



News Release
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FMM URGES LOCAL MANUFACTURERS TO GREEN THEIR FACTORIES

MALAYSIA AIMS FOR 100 GREEN FACTORIES BY 2020

Kuala Lumpur, 28 August 2015 – Malaysia’s No. 1 coating solutions provider, Nippon Paint Malaysia Group (“Nippon Paint”) together with the Federation of Malaysian Manufacturers (FMM) encourages Malaysian factories to maintain its competitiveness by greening their operations and production processes, in view of increasingly discerning consumers both locally and globally.

“Our message to Malaysian manufacturers is simple, the long-term benefits of implementing green and sustainable practices far outweigh the cost. We need to adopt a long-term viewpoint so that we can begin nurturing conditions for the transformation towards a green economy. Green factories is one of the key driver that further contributes to economic efficiency and environmental sustainability, as the industrial sector consumes 40% of the final energy use in Malaysia,” said Dato’ Haji Mizanur Rahman Ghani, Council Member of the Federation of Malaysian Manufacturers (FMM) and Chairman of FMM Environmental Management Committee, at the recent *FMM-Nippon Paint Green Factory Seminar 2015*, aimed to bring together thought leaders of green buildings in Malaysia.

The seminar included case studies and lectures on regulatory standards pertinent to sustainable manufacturing. Notable speakers include veterans in the green agenda such as Ar. Von Kok Leong, Chairman of Green Building Index Accreditation Panel (GBIAP); Ir. Chen Thiam Leong, Co-Chairman of GBIAP and Ir. Ahmad Izdihar, Honorary Secretary of Malaysian Green Building Confederation (MGBC).

The Green Building Index (GBI) is Malaysia’s one of the green rating tools for buildings and towns, created to promote sustainability in the built-environment. GBI is developed specifically to suit the Malaysian tropical climate, environmental and developmental context, cultural and

social needs. GBI launched The GBI Industrial Existing Building and New Constructions Rating Tools which cover six key criteria - Energy Efficiency, Indoor Environmental Quality, Sustainable Site Planning and Management, Materials and Resources, Water Efficiency and Innovation.

Ar. Von Kok Leong, Chairman of Green Building Index Accreditation Panel (GBIAP) said, ***“We are targeting 100 green factories over the next 5 years, by 2020. We are also confident that the soon-to-be-announced Income Tax Exemption for green-related investments will bode well for more sustainable buildings in Malaysia. Green factories make efficient use of resources, have significant operational savings and the ability to increase workplace productivity. Green factories also reduce building impact on human health and the environment during the buildings lifecycle, through better siting, design, construction, operation, maintenance and removal. With existing factories constituting more than 90% of the building stock in Malaysia, there is a greater need towards this direction for both existing as well as new factories.”***

“However, the common barriers to the greening of industrial sector include a lack of awareness on the investment outlay and payback period. The investment outlay includes the renovation cost, the training cost, or even the consultancy fee. Cost should not be seen as a barrier towards greening a factory. On an average industry standard, most clients have a payback period of a few years, but the long-term positive impact to the environment is immeasurable,” added Ar. Von.

Currently, approximately 150 million square feet have been officially certified by GBI in Malaysia, encompassing industrial, commercial as well as residential buildings. Since 2012, 32 industrial building projects in Malaysia HAD applied for Green Factory certification, of which 10 of them has been successfully certified to date. During the seminar, GBI awarded certificates to I-Park - Phase 2 (Johor), District 6 @ SILC (Johor), ArtMatrix Factory (Selangor), Sena Diecasting Industries (Selangor) and Elken Distribution Centre (Selangor).

Over the last decade, there has been a push from consumers and the public, both locally and internationally, for manufacturers to adopt sustainable and green manufacturing process. Ar. Sarly Adre Sarkum, President of MGBC said, ***“By targeting the industrial sector especially with the GBI Industrial Tool, it will bring about a positive impact in lowering the nation’s energy consumption. This is of course in addition to the other benefits of green buildings such as health and well-being of the buildings users which results in better productivity and bottom-lines. MGBC, as part of the established member echelon of WGBC (World Green Building Council), is fully committed to spearhead awareness, education and***

implementation efforts as well as assist similar efforts by other allied bodies to bring about positive change in the environmental and sustainability value chain of the country.”

At the seminar, Nippon Paint also shared about the use of coatings as part of the greening process for factories. Gladys Goh, Group General Manager of Nippon Paint Malaysia Group said, ***“Nippon Paint has always been driven by our Total Green Solution philosophy to pioneer sustainable innovations for buildings. For us, paint is more than just colours. In addition to aesthetic, Nippon Paint has a line of coatings that can provide significant functional benefits for any buildings – not just for homes, but also for offices, malls or factories.”***

“Through our focus in Research & Development activities and product innovations, we recently launched Nippon VirusGuard, Malaysia’s first anti-viral paint utilising Silver Ion Technology to combat Hand, Foot, and Mouth Disease and H1N1. We also have previously developed coatings that are able to reduce building surface temperature by up to 5 degree Celsius. This enables factories to save in terms of air-conditioning, and ultimately electricity usage. Some of our coatings also has the functional capabilities to improve indoor environmental quality, which is a key criteria of GBI. Nippon Paint also delivers coatings that is able to cover any existing surfaces such as factory floorings, tiles or glass with textured or protective coatings, giving them a new look without engaging resources to dismantle them. This significantly reduces further wastage and impact to the environment, plus cost savings too,” she continued.

Nippon Paint recently underwent a corporate and brand repositioning, turning from *“The Paint Expert”* to *“The Coatings Expert”*, with the ability to serve multi-segments in the coatings industry such as Architectural, Protective, Industrial, Automotive and Marine as well as the capabilities to coat multi-surfaces from metal to wood, tiles, cement, slate, glass and even plastic. Be it decorative, protective or functional coatings, Nippon Paint continuously stays at forefront of delivering innovative, ‘industry-first’ coating solutions.

Dato’ Haji Mizanur added, ***“Our ability to measure, manage, and reduce carbon emission would present us with wider opportunities in the medium to long term to achieve better business benefits through strengthening of our reputation as a responsible manufacturer, offering sustainable products and services especially in the highly competitive global market. Indeed the task of balancing the need to protect overall public health and environment while promoting economic development requires concerted effort from the industry, government as well as the society.***

“Since all stakeholders are inter-dependent, we look forward to more public-private and private-private collaborations in addressing sustainable consumption and production issues. FMM would like to applaud Nippon Paint for this initiative in raising awareness and sharing experiences with fellow industry players on ways to be more resource-efficient, environmentally responsible and operate in a more sustainable manner. We highly encourage a continual sharing of knowledge and experience among industry as we continue this journey towards a greener economy.” He concluded.

About Nippon Paint Malaysia Group

The Nippon Paint Malaysia Group (“NPM Group”) is currently Malaysia’s No. 1 Total Coating Solutions provider, enjoying its market leadership position since 2008. The NPM Group is part of the Nippon Paint Group, which is currently Asia’s No. 1 coating manufacturer spanning 15 countries, built on a heritage of over 130 years dating back to 1881 in Japan.

Established in 1967 as Nippon Paint (Malaysia) Sdn. Bhd., the company has since grown in leaps and bounds, and today, has emerged as a significant regional player within the coatings industry with presence in countries such as Pakistan, Philippines, Bangladesh, Thailand and Indonesia.

The NPM Group places strong emphasis in Research and Development (R&D) activities, which remains a core priority to its success in product innovation. As a global leader in coating technologies with a database of more than 10,000 paint formulations, the NPM Group prides itself in being a Total Coating Solutions provider with a multi-segment portfolio of offerings ranging from Architectural, Automotive, Industrial, Protective to Marine coatings.

The Group has won consumer choice awards such as the Reader’s Digest Trusted Brand Awards (2006-2015) and Putra Brand Awards (2010-2014), as well as received industry accolades such as the Best Company for Leadership in Paint Technology Asia by IAIR in 2014 and Frost & Sullivan’s Paint & Coatings Company of The Year in 2011. In its concerted effort to champion sustainability towards a greener footprint, the Group has received the Green Label Certification (by the Singapore Environment Council), EcoLabelling Certification Licence (by SIRIM QAS International) and several Green Excellence Awards by Frost & Sullivan.

For more information on Nippon Paint Malaysia:

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About Federation of Malaysian Manufacturers

The Federation of Malaysian Manufacturers (FMM) has and continues to be the voice of the Malaysian manufacturing sector since 1968. Representing the views and interests of over 2,600 manufacturing and manufacturing services companies, FMM is actively engaged with government and its key agencies at Federal, State and local levels. FMM is well-networked with international organisations, Malaysian businesses and civil society. Apart from benefitting from FMM's advocacy, FMM members enjoy value-add services, including training, business networking and trade opportunities as well as regular information updates.

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