives. Sunway University ceased the sale of plastic bottles on its campus since July last year as part of Sunway Education Group's #TheLastStaw campaign. Other initiatives on campus include numerous green campaigns such as the yearly 'GreenThink!,' 'Scrap-the-Styro' and 'Pay for Your Plastic Bag' campaigns.

Sunway Malls recently launched its year-long metal straw redemption campaign called Bring Your Own Straw, which allows shoppers to redeem straws with a minimum spend of RM100 in two receipts. Some of its tenants are also adopting their own metal straws or biodegradable paper straws.

Companies will do well to consider operating sustainably if they are to not just thrive, but survive. "Why is sustainability important for Malaysia? Sustainability is not only about saving the world. Sustainable economies and sustainable businesses will be the future for not just Malaysia, but the world. The government and the corporate sector need to be adaptive to this change so that we will be able to compete in a world that really puts a premium on sustainability," Yeo said.

SUPERLATIVE SUNWAY



LEADING THE WAY

Tan Sri Dr Jeffrey Cheah AO was conferred the Malaysian Institute of Management Court of Emeritus Fellow.

PREMIER IN PROPERTY

- Sunway Velocity Mall received the FIABCI Malaysia Property Award 2018 under the Retail category at the 26th Malaysia Property Award.
- Sunway Property was bestowed the Asia-Pacific Property Development Competitive Strategy Innovation and Leadership award at the annual Frost & Sullivan Asia-Pacific Best Practices Awards.



THREE CHEERS FOR CONSTRUCTION

Sunway Construction Group was a triple threat at the 44th International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA) Convention 2018, winning the Silver Medal Awards in Building Construction and Civil Engineering Construction categories. The group's advisor and former Senior Managing Director Datuk Kwan Foh Kwai received the Yeoh Tiong Lay - IFAWPCA Award for Excellence.

BEST BRANDS IN THE BUSINESS

Sunway Group scored a hat-trick at the Putra Brand Awards 2018 with Sunway Property and Sunway University striking Gold for the property and education categories respectively. Sunway Lagoon clinched Bronze in the entertainment category.



CONSCIENTIOUS CORPORATE CITIZEN

Sunway Berhad clinched the Best Corporate Responsibility Initiatives Award at The Edge Billion Ringgit Club for companies with a market capitalisation under RM10 billion for the second time, following its maiden win in 2015.



EMPLOYER EXTRAORDINAIRE

- Sunway Malls made its mark as an outstanding place to work, topping the retail category in the HR Asia Best Companies to Work For in Asia Awards 2018. The award surveyed 9,972 employees from 310 companies across Malaysia.
- Sunway Group took home three wins at the Aon Best Employers Awards, with Sunway Building Materials Group, Sunway Hotel Georgetown and Sunway IT Shared Services recognised as outstanding companies to work for.

PLASTIC: YAY OR NAY



Plastic? Of course no! Every living human being should play a part in saving the environment. We have recyclable bags, please use it wisely because it does not cause you any pain. Please say yay to recyclable bags and nay to plastic bags! Reusable bags are the trend now.
-**LAU EE FONG**, Executive, Business Innovation



Plastic has been both a boon and a bane to humanity since its inception and popularisation in the early 70's. On one hand, it introduces a strong, light and easy way for the masses to carry goods around, but it also causes irreversible and widespread damage to the ecosystem that we live in. Collectively, the human race produces over 300 million tonnes of plastic each year, of which 91% isn't recycled. We can mitigate this. Studies have shown that a simple change in the consumption of single, disposable plastic bottles to reusable bottles could actually save 1,460 plastic bottles per individual in just the span of a single year. By changing our habit of using and disposing plastic, we can make a significant difference to the world. For the sake of a better world, plastic is a nay for me.
-**LIM JUN HONG**, Intern, Group Branding, Marketing & Communications



Sunway has been a company of the future – riding trends and even pioneering forward. I think it's very clear that this (plastic ban) is the direction forward for all those who care about the planet. It's only a small gesture, a small stand, but as we join with others it becomes a wave, a movement. My wife and I are doing our best to become zero waste, taking cloth bags, and dabao containers wherever we go so that we don't have to use single-use plastic. It's surprisingly difficult and many shops insist on using plastic. I think if Sunway took the lead on this it would speak volumes about their commitment to the environment and to the future for us, our children, and their children too.
-**DAVID HEPTING**, English and Science Teacher, Sunway International School Iskandar



Cheap plastic is so common and it is found everywhere. It retains some of the most attractive qualities in any material – lightweight, flexible, relatively inexpensive, and durable – and humans have acquired a voracious appetite for its boundless creations. But its appealing features also mean it exists in abundance, and without proper regulation, accumulation of plastic can easily lead to water, soil, and air pollution. But cutting down on plastic use isn't an easy solution. Some industries like the medical field can't curb or replace the use of plastic materials in the short-term. We can practice responsible use of plastic or replace it altogether with more environmental friendly materials. Plastic is not dangerous to the environment if not for the humans who choose to abuse the convenience of plastic.
-**LEE YIAW SAM**, Associate Consultant- Applications, IT Shared Services Centre



Plastic is particularly functional in a country like Malaysia, where the tropical rain comes heavily and, sometimes, rather suddenly. But plastic has its limitation as well. For instance, caution must be taken with plastic bottles by not keeping it in places where it can get heated. It's the overuse and littering culture that create problems. If plastic is used sparingly – reused and then disposed of properly, not dumped in the oceans or dropped along the streets, that will make a big difference. There should not be a total ban, but an educated usage.
-**DOREEN JOHN**, Head of Partnerships and Student Engagement of the Centre for American Education (CAE), Sunway University



Substituting plastic with steel drinking straws and recycling bags would not be helpful if we are still shopping irresponsibly and impulsively. How many of us would donate old clothes and items to the poor and needy instead of disposing it? In fact, plastic bags and straws are just the "accessories" to the major issue that's damaging our environment – the real culprit is our purchasing habit. What's being dumped into the ocean are not just plastic bags and straws, but the waste of all these goods that we thought we needed. In short, all these implementations would not make a huge impact unless we adopt a responsible attitude as a consumer.
-**WONG ZI EN**, Executive, Internal Audit

DRIVING SUSTAINABILITY AS A BUSINESS

For China's e-commerce giant JD.com, sustainability is more than just corporate social responsibility – it makes business sense



For many companies, sustainability is seen as an option rather than a business priority, due to the misperception that the costs outweigh the benefits.

However, online retailer JD.com considers sustainability to be an integral part of building the business and the brand.

“Sustainability is more than just green initiatives – it is a business strategy. When we do business, we think about how we can promote sustainability in society. With sustainability, we can have long-term prosperity. It’s a win-win situation for all stakeholders in the ecosystem,” said Libo Ma, head of the CSR Department at JD.com and secretary-general of the JD Foundation.

With over 300 million active customers, JD.com is China’s largest e-commerce platform by revenue and second largest by market share after Alibaba.com. The Beijing-based online retailer went public on the Nasdaq market in 2014 and currently has over 175,000 employees.

According to Ma, sustainability has been part and parcel of the business since the company was founded in 1998.

With his team of 38 employees back then, founder Liu Qiangdong went to one of the poorest counties in China’s Jiangxi province to distribute bursaries for local children to pursue higher education.

“I remember meeting a young girl who otherwise would not have had the opportunity for higher education as she had three brothers, and Chinese parents normally prioritised boys in the family. With our financial support, the girl graduated from a local university and has applied to pursue her Master’s degree this year. This is just one example of promoting sustainability from the very beginning [of the business],” said Ma.

Operating 550 warehouses across China, 7,000 delivery stations and its own logistics network under its subsidiary JD Logistics, JD.com is able to push its sustainability agenda to different stakeholders as it has greater control over its supply chain of products.

In bid to reduce plastic packaging, JD.com invested more than RMB1 billion (RM 605 million) into the Green Steam Initiative to promote the use of sustainable packaging materials and reduce the environmental impact of the entire supply chain. Consumers are incentivised for choosing recyclable packaging for their orders while JD.com engages with corporate partners to promote recycled packaging across the supply chain.

“We provide 100,000 recyclable boxes to reduce 1 million plastic bags. By 2020, JD.com is committed toward 80% of logistics packaging to be recyclable,” said Ma.

JD.com estimates savings of up to RMB32.5 million (RM19.6 million) per year if 10% of all orders utilise reusable packaging.

Innovative use of technology has enabled JD.com to integrate sustainability throughout the business and to reach new heights in sustainability efforts.

Mindful of the ‘last mile’ of the distribution process, JD.com launched hydrogen energy delivery trucks in Shanghai— a first for China’s logistics industry – and a fleet of 50 solar-powered delivery vehicles in Beijing this year as part of its carbon-free initiatives.



“Drones were utilised in the wake of the 2008 Sichuan earthquake and the Beijing floods this year to deliver water and medicine to the affected areas. We believe that technology can empower different stakeholders,” said Ma.

Last December, JD.com launched a blockchain technology-based pharmaceutical tracking solution to provide more transparency into pharmaceutical supply chains in China. This comes after a number of recent pharmaceutical safety incidents in the country concerning substandard vaccines. Blockchain technology allows customers to trace the origin of a product to verify the authenticity of product claims.

Operating in a country that has a reputation for counterfeit goods and scandals involving health and product safety, JD.com prides itself as a trusted marketplace for leading global brands and genuine products. The company practices a zero tolerance policy towards counterfeit products, with merchants and suppliers of fake goods permanently banned from the website and issued hefty fines.

“Practising sustainability allows the company to build customers’ trust towards the JD.com brand, which is a long-term growth strategy for the business. Through sustainability, we can foster good relationships with the different stakeholders,” said Ma.

One such stakeholder is the Chinese government, who plays an important role in driving sustainability since China is a key driver of global consumption and the world’s largest producer of plastic.

“The e-commerce penetration rate of 15% in China is higher than in the US, so e-commerce companies like JD.com need to collaborate with the government to promote sustainability together,” said Ma.

In 2017, JD.com signed an agreement with the Chinese State Council’s Office of Poverty Alleviation to explore ways to reduce poverty through production, entrepreneurship, and employment. More than 100,000 poor households have benefited from JD’s poverty alleviation projects, with an average increase in income of 2,000 yuan (RM1,207) to 3,000 yuan (RM1,810).

One such project was the ‘Running Chicken’ initiative, which involved JD.com collaborating with the local Wuyi county government to provide interest-free loans to poor villagers to run free-range chicken farms. Since 2016, the initiative has helped more than 400 households in the Wuyi county out of poverty. “We help the farmers to grow so we can find solutions to end inequality,” said Ma.

While companies need to play a more proactive role in helping the government to resolve social issues, Ma believes sustainability begins at home – within the company itself. “The baseline of a company is to practise sustainability and treat their employees well. Most of our delivery workers do not have good educational backgrounds so we provide them with opportunities to further their education and training to explore better career paths. We give them insurance. We need to empower people,” she said.

Libo Ma was a speaker at the recent Sustainability Summit Asia event at Sunway Resort Hotel & Spa. The event was organised by The Economist in partnership with Sunway University’s Jeffrey Sachs Center on Sustainable Development.

GIVING NEW LIFE TO OLD PLASTICS

Embodying the circular economy, Conceptos Plasticos tackles plastic pollution and provides affordable housing with its plastic-waste-turned bricks

Plastic waste is often viewed as the end-of-life of a plastic product, depleted of its usefulness and a threat to the environment.

However, in the hands of Columbian architect Oscar Mendez and his social enterprise, Conceptos Plasticos, plastic waste is not only given a new lease of life – it also changes the lives of at-risk communities.

Founded in 2010, Conceptos Plasticos collects the plastic waste from recyclers to form their proprietary 'Bloqueplas' modular bricks, which are then used to construct low-cost housing for at-risk communities.

"We are focused on plastics that are difficult to recycle. In Columbia, PET (polyethylene) water bottles have loop closure because there are companies that recycle them to make new ones, but not plastic packaging or sachets – multi-layered type of plastics. We can transform them into something useful," Mendez said.

Staying true to the circular economy principle of eradicating waste and maximising resources, 'Bloqueplas' bricks that experience wear and tear can be easily recycled back into new bricks. "We have no waste in our factory," Mendez quips.

The startup promotes sustainable development by addressing two problems – the environmental problem of plastic waste and the rural housing deficit in Columbia. Among the beneficiaries of Conceptos Plasticos' modular

homes include 42 families that were displaced by civil conflict in the town of Guapi.

Beyond building homes, Conceptos Plasticos also builds the local community by empowering them to construct the houses on their own using the materials provided. Due to their unique Lego-like structure, the bricks are easily slotted together for a more efficient construction process.

To date, more than 2,000 tonnes of plastic trash have been transformed into shelters, housing, medical centers and classrooms in Columbia thanks to the startup.

Conceptos Plasticos ships building materials to Costa Rica, Aruba, Peru and Mexico from their sole factory in Columbia, where most of their big projects are based. The startup will be setting up a factory in Africa this year, where it has been contracted to construct more than 500 classrooms.

"There are plastic problems in every country. We want to replicate our model and technology, take local plastic waste and transform them in a local way to resolve the plastic waste issue and the housing shortage," Mendez said.

However banning plastics, Mendez said, is not the solution to plastic pollution – consumer education is. "If you talk to plastic companies, plastic bags are not a big market for them. When countries stop using plastic bags, it's not a real solution," he said.



"The solution is to make people understand that they can live without the straw or any single-use plastic. You can recycle plastic. The problem is people – they need to be educated about what they can do about plastic and how to reduce the consumption of it."

Having collaborated with corporations like Dow Chemicals and the Columbian government on community housing projects, Mendez believes corporations need to do more to support social enterprises to realise innovative ideas that promote the circular economy.

"A lot of startups die prematurely because they are unable to find financial support. Companies can support their ideas and projects to realise the circular economy," he said.

DANGERS OF PLASTIC

Plastic has been found in both extremes of the world:

HIGHEST POINT ON EARTH, MOUNT EVEREST
(8,848m above sea level)
25 tonnes of trash cleared in 2017

Plastic in Landfills

- One-third of all plastic waste ends up in soil or freshwater
- Harmful chemicals in plastic can be absorbed by human bodies and disrupt hormone function



DEEPEST POINT ON EARTH, MARIANA TRENCH
(10,898m below sea level)
More than 1,000 pieces of macroplastic, 89% were single-use products

Plastic in the Ocean

- Estimated 8 million metric tonnes of plastic end up in the oceans every year
- Amount of plastic in the ocean expected to triple between years 2015 to 2025
- By 2050, amount of plastic will be more than fish

PLASTIC TAKES
400 YEARS
TO DEGRADE

ESTIMATED TOTAL OF
400 BILLION METRIC TONNES
PRODUCED SINCE 1950s

6.3 BILLION
HAS BECOME WASTE

9%
ONLY OF PLASTICS IN THE WORLD HAVE BEEN RECYCLED

79%
IS IN LANDFILLS OR LITTER





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