

# Making a difference:

## Investing in sustainable business practices and materials



### THE IMPORTANCE OF SUSTAINABLE PRACTICES

As the industry confronts the pressing challenges of climate change, the importance of building a sustainable future through responsible business practices has never been clearer. By investing in sustainability, IOI Palm Wood (IOIPW) hopes to mitigate environmental impact and contribute to a healthier planet. Here is how our commitment to sustainable business practices aligns with our goals for a better future.

**Environmental impact:** The primary focus of IOIPW's sustainable business model is to minimise resources use, reducing waste and lowering carbon emissions. This involves adopting oil palm trunks (OPT) which are sourced from local oil palm estates during the regular replanting schedules as the raw material. By utilising renewable resources and improving operational efficiency, IOIPW wishes to create a positive impact on the planet.

**Social responsibility:** Sustainability is not only about the environment;

it also encompasses social dimensions. IOIPW is committed to ensuring fair labour practices, supporting local communities by relying exclusively on a domestic workforce, and promoting diversity and inclusion. Engaging with our stakeholders and addressing social issues is crucial to building a responsible and ethical business.

**Economic viability:** A sustainable business must maintain profitability while investing in practices that benefit the environment and society. IOIPW's business model balances long-term financial health with environmental and social considerations. By transforming OPT into environmentally friendly palm core products, we look forward to achieve financial success while making a positive impact.

**Transparency and ethics:** Operating with honesty and integrity is vital to building trust with one's customers and stakeholders. As such, we aim to prioritise clear communication about our practices and the impacts. By being transparent about our sustainability efforts, we hope to foster stronger relationships and accountability within the community.

**Innovation and adaptability:** To enhance sustainability, IOIPW embraces new technologies and practices. Being open to change allows the company to remain resilient and relevant in a rapidly



evolving market. Innovation drives our sustainability efforts, enabling us to adopt more efficient processes and products that benefit both the environment and our business.

**Stakeholder engagement:** Involving customers, employees, suppliers and the community in the decision-making processes is essential for achieving better sustainability outcomes. Collaborative approaches ensure that diverse perspectives are taken into account, fostering a sense of ownership and commitment among all stakeholders.

**Long-term vision:** IOIPW focuses on long-term goals rather than short-term profits. Our commitment to sustainability is integrated into our business strategy, ensuring that sustainable practices that contribute to a better future for all are prioritised. This long-term vision seeks to enhance reputation and market position.

**Measurable goals:** Setting clear, achievable sustainability targets is crucial for tracking our progress. We regularly assess our performance using measurable metrics to ensure accountability and drive continuous improvement. By evaluating, IOIPW can identify areas for enhancement.

### THE IMPORTANCE OF SUSTAINABLE MATERIALS

Central to IOIPW's sustainable practices is the use of sustainable

materials, which possesses several key characteristics:

**Renewability:** Sustainable materials come from renewable sources, such as OPT which can be replenished naturally over time.

**Low environmental impact:** Sustainable materials require minimal resources to produce and are associated with reduced pollution and emissions.

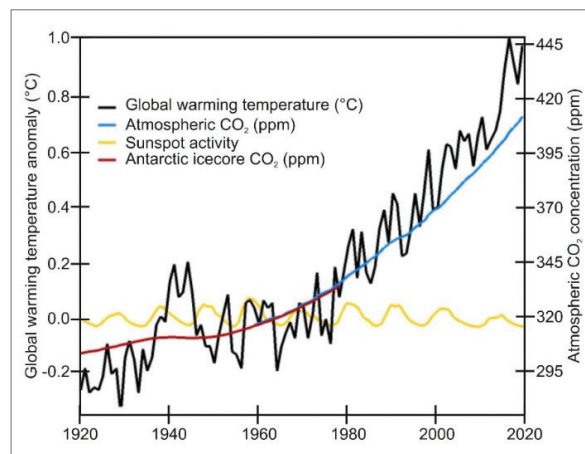
**Biodegradability and recyclability:** Sustainable materials normally break down naturally without harming the environment and can be recycled or upcycled into new products.

**Sourcing ethics:** IOIPW ensures our materials are sourced from suppliers that uphold fair labour practices and whenever possible, we choose local sources to reduce transportation emissions.

**Non-toxicity:** The materials used should be free from harmful chemicals and toxins that can negatively impact health and the environment.

**Lifecycle assessment:** IOIPW evaluates the sustainability of materials across their entire lifecycle, ensuring minimal negative impacts at every stage.

**Durability:** Sustainable materials often have a longer lifespan, reducing



the need for frequent replacements and minimising waste.

By incorporating these characteristics into our business model, IOIPW contributes to a more responsible and eco-friendly approach to production and consumption. In conclusion, our commitment to building a sustainable future through responsible business practices is vital for mitigating climate change and creating a healthier planet. By focusing on all these aspects, the company is not just investing in its business; it is also investing in the future of the world. **P**

Figure 1. Evolution of global temperature (black), atmospheric CO<sub>2</sub> concentration (blue), CO<sub>2</sub> concentration in air trapped in Antarctic icecores (magenta) and solar activity (yellow) from 1920 to 2020. (Adapted from *Saving the planet with appropriate biotechnology* by Moore, D., 2021, *Mexican Journal of Biotechnology* 2021, 6(1):1-30)



Inspiring the next "material revolution" by creating sustainable and high-performance materials from oil palm waste, **Peter Fitch**, together with IOI, have set up IOI Palm Wood to commercialise this untapped potential.