Opportunities in ASEAN

Walk Up Jardine House Connects Minds

Astra Adds Property to its Business Lines

Taking the Lead

JOS and JLT Join Forces on Cyber Insurance
Realizing the ASEAN Potential

The launch of ASEAN's common market and the increasing spending power of the middle class are creating new opportunities for Group businesses in Southeast Asia.

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A desire for a greater understanding of the strategic direction the Group is taking was a finding in a recent survey of almost 1,000 employees at various levels across the Group.

As one of the world’s most diversified Groups with a gross market capitalization of nearly 70 billion US dollars, we have both strength and scale. Our strategy is to build on our strengths, while our scale gives us advantages that enable us to compete and be market leaders.

Most of our profitability is from the growth markets of Greater China and Southeast Asia, where we have 185 years of business experience. Estimates show that the consumption levels of the increasingly sophisticated consumers in those markets will treble, from 8 trillion US dollars in 2015 to some 24 trillion dollars by 2030. This is creating tremendous opportunities for all of our businesses to achieve further organic growth – and in many cases this will involve them leveraging new technologies.

We are increasing the exposure and breadth of our existing businesses through acquisitions and there will also be greater opportunities to leverage cross-portfolio initiatives. Our businesses already have many experiences of working together, and over time, I can see developments such as Big Data resources creating exciting new opportunities for sharing.

In addition, we are prepared to take-on new business ventures in areas where we can apply our strengths, and in markets where we have existing deep knowledge and strong relationships.

At the Centre, our fundamental role continues to be one of direction and support for our businesses. We achieve this by providing essential resources in the form of people, finance, expertise and relationships. This will continue.

I can assure you, there is a lot going on as we work together to build on our ongoing success.

Ben Keswick
Embracing Change

The need to embrace change in order to build on the success of the Jardine Matheson Group was a key message of Managing Director Ben Keswick’s annual Strategic Direction presentation. In a departure from previous forums, Mr Keswick delivered his address by webcast from an innovation laboratory, allowing him to reach many more colleagues.

Commenting on the results of a recent survey of almost 1,000 Group employees, Mr Keswick said that the overall sentiment was positive. More than 90% of the respondents, however, believed that the Group needed to be more responsive to change.

“Aligned with this, people recognized the need for a significant culture change, particularly in areas such as innovation, technology, risk taking and adaptability,” he said.

In terms of strategic growth, Mr Keswick said the Group would build on its many strengths in its key markets of Greater China and Southeast Asia.

On the subject of Innovate Jardines, Mr Keswick told his audience how impressed he was by the response to the two challenges held to date and the fact that 20,000 people had signed up to the Innovate Exchange platform.

“This clearly demonstrates that our people are not short of inspiration,” continued Mr Keswick. “What is more exciting is that we have created a channel to nurture ‘Game Changing’ ideas.”

Mr Keswick said that the key to the Group’s ongoing success would continue to be its people and it was important that they had the skills and access to the technology necessary to match the pace of change.

“I want Jardines to be a Group that we are all proud to work for, and one that will inspire our next generation,” he said.

Turning to the Annual Results for 2016, Mr Keswick said that the Group had achieved 2% growth in its underlying profit at US$1.4 billion, and if it were not for provisions taken in Astra’s Indonesian banking affiliate, growth would have been 7%.

Mr Keswick said it was important that short-term profitability should not take priority over sustainable success. Among the key points to consider were that the Group was strong and robust, but it must invest for the future.

“We must incentivize new ways of working, empower our people, embrace technology and integrate a different mindset at work. And, everyone has a role to play in this shift in our culture and behaviour,” concluded Mr Keswick.
Beijing Meeting with Chinese Vice President

Jardine Matheson Group Chairman Sir Henry Keswick has had a meeting in Beijing with Chinese Vice President Li Yuanchao.

During the meeting, Mr Li mentioned that 2017 marks the 45th anniversary of the establishment of ambassadorial-level diplomatic relations between China and the United Kingdom, and said he hoped that both countries would continue to promote the development of a global strategic partnership in the 21st century.

In response, Sir Henry expressed the Group’s confidence in China’s economic outlook and said it would further increase its co-operation with China by embracing the opportunities arising from the ‘Belt and Road’ initiative.

Group Chairman Strengthens Bonds

Jardine Matheson Group Chairman Sir Henry Keswick met with Government officials, business leaders and partners in visits to Vietnam, Indonesia and Singapore, building new relationships and strengthening existing ones.

In Vietnam, Sir Henry met with Prime Minister Nguyen Xuan Phuc who spoke highly of Jardine Matheson and said that the Government and agencies of Vietnam would continue to provide optimal conditions for businesses to expand in the country. In turn, Sir Henry praised the vigorous growth of the Vietnam economy and reaffirmed the Group’s commitment to long-term investment there.

During his trip to Indonesia, Sir Henry visited two of the toll roads in which Astra has interests – the 41-kilometre Jombang-Mojokerto and 116-kilometre Cikopo-Palimanan toll roads. Both roads form part of the Trans Java Toll Road.

In Singapore, Sir Henry, accompanied by Group Country Chairman for Singapore Y C Boon and Dairy Farm Singapore (Food) Chief Executive Officer (CEO) Mark Herbert, visited the Giant, Cold Storage and Guardian stores at Parkway Parade mall. He was met by the respective CEOs and Heads of the banners’ merchandising and operations teams who briefed him on some of the latest customer-centric initiatives and merchandise plans being implemented.

"The Group is committed to long-term investment in Vietnam."
**Lord Sassoon’s China Visit**

Jardine Matheson Group Director Lord Sassoon had a busy schedule when he made his annual visit to China in his role as Chairman of the China-Britain Business Council (CBBC).

The visit included Beijing, where he had meetings with Government officials, and Chengdu to celebrate the 20th anniversary of the establishment of CBBC’s office in the city. In Shanghai, Lord Sassoon met with Party Secretary Han Zheng, in addition to chairing the CBBC Board meeting and opening the 4th China Outbound Conference.

**Hong Kong Connections**

Hong Kong connections were the focus of a Hong Kong Association lunch chaired by Jardine Matheson Group Chairman Sir Henry Keswick in London. Seen here with Sir Henry and Group Director Lord Sassoon is guest of honour Carrie Lam, the new HKSAR Chief Executive-designate, but at the same time, Chief Secretary for Administration.

**News in Brief**

**Leading from the Front**

Jardine Matheson Group Managing Director and MINDSET Chairman Ben Keswick led participants in the Walk Up Jardine House 2017, which involved running or walking up 49 floors to reach the Penthouse of Jardine House at a height of 600 feet. The event raised HK$3 million (US$386,000) for MINDSET.

For more information, please see pages 26-27.

**London Dinner for Chinese Vice Premier**

In his role as Chairman of the China-Britain Business Council, Jardine Matheson Group Director Lord Sassoon co-hosted a dinner for Chinese Vice Premier Ma Kai in central London. Guests at the event, which was also attended by Group Chairman Sir Henry Keswick, included the UK Minister of State for International Trade, Greg Hands, and the significant Chinese delegation of officials and senior business people.

Vice Premier Ma Kai was in London for the annual China-UK Economic and Financial Dialogue with the UK’s Chancellor of the Exchequer, Philip Hammond.
Innovate Jardines continues to gather momentum with the second set of challenges nearing completion. In addition, 20,000 users have now signed up to the Innovate Exchange, which enables them to submit and review ideas for the challenges, and collaborate across business units.

The second set of challenges on the ‘Future of Work’ resulted in over 6,500 ideas being submitted to the Innovate Exchange. These covered topics from using virtual reality to improve training, to crowd sourcing for extra store staff at busy times.

“This shows how much innovative thinking there is across the Group, and how widely the drive for improved use of technology is felt,” said Group Managing Director Ben Keswick.

All the submissions have been reviewed and shortlisted innovists have attended a ‘bootcamp’ and recently pitched their ideas to the Innovate Jardines leadership team, who, in due course, will select those to receive initial funding.

Meanwhile since the ‘Final Showdown’ for the Motor Dealership Challenges, the nine selected teams have been through a ten-week ‘Proof of Concept Plan’, during which their concepts have been developed and tested, and business models refined. The Innovate Jardines leadership team will soon decide which ideas should receive further funding.

“Understanding our markets and providing customers with what they want is essential to ensuring that the ideas are ultimately successful,” said Innovate Jardines Manager Hugo Marland.

As the first two challenges move forward, the next set of Innovate Challenges focusing on the opportunities for retail innovation in the Dairy Farm Group will be launched shortly. For further information, please go to innovate.jardines.com.
Mandarin Oriental Pudong, Shanghai was the venue for the Jardine Matheson Group’s annual Asia Pacific Regional Board (APRB) meeting.

The Chairman, Directors, Country Chairmen and Chief Executives of the Group’s main companies met to discuss the Group’s performance in the past year and consider its strategic direction. They were also addressed by several guest speakers. These included Chinese academic Professor Chen Zhiwu who gave an overview of the Chinese economy; David Roth, Chief Executive Officer (CEO) of The Store, the global retail practice of WPP, who spoke on the value of brands; and Hubertus Troska, Member of the Board of Management of Daimler AG and Chairman & CEO of Daimler Greater China, who talked about the future of cars and what it means in China.

Matheson & Co Director Lord Powell has visited Shanghai for a meeting of the Fudan University Business School’s Advisory Board, of which he is a deputy chairman. He also attended a ballet performance in Shanghai’s Grand Theatre with Shanghai Party Secretary Han Zheng, and toured the sites of current Hongkong Land developments in the city.

Matheson & Co Director Lord Powell has been to Beijing for meetings with State leaders and others, including China’s Vice-President Li Yuanchao, two Ministers and the PLA. The visit enabled him to maintain and extend the Group’s relationships with key senior officials.
Southeast Asian Economies Creating Opportunities

It has a population of 625 million people and boasts some of the world’s most impressive growth rates along with a young, free-spending populace increasingly showcasing their fast-rising affluence. What new Asian Tiger economy is this? The answer is none of them, but rather the collective region of Southeast Asia.

Previously seen as a fragmented expanse of disparate incomes and prospects, the diverse nations of Southeast Asia have increasingly prospered with many now enjoying booming economies. Exports are flourishing – the members of ASEAN (Association of Southeast Asian Nations) collectively rank fourth among exporters worldwide, and are projected to move to third by 2018. They produce 90% of the world’s palm oil, 70% of its natural rubber, a quarter of the world’s rice, and large amounts of coal and gas.

The region is also developing into a thriving market for companies and products: ASEAN already ranks in the global ‘Top Five’ for purchases of automobiles, and third for mobile phones. While growth in top-tier Asian markets peaked long ago in Hong Kong, Japan and Singapore, attention has spread to second and third-tier aspiring tigers, from Indonesia and Vietnam to Thailand and the Philippines. With the recent slowdown in China, that interest has escalated.
Even before China’s economic rebalance, companies had been seeking the next boom markets across Asia. The lure has always been early entry to markets with potential growth rates unseen in mature economies. Many also sought to hedge dependency on Chinese operations, and prevent over-exposure to the China market and rising costs. This means that prospects are bright for emerging nations like Cambodia, increasingly popular for labour-intensive manufacturing like textiles. Myanmar, which is nearly the size and population of neighbouring Thailand, is also attracting investment and offers a rare chance to establish an enterprise in a large, emerging market.

ASEAN’s Growth Story

ASEAN’s Growth Story

4th largest exporter globally

Global TOP 5

purchases of automobiles

Global 3rd

purchases of mobile phones

Meanwhile, more established Southeast Asia economies such as Thailand, Vietnam, Indonesia, Malaysia and the Philippines have moved up the value chain to enterprises ranging from the assembly of computer peripherals to outsourcing graphic design. At the same time, incomes are rising rapidly as entire middle-class populations become enabled in countries like Myanmar, Laos and Cambodia, where they did not even exist a decade ago. Households earnings over US$10,000 per year – a benchmark for what is termed the consumer class – are projected to quadruple across ASEAN, from 38 million in 2015 to 161 million by 2030. This rising affluence across the region makes Southeast Asia increasingly attractive for significant investment, particularly in retail, real estate and automobiles. Practically all the region’s real estate firms and consultancies are moving into new locations such as Cambodia and Vietnam, while new car dealerships are springing up in Yangon, Myanmar, and Vientiane, Laos.

ASEAN, which celebrates its 40th anniversary this year, has a wide blend of social and policy objectives, along with bold economic goals. Founded by original members Indonesia, Malaysia, the Philippines, Singapore and Thailand, the group has expanded to a current body of ten members with the addition of Brunei, Cambodia, Laos, Myanmar and Vietnam. Together they want to streamline inter-Asian trade and tourism, partially by tackling tariffs and barriers, whether they impact movement of goods, labour or visitors.
Last year, ASEAN took a major leap, launching its long-planned common market, although experts say it faces an arduous path ahead. That is partly because countries and cultures in the region remain so diverse, while incomes vary dramatically. Singaporeans rank among the world’s richest people with a per capita GDP about 70 times that of Myanmar, ASEAN’s poorest member. Indonesia, with approximately 250 million people, has 600 times the population of Brunei. Increasing the overall prosperity of the block will be a major challenge, but ASEAN aims to triple average incomes by 2030.

The new ‘common market’ will be essential to this process. Initially, goods will move customs-free within the limited ASEAN-6 (Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand), but special provisions will still apply for Cambodia, Laos, Myanmar and Vietnam.

Already, ASEAN’s combined GDP is estimated at approximately US$3 trillion, which, if it were a country, would rank as the world’s sixth largest economy. Growth too is brisk at nearly 5% on average across the region, a rate that would rank sixth best globally and third in Asia. Last year, ASEAN attracted an estimated US$130 billion in foreign direct investment and that sum should grow, due not only to increased inter-ASEAN flows, but also to a variety of agreements the body has negotiated as a block with trading partners around the Pacific-Rim and globally.

When questioned about how to best approach and succeed in this varied, still changing region, economists and business analysts caution that it is better to avoid treating ASEAN as one whole and to view opportunities individually, with a strategy that properly assesses the attractions and challenges of each unique market. Hence, international companies are increasing their presence across Southeast Asia, rather than restricting operations to regional
hubs. An Economist Intelligence Unit (EIU) survey of over 300 international companies doing business in ASEAN showed that most had multiple offices across the region, and ‘international companies are deepening their presence in every single ASEAN country’. They were not, however, simply targeting the obvious markets — the fastest growth was in emerging Myanmar.

As well as operating local offices, consultants advise also working with local partners. Some of the most successful international companies in Southeast Asia are the most chameleon-like, operating in different roles in different countries, and often working behind a prominent local partner, rather than projecting a single brand everywhere.

One of the key objectives of ASEAN is to smooth out obstacles to trade in different countries. ‘Having a single market will also help to reduce complexity, as companies will be able to standardize products, services, business models and marketing plans,’ notes the EIU report. ‘As capital markets become more joined-up, companies will be able to access deeper pools of liquidity for raising money. And as labour markets become more integrated, companies will find it easier to recruit, retain and manage their workforce on a regional basis.’

As a genuine single common market is still some way off, companies need to continue to navigate the unique challenges in each marketplace. For those prepared to take the risks, however, there are potentially high rewards.

Take the automotive industry as an example. While Malaysia boasts rates of car ownership that top 80%, equal to Japan, Thailand comes in at just over 50%, according to the Pew Research Center. At the other end of the scale, only 6% of households in the Philippines claim car ownership, and 2014 figures for Indonesia and Vietnam are 4% and 2% respectively.

Dairy Farm

In Indonesia, Malaysia, Brunei, Singapore, the Philippines, Vietnam and Cambodia, where Dairy Farm’s market-leading supermarkets and hypermarkets have a broad footprint, modern retail still accounts for only a modest share of total food retail activity, thus providing significant growth potential as living standards improve and consumers become more demanding about standards of food safety.

Likewise, Dairy Farm’s Health and Beauty brands enjoy strong positions in a number of markets across the region. The company’s diverse ranges of locally and internationally sourced beauty and skincare products are proving compelling buys for customers. This is exemplified by increasing consumer demand for organic skincare products such as Dairy Farm’s private label brand, Botaneco Garden, making it a true Asian brand.

Home improvement is another rising sector as reflected by the success of Dairy Farm’s first IKEA store in Indonesia, which opened in 2014.

“We will continue to benefit as ASEAN consumers acquire higher levels of disposable income and place more emphasis on their personal well-being,” said Graham Allan, Dairy Farm Group Chief Executive Officer.

We will continue to benefit as ASEAN consumers acquire higher levels of disposable income and place more emphasis on their personal well-being.

Dairy Farm Group Chief Executive Officer
Graham Allan

Jardine Cycle & Carriage

Jardine Cycle & Carriage (JC&C) will benefit from the robust growth of the ASEAN economy as it seeks new investment opportunities. As more middle-income consumers can afford to own cars in developing countries, JC&C’s direct motors business, which operates in Indonesia, Malaysia, Myanmar, Singapore and Vietnam, will be a winner.

Urbanization across the region will have a similar impact on Siam City Cement (SCCC), the second largest cement manufacturer in Thailand.

“As people move from rural to urban areas to live and to work, cement will be in demand for building their homes and factories,” said JC&C Group Managing Director Alex Newbigging. “This will create tremendous business opportunities ahead as we continue to support SCCC’s expansion into new markets such as Bangladesh, Cambodia, Sri Lanka and Vietnam.”
Hongkong Land

Hongkong Land is extending its ASEAN presence with projects that set new benchmarks for quality and design. In Indonesia, Hongkong Land has introduced resort-style developments and is targeting the top tier market with projects such as Anandamaya Residences in Jakarta, its first joint venture with Astra. A growing middle class in the Philippines is reflected in the high take-up rate for Hongkong Land’s joint venture premium waterfront development in Cebu.

“Residential property buyers in the Philippines, like many others in the region, have a penchant for premium quality and are seeking comfortable living environments and exclusive locations,” said Hongkong Land Chief Executive Robert Wong. “This demand plus easy access to favourable financing is having a positive effect on the property market there.”

Confidence in the property market in Vietnam is also robust, as evidenced by the strong pre-sales for Hongkong Land’s luxury apartment development in Ho Chi Minh City. In Thailand, rising affluence is creating more demand for higher-end apartments, which should produce keen interest in the group’s first residential development in downtown Bangkok.

Astra

With approximately 248 million people and a rapidly increasing middle class, which is expected to double by 2020 to approximately 141 million, Indonesia is an enormous potential market. For Astra, urbanization and an increase in consumer purchasing power are seen as the key drivers of its seven business lines. This is particularly so in the automotive sector where the demographics underpin Astra’s market lead in both the car and motorcycle segments, and related financial services.

“The rising middle class and a young workforce who like to own cars and motorcycles are good for business,” said Astra President Director Prijono Sugiarto. “This is evident in increased sales of Astra’s low cost green cars, which have proved to be especially popular with Indonesia’s young consumers.”

These favourable demographics are also having a positive impact on Astra’s new property line, where sales are strong. In the future, Astra will benefit too from the predicted millions of first-time homebuyers.

Car ownership rates across much of Southeast Asia actually declined in the aftermath of the Asian Financial Crisis, according to ‘Riding Southeast Asia’s Automotive Highway’, a report from PricewaterhouseCoopers (PwC). Recovery has been slow, impacted not only by reduced savings and earnings, but import policies and trade restrictions that put up prices.

Different countries have taken different approaches to nurturing their car industries. Malaysia, for instance, mounted an aggressive programme to develop its own car industry, but in spite of large investment it failed to produce a viable model, according to Asian Development Bank economist Jayant Menon.

Thailand, however, has taken an alternative approach and become a power in the Asian automotive industry. Over 1.1 million cars are produced in Thailand each year and, according to PwC, an estimated 60% are exported. This still leaves ample room, notes the report, to meet demand in ASEAN, which stands at about four million vehicles annually.

While domestic car manufacturing has not proven viable in parts of the region, support industries have. Mr Menon notes that Thailand not only makes vehicles for foreign companies, but has also become a major producer of auto parts and components. In addition,
the country has invested heavily in infrastructure, and drafted supportive regulations. As car buying accelerates across the region, similar enterprises could prove lucrative to other Southeast Asian nations, particularly if positive intra-ASEAN trade rules follow.

Two other markets to watch are the Philippines and Indonesia, where rising incomes are propelling increased car ownership, while in the less advanced, but rapidly developing economies, there are tremendous opportunities for leveraging leapfrog industries. Anyone visiting Myanmar five to ten years ago would have seen the profusion of junkyard taxis shipped as scrap, mostly from Japan, to circumvent the embargo that curtailed car shipments to the then isolated country. Now, following the lifting of sanctions, streets are flooded with recently imported vehicles.

Even stronger growth can be seen in Myanmar telecoms. Just five years ago, only the elite had mobile phones as fees to obtain a sim card were prohibitive, representing years of average wages. Internet service was not allowed in private homes or businesses, and email and browsing were closely censored by the long-reigning military government.

Following the change to a more democratic system, Myanmar allowed in foreign telecoms companies, with revolutionary results. Since Norway’s Telenor and Qatar-based Ooredoo launched in late 2014, the price of sim cards has plunged to under US$2, including online service. Both firms pledged billion-dollar investments and practically overnight, an entire generation was lifted into modern times, complete with Facebook and online shopping.

Such transitions are not commonplace, however, and the business landscape across the region remains challenging and convoluted. For example, while retail is booming across Southeast Asia, markets offer stark contrasts, reflecting not only the disparate income levels across the region, but also legal structures that often restrict foreign competition. Myanmar is currently in the midst of a shopping frenzy fuelled by consumers long deprived of real product choice. Malls are going up around Yangon and convenience stores popping up on every corner, but these are restricted to local brands such as Grab and Go, ABC and City Express, rather than international convenience store leaders such as 7-Eleven. This is due to laws that bar foreign players from the industry.

Similar restrictions apply to many other industries in Myanmar, which is just starting to launch modern financial services. International insurers have already opened local offices in anticipation, but laws restrict the business to local companies and that is unlikely to change.

Even in the more advanced economies such as Thailand, restrictions still exist. There, the major construction of numerous high-end luxury malls, including some of the biggest projects in Thai history, are all being carried out by local firms.

Across Southeast Asia, the same nationalistic structure persists in many other countries too, but it is hoped that this will be one of the advantages of the common market as laws liberalize rules on competition in ASEAN and restrictions are gradually lifted.

Sustained economic growth and the emergence of large and growing aspirational middle classes across the entire region are expected to accelerate intra-regional trade in consumer goods, while further liberalization of trade in services will add momentum in the years ahead. In the long term, all ASEAN countries will have to work together to achieve their shared goal to create more opportunities and a more open economic landscape, from which everyone can benefit.
Astra Adds Property to its Business Lines

In the run-up to its 60th anniversary this year, Astra has expanded its interests in property, officially launching the sector as its seventh line of business.

Since its establishment in 1957, Astra has developed into one of the largest companies in Indonesia with six lines of business, namely Automotive, Financial Services, Heavy Equipment and Mining, Agribusiness, Infrastructure and Logistics, and Information Technology. The addition of Astra Property is a significant step and follows extensive research into the demand and potential for property development in Indonesia in the next few decades. It is also in accordance with Astra’s first principle ‘To be an Asset to the Nation’.

Astra entered the property sector in 2013 when it established a number of subsidiaries to manage the construction of an integrated office and apartment complex, the Rp8 trillion (US$600 million) 47-storey Grade-A office building Menara Astra and Anandamaya Residences, in Jakarta. This is due for completion in early 2018 and of the 509 apartment units offered for sale in the three premium apartment towers of Anandamaya Residences, 91.35% are already sold.

Astra has also established subsidiary PT Astra Land Indonesia, which partners with PT Modernland Realty Tbk in land acquisition and the development of an Rp3.4 trillion (US$255 million) township project on 70 hectares of land in East Jakarta. This will include houses, apartments and commercial facilities, and is targeted at the middle to upper class segments of the market.

A ceremony to mark the official launch of Astra Property was attended by Minister of Public Works and Housing Basuki Hadimuljono, Astra Board of Commissioners and Directors, business leaders, Government officials and Astra executives, and the event was opened by a ribbon dance with seven colours symbolizing Astra’s lines of business.

“Thank you for Astra group’s contributions to the nation,” said Mr Hadimuljono. “I really wish to see Astra’s new line of business, property, become the backbone for future development in Indonesia.”
THACO Boosts Bus Output

Truong Hai Auto Corporation (THACO), in which Jardine Cycle & Carriage holds a 25% interest, has invested VND2.1 trillion (US$94.5 million), together with the Hyundai Group, on a new project to produce buses with Euro-4 emission standards.

Targeted for both the domestic and export markets in ASEAN, THACO aims to produce up to 12,000 minibuses and 8,000 coaches annually. In addition, Hyundai has also licensed THACO to produce components for its H350 minibuses that are currently only produced in Turkey for export to Europe.

THACO first commenced operation of its bus assembly and manufacturing line in the Chu Lai Economic Zone in Vietnam in 2006. It further invested VND600 billion (US$27 million) in 2011 to build the existing THACO bus plant, which today has a capacity of 4,000 buses a year.

This latest project further boosts THACO’s production capability and the development of the automotive sector in Quang Nam province.

First Bangkok Residences for Hongkong Land

Hongkong Land is to develop its first residential project in Bangkok in a new joint venture with Singha Estate Public Company Limited (Singha Estate) to be known as S36 Property Company Limited. Singha Estate and Hongkong Land will hold 51% and 49% of the joint venture company respectively.

The super-luxury condominium project is situated on the corner of Sukhumvit 36 next to Thonglor BTS station in Bangkok, and will be a 40-storey tower with approximately 400 units. The estimated project value is THB6,000 million (US$170 million).

Under the terms of their Shareholders’ Agreement, Hongkong Land will design and develop the project to a world-class standard, while Singha Estate will oversee the development.

“I am confident that this will be a very successful project, and that our new partnership will flourish as we explore more opportunities in the future,” said Hongkong Land Chief Executive Robert Wong.

‘“Hongkong Land will design and develop the project to a world-class standard.’”
Mercedes-Benz Sprinter Off to a Good Start

To further strengthen the ‘green’ image of Mercedes-Benz commercial vehicles, Zung Fu ensured that the latest model, the new Mercedes-Benz 5.5 t Sprinter, got off to a good start by holding the launch event in Hong Kong at the Zero Carbon Building in Kowloon Bay.

The introduction of the friendly Euro 6, 5.5 t variant means that the Sprinter’s capacity has been expanded to cover a broad segment ranging from a gross vehicle weight of 3 t to 5.5 t. The new version of the Sprinter is ideal for small and medium-sized companies across several different business sectors such as fleet customers in the areas of parcel services, car rental and commerce, as well as emergency services.

SCCC Expands Regional Footprint

Siam City Cement Public Company Limited (SCCC) has expanded its regional footprint with the successful acquisition of three new businesses during 2016.

In May, CEMEX Cement (Bangladesh) Limited, now renamed Siam City Cement (Bangladesh) Limited, and CEMEX (Thailand) Co., Ltd., now also renamed Globe Cement Co., Ltd, were acquired for THB1.89 billion (US$53 million). Three months later, Holcim (Lanka) Limited, now renamed Siam City Cement (Lanka) Limited, was acquired for THB13 billion (US$373 million).

The acquisitions strengthen SCCC’s 48 years of expertise in cement, concrete and construction materials. The expansion into Bangladesh and Sri Lanka also provides the opportunity for SCCC employees in the different companies and business units to improve their skills by working in multicultural environments and sharing knowledge and best practices.

“The acquisitions strengthen SCCC’s 48 years of expertise in cement, concrete and construction materials.”
IKEA Enhances the Shopping Experience

IKEA has enhanced the shopping experience for its customers with the opening of the Island East Merchandise Pick-up Point in Sai Wan Ho, the first of its kind in Hong Kong.

The state-of-the-art facility encompasses a waiting area, customer service counters and free parking space. Similar pick-up points have also been created in Macau and Taiwan to provide more convenient options closer to home for IKEA customers. In addition, as part of the e-commerce initiatives being pursued to deliver a multi-channel shopping experience, IKEA has launched its online offering in Hong Kong, Macau, Indonesia and Taiwan.

Meanwhile in Indonesia, a series of activities promoted the launch of the Bahasa Indonesia version of the IKEA 2017 catalogue. These included a roadshow in several shopping centres and office buildings in Jakarta.

Strategic Agreement for Hactl

HACTL Development Holdings Ltd (HDHL), the business development arm of Hong Kong Air Cargo Terminals Limited (Hactl), has entered into a Strategic Co-operation Framework Agreement with Liaoning Airport Management Group Co., Ltd, the owner of Shenyang Taoxian International Airport in Northeast China, as a first step in developing the airport as a major regional cargo hub.

HDHL is expected to provide guidance on the design, construction and operation of new facilities including the development of cool chain and pharmaceuticals traffic, for which Hactl is the first cargo handler in Hong Kong to achieve World Health Organisation Good Distribution Practices accreditation.

Meanwhile, Hactl has been appointed to handle two new services. The first is a weekly B747-8F service for SW Italia from Hong Kong to Prague, thought to be the first regular freighter operation to Europe for any Chinese express carrier. The second is for Bismillah Airlines of Bangladesh on its twice-weekly B747F service from Dhaka, the airline’s first scheduled service to Hong Kong.
Asuransi Astra Celebrates 60 Years

Asuransi Astra, Indonesia’s leading insurance company, has been celebrating its 60th anniversary and its achievements during that time.

A celebration attended by Asuransi Astra management and employees, along with value chain partners and the media was held at the International Convention Exhibition in Tangerang with the theme ‘Going Mobile’. The event also included a photo exhibition displaying a series of activities being held to commemorate the 60th anniversary of the Astra group during 2017.

“Our biggest challenge is to stay relevant, adapting to constant change,” said Asuransi Astra Chief Executive Officer Santosa. “The new technology era is the reality that drives us to stay innovative. We hope Asuransi Astra can continue its excellence for years to come.”

Gammon Flies High with New Kitemark

Gammon has become the first Asia Pacific construction contractor to receive a new British Standards Institution (BSI) Kitemark. The achievement underscores Gammon’s commitment to leveraging the advantages of Building Information Modelling (BIM) in order to deliver the highest quality buildings.

Gammon and its shareholder Balfour Beatty are among the first six organizations worldwide to attain the BSI Kitemark standard for PAS 1192-2, which has been developed in collaboration with industry stakeholders to ensure that they add value and address the key issues that will help the construction sector with the implementation of BIM.

BIM is an increasingly important part of the global construction marketplace, with governments around the world starting to make it a condition of contract. BIM uses digital technologies to enable more efficient methods of design and construction, ultimately driving out waste and inefficiency.

“This achievement confirms to our clients that industry-recognized processes and procedures are fully embedded into our organization,” said Gammon Director and Head of Engineering Ian Askew.
Cycle & Carriage Bintang Unveils New Autohauses

Cycle & Carriage Bintang (CCB), Malaysia’s largest Mercedes-Benz dealer, has unveiled two newly upgraded Autohauses and opened a new one.

Spanning 150,000 square feet, the upgraded Petaling Jaya Autohaus in Klang Valley is CCB’s largest. As well as carrying the new Mercedes-Benz black series corporate identity, the Autohaus also features the latest AMG Performance Centre with pit stop display, the first in Malaysia.

The second upgraded Autohaus at Georgetown in Penang is located in a UNESCO heritage building. This meant that the façade and structure had to be conserved, while incorporating a brand new interior for both sales and aftersales.

Meanwhile, CCB has opened the Mercedes-Benz City Store @ TREC Kuala Lumpur in the capital’s most stylish entertainment hub. This first-of-its-kind urban concept represents an investment of RM4.3 million (US$989,000) and houses seven showroom vehicles and a private iShowroom lounge.

Asia First for Schindler

Schindler’s myPORT technology has scored another first with the introduction to Asia of its innovative and groundbreaking myPORT mobile application at premium office building MD Place in Jakarta, Indonesia.

An intuitive smartphone-based application and an extended feature of PORT Technology, Schindler’s third generation Destination Control System, the myPORT mobile app gives users a whole new way of transiting through the building, with more security, comfort and freedom. myPORT detects a user’s smartphone as soon as they enter the building and activates a four-step ‘e-banking level’ security check to verify their credentials. The occupant simply unlocks his smartphone and presents it to a PORT terminal, and a Schindler elevator is then automatically assigned to take them to their floor.

“Users now have more freedom and convenience than ever before, while building owners have greater access control and higher security standards,” said Jardine Schindler Group Sales and Marketing Director Calynn Tan. “For visitors who don’t have the app installed, myPORT users can grant them temporary building access through generating an SMS message linking to a unique video access code. Visitors can simply show this code to the PORT terminal in order to gain entry.”
Mannings China Signs Up One Million Members

One million users have joined a Mannings China WeChat membership programme since it was launched in April last year.

The programme operates with an e-card on WeChat, the largest social media platform in China. Registration takes only a minute to complete and the membership e-card is stored in the WeChat application on the customer’s smartphone. This means that members can easily show the card when they are shopping in Mannings China stores.

Sales from members of the programme currently account for 28% of Mannings China total sales and the basket size of a member is double that of non-members.

“By offering membership at a good price along with a membership gift and strong purchase incentives, we attracted customers with high basket values to join the programme,” explained Mannings China Chief Executive Officer Tao Xu. “Mannings China is committed to continuously providing members with privileges and targeted promotions to enhance loyalty and their shopping experience.”

Challenging Project Reflects JEC Expertise

Jardine Engineering Corporation's (JEC) expertise in water management has been reinforced by winning a technically challenging new project – to supply and install the water filtration systems for all water-related attractions of the new all-weather Water World at Ocean Park in Hong Kong. The project includes the provision of mechanical, electrical and water recirculation systems.

JEC has played a significant role in building and facilitating Hong Kong’s water management infrastructure since the 1980s including upgrading the majority of its secondary sewage treatment plants. The company has also become one of the leading providers of wastewater infrastructure and the development and refitting of swimming pool water filtration systems, and has extensive experience in the design and installation of reclaimed water systems that safely re-use water through filtration, biological treatment and disinfection technology.

“In delivering end-to-end design and build capabilities, JEC’s culture is to always find and apply the latest technologies to meet the needs of each customer,” explained JEC General Manager of E&M Contracting, responsible for environmental engineering, Alex Law.
JOS and JLT Join Forces on Cyber Insurance

In a first-of-its-kind partnership between a technology solutions provider and a top insurance broker, JOS and Jardine Lloyd Thompson (JLT) have joined forces to help customers tackle mounting threats to enterprise security.

The partnership will enable JOS, working with JLT, to offer comprehensive cyber insurance solutions to clients across Asia. In addition, JOS becomes the flagship member of the JLT Cyber Consortium for Asia, a unique global community that collaborates on cyber risk best practices.

“With technology underpinning the operations and performance of every international business, it is more important than ever for market leaders such as JOS and JLT to form strategic partnerships that will enable customers to stay secure,” explained JOS Group Managing Director Mark Lunt.

JLT’s Managing Director, Financial Lines Group Asia, Ali Chaudhry went on to say: “In working together with JOS, we are excited to be able to offer our clients customized, end-to-end solutions that will help reduce and manage their cyber security costs and exposure.”

Facelift for Giant Mall

Giant Malaysia has relaunched its Giant Plentong mall in Johor Bahru following a major upgrade and ‘facelift’, which has created an iconic landmark offering a fresh, distinctive and modern experience for shoppers.

Following the RM38 million (US$8.6 million) refurbishment investment, the mall, which houses 156 tenants and has 1,800 customer parking bays, is expected to cater to the daily needs of over 300,000 residents.

The Princess of Johor, Yang Amat Mulia Tunku Tun Aminah Binti Sultan Ibrahim, officiated at the opening ceremony and was then shown around the mall by GCH Retail Chief Executive Officer Pierre Deplanck.

“Giant Plentong mall is proof of our confidence in Johor’s positive economic growth and potential,” said Mr Deplanck. “We foresee that the upgraded mall will cater for consumers’ evolving demands for more choices, better value and friendly service, and provide them with a complete shopping experience.”
Mandarin Oriental Hotel Group’s (MOHG) passion for creating memorable dining experiences has once again been recognized in the 2017 Michelin Guides. The current total number of Michelin-starred restaurants in MOHG’s portfolio is 12, with a total of 18 Michelin stars, more than any other hotel group in the world.

In China, Yong Yi Ting at Mandarin Oriental, Pudong Shanghai has been awarded its first Michelin star. The restaurant showcases Jiang Nan (south of the Yangtze River) cuisine under the guidance of Consultant Chef Tony Lu.

In Europe, Seta at Mandarin Oriental, Milan where Executive Chef Antonio Guida combines his knowledge of southern Italy’s Puglia region with influences from Tuscany and France, has been awarded a second Michelin star in the 2017 guide.

In Asia, the group’s flagship property, Mandarin Oriental, Hong Kong, was again honoured with a total of four Michelin stars awarded to three of its restaurants – Pierre, which retained its two Michelin star status, and Man Wah, the hotel’s Cantonese restaurant, and Mandarin Grill + Bar, which both retained their one Michelin star, the latter for the seventh consecutive year. In addition, Amber at The Landmark Mandarin Oriental, Hong Kong maintained its two Michelin star status.

Finally, three restaurants at Mandarin Oriental, Tokyo – Tapas Molecular Bar, Signature and Sense – retained their Michelin stars in the 2017 guide – the only hotel in the city to achieve this particular honour.

Meanwhile, Torsten van Dullemen, General Manager of The Landmark Mandarin Oriental, Hong Kong, has been named ‘General Manager of the Year’ for Greater China at the 2016 BMW Hotelier Awards, which honour dedicated professionals in the hotel industry. Mr van Dullemen, who has been in the hospitality industry for 30 years, was appointed General Manager of the hotel in January 2015.
Creativity and innovation are at the heart of Gammon’s success in the construction business as reflected in the ‘Innovation and Creativity Grand Award’ won by the group at the 2016 Hong Kong Awards for Industries, a prominent event championed by the Hong Kong SAR Government.

The Award recognizes Gammon’s effective strategy and efforts in ‘Build-to-Order Full Modular MEP Plant Construction’. This includes off-site standardization of MEP module design, weldless assembly and extensive specialization possibilities. The concept is effective in increasing productivity, improving the work environment, raising general safety levels and addressing the labour shortage that is facing the construction industry. Additional commercial benefits include reductions in on-site installation time and costs by up to 20%, and as many as 30% fewer man hours.

Build-to-Order has already been used in many high-profile projects in Hong Kong including the pilot site, the China Mobile Network Centre, as well as the Global Switch Data Centre and Murray Building.

“The concept not only benefits Gammon,” said Gammon Executive Director Kevin O’Brien, “but it will also benefit the entire industry by attracting new blood and improving on-site working environments, while also increasing overall productivity and competitiveness.”

Innovative thinking at Hong Kong Air Cargo Terminals Limited (Hactl) has paid off with the company winning the 2016 ‘Enterprise Innovation Award’ in the Logistics and Transportation category. The annual awards recognize those companies in Asia that are innovating through the use of technology and process best practices.

Hactl’s spirit of innovation was showcased through its adoption of mobile computing. This has dramatically reduced ramp tug mileage and ramp cargo exposure, improving efficiency, reducing emissions and cutting maintenance costs.

“It was a great honour to receive this recognition of Hactl’s ongoing efforts to leverage technology to innovate our business,” said Hactl Senior Manager – Performance Enhancement Eric Poon.

Hactl and its added-value logistics subsidiary, Hacis, also walked off with several honours at the 2016 Payload Asia Awards. Once again, Hactl won the Customer Choice Award for ‘Ground Handler of the Year’, and Hacis repeated its success of 2015, winning the ‘Regional Logistics Provider of the Year’ in the Industry Choice track. The group was also triumphant in a third category – the Green Award (Customer Choice) – recognizing Hactl’s continuing strong efforts to reduce its environmental impact.
**Strong Performance Brings Rewards**

The strong performance of Jardine Restaurant Group (JRG) businesses in Taiwan and Hong Kong have seen them scoop up several awards at franchise partner YUM! Asia’s annual Brand Conference, which was held in Taiwan for the first time.

Pizza Hut Taiwan carried off three awards – two for ‘Build in Talkability Engagement’ and the other a ‘Win on Food’ accolade for innovation. Pizza Hut Hong Kong did even better by being crowned with the ‘Grand Award’ for the year, as well as receiving two quarterly awards and one for the best ‘Win on Value’ campaign.

Meanwhile at the YUM! Asia conference for KFC, which was held in Macau, KFC Taiwan achieved four awards. These included the ‘KFC Excellence in Finance’, ‘Best Brand-Marketing’, and ‘Innovation Cooker’ awards, and the ‘Awesome Return Award’ for KFC Asia Managing Director Tony Lowings.

Pizza Hut and KFC Taiwan also put up strong performances at the CHAMPS Challenge 2016 held by YUM!, with each gaining six awards. This represented a record number for Pizza Hut Taiwan and a first for KFC, which was taking part for the first time against ten highly competitive markets.

Their respective success represented the spirit of JRG in Taiwan – loyal to original ideas, always innovating, and fearless when facing challenges.

**Excellent Service at Dairy Farm**

Dairy Farm businesses achieved exceptional results in the annual Hong Kong Retail Management Association (HKRMA) Mystery Shoppers Programme & Service and Courtesy Awards.

With more than 600 participants, the HKRMA Awards recognize retailers with excellent service performance under an industry-wide standard. For the 2016 Mystery Shopper programme, approximately 6,800 mystery visits were undertaken covering 155 participating brands with a sales network of over 4,400 retail outlets in Hong Kong.

Jasons • Food & Living supermarket was crowned “Service Retailer of the Year” for the third consecutive year, while Mannings Plus carried off the same award in the ‘Personal Care’ category for the fifth time since 2011. In addition, Mannings received two HKRMA 20th Anniversary Special Awards namely ‘The Outstanding Brand Award with Most Outlets’, reflecting its status as having won ‘Service Retailer of the Year’ for more than five consecutive years and having over 200 outlets, and ‘The Most Active Participating Brand Award’.

“These achievements demonstrate the passion and dedication for making our stores the true shopping destination for every customer,” said Mannings Hong Kong Chief Executive Officer Helen Li.
AstraWorld Carries Off 18 Awards

In its second year of participation in ‘The Best Contact Center Indonesia’ (TBCCI) awards held by the Indonesia Contact Center Association, AstraWorld carried off a grand total of 18 trophies in the corporate, individual and teamwork categories. Altogether AstraWorld received five Platinum, three Gold, four Silver, five Bronze, and one ‘Top Ten’ awards.

The TBCCI assessment has become a benchmark against which AstraWorld measures the performance of its contact centres and included assessments, which involved more than 500 individuals and 35 cross-industry and business institutions.

“These 18 awards prove that AstraWorld’s efforts to improve its performance have produced results,” said AstraWorld Chief Executive Bambang Gunawan.

Cycle & Carriage on Top

Cycle & Carriage in both Singapore and Malaysia has carried off a raft of recent awards.

Ten employees of Cycle & Carriage (C&C) in Singapore have received the Excellent Service Award, the city-state’s highest recognition for retail service conferred by SPRING Singapore, the national agency for enterprise development. This is an increase on the six awards received in 2015 and reflects C&C’s commitment to service excellence.

Meanwhile, Cycle & Carriage Bintang (CCB) bagged five gold medals out of the eight categories that they participated in at the biennial Mercedes-Benz Skills Competition in Malaysia. The event aims to elevate aftersales service to world-class standards.

CCB has also been recognized for its excellent customer service at another event organized by Mercedes-Benz Malaysia, the annual SEAward Competition 2016.

Nine CCB branches took part in the competition, which seeks the highest customer satisfaction among Mercedes-Benz dealers across Malaysia. Out of the 22 dealerships competing, CCB attained the three top positions.
On Mental Health from the Jardine Ambassadors

Supports Learning Hub

The annual MINDSET Challenge in Singapore raised S$370,000 (US$267,000) for MINDSET Learning Hub, a job training and placement centre dedicated to people recovering from mental health issues.

More than 250 individuals took part in the event, racing up the 33-floor Marina Bay Financial Centre (MBFC) Tower 1, including 20 children under the age of 12 who scaled ten floors. They were flagged off by guest-of-honour Sim Ann, Senior Minister of State, Ministry of Culture, Community and Youth, and Ministry of Trade and Industry.

“The fight against the social stigma associated with mental illness is like scaling the 33-floor MBFC Tower 1,” said Chairman of MINDSET and Group Managing Director of Jardine Cycle & Carriage Alex Newbigging. “It requires dedication, endurance and support.”

The MINDSET Challenge is the signature fundraiser of the Jardine Matheson Group for mental health causes in Singapore. Since 2012, it has raised over S$1.3 million (US$935,000) for programmes and initiatives that provide support to people with or recovering from mental illness.

Walk Up Jardine House Connects Minds

With the theme ‘Connecting Minds’, the annual Walk Up Jardine House brought together over 550 people including Jardine Matheson Group executives, colleagues from Group companies, business associates, their families, friends and people recovering from mental illnesses, and raised HK$3 million (US$386,000) for MINDSET.

“We are delighted to see so many of our friends, colleagues and people from all walks of life connect with each other through Walk Up Jardine House,” said Jardine Matheson Group Managing Director and MINDSET Chairman Ben Keswick. “Their support for MINDSET and mental health is surely making a difference in the community.”

A total of 69 corporate teams and 35 individuals competed in Walk Up Jardine House 2017, running or walking up 49 floors to reach the Penthouse of Jardine House. Forty-five students from MINDSET’s ‘Health in Mind’ school programme also formed nine teams, while 90 people in recovery, from Baptist Oi Kwan Social Service, Caritas, Castle Peak Hospital and New Life Psychiatric Rehabilitation Association, cheered on the runners and entertained the crowd with sand painting, puppetry and magic shows. Some of them also acted as photographers to capture the event’s most exciting moments.

The Group business unit fundraising award went to Dairy Farm, while Lombard Odier, Mercedes-Benz and Willis Towers Watson tied for the award for the business associate to raise the highest amount of funds. The Fancy Dress Team Award went to Hongkong Land.

In addition to the races, many activities were available, including drama and story-telling workshops and DIY arts and crafts booths.

Mindset Challenge Supports Learning Hub

Showing Spirit
Recognition for MINDSET Singapore

MINDSET’s championing of the mental health cause in Singapore has been recognized with two awards.

MINDSET won the ‘Charity Transparency Award’ for its exemplary transparency and disclosure practices at the Charity Transparency and Charity Governance Awards 2016 made by Singapore’s Charity Council. To support this level of disclosure, the Jardine Matheson Group has a range of platforms such as its annual report and website to provide information about MINDSET’s programmes and activities to different stakeholders.

The Group was also named a top three finalist in the category of ‘Sustainability Initiatives’ at the British Chamber of Commerce Singapore Annual Business Awards 2016. The accolade was in recognition of its significant support to the mental health sector through MINDSET in Singapore in the form of contributions and outreach.
Health in Mind Students
Take First Steps

Students participating in the 2016-18 Health in Mind (HIM) Programme have taken their first steps towards becoming mental health advocates through their participation in several workshops.

Over 120 first-year HIM students attended an interactive introductory workshop, which was followed by a tour of facilities within Kwai Chung Hospital. During the workshop, the causes and different types of mental illness and the skills for communicating with service users were introduced. A peer support worker from Kwai Chung Hospital also shared his journey on overcoming challenges and his role in providing help to other people in recovery.

In another event held to enhance the understanding and acceptance of people with mental illness, over 140 second-year HIM students participated in ‘The Human Library’ workshop, which took the form of a group sharing session hosted by people in recovery. This was followed by a visit to Hactl awarded to students with an over 80% attendance rate in the first year of the HIM Programme.

Promoting Mental Health Across the Group

With the objective of raising awareness of MINDSET and mental health across the Jardine Matheson Group, Jardine Ambassadors organized a mental health presentation for management and colleagues at Jardine Schindler Group (JSG).

During the presentation, which was held in JSG’s office in Devon House, Jolene Mui, General Manager (Nursing), Castle Peak and Siu Lam hospitals, delivered an update on the current status of mental health in Hong Kong, while the Ambassadors introduced the latest MINDSET objectives and events for 2017. Participants were inspired and heard firsthand of the importance of mental health support when a service user gave a sand painting performance, learnt as part of a project funded by MINDSET Expression.

“The presentation achieved its goal of providing a great opportunity for JSG staff to gain more understanding of mental health,” said Jardine Ambassador Vincent Fung. “Following on from the positive outcome at JSG, similar events will be held in different business units across the Group during 2017.”
**Mindset Benefits from Maxim’s Group Generosity**

Maxim’s Group has made another generous donation of HK$1 million (US$128,000) to MINDSET, which will help the organization in its efforts to promote mental health in the community with the aim of changing attitudes and reducing stigma.

Second left: Maxim’s Group Chairman and Managing Director Michael Wu and, second right, Executive Director Wilson Wu presented the cheque to Jardine Matheson Group Managing Director and Chairman of MINDSET Ben Keswick. Jardine Ambassadors Sherry Wong of Hongkong Land and Ryan Chan of Jardine Matheson Limited also attended the ceremony.

**Community Aid for Mindset**

MINDSET has received several donations from different community organizations in Hong Kong. The British Chamber of Commerce in Hong Kong raised over HK$145,000 (US$18,560) and the Hong Kong International Arbitration Center, HK$1 million (US$128,000), at their annual charity balls. In addition, Nite Spartans, a Hong Kong-based amateur football club, pledged its support by raising funds through social events and featuring MINDSET logos on its team shirts.

**Jardine Ambassadors Bring Christmas Joy to Mindset Place**

Jardine Ambassadors, MINDSET governors and Executive Committee members delivered Christmas cheer to the residents of MINDSET Place, the long-stay care home for people recovering from mental illnesses that is supported by MINDSET.

Participants donned colourful festive accessories and played ice-breaking games together. They were then divided into groups to take part in a DIY workshop where they were asked to make an extraordinary snowman using ordinary materials such as rice, socks, thread and buttons.

“It was not easy to do,” said a service user, “but in the end, all of us made ourselves a unique snowman each for Christmas.”

The celebration ended with Jardine Ambassadors and Santa Claus presenting Christmas gifts and good wishes to all service users.
Strong Support for IKEA Good Causes

A group of co-workers from IKEA Taiwan have made an ‘IWitness’ journey to Myanmar to see for themselves the benefits of IKEA’s ‘GOOD CAUSE’ campaign.

Accompanied by Save the Children representatives, the IKEA Taiwan group visited five-year-old children in a kindergarten class in the Bagan area and saw firsthand how indispensable pre-school education is to children’s development.

IKEA has been running a worldwide ‘Soft Toys for Education’ promotion for its GOOD CAUSE campaign for over ten years where for every soft toy that customers buy, IKEA donates €1 (US$1.07) to improve children’s education through Save the Children and UNICEF. In 2016, IKEA extended the campaign and now also donates €1 for every child’s toy and book sold, as well as selected children’s furniture.

Meanwhile, for the second consecutive year, IKEA invited children to design their dream soft toys. The drawing competition generated 52,000 designs and of the ten selected global winners, one was nine year-old Naurazka Salsabilla from Indonesia. Her pink punk horse was turned into a real-life soft toy and launched for sale around the world as part of the latest IKEA GOOD CAUSE campaign, which is focusing on children’s rights to play.

Zung Fu China Supports Primary School

Zung Fu China has continued its commitment to support education in underdeveloped areas by upgrading the facilities of a primary school in Longgang and providing funding support for its ongoing operation.

Thanks to Zung Fu’s efforts, 40 children in the mountainous area of Lianzhou on the periphery of Qingyuan can now receive their primary education in a much-improved environment. In appreciation of the company’s ongoing aid, the community has renamed the school ‘Zung Fu Longgang Primary School’.

In another gesture, Zung Fu China’s Shenzhen dealership organized a self-drive tour with customers to Qingyuan at Winter Solstice to bring greetings to the students on this important festive day. Despite the long five-hour drive and having to dress up as Santa Claus, customers were delighted with this meaningful act.

“The joy they saw in the children’s faces was invaluable,” said Zung Fu China Managing Director Elton Chan.
Astra Summit Promotes Green Energy

For the first time, Astra has held a Green Energy Summit to promote energy conservation.

The Summit, which had the theme ‘Fostering Green Energy and Clean Technology for a Sustainable Company’, was attended by Government officials, Astra senior management and more than 200 participants from companies across Indonesia. It took place at Astra International’s Head Office in Jakarta and opened with a video about the importance of energy globally and a performance of traditional music.

The event continued with a keynote speech by Vice Minister of Energy and Mineral Resources Archandra Tahar, who emphasised energy conservation application and renewable energy management as no longer an option, but rather a ‘must-do’. There was also a talk show session on a related theme.

Astra President Director Prijono Sugiarto said he hoped that the Summit would inspire all present to embrace energy conservation.

“This is a very important programme, both for Astra and also for Indonesia,” he added. “Through energy conservation, we will have a hope of bequeathing a better earth for future generations.”

In 2015-2016, 33 Astra companies saved Rp231 billion (US$17.3 million) through 46 conservation programmes, the equivalent of 807 terajoule of energy.

7-Eleven Hong Kong Rolls Out Store Art

7-Eleven Hong Kong has rolled out the second phase of its Art Convenience Store community project, which makes use of its retail storefronts to showcase the work of young artists.

In collaboration with the Fine Arts Department of The Chinese University of Hong Kong, 11 undergraduate students were invited to produce paintings with the theme ‘Journey’, inspired by the communities that they grew up in and the unique features of their chosen 7-Eleven store.

To boost awareness and enhance ongoing customer engagement, two videos were also launched on social media platforms featuring TV news anchor-turned-illustrator Wingki Kwok and actor Lam Yiu Sing. These focused on the relationship between art, creativity and growth, and the countless interactions between 7-Eleven and the community.

“7-Eleven has provided a valuable opportunity for young artists to let their artwork flourish in public spaces, engaging customers and, most importantly, reminding the public of the value of art,” said 7-Eleven Hong Kong & Macau Sales & Marketing Director Elman Lee. “The project also serves as an important recollection of 7-Eleven’s journey with Hong Kong people over the past 35 years.”
Innovation and disruptive technologies were the central focus of each of the Jardine Matheson Group’s 2016 annual Legal, Human Resources (HR) and Communications conferences.

At the Legal Conference, which took place at Mandarin Oriental, Guangzhou, Group lawyers, corporate secretarial professionals and tax managers discussed how to work effectively across cultures and learned about the forces created by disruptive technologies.

In a workshop, more than 100 conference participants looked at the management traits of people from different cultures and assessed how one could build strong intercultural relationships in business situations. Resonating with the Group’s Innovate Jardines initiative, the conference also examined digital trends and the characteristics of the workforce of the future. Of particular interest was the impact that artificial intelligence might have on the professions.

‘Innovation in HR’ was the theme of the Group’s HR conference, which took place in Macau.
In several thought provoking sessions led by external speakers from companies such as Accenture, McKinsey, Universum, What If! and LinkedIn, delegates were exposed to some of the trends and disruptive technologies, which are either currently or will change the way HR professionals work in the future.

Examples included the use of gamification in recruitment, the growth of the liquid workforce, and the use of robotics to eliminate mundane tasks. Technology-enabled training interventions were also highlighted, as were the shift in employer branding and the blurring of the lines between the traditional HR and Marketing departments.

The use of gamification in recruitment, the growth of the liquid workforce, and the use of robotics to eliminate mundane tasks were highlighted.

To reflect its ‘Innovate’ theme, some 30 Group corporate communications and marketing professionals met for their annual conference at the Accenture Internet of Things Centre of Excellence for Resources in Singapore. The conference focused on the impact of disruptive forces on the marketing and communications sector and how as communicators, the participants should act to support the business growth of Group companies.

The event included an interactive workshop to walk participants through trends in digital space, covering the perspectives from both digital customers and digital enterprises. Accenture also showcased several business examples and demonstrated the innovative technology used to achieve their success.

Astra Manufacturing Polytechnic (Polman Astra) is continuing its efforts to develop higher education in Indonesia.

To date Polman Astra has produced a total of 2,922 graduates from 23 provinces in Indonesia as part of its policy to turn out quality graduates equipped with the skills and talent needed to increase the growth of Astra in its many lines of business. In the last five years, Astra has recruited 64% of these graduates reflecting the high level of education offered by Polman Astra through a contextual curriculum tailored to the needs of industry.

Meanwhile in the next stage of Astra’s plan to develop a dual-system vocational education in Indonesia, two Polman Astra instructors travelled to Pforzheim, Germany to study Automotive Maintenance at Alfons Kern Schule (AKS).

Vocational education has become one of the Indonesian Government’s top priorities and the study initiative is a follow-up to a five-year memorandum of understanding between Yayasan Astra Bina Ilmu and AKS to develop vocational education to the highest level. The KFZ Mekatronik Meister programme at AKS provides an industry-oriented education where students not only acquire automotive and business knowledge, but also undergo practical training.
Honours for Y K Pang

Jardine Matheson Group Deputy Managing Director Y K Pang has received two significant honours.

In the 2016 Honours List for Hong Kong, Mr Pang was awarded a Gold Bauhinia Star for his long and dedicated public and community service, particularly his outstanding contributions to economic and higher education development. He was presented with his award by Hong Kong SAR Chief Executive C Y Leung at a ceremony in the Ballroom of Government House.

Mr Pang has also been conferred with an Honorary Doctorate by The University of Edinburgh. The graduation ceremony, which took place in the Usher Hall, Edinburgh, was attended by Group Chairman Sir Henry Keswick.

Mr Pang is an alumnus of the University with a Master of Business Administration Degree.
Jardine Motors UK Launches Academy Programme

Jardine Motors UK has launched an innovative Academy programme in response to public research commissioned by the group, which revealed a reluctance to consider careers in the automotive industry due to fears around commission-based income and the perception of limited career opportunities.

The 12-month programme for both sales and aftersales is designed specifically for candidates with no experience, instead focusing on recruits that can demonstrate their commitment to customer service. As well as dedicated mentors within the business, Academy students will undertake workplace and classroom training and become accredited through manufacturer training programmes.

“Crucially, those on the Academy programme receive a protected salary and use of a company car, as we seek to break the mould of traditional commission-based positions,” explained Bradley Burgoyne of Jardine Motors who has developed the programme. “This, in turn, enables candidates from more diverse backgrounds to forge successful careers in the automotive industry.”

Over 500 applications were received for the first Academy positions, narrowed down to 18.

Fun and Games at Vietnam Familympic

With the theme of ‘Be Healthy – Be Happy’, the third annual Vietnam Jardines Familympic served as a reminder for everyone to maintain strong physical and mental health and to enjoy happy times with their loved ones.

Over 800 Jardine Matheson Group executives and employees and their families from ten business units in Vietnam joined together to compete in a highly exciting and enjoyable day of games and challenges catering for all participant groups. From futsal football for the Dads and group skipping for Mums, to kids enjoying various games and aqua sports, there was something for everyone.

The event culminated in the overall championship, which was retained by the Pizza Hut team in a landslide victory, with Dairy Farm and Gammon/Cofico, runners-up. Pizza Hut also took the futsal football championship from KFC in a remarkable final re-match that will long be remembered by both players and spectators!
When Dairy Farm decided on a significant expansion of its Corporate Brands sector, it required marketing excellence, a pioneering spirit and fresh thinking.

Concentrating on the food and health & beauty sectors, the objective was to create leading regional brands that would be relevant, recognized and trusted by customers.

“We wanted these brands to offer us a point of differentiation in all markets across Asia, and to have attributes that cater uniquely to Asian consumers’ needs,” explained Corporate Brand Director, Group Health & Beauty Ségolène Defline.

While it was critical to connect with consumers, it was equally important to engage all those involved with the initiative. Working together, passionate Corporate Brands and Quality Assurance teams converted ideas into reality. To build momentum around the new brands, training sessions were organized with Operations and Merchandizing teams, product samplings were held among employees and a unique Beauty & Food Festival was staged in Hong Kong.

Since the launch of the programme in 2013, a total of 19 food and ten health & beauty category brands have been introduced, along with a relaunch of the Mannings/Guardian Corporate Brands. In 2016, the Corporate Brand Programme in both food and health & beauty delivered strong growth and over 1,500 new products were launched.

“Corporate Brands are now an exciting part of everyday life at Dairy Farm and will continue to be a key source of sustainable profit growth for all our businesses,” concluded Ms Defline.