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Championing sustainability and built quality

The Edge, Malaysia



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COVER STORY

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An aerial view of IJM Land's Seremban 2 township comprising residential and commercial developments

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It has been over a year since Datuk Wong Tuck Wai took on the role of CEO at IJM Land Bhd and much has been accomplished. His proactive and can-do nature has resulted in the company delving deep into matters that required immediate attention, especially its processes and systems, as well as increasing the sales figures.

"Improving the company's systems and processes was one of my immediate 'mission critical' objectives to put IJM Land on a strong footing to scale up. It is still a work in progress and should be a continuously improving process as technology is ever changing. So, it should not be a destination but rather a journey," Wong tells City & Country in an exclusive interview.

"My staff are now more reinvigorated as more robust and intuitive systems are in place. The team was lacking in terms of a single source of truth. Each region did tasks their own way, and when they wanted certain information or data, they only had location-centric data.

"Within a year, we centralised everything into a single source of truth, mainly for procurement, technical guidance, design development and even branding. Now, we have harmonised everything into a single tonality."

As for sales, the developer performed exceptionally well in the financial year ended March 31 (FY2023) by achieving its highest-ever sales of RM2.7 billion, surpassing its previous record of RM2.5 billion recorded in FY2022.

Wong attributes this record to a combination of past and current efforts. "We had higher sales in FY2023 due to some non-strategic land sales. This financial year, we're focused purely on property sales. IJM Land had never achieved RM2 billion or more in sales until 2022. So it's safe to say we can't go below RM2 billion in sales moving forward," he says.

He reveals that the developer has set a sales target of RM2.1 billion for FY2024.

On a green mission

Wong's next mission is to make all of IJM Land's developments synonymous with sustainability.



MURD SUDARSHAN YAMVA/THE EDGE

"The value proposition of properties these days is anchored by sustainability," he explains.

The developer's parent company, IJM Corp Bhd, has been a huge driver of sustainable practices, he says. As a group, IJM Corp has completed the assessment of all three scopes of greenhouse gas (GHG) emissions, which was developed by the Greenhouse Gas Protocol.

"Scope 1 is all internal, where we produce something and what comes out as a result of our direct influence. For instance, when we burn fuel to drive our trucks to construction sites and use a large amount of electricity — all that translates into emissions that are directly attributable to IJM Land," says Wong.

"For Scope 2, we measure the contribution of GHG emissions from the electricity, energy or steam that is purchased from a power supplier. Scope 3 involves indirect emissions and it runs across our value chain. We become contributors to those emissions by consuming their goods

Wong (right): Improving the company's systems and processes was one of my immediate 'mission critical' objectives to put IJM Land on a strong footing to scale up

Ling: We're assessing all the buildings (sales galleries and offices) that we have as well as parking lots to see if they can be equipped with solar panels

Right: IJM Rimbayu offers plenty of lush greenery in communal spaces for its community to enjoy

and services, so it's important to take into account Scope 3."

He says IJM Corp went all the way to Scope 3 to set a benchmark for other Malaysian companies to reduce their carbon footprint. "We went all the way to Scope 3 because we take cognisance of the fact that our businesses actually encompass Scope 3."

He adds that what is being practised at IJM Corp has cascaded down to the developer's own sustainability ambitions. IJM Land already has its own measurements for Scope 3 and has predetermined metrics for what will be reduced year-on-year for all its divisions. The ultimate goal, of course, is to reach net zero by 2050, he stresses.

Achieving net zero is a long game, so the developer has been working on some short-term sustainability goals such as equipping its existing buildings with solar panels as well as having more electric vehicle (EV) charging stations in its developments, says IJM Land chief operating officer Datuk Tony Ling Thou Lung.

"Now, we're assessing all the buildings (sales galleries and offices) that we have as well as parking lots to see if they can be equipped with solar panels. Our goal is to have a cumulative of 40MW of solar panels," he says.



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However, this task comes with challenges, he notes. "When buildings are built to have certain green features, it is easier to plan and execute. But when something is already built, you need to assess several factors such as the area, the materials that will be used and the accessibility to incorporate these into existing structures."

"We also need to consider the fact that different localities have different power suppliers. Sabah and Sarawak are not under Tenaga Nasional Bhd and have a different provider. Although this may make the task more difficult, it is not impossible to solve."

Ling says one of the developer's terraced house projects in Penang will get its Certificate of Completion and Compliance this month and there are plans to install solar panels on the roofs.

"This is where the value proposition comes in. We started this green initiative in small areas but now, we've decided that we will go in a more regimented way for other future developments," he adds.

Wong highlights that bringing in EV chargers is not an easy feat.

"All projects are now required to provide EV chargers. The trick for developers is how they place these chargers within a development," he says.

"Furthermore, the adoption of EVs in Malaysia is very low. Even on a global scale, the conversion of fuel cars to EV cars is only about 5%. So far, China has had the highest conversion rate of about 10% to 15%. We have to come up with a formula to incorporate EV chargers into our developments according to the property type so it will better suit the buyers' convenience."

In the future, Wong aims to have all of IJM Land's projects rated at least GreenRE bronze.

'Premium' developer

Wong has worked hard to elevate the company's brand equity since taking the helm. "The message we are getting from the market is that we are being mentioned in the same breath as the big boys or titans of the industry."

However, he believes the brand can do better. One of his initiatives was adding the prefix "IJM" to all, if not most, of the developer's projects, where suitable. This change has garnered positive feedback from buyers, which indicates that the brand is no longer understated.

"[Buyers] would say, 'We can see that you're more prominent now and we can see your blue badge [IJM Land logo] everywhere' ... How we measure [our market presence is] from customer feedback, news articles and media. All we needed to do was give better prominence to our brand and look where we are now," says Wong.

He believes IJM Land stands as a "premium" developer in the eyes of the public.

"When I say 'premium', it's not with the connotation that everything is pricey. The word 'premium' actually encompasses all the attributes of a good developer that wants to establish a premium brand. Every product in its own category of pricing deserves built quality and that's very important because it's the value proposition," he says.

"We also try to build homes in good locations. This will establish that we don't go and do things in the boondocks. People want to be near urban centres. What we put in our metrics for being a premium developer and what constitutes as being



(Above) An artist's impression of the living hall and balcony space of Daffodil Residence; (below) the dining and kitchen area of Sutera Phase 1

'premium' is the unique and innovative designs we put out. This is what we aspire to do and endeavour to continue rolling out.

"Even a bungalow can be affordable. You can always be clever with innovative designs — by building smaller bungalows but giving them a sense of a detached house and at the correct price point that will attract a certain market segment."

Another initiative that has helped elevate IJM Land's brand is community engagement, which the developer has been regularly conducting at its township projects.

One such community-focused event was organised in conjunction with IJM Corp's 40th anniversary. Called "Make A Difference" or the MAD campaign, this initiative was held to restate and reiterate its commitment to sustainability and community engagement.

The campaign centres around the "4R" initia-

tive, which encapsulates reduce, repair, reuse and recycle. It also aims to amass a more than commendable 40,000kg of recyclables, having the whole IJM community stride collectively for 40 million steps, distribute 4,000 plants, as well as contribute 4,000 hours to activities such as clean-up efforts, organising blood donation drives, visiting welfare homes and orphanages, and refurbishing homes for low-income families.

The campaign will run from Sept 15 to Dec 31 and will feature 20 participating developments, including IJM Rimbayu, Seremban 2, Pantai Sentral Park, Bandar Alam Suria, The Light Waterfront and Riana Dutamas.

Exciting plans ahead

For the rest of the year, IJM Land will launch 10 more projects comprising residential and commercial properties across the country.

One of the upcoming projects is the first phase of Sutera, which will be launched this month. The project is located in S2 Heights Aman, which is the fourth and final precinct in S2 Heights — an extension of the Seremban 2 township. It will offer 204 two-storey link homes with a gross development value (GDV) of RM166 million. The built-ups will range from 1,950 to 2,106 sq ft, while the land area will be 22ft by 65ft. The selling price starts from RM698,000.

Another launch will be in October. The RM124 million Daffodil Residency, located in IJM Land's Bandar Suria Alam township in Puncak Alam, will feature an 18-storey mid-rise residential apartment block. The project will have 354 units with built-ups from 850 sq ft and selling prices from RM340,000.

In 2024, IJM Land plans to unveil the commercial component of its 58-acre Pantai Sentral Park mixed-use development in Kerinchi, Kuala Lumpur. According to Ling, the commercial component will be spread across 18 acres and developed in three phases. It will comprise retail lots, serviced apartments, offices and a medical centre.

Wong says IJM Land seldom works on commercial mixed-use developments, which is why the developer decided to incorporate the 18-acre commercial component into the Pantai Sentral Park development. This is in line with its "strategic vision of scaling up and driving our organisational goals".

IJM Land's land bank stands at 4,448 acres, with an estimated GDV of RM48 billion as at June. Wong says the developer is in the process of disposing of non-strategic land and is looking to buy new tracts of land, particularly for industrial activity.

"We're also on the lookout for industrial land because we are pivoting to industrial developments. We're looking at parcels of land along the West Coast Expressway and we want to work on projects that may be tourism-related in the future," he says.

As part of its overseas expansion plans, the developer's UK subsidiary, the 51%-owned RMS (England) 2 Ltd, has partnered with UK railway company Network Rail to explore development opportunities along the latter's rail lines. Under the partnership, they plan to develop mixed-use schemes, residential, commercial or logistics properties in Central and Southeast London.

Wong says the partnership came about due to the success of its first London project — Royal Mint Gardens — that was built over an existing railway line and completed in 2019. The Royal Mint Garden was built over two active railway lines — the Dockland Light Railway and cantilevers over a Victorian Network Rail viaduct at Tower Hill Station. The first phase consists of three condominium towers of 13, 14 and 15 storeys with a total of 256 units, as well as nine townhouses. The built-ups for the condo units are between 387 and 1,614 sq ft, while that of the townhouses is 953 sq ft. The selling price started from £450,976 (RM2.4 million).

Also coming to the project will be the development of a 446-bedroom aparthotel and 79 residential units, says Wong. Further details are still pending.

The developer is looking to buy more land in London for future developments, he adds.

"Ultimately, what we want is for our customers' expectations to be met in terms of price point, location and quality. When we launch something, we want to make sure the reality of it meets every expectation," says Wong.

Upcoming developments of IJM Land

PROJECTS	LOCATION	TYPE OF PRODUCT	TOTAL NO OF UNITS	ESTIMATED GDV (RM MIL)	ESTIMATED LAUNCH DATE
Daffodil Residency	Bandar Alam Suria, Selangor	Apartment	354	124	4Q2023
Sutera Phase 1	S2 Heights Aman	2-storey link house	204	166	3Q2023
Nova Phase 1	S2 Heights	2-storey semi-detached and bungalow	72	142	4Q2023
VIO Bangi/ran Phase 3H	S2 Heights	2- and 3-storey bungalow	40	196	4Q2023
Granville Phase 2	Saujana Puchong, Selangor	2-storey link house	35	41	1Q2024
Essence	The Light City, Penang	Condominium	262	630	4Q2023
IJM Bayouiri	Jawi, Penang	1-storey commercial shops and two drive-through lots	18	30	4Q2023
		2-storey terraced house	100	75	
Austin Duta Phase 11A	Johor Bahru	2-storey terraced house	100	108	4Q2023
Nasa City Palma Phase 11A	Johor Bahru	2-storey terraced house	105	97	4Q2023
Rimbayu Avenue Phase 1C	Bandar Rimbayu Indah, Sandakan, Sabah	2-storey shopoffice	18	24	4Q2023

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