

A BETTER WOOD FOR A BETTER WORLD

As you are reading this newsletter, take a look at the furniture around you. Most likely, they are made of rubberwood. Sadly, rubber cultivation is steadily declining since the 1990s. Recently, the Malaysian Timber Council held a meeting with the Malaysian Investment Development Authority on 14 December 2021 to explore the possibility of using oil palm trunks (OPT) as an alternative sustainable material source for the furniture and construction sector.

Do you know what happens to OPT from palm oil trees that are cut down for replanting? Usually, they are left to rot and decompose. Every year, there are nearly 30 million of disposed OPT in the fields as Malaysia has approximately 14.5 million acres of oil palm plantations that are replanted every 20 to 25 years.

But thanks to IOI Corporation Berhad's sustainability commitment, we practise zero burning. Furthermore, our subsidiary, IOI Palm Wood Sdn Bhd, is Malaysia's first manufacturing plant to commercially and sustainably convert unused OPT into eco-friendly, sustainable and high-performance wood panels. Through IOI Palm Wood's *OnCore*® brand, we can have a better wood which is lightweight,

stronger, more stable, have good screw holding and a higher strength. More importantly, we are shaping a greener future by reducing deforestation and greenhouse gas emissions. We are capturing about 250 kg of carbon for every cubic metre of palm wood that is produced.

Drop by at our *IOI Information Hub* at Ground Floor East Wing (in front of MUJI Store) at IOI City Mall. Check out our sustainability movement and take a seat on our innovatively and uniquely configured benches that are made from OPT.

IOI Palm Wood Chief Executive Officer Mr Peter Fitch looks forward to changing the world positively with OnCore® and said: "Palm wood is not such a beautiful wood with all its rough and heavy fibrous texture. But the core is beautiful because its inner fibres are like reinforced concrete that give the wood its ultimate strength."

The IOI Information Hub was unveiled on 20 December 2021 at the Ground Floor East Wing (in front of MUJI Store) at IOI City Mall.

Racing Towards A Net ZERO Future

Globally, over 3,000 businesses have committed to the United Nations' (UN) *Race To Zero Campaign* to achieve net zero carbon emissions by 2050. "In this world of polarised division, the Earth is something we all have in common," said IOI Palm Wood Sdn Bhd Chief Executive Officer Mr Peter Fitch, who agreed that leading companies today are recognising the need to decarbonise their supply chains in order to effectively decarbonise their own operations in the climate action journey. That is why converting unused oil palm trunks into usable and high-performance wood panels is such a game-changing opportunity to meet our net zero ambition.

Joining the British Malaysian Chamber of Commerce's (BMCC) *Climate Action Pledge* is one of our first steps towards a net zero future. Along with YTL Corporation Berhad, IJM Corporation Berhad, MISC Berhad and other companies, Mr Peter Fitch shared the values of IOI Palm Wood during the *Malaysia Climate Action Week's Race to Net Zero Supply Chain* virtual forum webinar which ran from 25 to 29 October 2021. Co-organised by BMCC and the British High Commission Kuala Lumpur, the event was held in conjunction with the UN Climate Change Conference (COP26).

The time to act is now. Check out: <https://climateactionweek.bmcc.org.my/> or <https://cutt.ly/uUF90wd> to listen to the webinar.



Mr Peter Fitch said: "We must all focus on the 'How' to make a positive change, because the time to question 'Why' is over."