

# SUSTAINABLE DEVELOPMENT REPORT 2022



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We welcome your feedback on our sustainable development performance and reporting. You can contact us by email at [sustainabledevelopment@swireproperties.com](mailto:sustainabledevelopment@swireproperties.com) or fill in the **Feedback Form**.

## Chief Executive's Message

GRI  
2-22



### **OUR JOURNEY TO NET-ZERO IS NOT OURS ALONE:**

**supporting our stakeholders and our communities in their efforts to decarbonise is vital to the success of our common objectives.**



2022 was a milestone year for Swire Properties as we celebrated 50 years of transformative placemaking and sustainable urban development. While the pandemic prevented us from hosting major events for most of the year, we were fortunate to end 2022 with a family day for our employees and our annual community White Christmas Street Fair in Taikoo Place.

Our ongoing efforts to integrate sustainable development into every facet of our business are now being recognised globally. We were ranked first in Asia and fourth on the Dow Jones Sustainability Index (“DJSI”) among real estate companies worldwide. We maintained our Global Sector Leader position in the Mixed Use Developments category of the Global Real Estate Sustainability Benchmark (“GRESB”) for the sixth year in a row, and were ranked first on the Hang Seng Corporate Sustainability Index for the fifth consecutive year.

In addition to giving us positive encouragement, this recognition motivates us to remain focused on realising of our SD 2030 Strategy.

#### **Our continuing journey towards net-zero**

The wider impacts of climate change are a growing concern to businesses worldwide. Increasing our climate resilience and proactively managing the associated risks is now a priority.

While discussions at COP 27 in November 2022 highlighted the challenges of achieving net-zero decarbonisation targets, we remain committed to our 1.5°C-aligned science-based targets, paving the way to achieve net-zero by 2050. We continue to make excellent progress in tackling our Scope 1 and 2 emissions, achieving an absolute emissions reduction of 28% in 2022 compared to our 2019 baseline year.

These gains have been enabled by our broad adoption of technology and innovation to reduce energy use and carbon emissions throughout our operations. Recognising the importance of data, I am particularly interested in the insights into energy saving generated by the rollout of our Cloud-Based Smart Energy Management Platform across our portfolios. This year, we integrated a pioneering machine-learning model into the platform that predicts cooling demand around the clock. The model was developed in partnership with a digital automation and energy management company and won a Gold Award and the Grand Prize at the “Global AI Challenge for Building Electrical and Mechanical Facilities” competition. We also signed an off-site renewable electricity purchase agreement for Taikoo Li Sanlitun, making this our third project in the Chinese Mainland to adopt sources of clean energy. We continue to explore renewable energy opportunities in our other projects.

#### **Creating value for our partners**

Our journey to net-zero is not ours alone: supporting our stakeholders and our communities in their efforts to decarbonise is vital to the success of our common objectives. We continue to collaborate with our suppliers and tenants as we track and monitor performance along the whole lifecycle of our buildings.

To address upstream carbon emissions during construction, we have worked with our partners to ensure that almost 100% of the concrete used at Two Taikoo Place, our latest development in Hong Kong, was certified low-carbon concrete. Accordingly, the development obtained the Grand Award in the New Building category (Projects Under Construction and/or Design - Commercial) at the 2021 Green Building Awards, organised by the Hong Kong Green Building Council (“HKGBC”) and the Professional Green Building Council.

To limit our downstream impacts, we launched our Green Performance Pledge (“GPP”) in July 2022, a bespoke sustainability programme for office tenants. The GPP works closely with our tenants to measure and identify ways to reduce their energy, waste, and water consumption. Interest and uptake for the GPP has been overwhelmingly positive: 52 of our tenants, representing over 30% of the occupied lettable floor area of Swire Properties’ Hong Kong office portfolio, are already participating. Meanwhile, almost 70 food and beverage (“F&B”) tenants have joined our Green Kitchen Initiative, integrating sustainability features into their kitchen fit-outs and operations.

In March 2023, we published our third Places Impact Report, featuring Taikoo Hui Guangzhou. Produced in partnership with the South China University of Technology, the report explores the socioeconomic impacts of our placemaking efforts and provides insights into the future role that Taikoo Hui Guangzhou may play in enhancing community vibrancy and building social cohesion.

### **A thriving environment for our people**

People are critical to the implementation of our SD 2030 Strategy and to our overall success. We aspire to build an inclusive, supportive work environment where employees can thrive. This year, we were delighted to be included in the 2023 Bloomberg Gender-Equality Index, acknowledging the Company’s commitment to achieving gender equality.

These positive impacts extend into our local communities in the form of our Community Ambassadors, who volunteered over 6,100 hours of their time this year, giving back to society through NGOs, social welfare initiatives and in many other valuable ways.

### **Catalysing our transition to net-zero via green financing**

As at 31 December 2022, green financing accounted for approximately 60% of our current bond and loan facilities. This means that we have achieved our 2025 KPI of having a minimum of 50% of green financing three years ahead of schedule.

In 2023, we begin piloting the use of internal carbon pricing (“ICP”) to accelerate our transition to a low-carbon economy. Taking the form of an internal carbon fee, the ICP will create an internal mechanism to allocate costs to our carbon emissions and set aside a special fund to increase our investment in decarbonisation projects.

### **A word of thanks**

Today’s increasingly complex business landscape requires that we remain firmly committed to our vision and values. As we look ahead to the next 50 years, I want to take the opportunity to thank everyone who has worked with us over the years for your dedication, confidence and trust in Swire Properties.

Our ambitions are high, but I am confident that we have the talent, spirit and experience to succeed. As we conclude a year full of challenges and celebrations and enter a new decade for Swire Properties, I am optimistic that working together with our outstanding teams and committed partners will help us continue to build and nurture great places that support sustainable, resilient and thriving communities.



Chief Executive  
**Tim Blackburn**

## About this Report

This report is the 15th sustainable development (“SD”) report of Swire Properties Limited (“Swire Properties” or “the Company”). The report covers the period from 1 January 2022 to 31 December 2022 and focuses on Swire Properties’ businesses, joint ventures and subsidiaries in property investment, property trading and hotel investment, where the Company has operational control. The report includes details of our SD vision and progress on the implementation of our SD 2030 Strategy during the past year. This report was published online in April of 2023.

GRI  
2-1, 2-3, 2-6

### Profile of Swire Properties Limited

Year of establishment <b>1972</b>	<b>Ownership and legal form</b> Public company listed on the Main Board of the Stock Exchange of Hong Kong (Stock Code: 1972) – Swire Pacific Limited is the immediate holding company and major shareholder		
<b>Core businesses</b>			<b>Number of employees</b> <b>6,400+</b>
<b>Property Investment</b>	<b>Property Trading</b>	<b>Hotel Investment</b>	
<b>Aggregate gross floor area (“GFA”) attributable to the Group*</b>  <b>29.9 million square feet (“sq ft”)</b>		<b>Underlying profit attributable to shareholders in 2022</b>  <b>HKD8,706 million</b> 2021 HKD9,532 million	

\*Data is valid as at 31 December 2022 and has been reproduced from the [Swire Properties Annual Report 2022](#).

### About Us

Headquartered in Hong Kong, Swire Properties is a leading developer, owner and operator of mixed-use, principally commercial properties in Hong Kong and the Chinese Mainland, with a presence in Miami, U.S.A.

Creative Transformation captures what we do and how we do it. It underlines the creative mindset, original thinking and long-term approach that enables our employees to reach beyond the conventional and seek new perspectives. We strive to unlock the potential of places by creating vibrant destinations and stimulating further growth to produce sustainable value for our shareholders, our business partners and the people with whom we work.

In 2022, Swire Properties celebrated our 50th anniversary. We honoured our original thinking during this milestone year through a theme of “ORIGINAL. ALWAYS.”. “ORIGINAL” captures our forward-looking, creative and innovative spirit, while “ALWAYS” refers to our long-term commitment over the decades and into the future.

For further information on our key business strategies, operations and financial performance, please refer to the [Swire Properties Annual Report 2022](#).

## SD Awards

### Global Leadership in Sustainability Benchmarks and Indices

Our commitment to SD received further global recognition in 2022. We were ranked highly on several major SD-related benchmarks and indices.

#### Dow Jones Sustainability World Index (“DJSI World”) – Top Fourth Globally, Number One in Asia

Member of  
**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA

**Listed as a DJSI World constituent company since 2017**  
**Listed as a DJSI Asia Pacific constituent company since 2015**

In 2022, we raised our global ranking from seventh place overall to fourth place among the 940 companies assessed in the real estate industry. We were also the top ranked company in Asia for the second consecutive year, increasing our score in the Environmental dimension of the assessment from 94 to 96 (Score date: 16 December 2022), taking us from third in 2021 to second globally.

Swire Properties achieved an ESG (“Environmental, Social and Governance”) score of 83/100 (Score date: 16 December 2022) on the 2022 S&P Global Corporate Sustainability Assessment, up from 79 in 2021.

#### Global Real Estate Sustainability Benchmark (“GRESB”) – Global Sector Leader and Global Development Sector Leader for Mixed Use Developments



G R E S B  
\*\*\*\*\* 2022

**Since 2017**

We retained our Global Sector Leader title in the Mixed Use Developments category for the sixth year in a row. We were also recognised as the Global Development Sector Leader in the category for the third year in a row. In addition to our five-star rating on the benchmark, we also obtained the highest five-star rating and received an “A” rating in public disclosure for the sixth consecutive year.

## Hang Seng Corporate Sustainability Index – Top Company



Hang Seng Corporate Sustainability Index Series Member 2022-2023



### Constituent of the Hang Seng Corporate Sustainability Index since 2015

#### Achieved the highest total score among the constituent companies and “AAA” rating since 2018

In Hong Kong, we topped the Hang Seng Corporate Sustainability Index for the fifth consecutive year, receiving the highest total score among all index constituents while maintaining an “AAA” sustainability rating – the highest possible grading. We were one of the only two companies to receive this rating among more than 500 assessed stocks.

Swire Properties was also listed on the Hang Seng Environmental, Social and Governance (“ESG”) 50 Index for the third consecutive year, highlighting the Company’s position as an ESG leader in Hong Kong.

## Bloomberg Gender-Equality Index



### Became a member in 2023

Swire Properties responded to the Bloomberg Gender-Equality Index (“GEI”) for the first time and secured a position on the 2023 Bloomberg GEI member list, consisting of ourselves and 483 other companies. The index measures gender equality across five pillars: leadership and talent pipeline, equal pay and gender pay parity, inclusive culture, anti-sexual harassment policies and external brand.



### Constituent since 2014

Achieved an Environmental, Social and Governance (“ESG”) rating of “AAA” – the highest possible rating since 2018

### Top 10%

S&P Global ESG Score 2022

### Included in the S&P Global Sustainability Yearbook since 2017

Included in the S&P Global Sustainability Yearbook 2023, with ESG score within 5% to 10% of the industry’s top-performing company.



### Constituent since 2016

\* Disclaimer: [www.swireproperties.com/sd/awards/mscidisclaimer.html](http://www.swireproperties.com/sd/awards/mscidisclaimer.html)

## ASHRAE Technology Award



Swire Properties was recognised for its outstanding achievements in the design and operation of energy efficient buildings at the 2023 ASHRAE Technology Award. Our project on retro-commissioning and the digital transformation of Cityplaza Mall won first place in the Commercial Buildings Existing Building Commissioning (“EBCx”) category. The award highlights our use of innovation and experimentation to continuously improve the energy efficiency of our operations.

## CIBSE Building Performance Awards 2023



In early 2023, our Cloud-based Smart Energy Platform won the Best Digital Innovation award at the CIBSE Building Performance Awards 2023, which recognises innovation that has made a significant contribution to digital engineering. The platform was commended for its exceptional ambition, scale and the fact that it can be applied to many properties and control building services systems.

## Swire Properties’ Reporting Awards



Swire Properties’ Sustainable Development Report 2021 won the Best Environmental, Social and Governance Reporting Award in the Property Development and Investment category – the top award – while our Annual Report 2021 won a Bronze Award in the General category at the 2022 Best Annual Reports Awards by the Hong Kong Management Association (“HKMA”). The two accolades underscore our commitment to creating and maintaining effective and transparent

communications for sustainable development and financial reporting to stakeholders. According to the judges’ report, Swire Properties produced a “materiality-driven report” with extensive coverage of our efforts to improve sustainability performance to withstand systemic climatic, social and economic stresses and volatility.



At the Best Corporate Governance and ESG Awards 2022, organised by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), Swire Properties also received the ESG Award in the Non-Hang Seng Index (Large Market Capitalisation) Category. For the second consecutive year, Swire Properties was the top performer among the 540 listed companies assessed.



Our Sustainable Development Report 2021 received the Silver Award at the Occupational Safety and Health Annual Report Award. The award was presented to Swire Properties at the 21st Hong Kong Occupational Safety and Health Award organised by the Occupational Safety and Health Council, an award scheme that recognises organisations with excellence in the presentation of occupational safety and health performance and community development information in annual reports or sustainability reports.

## HKIHRM HR Excellence Awards



At the Hong Kong Institute of Human Resource Management ("HKIHRM") HR Excellence Awards 2021/2022, Swire Properties was the only company to win the Excellence Award for ESG in the Organisational category. These awards recognise organisations and individuals that achieve business success through outstanding people strategies and practices. The award is a symbol of our industry-leading efforts to integrate ESG and sustainability into our talent management

and development capabilities to help our people reach their full potential in the safest, most ideal working environment. We also received a special award for our industry-leading COVID-19 response.

## Green Building Award 2021



Swire Properties won the Pioneer Award in Green Building Leadership (Facilities Management) at the Green Building Awards 2021. We are now the only developer to have won the Pioneer Award in different Green Building Leadership subcategories in multiple years – we won in the Development subcategory in 2019 and took the Grand Award in 2016. Our newest Grade-A office tower, Two Taikoo Place, also won the Grand Award in the New Buildings Category: Projects Under Construction and/or Design – Commercial. This is the second building in Taikoo Place to obtain a Grand Award in the New Buildings Category, with One Taikoo Place winning it in 2019.

## 2022 RICS Awards



Swire Properties won three top prizes at the 2022 RICS Awards Hong Kong and 2022 RICS Awards China. We were given the “Sustainability Award” for our decarbonisation efforts and our establishment of 1.5°C-aligned science-based targets that cover emissions from building operations including tenants and embodied carbon from new projects. The “Regeneration Project of the Year” was awarded to Taikoo Li Sanlitun West, while the Young Achiever of the Year award was given to Francis Lo, Senior Manager, Portfolio.

## Social Capital Builder Awards 2022



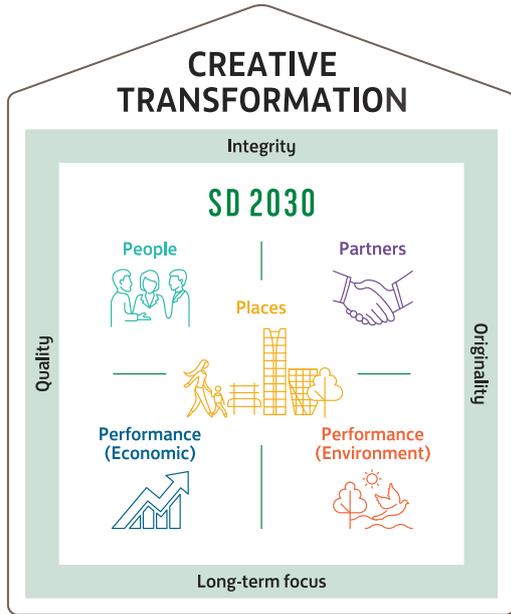
Swire Properties won the Social Capital and Sustainability Grand Award at the Social Capital Builder Awards 2022. These awards, given by the Community Investment and Inclusion Fund every two years, aim to encourage cross-sectoral collaboration among corporations and organisations to actively build social capital.



## SD 2030 Strategy

For 50 years, Swire Properties has adopted, advocated and adhered to a philosophy of responsible development.

## SD 2030 Strategy



For 50 years, Swire Properties has adopted, advocated and adhered to a philosophy of responsible development.

We are committed to operating in an environmentally, socially and economically responsible manner across all aspects of our business.

In 2016, we introduced our SD vision to clearly articulate our direction:

***To be the leading sustainable development performer in our industry globally by 2030***

In the same year, we formulated our SD 2030 Strategy to implement this SD vision. This strategy has helped us build our SD capability and has ensured that SD considerations are part of all our operations and business decisions.

Our SD 2030 Strategy is built on five strategic pillars: **Places, People, Partners, Performance (Environment)** and **Performance (Economic)** (“the Pillars” or “Pillar”).

SD 2030 is premised on a creative mindset of innovation and experimentation and promoted through communication and engagement.



### Places

Places are at the heart of, and central to, accomplishing our SD 2030 Strategy.

Through effective placemaking and long-term placekeeping, we aim to continue to transform the places in which we invest so as to create value, whilst retaining their character, supporting communities and enhancing people’s lives.

#### Focus areas for Places:



Vibrancy



Livelihood



Wellbeing



Resilience

GRI  
2-22

HKEX  
Mandatory  
Disclosure  
Requirement



**People**

The contributions of our employees are indispensable to our success.

We aim to create an environment where our employees will be healthier, happier and more productive. We invest in our employees and provide rewarding career paths so as to develop a diverse and industry-leading team.

**Focus areas for People:**



Talent Attraction



Talent Management



Rewards



Occupational Health and Safety



Diversity and Inclusion



Volunteering



**Partners**

Our business partners are crucial to the realisation of our SD 2030 Strategy.

We aim to continue to develop long-term, mutually beneficial relationships with our business partners and other key parties so as to improve our environmental, social and economic performance.

**Focus areas for Partners:**



Suppliers



Tenants



Customers



Residential Owners and Occupiers



Government



Non-governmental, Non-profit Organisations ("NGOs")



Joint Venture Partners



**Performance  
(Environment)**

As a leading property developer, we are committed to building and managing our developments sustainably.

We aim to continue to design, construct and manage high-quality developments that contribute positively to the environment and the communities in which we operate.

**Focus areas for Performance (Environment):**



Climate Change



Energy



Resource and Circularity



Water



Biodiversity



Occupant Wellbeing



Building/Asset Investments



**Performance  
(Economic)**

We believe that long-term value creation depends on the sustainable development of our business.

We aim to deliver a sustainable economic performance coupled with good corporate governance and high ethical standards.

**Focus areas for Performance (Economic):**



Financial Performance



Green Financing



Corporate Governance



Risk Management



Disclosure and Communications

## SUSTAINABLE DEVELOPMENT (SD) 2030 STRATEGY: 2022 HIGHLIGHTS



We aim to deliver sustainable economic performance coupled with good corporate governance and high ethical standards.



We aim to create an environment where our employees will be healthier, happier and more productive, to invest in our employees and to provide rewarding career paths so as to develop a diverse and industry-leading team.

### Our SD Vision:

“ To be the leading sustainable development performer in our industry globally by 2030. ”



We aim to continue to develop long-term, mutually beneficial relationships with our business partners and other key parties so as to improve our environmental, social and economic performance.



We aim to continue to design, construct and manage high quality developments that contribute positively to the communities in which we operate and the environment.

#### FINANCIAL PERFORMANCE

**HKD 8,706** million in underlying profit attributable to shareholders

#### GREEN FINANCING

<b>2025 KPI</b>	<b>2022 Progress</b>
Achieve a minimum of <b>50%</b> of bond and loan facilities from green financing	<b>~60%</b> of current bond and loan facilities are from green financing

#### CORPORATE GOVERNANCE

<b>2025 KPI</b>	<b>2022 Progress</b>
Maintain no less than <b>30%</b> of female representation on our Board	<b>31%</b> of our Board positions are held by female members

#### DISCLOSURE AND COMMUNICATIONS

Published our fifth set of [climate-related financial disclosures](#) as per TCFD recommendations

SD information is disclosed in accordance with the requirements of major global sustainability benchmarks



Ranked 4th globally and No. 1 in Asia, Member of the World Index – 6th consecutive year



Global Sector Leader – 6th consecutive year



Ranked No. 1 for 5th consecutive year, “AAA” rating



“AAA” rating

**Top 10%** S&P Global ESG Score 2022



#### TALENT MANAGEMENT

<b>2025 KPI</b>	<b>2022 Progress</b>
A <b>25%</b> increase in training hours/employee/year <sup>2</sup>	<b>~154,000</b> training hours delivered
	<b>24</b> training hours/employee/year ( <b>↑97%</b> )

#### OCCUPATIONAL HEALTH AND SAFETY

<b>2025 KPI</b>	<b>2022 Progress</b>
Maintain Lost Time Injury Rate (“LTIR”)	
Non-hotel operations: <b>≤1.2</b>	Non-hotel operations: <b>0.57</b>
Hotel operations: <b>≤2.0</b>	Hotel operations: <b>1.56</b>

#### DIVERSITY & INCLUSION

First time inclusion in the 2023 Bloomberg Gender-Equality Index (“GEI”)



<b>2025 KPI</b>	<b>2022 Progress</b>
Maintain a female representation of no less than <b>40%</b> in the workforce	<b>40.2%</b> of the workforce are female
Maintain a gender balance in senior management	<b>38.3%</b> of senior management positions are held by women
Maintain gender pay ratio at <b>1 : 1</b>	Gender pay ratio (female to male) <sup>3</sup> : <b>1 : 0.92</b>

#### VOLUNTEERING

Our Community Ambassador Programme contributed **>6,100** volunteer service hours, supporting **73** activities

#### IMPACT REPORTING

Published our third Places Impact Report for Taikoo Hui Guangzhou, “[The Creative Transformation of Taikoo Hui Guangzhou](#)”, in conjunction with South China University of Technology. The report uses our Places Impact Framework for assessing, measuring and reporting on the environmental, social and economic impacts of this development

#### WELLNESS

Taikoo Hui Guangzhou obtained WELL Platinum certification, recognising the development’s positive impacts on human health and wellbeing

#### DIGITAL CONNECTIVITY

Two Taikoo Place and Six Pacific Place became the first buildings in Hong Kong to be both WiredScore and SmartScore Platinum certified



Through effective placemaking and long-term placekeeping, we aim to continue to transform the places in which we invest so as to create value, whilst retaining their character, supporting communities and enhancing people’s lives.

#### SUPPLIERS

<b>2025 KPI</b>	<b>2022 Progress</b>
<b>25%</b> of products and services purchased <sup>4</sup> shall be sustainable <sup>5</sup>	<b>17%</b> of products and services purchased were sustainable
	<b>HKD 1,477</b> million spent on sustainable procurement

Reduce 5-year rolling average of accident rate<sup>6</sup> in our Hong Kong development projects by **50%**

**~100%** concrete used in Two Taikoo Place are Platinum-certified under the Construction Industry Council Green Product Certification

#### TENANTS

Officially rolled out the **Green Performance Pledge (“GPP”)** in HK and Chinese Mainland to deepen landlord-tenant partnerships on sustainability and ESG

<b>2025 KPI</b>	<b>2022 Progress</b>
<b>50%</b> of tenants in our office portfolios <sup>7</sup> sign the Green Performance Pledge to jointly improve environmental performance	GPP launched with <b>52</b> tenants, which covered <b>37.9%</b> of tenants in our office portfolio in Hong Kong

Recognised **76** F&B tenants in Hong Kong and the Chinese Mainland with Green Kitchen Awards

The Smart Reusable Cup System at Taikoo Place expanded to **10** F&B tenants, and avoided the disposal of over **16,800** single-use cups since the programme’s launch

#### CLIMATE CHANGE



<b>2025 KPI</b>	<b>2022 Progress</b>
Absolute GHG emissions (Scope 1 and Scope 2): <b>↓25%</b> <sup>8</sup>	<b>↓28%</b>

<b>2030 KPI</b>	<b>2022 Progress</b>
Value chain GHG emissions (Scope 3 - Downstream Leased Assets): <b>↓28%</b> per square metre <sup>9</sup>	<b>↓40%</b>

Value chain GHG emissions (Scope 3 - Capital Goods): <b>↓25%</b> per square metre <sup>10</sup>	<b>↓17%</b>
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#### ENERGY

<b>2025 KPI</b>	<b>2022 Progress</b>
Reduction of electricity use intensity <sup>11</sup>	
Hong Kong Portfolio <sup>12</sup> : <b>↓20%</b> <sup>8</sup>	Hong Kong Portfolio <sup>12</sup> : <b>↓15%</b>
Chinese Mainland Portfolio <sup>12</sup> : <b>↓13%</b> <sup>8</sup>	Chinese Mainland Portfolio <sup>12</sup> : <b>↓9%</b>

#### RESOURCE AND CIRCULARITY

<b>2025 KPI</b>	<b>2022 Progress</b>
Commercial waste diversion rate	
Hong Kong Portfolio <sup>12</sup> : <b>30%</b>	Hong Kong Portfolio <sup>12</sup> : <b>25%</b>
Chinese Mainland Portfolio <sup>12</sup> : <b>40%</b>	Chinese Mainland Portfolio <sup>12</sup> : <b>45%</b>

#### BUILDING/ASSET INVESTMENT

<b>2025 KPI</b>	<b>2022 Progress</b>
<b>100%</b> of wholly-owned <sup>13</sup> new development projects to achieve the highest environmental building assessment scheme rating	<b>100%</b> of new development projects <sup>13</sup> achieved the highest ratings
	<b>93%</b> of wholly-owned existing developments <sup>13</sup> achieved the highest ratings

1 Disclaimer: [www.swireproperties.com/sd/awards/mscidisclaimer.html](http://www.swireproperties.com/sd/awards/mscidisclaimer.html)

2 Compared to the baseline year of 2016.

3 In 2022, gender pay ratio is calculated based on a non-weighted average methodology.

4 For wholly-owned investment portfolios.

5 Products that meet specific sustainability criteria such as green certification or accreditation by reputable, independent third parties.

6 Using 2015-2019 (5-year average) as baseline. Accidental rate represents the number of reportable accidents per 1,000 contractor workers. It is calculated as the total number of reportable accidents multiplied by 1,000 and then divided by average daily number of contractor workers on-site.

7 Measured by occupied lettable floor area (“LFA”) of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui Guangzhou.

8 Compared to the 2019 baseline.

9 Compared to the 2018 baseline.

10 Compared to baseline year 2016-2018.

11 The 2025 KPIs under Energy have been updated per our approved 1.5°C-aligned SBT. Energy Use Intensity has been renamed to “Electricity Use Intensity” in 2022 to reflect the use of electricity for the provision of shared services for and in the common parts of our buildings. The actual scope of this KPI remains unchanged.

12 Hong Kong portfolio and Chinese Mainland portfolio refer to our office and retail portfolios and hotels in Hong Kong and the Chinese Mainland respectively.

13 Joint venture projects and trading properties are excluded.

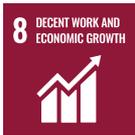
## UN SDGs

We support the [United Nations Sustainable Development Goals](#) (“SDGs”), which aim to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

We believe that 11 of the SDGs connect closely with our SD vision and SD 2030 Strategy. These SDGs are relevant to the focus areas under one or more of the Pillars listed below. Our progress made against these SDGs in 2022 can be found in the corresponding Pillar sections of this report.

### Places

We create long-term value by transforming places into vibrant and sustainable communities. Places aligns with:



#### SDG 8

Promoting sustainable economic growth, employment and decent work for all.



#### SDG 9

Building resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation.



#### SDG 11

Making cities and human settlements inclusive, safe, resilient, and sustainable.

### People

We invest in our employees and create an environment where they are healthier, happier and more productive. People aligns with:



#### SDG 3

Ensuring healthy lives and promoting wellbeing.



#### SDG 5

Achieving gender equality and empowering women and girls.



#### SDG 10

Reducing inequalities within and among countries.

## Partners

Our business partners are crucial to the success of our SD 2030 Strategy. Partners aligns with:



### SDG 12

Ensuring sustainable consumption and production patterns.



### SDG 17

Strengthening partnerships for sustainable development.

## Performance (Environment)

We design, construct and manage high-quality developments that contribute positively to communities and the environment. Performance (Environment) aligns with:



### SDG 3

Ensuring healthy lives and promoting wellbeing.



### SDG 6

Ensuring availability and sustainable water management.



### SDG 7

Ensuring access to reliable and sustainable energy.



### SDG 11

Making cities and human settlements inclusive, safe, resilient, and sustainable.



### SDG 12

Ensuring sustainable consumption and production patterns.

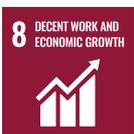


### SDG 13

Taking urgent action to combat climate change and its impacts.

## Performance (Economic)

We believe that long-term value creation depends on the sustainable development of our business. Performance (Economic) aligns with:



### SDG 8

Promoting sustainable economic growth, employment and decent work for all.



### SDG 17

Strengthening partnerships for sustainable development.

## SD Governance

### SD Governance Structure

Swire Properties' SD governance framework builds on our strong foundations of good [corporate governance](#) and high [ethical standards](#).

Our SD 2030 Strategy seeks to reinforce these foundations by integrating economic, social and environmental considerations into all levels of our business decision-making processes.

**GRI**  
2-9, 2-11, 2-12,  
2-13, 2-14, 2-16,  
2-17, 2-23, 2-24

**HKEX**  
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Disclosure  
Requirement



### Board of Directors

Our Board of Directors (“the Board”) is actively engaged in formulating and implementing our SD 2030 Strategy. The Board oversees SD and climate-related issues, while the Environmental, Social and Governance Steering Committee (the “ESGSC”) reports material SD and climate-related issues and the progress made towards key performance indicators (“KPIs”) to the Board. These are discussed at the board meetings where was held five times a year. Formerly known as the Sustainable Development Steering Committee, the ESGSC was renamed on 15 March 2022.

The Board provides oversight of our risk management framework and our risks related to SD and ESG, including climate-related risks. Swire Properties also conducts regular risk identification and analyses and reviews management processes throughout the year through the Audit Committee and our Enterprise Risk Management (“ERM”) system, including our Corporate Risk Register.

## Environmental, Social and Governance Steering Committee

The ESGSC is chaired by the Chief Executive of the Company. Other members are the Finance Director and six members of our senior management from the human resources and administration, portfolio management, projects, public affairs, and technical services and sustainable development departments. In 2022, an Independent Non-Executive Director of the Company joined the ESGSC, who is also the Chairman of our Audit Committee.

The composition of the ESGSC is reviewed annually by the Chief Executive to ensure an appropriate balance and representation of expertise and experience; and the Chief Executive may appoint any person or persons from within or outside the Company as considered appropriate.

The Chairman of the ESGSC reports relevant SD and climate-related matters to the Board, as appropriate. In accordance with its [terms of reference](#), the ESGSC is responsible for:

- (a) Reviewing, and suggesting any changes to, the Company's ESG Strategy in respect of ESG matters (the "ESG Strategy"), including approving targets or key initiatives recommended by the working groups;
- (b) Ensuring that the Company's operations and practices are carried out in line with the ESG Strategy;
- (c) Reviewing the Company's annual performance in achieving targets or key initiatives recommended by the working groups;
- (d) Reviewing any significant risks, opportunities or investments that exist in connection with the implementation of the ESG Strategy;
- (e) Reviewing and approving the annual Sustainable Development Report and any relevant ancillary public documents; and
- (f) Through its Chairman, reporting relevant matters of significance relating to sustainable development to the Board.

## SD Working Groups

Each Pillar is supported by a working group. In 2022, there were six SD working groups that continued to work on the KPIs and future targets set for each Pillar for [2025 and 2030](#). These are:

1. The Places Working Group, chaired by the Director, Office;
2. The People Working Group, chaired by the Director, Human Resources;
3. The Partners Working Group, chaired by the General Manager, Projects (HK & SE Asia);
4. The Performance (Environment) Working Group, chaired by the Director, TSSD & Facilities Management;
5. The Performance (Economic) Working Group, chaired by the Finance Director; and
6. The Sustainable Development Communication and Engagement Committee, chaired by the Deputy Director – Public Affairs.

The members of each SD Working Group are carefully selected to ensure the inclusion of employees with different backgrounds, types of expertise and varying levels of seniority.

## SD Communication and Engagement Committee

Our SD Communication and Engagement Committee identifies, prioritises and oversees the implementation of communication and engagement plans for initiatives that support our SD 2030 Strategy. It is chaired by the Deputy Director – Public Affairs. This Committee also includes representatives from different functions within the Company. Read more about what this Committee accomplished in 2022 [here](#).

## Sustainable Development Policy

Our [Sustainable Development Policy](#) (“SD Policy”) was first published in 2008 and has guided the Company’s operations since then. The Policy is reviewed periodically and was last updated in 2021. The SD Policy reflects our belief that long-term value creation depends on the sustainable development of our business, our supply chain and the communities in which we operate. These factors are continuously considered during the inception, design, construction, occupation and demolition phases of our development projects.

The SD Policy explicitly states that the Company will be a good steward of the natural resources and biodiversity within our influence and that we will ensure that all potentially adverse impacts of our operations are identified and managed appropriately.

With respect to the environment, our approach follows the precautionary principle<sup>1</sup> which states, “Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation”.

We strive to operate in a manner that protects the health and safety of all of the people with whom we work. We also strive to be an employer of choice by providing a working environment in which all employees are treated fairly and with respect in order that they realise their full potential.

GRI  
2-23, 2-24

<sup>1</sup> The precautionary approach is referred to in Principle 15 of The Rio Declaration on Environment and Development.

## Swire Properties' Policies

Our SD Policy is supported by the following policies that focus on specific environmental and social impacts.



Anti-Bribery and  
Corruption Policy  
(new)



Biodiversity Policy  
(revised in 2022)



Board Diversity  
Policy  
(revised in 2022)



Climate Change  
Policy



Corporate Code of  
Conduct  
(revised in 2022)



Diversity and  
Inclusion Policy



Energy Policy



Environmental  
Policy



Health and Safety  
Policy  
(revised in 2022)



Human Rights Policy  
(new)



Parental Leave  
Policy and  
Guidelines



Respect in  
Workplace Policy



Shareholders'  
Communication  
Policy (new)



Staff Grievance  
Policy



Supplier Code of  
Conduct  
(revised in 2022)



Resource and  
Circularity Policy



Remuneration  
Policy (new)



Water Policy  
(revised in 2022)



Whistleblowing  
Policy  
(revised in 2022)

## Integrating SD into our Business Operations

### Employee Engagement



Support from our employees is vital to the success of our SD 2030 Strategy. In 2018, our performance development review system was updated to engage employees in our SD Strategy on a deeper level. Since then, our office employees have continued to align their annual performance goals with each Pillar and the Company's SD vision.

We have also established corporate SD performance metrics that are linked to variable compensation for our Chief Executive and the general managers of our portfolios. The Chief Executive has performance targets that are linked to health and safety throughout the Company's operations, while the general managers' performance targets relate to energy management in their respective portfolios.

### Business Integration and Budgeting



In 2022, we continued to implement SD initiatives in our day-to-day operations and decision-making at both the asset and functional levels of all our major business units in Hong Kong and the Chinese Mainland. All our major business units now incorporate SD considerations into their annual budgets and share proposed budget allocations with the relevant SD Working Groups to ensure adequate resources are made available to realise our SD 2030 targets. The budgets are reviewed and approved by the Board.

In 2023, Swire Properties will pilot the use of internal carbon pricing ("ICP") to determine the potential impacts of carbon emissions from our investments, quantify carbon risks to our business operations. It will take place as an internal carbon fee which links each unit of CO<sub>2</sub> emissions to a fixed cost, allowing better reallocation of capital towards low-carbon investment and activities.

A total of HKD 3,159 million has been budgeted as the future three-year (2023 to 2025) forecast expenditure for climate-related projects, including funds generated from ICP.

## Corporate Risk Management



Our Corporate Risk Register (“CRR”) incorporates ESG-related risks, such as climate-related risks. We have also integrated SD and ESG factors into our corporate risk analysis.

In 2022, we began digitalising the CRR dashboard and risk scoring model. The new digitalised CRR platform offers a standard template for updating risk details, risk scoring and risk mitigation measures, making benchmarking across the Swire Group easier. In the next phase, we plan to

optimise the system and the reporting protocol. Swire Properties’ management will continue to monitor and conduct regular review of risks and the effectiveness of mitigation strategies. External risk advisors will also be regularly consulted for their risk management experience, allowing us to keep abreast of industry best practices.

## Green Financing



Swire Properties is committed to integrating sustainability considerations into our financing mechanisms. By obtaining green financing, we reaffirm our commitment to sustainable development, and to designing and developing sustainable projects that improve the wellbeing of building occupants and local communities.

Beginning in 2018, Swire Properties launched various green financing mechanisms to fund green building developments and other projects.

These have included our first green bond, issued in January 2018, and our first sustainability-linked loan, obtained in July 2019, the interest rate of which is indexed against improvements in the Company’s year-on-year ESG performance. Since the launch of these mechanisms, Swire Properties has received reductions in the interest rates of our signed sustainability-linked loans by achieving predetermined sustainability-linked performance targets.

In 2022, we secured sustainability-linked loan facilities totalling HKD11.8 billion. As of 31 December 2022, approximately 60% of our bond and loan facilities are from such green financing instruments as green bonds, sustainability-linked loans and green loans. We also continued to update our investors and analysts about our SD performance through a comprehensive ESG webinar and question-and-answer session.

In 2023, we issued our fifth annual [Green Finance Report 2022](#), which provides information on projects funded by the green bonds and the green loan and their estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts.

## Communication and Engagement

2022 marked the third year of our SD-themed communication campaign “Sustainability We All Count”. Our first campaign was launched in 2020 with the aim of raising SD awareness amongst Swire Properties employees and stakeholders. In 2021, our second campaign highlighted our commitment to the Business Ambition to 1.5°C, featuring “1.5°C” as our key statement, to echo the ramp up of our SBTs in alignment with the 1.5°C decarbonisation pathway.

This year, we pooled our efforts together and continued the campaign, empowering our employees, tenants, customers, suppliers and the public to work together in pursuit of our ambitious 1.5°C goal of reaching net-zero emissions by 2050.

### “Sustainability We All Count” 3.0



In February 2022, our “Sustainability We All Count” SD-themed communication campaign returned for its third iteration with a new theme: “Fighting Climate Change, Together We Can”.

The campaign highlighted our pioneering SD initiatives and community engagement programmes via offline and online channels, both internal and external, aiming to encourage our employees, tenants, key stakeholders and the

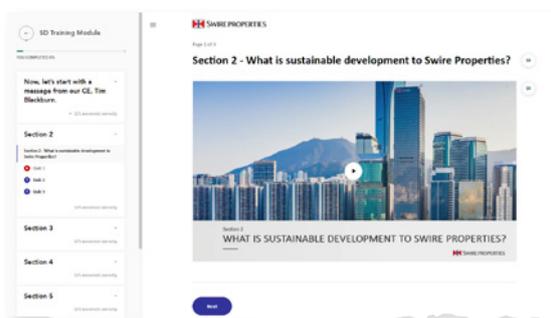
general public to take action in pursuit of our ambitious 1.5°C goal.

As in previous years, the campaign featured “1.5°C” as the key element, with the enduring characters from the initial 2020 campaign drawing attention to the need to limit the global temperature rise to 1.5°C above pre-industrial levels by the end of this century.

Posters were displayed in office buildings, malls, lift lobbies and on social media channels to reinforce the message, while frontline employees continued to wear “1.5°C” pins to sustain public awareness.

Numerous events supporting the campaign were held during the year, such as a series of public eco-workshops with hands-on interactive activities, co-hosted at Blueprint, that focused on sustainable lifestyle elements; and a number of staff activities and celebrations that commemorated the hard work employees put into making the campaign a success, including customised posters and a “Together We Can” SD Character Contest, asking colleagues to recreate one of the SD characters from the campaign and give it their own creative twist by upcycling used materials.

### SD 2030 e-Learning Module



Covering all basic aspects of our SD 2030 Strategy and relevant ESG topics, this comprehensive new SD e-learning module will become part of the intake process for new staff and will be provided as refresher training to existing staff. It will include videos from Company leaders, case studies and an entertaining “SD Dictionary” introducing SD buzzwords in a lively manner. The module, currently in the final stages of development, will be launched in early 2023.

## Innovation and Experimentation

A creative mindset of innovation and experimentation is crucial to the successful execution of our SD 2030 Strategy. In 2022, we repeatedly demonstrated our commitment to innovation and experimentation.

### Innovation Accelerator



Swire Properties' Innovation Accelerator ("IA") programme was established in 2020 to promote a culture of innovation and create a positive, collaborative community of Change Agents who enjoy extensive training, tailor-made workshops and a chance to incubate ideas with senior management.

2022 saw the programme celebrate Swire Properties' 50th anniversary with a busy year of roundtables, training and sharing sessions.

Fifteen roundtables were held through the year, raising awareness and helping participants acquire basic knowledge of artificial intelligence ("AI"), blockchain, cloud-based services, and big and small data. These events, attracting large numbers of virtual and face-to-face participants, promoted new collaborations between different committees, departments and stakeholders. Topics included a placemaking masterclass, insights from our strategic partnership with Tsinghua University on the Joint Research Centre for Building Energy Efficiency and Sustainability, and an introduction to robotic process automation which was followed by a workshop on how to "build your own bot".



Eight IA training initiatives were held in 2022 to reinforce the "three Is" Change Agent DNA, which are essential components of IA programme: the "three Is" – being "inquisitive", "influential" and "impactful". Interactive and experiential workshops were organised on various topics including design thinking, the growth mindset and agility, aiming to equip our employees with a customer-centric mindset during product and service design.

The flagship Clockwise programme saw 16 ideas generated over the year and added to current IA projects by our Change Agents. Each of these ideas received a strong commendation and were followed up for future planning within the relevant business units.

In late 2022, the IA programme finished recruiting the second cohort of 60 Change Agents who met the criteria of being openminded, willing to change and not afraid to challenge the status quo. An inauguration ceremony was held in December 2022 to mark the start of their journey.

## New Ventures



Working closely with technology companies, investors, accelerators and start-ups, Swire Properties' New Ventures is a specialised department that identifies emerging trends and accelerates the adoption of best-in-class emerging technologies at scale for the Company. New Ventures does this in two ways – by identifying and trialling technologies that can help grow our businesses, and by actively investing in companies. This allows Swire Properties to

flexibly adapt its strategy in light of emerging technology trends. In addition to managing a USD50 million venture fund to invest in Series A to Series C technology start-ups globally, New Ventures also manages a Tech Experimentation Fund that sponsors tech trials across the Company to accelerate innovation internally.

2022 saw New Ventures continue to source, trial and scale best practice technologies to drive strategic business impacts. Some examples include:

- Robotics software technology that enables sophisticated architectural design to be executed with precision and speed;
- A construction site capture tool and project management platform that reduces the risk of time and cost overruns; and
- Frontline optimisation software to improve our retail operations and the customer experience.

We also expanded our innovation partnership with Hong Kong Science and Technology Parks Corporation ("HKSTP"). Over the course of three years, HKSTP will introduce technology companies and smart solutions to Swire Properties for trial and adoption, make investment referrals, and explore potential investment collaborations in emerging technology start-ups.

The department has been recognised as one of the most innovative organisations by 36Kr, a prominent Chinese Mainland-based media platform and thought leader on technology and innovation. New Ventures will continue to actively explore and adopt exciting technologies that will enhance and innovate Swire Properties' business.

## The Next Generation Committee

As part of our 50th anniversary celebrations, we launched the Swire Properties Next Generation Committee ("NextCom"), assembled to empower and learn from the Company's many talented young people upon whom the future success of our business relies.

NextCom is an in-house programme designed to give future leaders a platform to share their ideas and create meaningful change within the Company. Inaugurated in November 2022, NextCom is made up of 12 young people from different departments, regions and backgrounds who will form a diverse advisory team that will work closely with the Executive Committee. NextCom will provide key insights on business, strategy and community issues, gather and share opinions from young and junior colleagues, and drive action on topics that create significant business impacts.



# Materiality

We believe that balancing internal and external viewpoints is critical to defining and managing SD issues that are significant to our business and our stakeholders.

## Materiality

For the purposes of Swire Properties' SD 2030 Strategy and SD reporting, materiality is defined as any factor that has a present or future impact on our ability to achieve our SD vision. We believe that balancing internal and external viewpoints is critical to defining and managing SD issues that are significant to our business and our stakeholders.

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Disclosure  
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## Our Stakeholder Engagement Approach

As set out in our SD 2030 Strategy, communication and engagement with employees, investors, tenants, customers, suppliers, regulators, NGOs, community representatives and many other stakeholders is an integral part of our daily operations.

We regularly engage with our stakeholders to understand their priorities, expectations and perceptions regarding SD issues.

When we first introduced our SD 2030 Strategy in 2016, we engaged extensively with senior managers and employees from across the business and consulted external sustainability experts. Today, our SD Communication and Engagement Committee continues to gather the support of our employees and other stakeholders to further integrate SD 2030 across our business.

## Our Stakeholders

Swire Properties' stakeholders are both internal and external interest groups that have a significant impact on our business, or that experience significant impacts from our operations. We regularly engage with these stakeholders through the appropriate channels.

**GRI**  
102-40, 102-42,  
102-43

## Stakeholder Groups and Methods of Engagement



### Employee Groups

- Surveys and interviews
- SPLinks intranet and the employee newsletter CornerStone
- Training sessions
- Competitions and team-building activities or events
- Virtual and in-person forums
- Employee townhalls
- “WeChat Work” mobile application



### Tenants

- SD-themed tenant engagement programmes
- Swire Properties Tenant Portal
- Joint projects
- Community events
- Surveys and interviews
- Multi-stakeholder meetings and seminars on specific issues



### Community/NGOs

- Community events
- Joint projects
- Working committees and consultations
- Multi-stakeholder meetings and seminars on specific issues



### Customers/Consumers

- Surveys
- Customer service mobile applications
- Community events
- Joint projects
- Customer relationship management programmes



### Suppliers

- Supplier screenings and assessments
- Joint projects
- Surveys
- Forums



### Regulators/Government

- Joint projects
- Working committees and consultations
- Interviews
- Community events



### Industry Experts/Academia

- Joint projects and research funds
- Multi-stakeholder forums and partnerships
- Seminars



### Joint Venture Partners

- Surveys and interviews
- Multi-stakeholder meetings and seminars on specific issues
- Joint projects



### Shareholders & Investors

- SD benchmarks and indices
- Interviews and meetings
- Newsletters
- Events
- Investor Day



### Media

- Annual gatherings
- Interviews
- Feedback and responses to media enquiries

## Stakeholder-driven Materiality

In 2020, we initiated a materiality review with the support of an independent consultant, the aim of which was to understand our stakeholders' perceptions of the progress of our SD 2030 Strategy and their evolving expectations and priorities for the future. These perceptions have helped us further align our business practices, improved our decision-making and accountability, and guided the refinement of our strategy and focus areas in response to the latest local, regional and global developments.

In 2021, we continued this process, adopting a combined qualitative and quantitative approach to assessing materiality. We interviewed 23 subject matter experts to identify new challenges and opportunities and conducted a broader survey of 547 external and internal stakeholders, who ranked issues in terms of their perceived importance to society, the environment and, for employees, their perceived impact on our business. Throughout the COVID-19 pandemic, we also gathered stakeholders' feedback in order to gain greater understanding of the pandemic's effects on their businesses, the real estate industry and our operations. The findings provided insights into ways of providing tailored support to our stakeholders during challenging times.

Swire Properties is continuing to build on and refine our approach to materiality. For years, we have defined the concept of materiality as "any factors that are perceived to be important to our company's business continuity and development as well as perceived to be important to our stakeholders". This "importance-based" materiality follows widely adopted sustainability reporting frameworks such as the GRI Standards and has been the focus of previous materiality assessments and stakeholder engagement exercises.

To gain an even deeper understanding of what aspects are important to the Company's business continuity and development, a new materiality assessment and stakeholder engagement exercise will be conducted in 2023 based on the newly established concept of "double materiality". Double materiality is a concept proposed by the *European Commission's Guidelines on Reporting Climate-related Information* that encourages a company to assess materiality based on a topic's implications for the company's financial performance (i.e. financial materiality) as well as on the communities and the environment (i.e. impact materiality), and the interconnectivity between the two. This "financial-and-impact-based" double materiality will allow us to better assess the integration of sustainability with our business, understand our sustainability impact and align with global best practices in reporting.

**GRI**  
3-1, 3-2

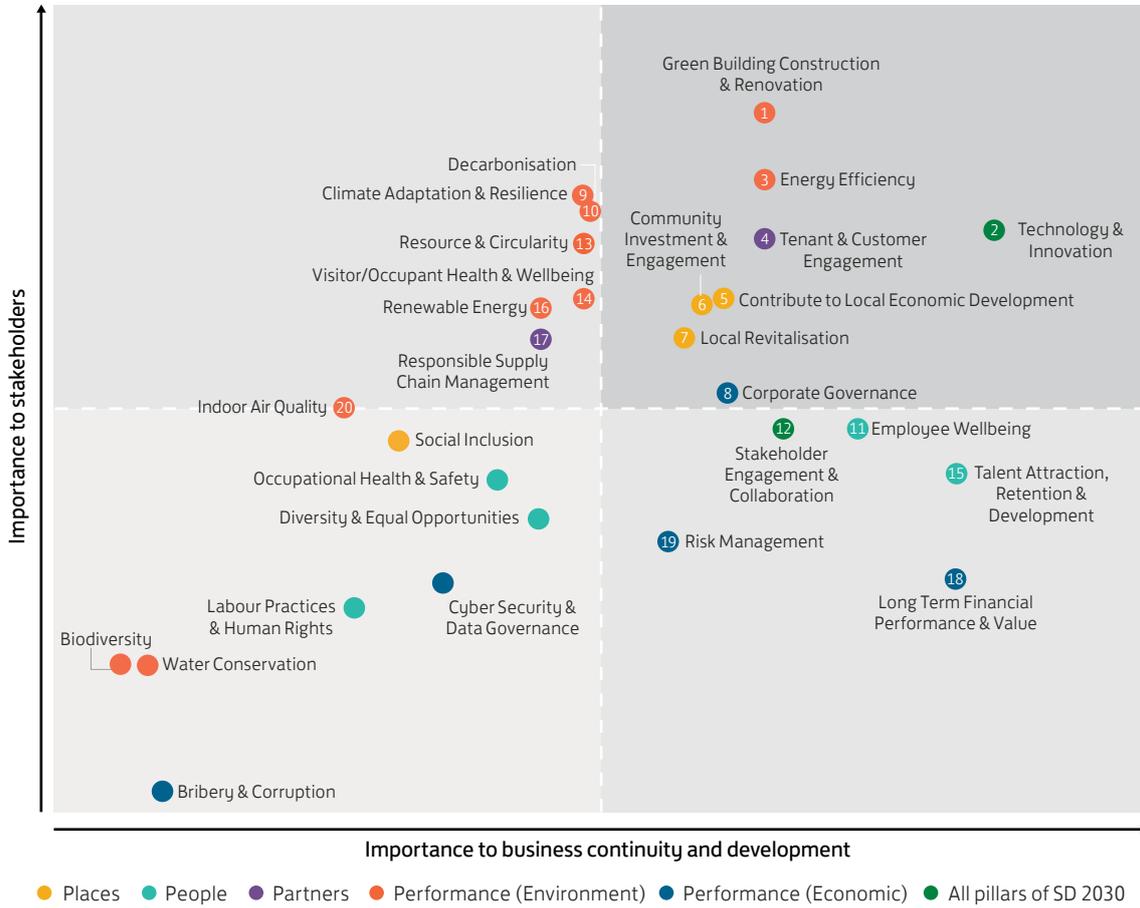
**HKEX**  
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# Materiality Matrix

Tier 1 issues (the most critical material issues with the highest potential impact on business success)

Tier 2 issues (important material issues with a high potential impact on business success)

Tier 3 issues (relatively less important material issues, as perceived by stakeholders, that can impact business success)



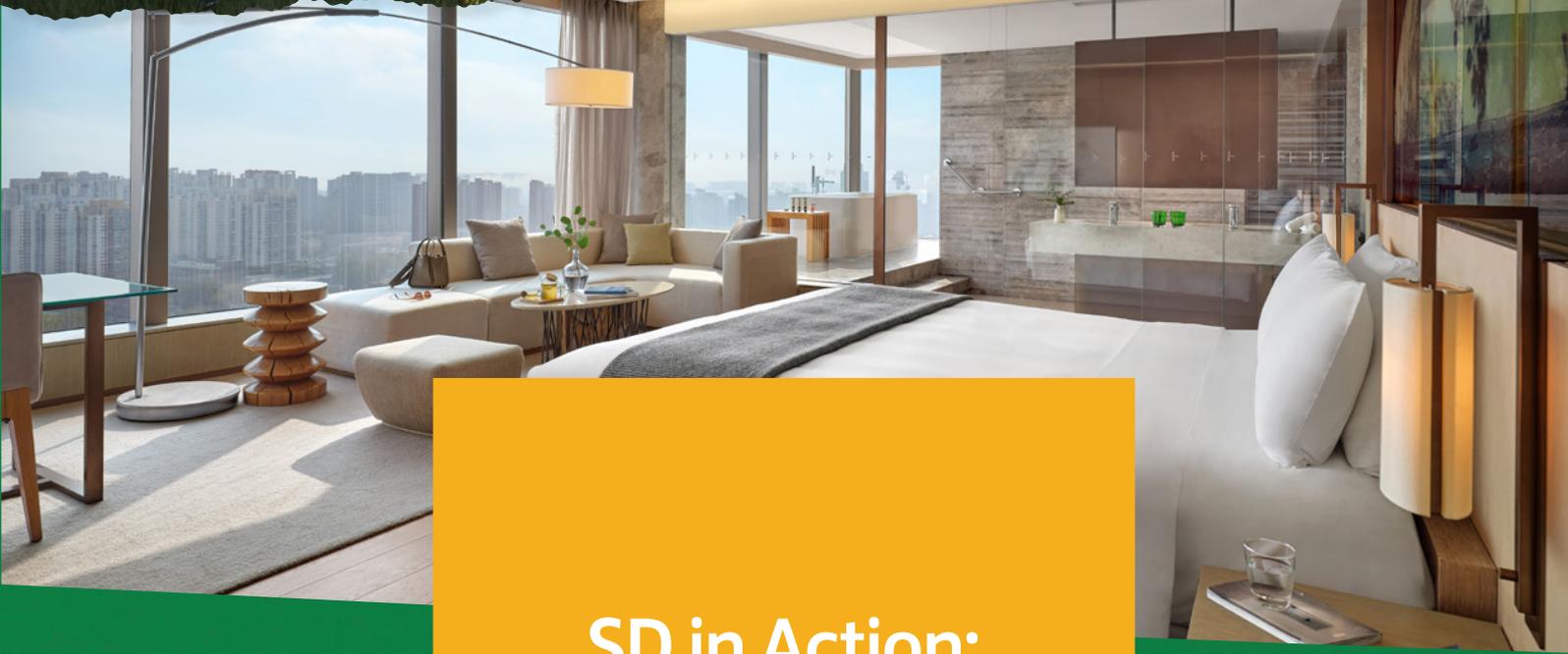
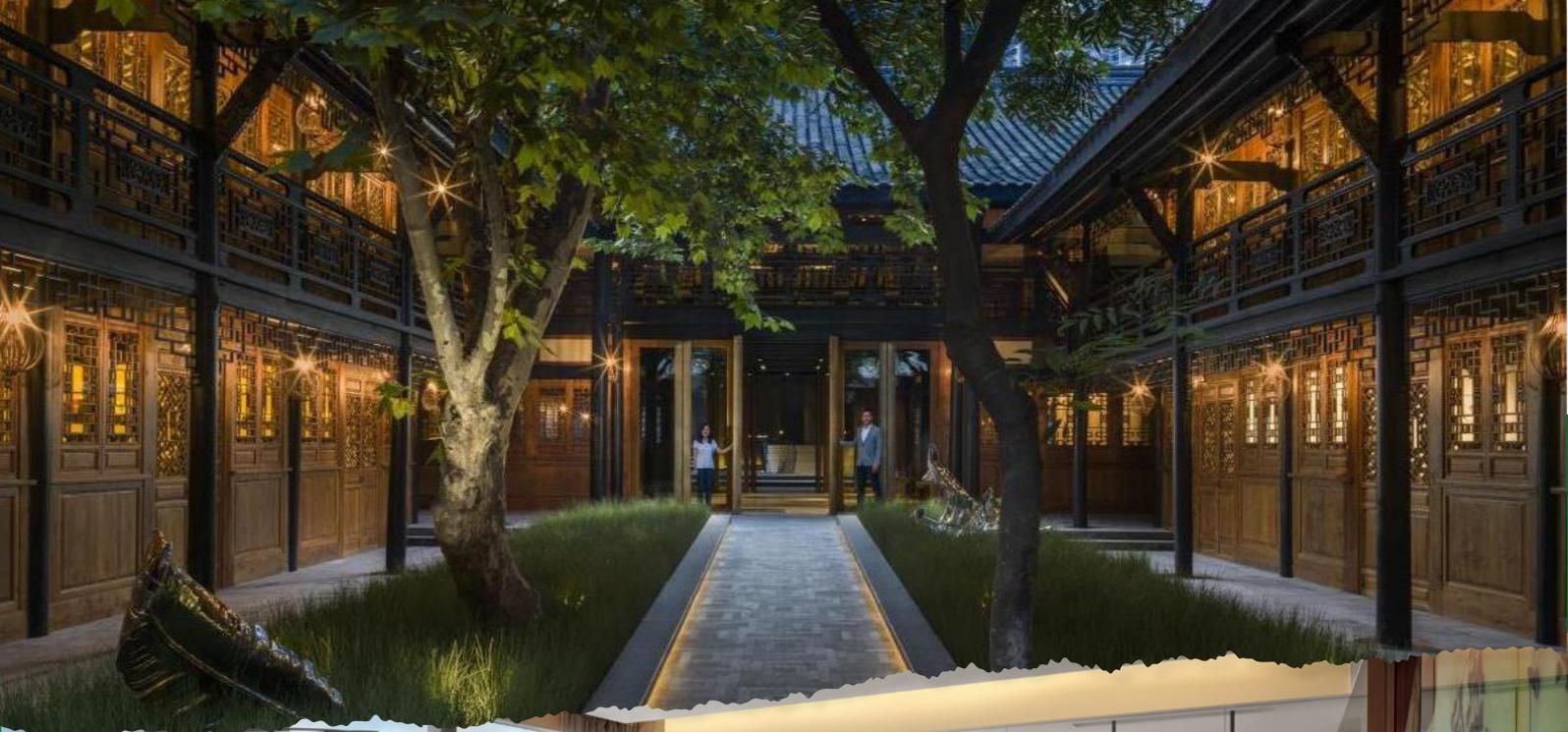
Remarks: Tier 1 and Tier 2 issues are numbered in this matrix

The top material issues in the matrix, namely Tier 1 and Tier 2 issues, are consistent with the focus areas of our SD 2030 Strategy and have been addressed in this report in accordance with the relevant Global Reporting Initiative Standards.

## Top Material Issues

Material Issues	SD 2030 Strategy Focus Areas	GRI Standards	Impacts and Boundaries										
			Employee Groups	Community/NGOs	Suppliers	Tenants	Consumers/Customers	Regulators/Government	Joint Venture Partners	Ind. Experts/Academia	Shareholders/Investors	Media	
1 Green building Construction & Renovation	<u>Building/Assets and Investments</u>	GRI 417 Marketing and Labelling (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2 Technology & Innovation	Integral to multiple focus areas	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3 Energy Efficiency	<u>Energy</u>	GRI 302 Energy (2016)	✓		✓	✓	✓	✓		✓	✓	✓	✓
4 Tenant & Customer Engagement	<u>Customers and Tenants</u>	N/A	✓			✓	✓	✓	✓		✓		
5 Local Economic Development	<u>Livelihood</u>	GRI 203 Indirect Economic Impacts (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6 Community Investment & Engagement	<u>Resilience</u>	GRI 413 Local Communities (2016)	✓	✓		✓	✓	✓	✓		✓	✓	✓
7 Local Revitalisation	<u>Vibrancy</u>	GRI 203 Indirect Economic Impacts (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8 Corporate Governance	<u>Corporate Governance</u>	GRI 205 Anti-corruption (2016) GRI 206 Anti-competition Behavior (2016)	✓		✓			✓				✓	
9 Climate Adaptation & Resilience	<u>Climate Change</u>	GRI 201 Economic Performance (2016) GRI 305 Emissions (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10 Decarbonisation	<u>Climate Change</u>	GRI 305 Emissions (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
11 Employee Wellbeing	<u>Talent Management</u>	GRI 403 Occupational Health & Safety (2018)	✓	✓	✓	✓	✓	✓		✓	✓		
12 Stakeholder Engagement & Collaboration	Integral to multiple focus areas	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
13 Resource & Circularity	<u>Resource and Circularity</u>	GRI 306 Waste (2020)	✓	✓	✓	✓	✓	✓				✓	
14 Visitor/occupant Health & Wellbeing	<u>Occupant Wellbeing</u>	GRI 416 Customer Health and Safety (2016)	✓	✓		✓	✓	✓		✓	✓		
15 Talent Attraction, Retention & Development	<u>Talent Attraction and Talent Management</u>	GRI 401 Employment (2016) GRI 404 Training and Education (2016) GRI 405 Diversity and Equal Opportunity (2016) GRI 406 Non-discrimination (2016)	✓									✓	
16 Renewable Energy	<u>Energy</u>	GRI 302 Energy (2016)			✓	✓	✓	✓		✓	✓		
17 Responsible Supply Chain Management	<u>Suppliers</u>	GRI 301 Materials (2016) GRI 308 Supplier Environmental Assessment (2016) GRI 414 Supplier Social Assessment (2016)	✓		✓				✓		✓		
18 Long-term Financial Performance & Value	<u>Financial Performance</u>	GRI 201 Economic Performance (2016)	✓		✓			✓	✓		✓	✓	✓
19 Risk Management	<u>Risk Management</u>	GRI 201 Economic Performance (2016)	✓		✓	✓	✓	✓	✓		✓		
20 Indoor Air Quality	<u>Occupant Wellbeing</u>	GRI 416 Customer Health and Safety (2016)	✓	✓		✓	✓	✓		✓	✓		

● Places ● People ● Partners ● Performance (Environment) ● Performance (Economic) ● All pillars of SD 2030



## SD in Action: Swire Hotels

The mission of Swire Hotels is to create authentic, unscripted and unforgettable experiences across its two brands: The House Collective and EAST.

The mission of Swire Hotels is to create authentic, unscripted and unforgettable experiences across its two brands: The House Collective and EAST. The Group manages distinctive hotels in Hong Kong and the Chinese Mainland for travellers who seek originality, style and personalised service.

The House Collective is a group of refined, highly individual properties. Each House is unique, and created by talented architects and creatives to reflect the unique qualities of their surroundings. The EAST brand consists of lifestyle hotels that are bright, energetic and inspiring, bringing their community and sustainability-oriented mindset to the most dynamic areas of their cities. Both brands have their own approaches to putting SD into action, which mirror their individual, original DNA.



## Encouraging Creativity and Innovation for our 50th Anniversary

As part of Swire Hotel's commitment to innovation and creative transformation, the EAST brand has launched the "Ideas To Wake Up To" speaker series. This series is periodically hosted across all EAST hotels, bringing together like-minded business leaders and creatives to connect, co-create, learn, and spark new ideas. In 2022, three sessions were hosted with one in Hong Kong and two in Miami, all centred around topics pertaining to sustainable development ("SD").

The Think Differently Awards were launched across Swire Hotels in 2021 to encourage all team members to share their innovative and interesting ideas. In 2022, the awards were focused on SD, spanning three themes: water conservation, energy conservation and waste management. A total of 164 submissions were received.

Both the "Ideas To Wake Up To" speaker series and the Think Differently Awards reflect the spirit of originality that Swire Properties celebrated during our 50th anniversary.

## Places

### Vibrancy



The House Collective runs a biennial art programme called “Encounters Across Cultures”, which invites artists from different backgrounds to collaborate on creative artistic expressions. In 2021, the Houses invited artists from around the world to come together to create and explore the concept of space and movement. Designed during the pandemic, the programme was realised through interactive video installations that – coupled with varying styles of dance – complemented the work of the esteemed architects behind each House.

“Art at EAST”, launched in 2019, was the first art programme at EAST Hotels. At EAST Hong Kong, an interactive exhibition called “City Symphony” transports guests on a sound-based journey across the Taikoo neighbourhood using eccentric wooden sculptures.

### Livelihood



At EAST Hong Kong, the Community Ambassadors continued a charity initiative launched in 2020 – the “A Spoonful of Love” campaign, which raises money for people in need in Hong Kong and provides a tasty and nutritious bowl of soup at the same time. The EAST Hong Kong team sourced ingredients to create their own special soup packets. Altogether, 2,261 soup packets were sent to families through 11 NGO partners. We also delivered 5,900 soup packs to doctors, nurses

and staff at Eastern Hospital, sending the frontline medical carers a simple message: We Are All in This Together!

## Wellbeing



All hotels offer unique and comprehensive wellness programmes for guests and staff alike. The Upper House offers wellness residencies in Hong Kong, featuring holistic therapies, yoga and meditation sessions, fitness classes and in-room treatments, some of which are conducted in partnership with well-known sports and wellness brands.

The Temple House provided regular wellness initiatives throughout the year, from healthy menu selections at the hotel's restaurants to cross-brand collaborations and unique wellness-themed experiences for guests. These included exercise parties to promote stillness, happiness and wellbeing, and livestreamed yoga classes for staff and "House friends" during the lockdown period. One session attracted over 500 followers to participate.

The Temple House provided regular wellness initiatives throughout the year, from healthy

## Resilience



Between February to October 2022, EAST Hong Kong became a designated quarantine hotel to support the government's quarantine arrangements for inbound persons from overseas – a crucial part of the city's overall pandemic strategy at that time.

During the soft lockdown period in Chengdu, The Temple House distributed mooncakes to the government community office that provided daily COVID-19 testing to the surrounding neighbourhood. The hotel also donated 215 boxes of mooncakes to charities during the Mid-Autumn Festival. Meanwhile, our hotel teams received care packages at their staff dormitories, while hotel guests were also given special packages daily including wine, cheese, Mi Xun hotpot, special cocktails and puzzle games to ensure they remained well in a positive and upbeat environment.

During the soft lockdown period in Chengdu, The Temple House distributed mooncakes to the government community office that provided daily COVID-19 testing to the surrounding

## People

### Health and Safety



In line with Swire Properties' Zero Harm Commitment to the health and safety of our people, guests and other stakeholders, The House Collective ran several health and safety training courses this year; while EAST focused on employee safety – in particular, a slip, trip and fall prevention campaign was organised. From June to November 2022, three series of videos weekly that cover a six-level slip, trip and fall prevention course were posted explaining how to enhance static and

dynamic balance to reduce and prevent potential work injuries. Boosted by fun facts, quizzes and lucky draws, the course completion rate achieved 100%.

The Upper House also provides regular first aid training to ensure team members' first aid skills and knowledge remain current. In July 2022, we invited external trainers to deliver our annual Occupational Health and Safety ("OHS") refreshment training, which was mandatory for all team members.

### Internal Zero Lost Time Injury Rate ("LTIR") Awards



*The Opposite House*

**500** Days

*EAST Beijing*

**500** Days

*The Temple House*

**180** Days

*EAST Hong Kong and EAST Residences Hong Kong*

**180** Days

## Diversity and Inclusion



In June 2022, in cooperation with Christian Action, EAST Hong Kong hired two team members with refugee identities. One, from Sri Lanka, was hired as a guest experience host and another, from Pakistan, was recruited as a public area attendant. The Upper House also hired two team members holding refugee identities as servers at its restaurant Salisterra, one from Rwanda and another from Indonesia.

The Upper House collaborated again this year with The Hong Kong Down Syndrome Association on our well-established [“UPSTAIRS”](#) training and work experience programme. This year, 10 members participated, went through the training and gained work experience in five hotel departments.

EAST Hong Kong worked with the Jockey Club Sarah Roe School to provide special vocational training to children with learning disabilities. The students gained on-the-job experience, working with the team on tasks such as folding serviettes, greeting guests, preparing table seating, and packing guest amenities bags.

## Talent Management



Swire Hotels launched the Operations Management Trainee Programme throughout the Swire Hotels' portfolio. Personalised according to a candidate's strengths and aspirations, the programme opens up opportunities for trainees to work across various departments and locations in Hong Kong and the Chinese Mainland. After 12 to 18 months of on-the-job training, our trainees gained a well-rounded understanding of the hotel business and insights from a management perspective.

In July 2022, The Upper House launched a new one-hour SD workshop mandatory for all team members, discussing sustainability at Swire Hotels and how everyone can live a sustainable lifestyle. Other SD-related workshops will be explored in the future.

The GroPRO and LeadPRO talent development programmes were run at EAST Hong Kong to support team members and team leaders respectively. Both offered tailored programmes to develop individuals' qualities and strengths. Cross-exposure to programmes such as the “How to Run a Project” workshop and a coaching workshop were also arranged to support their personal development.

## Staff Engagement



Regular activities were held throughout the year across all Swire Hotels properties to boost staff morale and share positive news updates. The Middle House hosted two townhall meetings for all team members, at which the general manager shared hotel performance notes, updates and details of upcoming events. Fun games and lucky draws were also held for the team members and leadership teams.

At EAST Hong Kong, team members were also invited to participate in the virtual “Trash to Treasure” bazaar, where they brought in items that were new but no longer in use to other colleagues, giving a second life to the preloved items.

The Opposite House hosted a staff workshop organised by a bird-related charity discussing how to protect the environment and give birds a better home in the city. Participants learned practical ways to create a better balance between people and other creatures in the urban environment.

## Wellness



Swire Hotels offers employee assistance programmes to help its team members avoid, recognise and resolve personal, psychological, social, familial or work-related concerns; improve their physical and mental health; and maximise their potential and job performance.

Swire Hotels continues to work to contribute to and improve staff wellness in any possible way. Throughout 2022, The Temple House held regular movie nights, celebration days for staff birthdays and “special deliveries” of treats to staff such as cool drinks on hot days. The hotel also conducted regular activities for interns as part of a six-month hotel trainee programme, including management team exposure, role-play training, a video production and a graduation party.

At The Temple House, a staff relaxation corner was added where staff can enjoy their break in a quiet environment while using a massage chair. At The Upper House, the “Monday Wellness Programme” for all team members provides different wellness activities every Monday, exploring important themes related to work-life balance and wellness.

During the Shanghai lockdown, The Middle House organised virtual yoga and karaoke sessions for our employees, helping the team to release stress and connect with each other, and promoting health and mental wellbeing during a time of difficulty.

## Volunteering



At The Upper House, the ongoing soap recycling programme collected 387kg of bathroom amenities for an NGO. Its mission is to collect lightly used soap and bottled amenities to be recycled and distributed to those in need.

EAST Hong Kong donated unwanted office furniture to 10 Hong Kong NGOs after moving offices, including many chairs and cabinets along with tables and electronic equipment.

The Opposite House worked with a local community organisation, inviting disabled students and their teachers to visit the hotel, participate in team activities during festivals and allowing the students to sell handmade handicrafts to our team members. The Temple House donated used clothes to charities and hosted a charity bazaar with all revenue donated to a local animal shelter.

## Partners

### Customers



This year, Swire Hotels introduced several digital improvements to our services designed to streamline and personalise the guest experience and make back-of-house operations more efficient. For example, the new House Collective WeChat “mini programme” allows WeChat users to access information and offers across the four Houses on a single platform, creating a faster and smarter guest experience.

EAST Hong Kong launched digital menus at its restaurants. Diners can order food and drinks by scanning a QR code using their personal devices, and have receipts texted or emailed to them, creating a paperless dining experience.

At The Upper House, guests can now scan a QR code in their rooms to enable a range of guest services, including room service and laundry. These create greater convenience and have decreased phone call volumes considerably. Also, at The Upper House e-shop, customers can purchase merchandise directly from the website, creating a seamless user experience.

## Suppliers



In 2022, Swire Hotels worked to incorporate the updated Swire Pacific Sustainable Procurement Policy and Sustainable Food Policy into our purchasing procedure guidelines.

Our daily sourcing practices adhere to the principles of the 3Rs (reduce, reuse and recycle), and we tried our best to request sustainable products such as FSC-certified paper products, and Aquaculture Stewardship Council (“ASC”) and Marine Stewardship Council (“MSC”) certified seafood from suppliers.

Most Swire Hotels restaurants aim to purchase fresh produce, live fish or dairy products from local suppliers and farmers in order to reduce the carbon emissions created by shipping food over long distances. In 2022, The Opposite House was supplied with edible flowers, tomatoes and fresh herbs from two local farms; while fresh fish and homemade caviar came from two aquafarms in the Chinese Mainland. The Temple House used a local farm for its vegetables, and The Upper House used a local aquaculture business for fish and an organic farm for its vegetables. At EAST Beijing, all craft beers were brewed in Beijing and 50% of the hotel’s cheese selection was produced locally.

Most Swire Hotels restaurants use sustainable seafood that meet guidelines set out by the WWF-Hong Kong Seafood Guide or the ASC, and follow Swire Pacific’s Sustainable Food Policy that mandates strictly avoiding the purchase of any unsustainable food items such as shark fin or snake. In Hong Kong, 40% of the hotel seafood was certified to ASC or MSC standards. We aim for this figure to reach 50% by 2030.

Swire Hotels restaurants are also offering more vegan and plant-based meat alternative menu options. At The Opposite House, our restaurant Union launched a vegan menu in late 2021, using plant-based meat across the entire menu. EAST Beijing now offers plant-based meat on its menus, while FEAST at EAST Hong Kong offers plant-based and vegetarian menus. All restaurants also added vegan or organic wines to their drink menus this year.

Farm-to-table dining concepts are also taking hold at our Hotels – EAST Hong Kong, The Upper House, The Middle House and The Temple House all use cage-free eggs; and an on-site garden at The Temple Café at The Temple House supplies around 10% of its vegetables and produces around three kilograms of herbs to be used at the hotel’s restaurants each month.

EAST Hong Kong also collaborated with a social enterprise dedicated to promoting urban farming in Hong Kong to build an urban garden in a corner of the hotel’s pool deck.

## Partnering with a Brewery to Save Bread – and Make Beer!



EAST Hong Kong has partnered with a local craft brewery in Hong Kong to take leftover fresh-baked goods from the hotel's Domain Café and use it to make lager beer. After the surplus bread is collected and delivered to the brewery, it is blended into crumbs and used to replace a portion of barley malt. Following a two-month fermentation process, the leftover breadcrumbs and grains are then sent to a local farm to be used as animal feed and fertiliser, promoting the idea of circularity. This arrangement has saved approximately 40kg of surplus bread from going to landfill.

## Performance (Environment)

### Hotel Sustainability Technical Guidelines



In 2022, we rolled out new Hotel Sustainability Technical Guidelines. These incorporate Swire Hotels' sustainability aspirations and vision, starting from the design and construction of new developments to the hotel operations stage. The guidelines encourage teams to collaborate, innovate and create opportunities that will advance our sustainability performance locally and globally across our portfolio in several aspects:

- Sustainable hotel certification
- Building management systems and submetering
- Energy efficiency
- Water efficiency
- Indoor environmental quality
- Management for circularity
- Sustainable transport
- Interior finishes and materials

## Energy



In 2021, the entire Sino-Ocean Taikoo Li Chengdu complex, including The Temple House, became powered by 100% renewable electricity (a mix of hydropower, solar and wind power). The complex is a clean energy leader – one of the first entities in Sichuan and the first in Swire Properties to achieve net-zero carbon in its annual electricity consumption for landlord and tenant operations. This achievement has set a high bar for our other properties and for the industry.

### Green Building Certifications

#### *The Middle House*



Gold (LEED for Building Design and Construction)



Two Star (China Green Building Label)

#### *The Temple House*



Platinum (LEED for Building Operations and Maintenance: Existing Buildings)  
Gold (LEED for Neighbourhood Development)



Two Star (China Green Building Label)

#### *EAST Beijing*



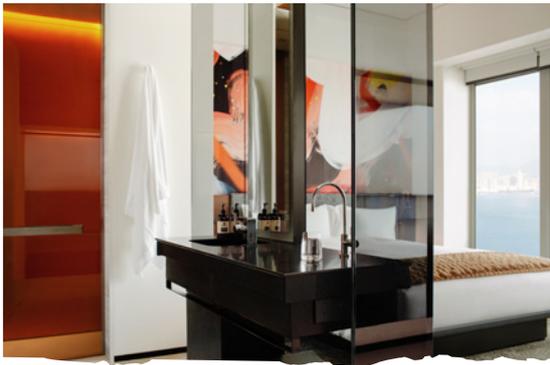
Gold (LEED for Building Design and Construction)  
Platinum (LEED for Building Operations and Maintenance: Existing Buildings)

#### *EAST Hong Kong*



Gold (BEAM Plus New Building)

## Waste Reduction



This year, we intensified our commitment to reducing single-use plastics. In line with Swire Hotels' vision, a wide range of initiatives have been implemented to reduce the consumption of these plastics in operations.

EAST Hong Kong, EAST Beijing and The Upper House retrofitted over 800 rooms with an in-room water filtration system, eliminating the need for plastic bottled water in rooms, which helped to save the use of over 2.7 tonnes of plastic bottles.

They also installed a filtered water dispenser in The Upper House's gym.

The Temple House, The Middle House and EAST Hong Kong phased out all single-use plastics – replacing all straws, hampers, room amenity wrappers and toothbrushes with products made from biodegradable materials. The hotels' Eco-cup initiative uses reusable coffee cups made from materials such as coffee husks, bamboo powder and other natural plant fibres. Guests receive promotional rewards if they purchase a drink with these cups.

Waste reduction initiatives at The House Collective included:

- Replacing plastic room keys with wooden cards at The Temple House and The Middle House, and with bamboo cards at The Opposite House.
- Offering single-use toiletries on request only at The Opposite House.
- Replacing paper coasters with leather ones at Salisterra.
- Upcycling bed linens by turning them into T-shirts.
- Recycling waste glass bottles into eco-pavers at The Continental.
- Recycling coffee capsules at The Opposite House – turning coffee grounds into soil and reusing the capsule casings.
- Processing coffee beans with solar power and packaged in biodegradable materials.
- Using ecoSPIRITS at several hotels – an innovative closed-loop distribution system that nearly eliminates packaging waste in the premium spirits supply chain.

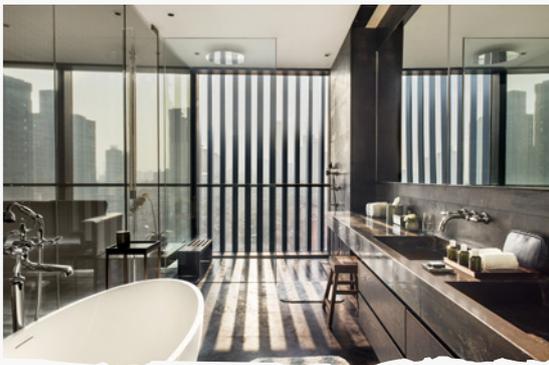


EAST also works to reduce waste in numerous ways:

- Paperless check-in and check-out.
- Replacing plastic room keys with wooden cards at EAST Hong Kong and EAST Beijing.
- Over 500 rooms at EAST Hong Kong and EAST Beijing have now been retrofitted with a water filtration system to phase out plastic water bottles.
- Contactless ordering service for guests to request room service or order in-room dining by scanning the “StayMenu” QR code with their mobile device – this has reduced about 70% of menu paper usage in the hotel’s restaurants and bars by reducing the need for unnecessary printouts such as entertainment lists and in-room dining menus.
- Recyclable dispensers for body care products.
- Bamboo material bathroom amenities, available on request.
- Reusable shopping bags, paper hangers, canvas laundry bags and courtesy slippers as greener alternatives.
- Recycling of plastic, aluminium, glass, coffee grounds and bath linens.



## Water



The Middle House joined an annual water balance testing programme. The hotel’s engineering team installed six water meters in guest room areas, all restaurants and the hotel’s public areas. The water consumption in each area has been analysed monthly, with leaks identified quickly and problems fixed immediately. It is expected that water consumption in each area will be reduced by 2% and consumption per guest night lowered to within 0.61m<sup>3</sup> per guest night – the hotel’s water reduction target – by the end of 2022.

A grey water treatment and recycling system has been in place to collect and reuse shower water, cooling tower water and rainwater at The Temple House since 2017. The system saves approximately 7,300m<sup>3</sup> of water annually. Across all EAST hotels, flow controllers have been fitted onto guest room water taps and showers. At EAST Hong Kong, this has saved an average of 1,040m<sup>3</sup> of water daily.

## Green Kitchens

### Waste Reduction at FEAST at EAST Hong Kong



The restaurant has installed and initiated numerous waste reduction measures:

- Kitchen waste from all outlets is sorted. ORCA technology is then used to turn up to 270kg of food waste daily into liquid that can be discharged for sewerage treatment. With this technology, EAST Hong Kong was able to prevent up to 2,000 kg of food waste per month going to the landfills.
- Sensor-enabled refrigerators, the doors of which shut automatically when no customers are around, keep food fresh for longer and reduce spoilage.
- FEAST partners with the Nature Conservancy to convert oyster shells into oyster reef substrate materials to build new reefs, which act as natural water filters and play an important role in stabilising shorelines. Since January 2022, the restaurant has provided over 2.2 tonnes of shells.
- The restaurant collaborates with a company to recycle used cooking oil into biodiesel.
- FEAST uses ECOSpirits, as described in the Waste Reduction subsection.
- Used coffee grounds are collected to be used as fertiliser by the hotel's in-house gardener.

## Green Kitchen Initiative

All Swire Hotels food and beverage outlets actively participate in the Swire Properties [Green Kitchen Initiative](#).

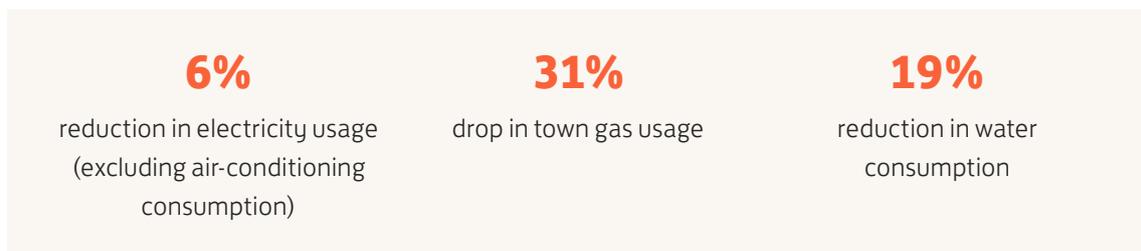
### Swire Hotel Restaurants with Green Kitchen Initiative Green Leaf Awards

Restaurant	Portfolio	Leaf rating	Year obtained
Domain	EAST Beijing		2020
FEAST			2020
Domain	EAST Hong Kong		2020
FEAST			2020
Salisterra	The Upper House		2021
The Continental			2021
Frasca	The Opposite House		2020
Superfly			2020
Frasca	The Middle House		2021
Sui Tang Li			2021
Café Gray Deluxe			2021
The Temple Café	The Temple House		2021
Tivano			2021
Mi Xun Teahouse			2021

Two of our restaurants at EAST Hong Kong, FEAST and Domain, have received a Three-Leaf rating from the Green Kitchen Initiative for their active efforts to reduce energy, water and waste and for sustainable renovation decisions that have been made, which include:

- The installation of variable-speed exhaust blowers to reduce electricity usage.
- The installation of water economisers on all water taps, adjusted for optimal flow rate.
- Rolling out paper straws and biodegradable corn powder takeaway packaging to replace single-use plastics.

The initiatives have yielded outstanding results. Comparing the second half of 2019 to the same period in 2021, the restaurants achieved:



## Performance (Economic)

### Expanding The House Collective brand

Swire Hotels consistently sets benchmarks for success and continuously works to attract guests, visitors and diners through high-quality experiences.

In 2022, Swire Hotels announced a growth plan to extend the established hotel brands into other cities on a management agreement (“HMA”) basis. Two new hotels will be operated under this business model. The first hotel will open in Shenzhen in 2025, while another new hotel in Tokyo is scheduled for completion in 2027.



The new hotel in Shenzhen, under The House Collective Brand, will offer 115 guestrooms and 44 serviced residences with stunning views of Shenzhen Bay. It will be a major component of a premium mixed-use development comprising Grade-A office towers and an events and exhibition space.

The Company also entered into a collaboration with Tokyu Corporation and Tokyu Department Store (“the Tokyu Group”) and L Catterton Real Estate (“LCRE”) to develop the new hotel in Tokyo under The House Collective brand. Located on the site of the iconic Tokyu Department Store’s flagship store, the new House will be part of the Shibuya Upper West Project on the edge of the fashionable Shibuya district.

The project aspires to become Tokyo’s first true “urban retreat” – an enclave of peace and relaxation amid the bustle of the city. As well as combining a hotel and residences with high-quality retail, unique dining and arts and cultural facilities, environmental and sustainability objectives are central to the project, which aims to secure international certifications.



## Places

Through effective placemaking and long-term placekeeping, we transform places while retaining their character to support communities and enhance people's lives.



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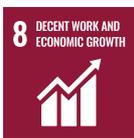
Livelihood

Wellbeing

Resilience

Swire Properties recognises that the places we create and maintain have significant impacts on society and the environment. Through effective placemaking, we aim to transform the urban areas in which our properties are located into vibrant and sustainable communities by carefully balancing the aesthetic, functional, ecological and cultural impacts of our developments. Meanwhile, through long-term placekeeping, which involves continuously evolving, maintaining and managing our assets, we aim to enhance the lives of the people who live and work within our developments and the surrounding communities.

The SDGs relevant to initiatives under this Pillar are:



**SDG 8**

Promoting sustainable economic growth, employment and decent work for all.



**SDG 9**

Building resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation.



**SDG 11**

Making cities and human settlements inclusive, safe, resilient, and sustainable.



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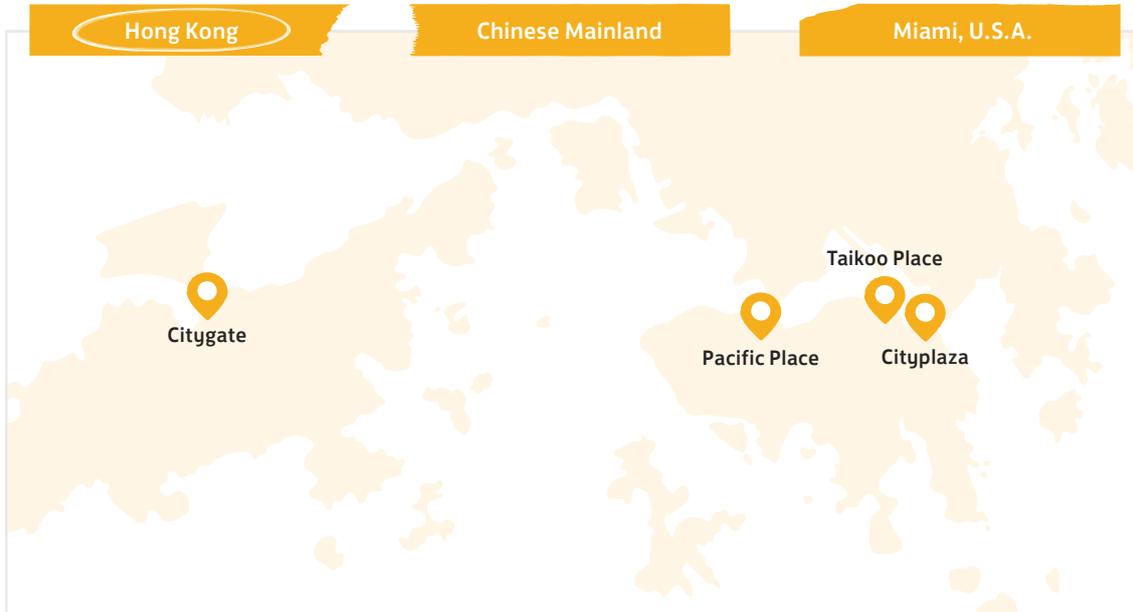
Livelihood

Wellbeing

Resilience

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GRI 2-1, 2-6



## Hong Kong

### 📍 Taikoo Place

Home to Swire for over 100 years, Taikoo Place has been transformed from an industrial area housing the Taikoo dockyard and sugar refinery into a global business district spanning 10 office towers, with six million sq ft of gross floor area. Taikoo Place includes a wide range of business and leisure amenities, including a 30,000 sq ft co-working space Blueprint, private members’ club The Refinery, as well as ArtisTree – a 7,000 sq ft multipurpose venue. It also comprises a landscaped garden, Taikoo Park and a variety of restaurants and cafes.



The redevelopment of Taikoo Place, scheduled for completion in 2023, is set to become home to more multinational companies. Two Taikoo Place, our latest addition to the Taikoo Place Redevelopment Project, is a 42-storey premium office space with a total area of around one million sq ft. Two Taikoo Place has been designed and built to the highest sustainability standards, achieving Pre-certified Platinum ratings for LEED, WELL and BEAM Plus.

Another highlight is the introduction of Taikoo Square and Taikoo Garden. The two gardens, comprising a collection of lush greenery, will provide 69,000 sq ft of open space – equivalent in size to Statue Square in Central – for the enjoyment of the community.



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### 📍 Pacific Place

Located in Admiralty on Hong Kong Island, the Pacific Place complex will comprise five Grade-A office towers (with Six Pacific Place scheduled for completion in 2023), a retail complex, four five-star hotels and serviced apartments. The complex currently provides over 2.4 million sq ft of gross floor area.

Pacific Place Apartments comprises 268 exclusive serviced apartments and The Upper House, a House Collective hotel with 117 rooms.



Our latest development, Six Pacific Place, will be completed in 2023. It will feature 24 storeys of premium triple Grade A office space totalling around 218,000 sq ft. Six Pacific Place has been designed and built to the highest sustainability standards, achieving Pre-certified Platinum ratings for LEED, WELL and BEAM Plus. In 2022, the building also received both WiredScore and SmartScore Platinum certifications, assuring tenants that the building's design and infrastructure will provide an excellent digital experience that enables cutting-edge workplace solutions.

The Pacific Place development is located next to the Starstreet Precinct, an adjacent neighbourhood which Swire Properties has transformed into a lively area filled with cafés, bars, restaurants, galleries and boutique shops.

### 📍 Citygate

Located in Tung Chung on Lantau Island, Citygate is Hong Kong's first and largest outlet shopping mall. The Citygate complex comprises 942,800 sq ft of retail space and 160,000 sq ft of office space. Directly connected to the Tung Chung MTR Station and near the Hong Kong International Airport and the Hong Kong-Zhuhai-Macao Bridge, this development offers excellent connectivity to transportation nodes and Hong Kong's most popular tourist sites.





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### Cityplaza

Cityplaza is the largest shopping mall on Hong Kong Island, with a total floor area of 1.11 million sq ft. Directly accessible from Tai Koo MTR Station, the six-level mall houses more than 170 shops and restaurants, a unique lifestyle cinema, an indoor ice rink, and over 800 indoor parking spaces. Recent enhancements to the enduringly popular Cityplaza Ice Palace skating rink and improvements in the tenant mix, together with engaging mall promotions and activities, have made Cityplaza an abiding hub for community leisure and enjoyment.



The mall is also connected to EAST Hong Kong, the Taikoo Shing residential development and more than 100 outdoor shops that serve the neighbourhood.

Cityplaza Ice Palace was recently named “Most Outstanding Entertainment Venue 2022” at the Hong Kong Most Valuable Corporate Awards for its significance as a place of public entertainment. The award was based on criteria evaluating Cityplaza Ice Palace’s business reputation, corporate image, overall exposure, social media presence, innovation, corporate social responsibility performance, and other aspects.



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### Chinese Mainland

#### 📍 Taikoo Li Sanlitun, Beijing

Taikoo Li Sanlitun was Swire Properties’ first project in the Chinese Mainland. Located in the heart of Beijing’s Chaoyang District, the development, which includes a retail complex and a hotel, has played a crucial role in the transformation of Sanlitun into a centre of culture, retail, dining and hospitality.



In December 2021, the approximately 300,000 sq ft Taikoo Li Sanlitun West – a project that transformed an old clothing market into a vibrant retail development – won the Excellence recognition at the RICS Awards China “Regeneration Project of the Year” for its innovative approach to urban regeneration. The property has eight above-ground floors and two underground floors, and a metro tunnel which links both the extension and Taikoo Li Sanlitun with Worker’s Stadium Station, a Beijing Metro transfer station scheduled to open in 2023. The opening of Taikoo Li West helps to enhance the urban vitality and quality within the area and is also a striking example of Swire Properties’ continued efforts to support Beijing in cultivating Sanlitun into a world-class business circle.



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### 📍 INDIGO, Beijing

INDIGO is a retail-led mixed-use development with a shopping mall, a Grade-A office tower and a hotel, EAST Beijing. The complex has implemented extensive SD features and programmes, including high-efficiency solar panels, optimised skylights, city-leading recycling procedures, and our Green Kitchen Initiative.

In 2022 INDIGO celebrated its 10th anniversary. Celebratory activities were held throughout the year, themed “Inspiration at Every Turn”. These commemorated how INDIGO’s commitment to creative transformation, its skilled operations and management and its digital transformation have produced continuous upgrades in its design and retail mix, catalysing INDIGO’s evolution into the popular high-end business and lifestyle destination it is today. In July 2022, INDIGO opened a sustainable development centre called The Loop – a multipurpose space to engage employees, tenants and business partners in SD initiatives.



The INDIGO Phase Two extension, announced in December 2020, is currently under development on an adjacent site. This office-led mixed-use extension has an expected total gross floor area of approximately 4.23 million sq ft and will contain a shopping mall, office towers and a hotel. The extension is expected to be completed in 2025.

### 📍 Taikoo Hui Guangzhou

Taikoo Hui Guangzhou is a lifestyle destination development located in Guangzhou’s Tianhe District, comprising a shopping mall, two grade-A office towers and a hotel. Its shopping mall was the first enclosed mall in the world to earn Platinum Certification in the LEED (O+M). Since July 2021, Taikoo Hui Guangzhou has become powered by 100% renewable electricity. In 2022, the project also achieved WELL Platinum rating.



Taikoo Hui Guangzhou is also the subject of our latest Places Impact Report, published in Q1 2023. Titled “The Creative Transformation of Taikoo Hui Guangzhou”, the report uses our Places Impact Framework to understand and measure the impact of the development at the investment, place and city levels. To view the full report, click [here](#).



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### 📍 Sino-Ocean Taikoo Li Chengdu

Sino-Ocean Taikoo Li Chengdu is a 1.3 million sq ft retail-led development in Chengdu's Jinjiang District. At the centre of the complex is the 16th-century Buddhist Daci Temple, a heritage site and a focal point for the city. Also included in the complex is The Temple House, a hotel managed by Swire Hotels. Sino-Ocean Taikoo Li Chengdu was the first open-plan lane-driven commercial complex in the world to gain LEED v4.1 (O+M) Platinum Certification status, as well as the first project in Sichuan province and the first shopping mall in the Chinese Mainland to achieve this certification. The development has been powered by 100% renewable electricity since 2020.



### 📍 Taikoo Li Qiantan, Shanghai

Located in Shanghai's Pudong Qiantan International Business District, the 1.3 million sq ft Taikoo Li Qiantan opened in late 2021. This unique wellness-themed shopping mall features a "double-open park" design, with a wide expanse of open green space and lanes across the ground level and rooftop connected by an 80m-long scenic bridge overlooking the Huangpu River. The 86,000 sq ft central park includes the Sky Loop, a 450m rooftop running track, and other greenery and leisure spaces that support and enhance the wellbeing of occupants and visitors. Taikoo Li Qiantan is the first shopping mall in the world to achieve WELL Core Platinum certification.



### 📍 HKRI Taikoo Hui, Shanghai

Located on Nanjing West Road, one of Shanghai's major shopping districts, HKRI Taikoo Hui has access to three Shanghai Metro lines and is comprised of two Grade-A office towers (with LEED Final Platinum Certification), a shopping mall (with LEED Final Gold Certification), and two hotels, The Middle House and The Sukhothai Shanghai. The development is transforming the district into a new business, shopping and entertainment hub.





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**📍 Taikoo Li Xi'an**

Taikoo Li Xi'an lies in the heart of downtown Xi'an in Shaanxi Province. With a total site area of almost 1.3 million sq ft, the development is located within the Small Wild Goose Pagoda historical and cultural zone in the city's Beilin District, and is adjacent to the Small Wild Goose Pagoda, a UNESCO World Heritage Site.

Swire Properties is partnering with Xi'an Cheng Huan Cultural Investment and Development Co., Ltd. to develop an urban regeneration plan for the site. The site will be developed into a retail-led project comprised of retail and cultural facilities, including a House Collective hotel, serviced residences and business apartments. Taikoo Li Xi'an has an estimated gross floor area of almost 2.9 million sq ft (above and below ground) and is expected to be completed by end of 2025.





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### Miami, U.S.A.

#### 📍 Brickell City Centre, Miami

Brickell City Centre is Swire Properties' landmark development in Miami, U.S.A. Opened in 2016, it is our first development to obtain LEED Gold Certification for Neighbourhood Development. A highlight of the centre is the Climate Ribbon™, an elevated trellis that provides shade from the sun, creates air flow and collects rainwater, while also allowing natural light to penetrate and illuminate the shopping mall below.





## Places Impact Report

Understanding the impacts that the places we develop and manage have on society and the environment is crucial to our long-term decision-making. Addressing the question “What makes a great place?”, our third Places Impact Report focuses on the area around Taikoo Hui Guangzhou.

Published in conjunction with the School of Architecture at South China University of Technology, the report, called “The Creative Transformation of Taikoo Hui Guangzhou”, was released in March 2023.

The report assesses how Swire Properties’ placemaking and placekeeping efforts have created positive impacts on the neighbourhood and surrounding area over the past 12 years, while also providing insights into the future role that Taikoo Hui Guangzhou will play as a city landmark that offers unique cultural and lifestyle experiences.

The report continues to adopt the framework that explores the four dimensions of place – Vibrancy, Livelihood, Wellbeing and Resilience – to assess the qualities of Taikoo Hui Guangzhou, how these qualities have changed over time and how they compare to other commercial complexes in the city. The research highlights how Swire Properties’ continued investment in both hardware and software, as well as the multi-layered placemaking and placekeeping elements incorporated into the development, have contributed to the resilience of Taikoo Hui Guangzhou and its communities.

To read the full report, please click [here](#).





## Social Integration Strategies

We recognise that our placemaking and placekeeping efforts can contribute positively to better quality places, creating better communities and improving the lives of our tenants, visitors and employees. This is why “Places” are at the heart of our SD 2030 Strategy.

Swire Properties is committed to building and improving our portfolios to enhance the lives of the people who live and work within our developments and the surrounding communities. Our social integration criteria, embraces our four dimensions of place under the “Places” pillar – Vibrancy, Livelihood, Wellbeing and Resilience.

### Vibrancy

- Located in or in close proximity to major transportation hubs
- Promote connectivity with public transit, amenities and between buildings with well-designed walkways
- Design accessible, inclusive and barrier-free pedestrian networks
- Promote sustainable mobility wherever appropriate (e.g. walkable neighbourhoods, use of bicycles, free shuttle buses and electric car charging systems)
- Extensive integration of arts in public spaces across our portfolios and in community programmes
- High-quality open spaces and venues designed for and dedicated to community activities
- Offer in-kind venue support for social enterprises and NGOs

### Livelihood

- Mixed use development promoting a strong diversity of business sectors and economic resilience
- Promote cohesive business networks to create a “local business ecosystem” and a greater sense of community among the working population
- Support affordable housing wherever appropriate

### Wellbeing

- Monitoring of occupant wellbeing (e.g. indoor air quality) and incorporation of wellness features and initiatives
- Amenities such as accessible toilets, nursing and breastfeeding rooms, accessible parking spaces and wheelchairs
- Accessibility to green space and nature and promotion of urban farming facilities wherever appropriate

### Resilience

- Employ best practice risk management procedures to ensure business continuity at the corporate and asset levels, including proactive measures to assess climate risks and build climate resilience and adaptive capacity across our portfolios
- Promote social resilience and community connection through community initiatives and educational programmes



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We employ an integrated design approach to our projects in accordance with the requirements of several internationally recognised standards and rating schemes, such as BEAM Plus, LEED, The China Green Building Design Label and WELL. These standards set out the requirements of physical and social environments that benefit the health, well-being and productivity of people. Our new development projects will, as far as practicable, pursue credits under these green building standards and rating systems, to promote social integration.

The following initiatives represent Swire Properties' alignment with the social integration criteria in our projects under development and existing portfolio in 2022.

- 100% of our properties are located in close proximity to transportation hubs, with pedestrian-friendly networks that are well connected with transit stations and amenities. Free shuttle bus services are available at some of our portfolios. Bicycle parking facilities are provided at most of our properties.
- 100% of our properties have accessible, inclusive and barrier-free pedestrian networks.
- 98% of our properties have open spaces and venues designed for and dedicated to community and arts events.
- For common areas, approximately 83% and 80% of buildings in our Hong Kong portfolio and our Chinese Mainland portfolio achieved IAQ Excellent Class and fulfilled the local IAQ standard respectively.
- In March 2023, we published our third [Places Impact Report](#), exploring the social and economic placemaking impacts of our Taikoo Hui Guangzhou development. The research highlights how Swire Properties' continued investment in both hardware and software have contributed to the resilience of Taikoo Hui Guangzhou and its communities.
- Swire Properties' Placemaking Academy is back again in 2022, offering Hong Kong university students the opportunity to design, plan and execute the White Christmas Street Fair. Through this programme, we hope to transfer creative knowledge and skills to participants and empower them to support Swire Properties' long-term community-building initiatives.



## Vibrancy

Throughout 2022, Swire Properties invested significant time, effort and expenses to ensure that all our developments offered artistic and cultural activities for the benefit of users and the public.

### Embracing Originality for our 50th Anniversary



In 2022, Swire Properties celebrated our 50th anniversary with an “ORIGINAL. ALWAYS.” themed campaign, commemorating the Company’s creative and innovative spirit and long-term commitment, as well as the core values and people that have made this extraordinary journey possible. A host of programmes and special initiatives were held throughout the year, featuring collaborations with renowned and up-and-coming artists from the worlds of contemporary and digital art. Each of them mirrored our anniversary theme and delivered original, immersive and exceptional arts and cultural experiences to our local communities.

Tim Blackburn, our Chief Executive, remarked that, “Originality and creativity are integral parts of our placemaking efforts. Over the past half century, this approach has inspired us to enrich local neighbourhoods and make art and culture a part of everyday life. Our developments are renowned for effortlessly combining these elements to create places where people can thrive. I can’t think of a better way to continue our anniversary celebrations than by sharing such inspiring experiences with our communities.”



Artistic expression is vital to the health of communities and society. Swire Properties remains committed to supporting artists, creators and performers by showcasing artistic and cultural works throughout our portfolio. Our 50th anniversary celebrations held throughout the year featured several collaborations with hand-picked artists.

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## Swire Properties' 50th Anniversary Arts Programmes Highlights

### Bags: Inside Out



Partnering with the Victoria and Albert Museum, London, this exhibition of 240 rare and unique bags, from designer handbags and vanity cases to utilitarian rucksacks – is travelling to five Swire Properties malls in the Chinese Mainland and Hong Kong in 2022 and 2023, bringing world-class museum experiences to people and inspiring our communities. The thematic exhibition examines the worldwide heritage of bags from the 16th century to today, exploring their function, status and craftsmanship, and unpacking humanity's longstanding fascination with them.

### Orbstellar Metaspaces



Pacific Place's first-ever Artech exhibition created by local artist Chris Cheung and his art collective XCEPT. Launched in the summer of 2022, the cosmic installation invited visitors to embark on an astral voyage of participatory digital art, NFT co-creation and a captivating three-dimensional experience featuring celestial bodies and orbs.

### 50th Anniversary Art NFT Collection



Our 50th Anniversary Art NFT Collection took Swire Properties' support for cultural programming in an original new direction. We commissioned 10 artists from Hong Kong, the Chinese Mainland, Southeast Asia, the United Kingdom and the United States to create an NFT collection that articulated the artists' unique styles and took inspiration from our "originality" theme. These works accentuated our creative vision and inventiveness and underlined our sustained commitment to a dynamic, flourishing future.



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**Seasons in Continuum**



In November and December 2022, we launched a specially-commissioned botanical art series at Taikoo Place called “Seasons in Continuum”. Magical floral sculptures reflecting our “Original. Always.” Anniversary theme provided an immersive, creative playground for the public and the local community to enjoy. The four intricate and unique installations, named “Spectrum”, “Ripple”, “Origination” and “Reflections”, were brought to life by Hong Kong-based floral artisan Kirk Cheng, who specialises in large-scale floral installations.

**Art Basel Hong Kong Partnership**



2022 marked the 10th year of our partnership with Art Basel Hong Kong. Founded on a shared desire to encourage and support a thriving artistic and cultural dialogue within the community, over the years this partnership has helped inspire an increasingly dynamic arts scene in Hong Kong and boosted the city’s reputation as an international cultural hub.

To celebrate this partnership, Swire Properties offered an open and accessible space for art enthusiasts to connect and unwind during the event. Designed by Hong Kong architectural studio ESKYIU, the Swire Properties VIP Lounge was themed “PROPAGATION”, an undulating installation inspired and anchored by UK artist Alison Crowther’s “Kissing Bench”.



## Vibrant Markets Bring Streets Back to Life

### Tong Chong Street Market



The Tong Chong Street Market (“TCSM”) was created in 2015 in partnership with a local social enterprise. Blending green lifestyle aspects with cooking to promote healthy living and sustainability, the market features fresh local farmers’ produce and creative dishes and celebrates unique food festival themes.

TCSM remains one of Swire Properties’ major SD 2030 initiatives, developing a like-minded community of culinary entrepreneurs, chefs and

local farmers to promote sustainability and wellness, and continuing to engage the office community through weekend markets, exclusive pop-up farmers’ visits and lunchtime pop-up food trucks.

Now in its eighth year of operation, TCSM has adapted to changes in Hongkongers’ understanding of and preference for health-conscious food and lifestyle choices. This year, the market held the “Bite to Change” initiative, focusing on showing the community how the choices people make affect both their personal wellbeing and global sustainability.

In July and August, we joined up with a virtual bank that is committed to shrinking its carbon footprint and other like-minded vendors that brought their vision of a sustainable future to life in various ways which included using packaging made of dissolvable sugar cane fibre, paper and wood instead of plastic; and turning coffee berry skins into a tonic.

In September and October, TCSM collaborated with an NGO that specialises in agriculture-based climate solutions, particularly improving soil health through regenerative agriculture. During the period, all F&B vendors at TCSM pledged 1% of every purchase to fund regenerative farming practices locally.

In November and December, the TCSM Christmas Pop-up brought a wide variety of sustainable F&B vendors to the Taikoo Place community with products rooted in health and wellness. These included artisan coffee makers, an outlet that combines gourmet vegetarian menus with innovative fitness routines, a chocolate drink maker that prioritises using every part of the cacao fruit, by adding it into desserts and other dishes, and a pioneering coffee specialist that provides vegan coffee options. Each vendor brought Christmas-themed festivity and sustainability to the market.

As always, the market strove to put sustainability into action, with reusable dishware and utensils available to borrow, food waste recycling bins and eco-product stalls featuring recycled and upcycled items.

For more on TCSM, please visit the [official website](#).



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### Citygate Outlets' Summer Outdoor Market



Citygate Outlets invited 32 social enterprises and local farmers to the mall on two weekends in August 2022 where they took part in the Summer Outdoor Market to promote healthy living and sustainability.

The market featured fresh produce from local farms – primarily vegetables and fruits, handmade food and beverage offerings, creative handicrafts made by the beneficiaries, and many sustainable and organic products. Workshops and live performances enhanced the festive ambience, with the event drawing almost 4,000 visitors per day.

### Youth Empowerment



Launched in 2019, the award-winning Swire Properties Placemaking Academy (“SPPA”) offers Hong Kong university students the opportunity to design, plan and execute the White Christmas Street Fair – the Company’s annual year-end community celebration event. The SPPA is a crucial part of our placemaking work with a goal of empowering Hong Kong’s youth to build vibrant and sustainable local communities.

During this half-year experience, students gain hands-on skills and are mentored by Swire Properties’ senior management and some of the most prominent personnels in the fields of placemaking, creativity, sustainability and communications to become “creative placemakers” and community builders.

The SPPA’s aims are to:

- Nurture talented Hong Kong youth and showcase their creativity and ability to bring original ideas to life.
- Transfer creative knowledge and skills to participants and empower them to support Swire Properties’ long-term community-building initiatives.
- Offer students and alumni job opportunities and exposure, working with the Company’s extensive community network and learning from event-planning experts and marketing specialists to further develop their innovation skills.



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As part of Swire Properties’ 50th anniversary festivities, in addition to the White Christmas Street Fair, 40 SPPA students and alumni collaborated to create urban furniture pieces for the community. With support from up-and-coming industrial designers, the students created a strategic plan, moved through the design thinking process and engaged the Taikoo Place community to produce three state-of-the-art pieces.

The final products will be displayed at Swire Properties’ headquarters in Taikoo Place in 2023.

**Swire Properties Placemaking Academy Key Figures**

**8 students**

from the Hong Kong University of Science and Technology and City University of Hong Kong

**13 masterclass lectures**

by industry-leader in sustainability, placemaking, design thinking, stakeholder engagement, communications, and more

**6 months**

paid apprenticeship

**Over HKD480,000**

in employment support

In a further nod to the SPPA’s contribution to Hong Kong, in November 2022, the SPPA was placed first in the “Excellence in Social Impact” category at the Awards for Excellence in Training and Development 2022, presented by the Hong Kong Management Association. This placement was a recognition of the excellent work done by the students in fully designing, executing and running a physical street fair from conception to execution.



## White Christmas Street Fair 2022



The White Christmas Street Fair was even more special in 2022 as it celebrated both Christmas and our 50th anniversary. The festival was themed “Bloom & Beyond”, in recognition of our commitment to the next generation and the fact that our decades-long placemaking efforts are blossoming. The fair filled Tong Chong Street with 5,000 upcycled poinsettias made with used materials collected from Swire Hotels and Cathay Pacific.

The White Christmas Street Fair once again supported and raise funds for Operation Santa Claus, raising HKD862,000 this year and bringing the 10-year total to over HKD8 million.

Working towards a zero-waste event, the SPPA team kept a mind-set of upcycling and recycling from the start, collaborating early on with designers, suppliers, vendors and the Company’s sustainable development team to plan and manage the materials that were used and discarded.

Several of the fair’s installations were built using a new technology that 3D prints “reversible sand”, which, upon the completion of the event, allows the sand to be recycled. Designated recycling points were also set up to collect paper, metal, glass, plastic and compostable waste. By developing innovative waste prevention and recovery measures, material consumption was reduced by more than 20% while the waste diversion rate was over 90%. For more details on the resource and circularity measures used at the fair, please click [here](#).

Now in the post-event phase, the SPPA team is conducting a comprehensive assessment of the fair’s carbon footprint, which will help facilitate strategic carbon reduction measurements, benchmarking and future target setting.



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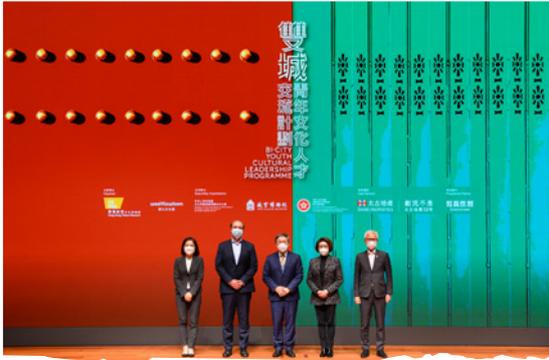
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**Bi-city Youth Cultural Leadership Programme**



In 2022, Swire Properties began partnering with the Hong Kong Palace Museum (“HKPM”) on a two-year “Bi-city Youth Cultural Leadership Programme”, which aims to nurture a new generation of cultural leaders in Beijing and Hong Kong.

The leadership programme is the HKPM’s flagship youth learning initiative, and Swire Properties is the lead sponsor. The programme offers hybrid learning and training activities focusing on

fundamental art and cultural knowledge, innovative thinking, cross-disciplinary capacity building and internship opportunities. The goal is to provide a platform for young people in Beijing and Hong Kong to connect, share experiences and exchange cultural ideas.

In 2022, around 80 university students from Beijing and Hong Kong began participating in a four-month online exchange programme. In 2023, about 16 university students will join a two-month summer learning programme and participate in visits, talks and workshops in Beijing and Hong Kong, and take part in summer internships at leading arts and cultural organisations and companies in Hong Kong.

**Taikoo Li Sanlitun West Wins Urban Regeneration Award**



Taikoo Li Sanlitun West, an expansion of the existing Taikoo Li Sanlitun retail development that includes the renovated Yashow Market, has been named one of the best examples of urban regeneration in Beijing in a citywide competition organised by the Beijing Urban Planning Society.

The approximately 301,000 sq ft building reopened in December 2021, having been repositioned as a lifestyle destination featuring

a mix of fashion and F&B outlets with health and fitness, lifestyle and entertainment elements. The redeveloped site aligns closely with Beijing’s strategy of revitalising older areas and demonstrates Swire Properties’ commitment to creative transformation and placemaking.

The transformation also represents a milestone in the continuous upgrade of the Greater Sanlitun Business Circle – a broader Chinese government plan to grow Sanlitun into a world-class business destination. Taikoo Li Sanlitun is contributing to this plan on several fronts: renovating the retail complex’s north zone, refurbishing flagship stores in the south zone and building an elevated pedestrian bridge linking the west and south zones.



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## Livelihood

Throughout 2022, Swire Properties continued to drive employment, facilitate pandemic recovery schemes and initiatives, and support NGOs and social enterprises in the communities in which we operate.

### Taikoo Li Xi'an



2022 saw the announcement of Taikoo Li Xi'an in partnership with Xi'an Cheng Huan Cultural Investment and Development Co. Located within the Small Wild Goose Pagoda Historical and Cultural Zone, a scenic area with profound historical and cultural significance, Taikoo Li Xi'an will be situated adjacent to Small Wild Goose Pagoda, a UNESCO World Heritage Site, and Jianfu Temple, a royal temple built in 684 A.D. during the Tang Dynasty. The project will pay tribute to local

history, culture and heritage whilst immersing visitors in unique retail, cultural and lifestyle experiences.

Swire Properties and Xi'an Cheng Huan Cultural Investment and Development Co. Ltd. will develop an urban regeneration plan for the area that blends old and new and takes full advantage of its location at the intersection of two metro lines.

Taikoo Li Xi'an will be a retail-led project featuring a low-rise, open-plan architectural design that exemplifies the Taikoo Li brand. It will comprise retail and cultural facilities, a luxury hotel, serviced residences and business apartments. With an estimated above- and below-ground GFA of almost 2.9 million sq ft, this will be Swire Properties' fourth Taikoo Li in the Chinese Mainland, following the successful development of Taikoo Li Sanlitun in Beijing, Sino-Ocean Taikoo Li Chengdu and Taikoo Li Qiantan in Shanghai. The project is expected to be completed by the end of 2025.



## HKRI Taikoo Hui Empowers Shanghai's Night-time Economy



HKRI Taikoo Hui held a series of programmes to support the 2022 Shanghai Night Festival. The event, running in August and September, was one of the centrepieces of the city's "Double Five Shopping Festival" that aimed to boost consumer spending and combat the social and economic effects of the COVID-19 pandemic.

At the festival's opening, the General Manager of HKRI Taikoo Hui, announced the start of a public project to connect the city to music. In cooperation with Shanghai Metro, Jiushi Travel and the Modern Art Museum Shanghai, "Play Me, I'm Yours" street pianos – which anyone can play – will pop up in three public places: a metro station, a ferry pier and along the Huangpu riverfront.

Numerous choices were also provided for evening entertainment, including a food fair, a rooftop camping party and the "Personally Yours" member programme that integrates retail brands with marketing, art and commerce in creative ways to provide tailored shopping experiences.

HKRI Taikoo Hui remains committed to promoting business opportunities in Shanghai and boosting the night-time economy in the West Nanjing Road CBD, one of Shanghai's major shopping thoroughfares, as the pandemic recovery continues.

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## Supporting the Hong Kong Government's Consumption Voucher Scheme



In April 2022, to support Hong Kong as the city slowly recovered from the pandemic, Swire Properties partnered with Octopus, one of the selected operators in the Hong Kong government's Consumption Voucher Scheme ("CVS"). We launched a two-month sales incentive programme offering shopping rewards worth a total of HKD5 million at Pacific Place, Cityplaza and Citygate Outlets. Octopus card users shopping at these malls instantly received incentives when they reached the designated spending amount.

Generating incremental sales and traffic for tenants across these three malls, the initiative created positive impacts for shoppers, tenants, the local communities around the malls, and the wider Hong Kong economy.



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The three malls then built on this success for the second phase of the CVS, beginning in June, offering HKD12 million in incentives to shoppers reaching a designated electronic spending amount. These included limited edition premiums featuring popular characters and shopping vouchers with no minimum spending requirement. These incentives were bolstered by lively and engaging summer shopping campaigns at the three malls with pop-up stores, digital activities, a “summer farm garden”, weekend outdoor markets, and other undertakings – all designed to promote local consumption and maintain positive momentum for the wider Hong Kong retail industry.

### Launch of Blueprint Sustainable Development Cheat Sheet



Blueprint, Swire Properties’ flexible work and event space in Taikoo Place’s Dorset House, is committed to continuously improving operational sustainability. In August 2022, Blueprint launched its first Sustainable Development Cheat Sheet, covering key statistics such as energy consumption, water and paper usage, other pertinent metrics, and tips on habits that can make workspaces greener. The cheat sheet targets Blueprint members who have collectively

shown an increasing awareness of environmental issues. Available on the Blueprint Member Portal, the data collected from the cheat sheet will allow the Blueprint team to gain oversight on how various spaces are performing from a sustainability perspective, help Blueprint members develop their own SD strategies, and create positive changes in the overall workspace.

Blueprint offers flexible solutions for work and event space needs across two floors of Dorset House. On one floor, an open-plan co-working space houses 90 dedicated desks, suitable for start-up companies and small businesses, and 15 variously sized private offices that cater for larger clients, up to and including multinational corporations. The second floor holds 10,000 sq ft of event venues, including an auditorium and a town hall which can be converted into training rooms – all of which are equipped with sophisticated audio-visual equipment.



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## Wellbeing

Swire Properties continued to prioritise supporting the mental and physical health of our visitors, tenants and workers in 2022. We also continued our work to make our properties more inclusive and accessible to all, designing features and accessibility considerations that go beyond the required regulations.

### Taikoo Hui Guangzhou Mall and Office Towers Gain WELL Platinum



In March 2022, the entire Taikoo Hui Guangzhou complex applied for WELL Platinum certification. This certification recognises the development’s positive impacts on human health and wellbeing, through superior performance in terms of air and water quality, nourishment, optimal light, fitness, comfort and mental health. The complex received formal WELL Platinum certification in mid-December 2022.

### Recharge Tung Chung Community Day



In June 2022, Citygate Outlets sponsored the “Recharge Tung Chung Community Day”, a large-scale community event organised by a sports foundation to bring together the Tung Chung community and promote sports and sustainable living to families.

Families in Tung Chung were invited to take part in interactive sports and fitness workshops and learn more about sustainability and environmental conservation through a wellness market and artwork displays. The event attracted over 1,200 participants.



## Resilience

In Hong Kong and the Chinese Mainland, the COVID-19 pandemic remained a dominant influence throughout 2022. Though pandemic-related closures and restrictions created a challenging operating environment for all our employees and properties, we remained resilient and united, working towards a post-pandemic recovery by reinforcing social cohesion, boosting our investment in people and communities, and continuing to raise our adaptive capacity.

**GRI**  
203, 413

**HKEX**  
Aspect B8  
KPI B8.1, B8.2

### Supporting Hong Kong during the Battle Against the Pandemic

Beginning in early 2022, the fifth wave of the COVID-19 pandemic spread across Hong Kong. Swire Properties acted quickly and proactively to support the fight against the disease and keep the wider community safe on multiple fronts.

#### Providing Rental Relief to Retail Tenants

The retail industry has endured multiple negative impacts since the start of the COVID-19 pandemic. Throughout 2022, Swire Properties took a collaborative approach with our tenants, providing customised rental relief to help individual tenants through difficult times.

#### Offering Facilities for Isolation and Quarantine

Following a surge in COVID-19 cases, the Hong Kong government initiated the Community Isolation Facility Hotel Scheme, targeting 7,000 to 10,000 hotel rooms from the private sector to be used for quarantine and isolation. Swire Properties fully supported the scheme and offered the Novotel Citygate Hotel, a 440-room hotel facility adjacent to Citygate Outlets in Tung Chung.

The Novotel Citygate was accepted and deemed a designated quarantine hotel for the seventh cycle of the scheme. EAST Hong Kong also operated as a designated quarantine hotel from February to September 2022.

#### Donating Rapid Testing Kits to Children in Special Residential Childcare Services

Swire Properties provided funds to the Hong Kong Council of Social Services to purchase 20,000 rapid testing kits for more than 4,000 children. These kits were distributed to children in special residential childcare services supported by over 20 NGOs in Hong Kong, helping to facilitate the timely tracking of infected cases and ensuring that the children received prompt medical care.

#### Promoting the Vaccine Pass Initiative

Swire Properties helped to raise public awareness of the Hong Kong government's Vaccine Pass Initiative, an important anti-epidemic measure to encourage more people to get vaccinated and help Hong Kong residents safely resume normal daily activities. Promotional videos were displayed in the Pacific Place, Cityplaza and Citygate Outlets malls, and the Company issued detailed circulars to retail tenants and residents to spread further awareness.



## Responding to the Pandemic Across our Properties

### Taikoo Li Sanlitun



Taikoo Li Sanlitun worked to support the community pandemic response in several ways throughout 2022. In May, the general manager and staff volunteers helped out at a local testing site, registering more than 5,300 people in a day. Volunteers also contributed nearly 200 service hours to pandemic prevention and control. The mall supported the local administrative agency when it encouraged elderly residents to take the COVID-19 vaccine; and assisted the emergency

response to a COVID-19 outbreak in Chaoyang District in June, donating supplies including face masks, fruit and drinks worth RMB40,000 to frontline workers as they worked to contain the outbreak.

Taikoo Li Sanlitun also opened two care stations to provide free daily necessities to frontline workers. The goal was to show appreciation for the “unsung heroes” – the essential service workers who performed hard and important tasks to keep the community safe and operating during the pandemic lockdowns, including delivery people, medical professionals, police officers, community volunteers and sanitation workers.

### INDIGO



INDIGO management and employees worked hard to ensure stable operations for 10 days after a lockdown of several neighbourhoods was triggered in early April. The restrictions went into effect immediately, causing a sudden shortage of staff and changes to business hours at retail stores. INDIGO instantly enacted a contingency response to ensure the safety and wellbeing of customers, retail operators and tenants.

Measures included adding temporary security guards, adjusting the tasks of sanitation workers to safeguard operations at the office tower and mall, and providing temporary accommodation for frontline workers. Employees working from home were also given all necessary support during this challenging period.

When the lockdown began, security staffing was challenging due to travel restrictions. To ensure key entrances and exits were covered, INDIGO management quickly established a volunteer employee taskforce to perform health, safety and security duties.



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**HKRI Taikoo Hui**



During Shanghai’s battle against COVID-19, Swire Properties opened a nucleic acid testing site inside the HKRI Taikoo Hui mall, and donated 1,000 sets of protective suits, face shields and shoe covers to the West Nanjing Road Subdistrict Office, the nearest local government agency. The Swire Group and Swire Properties also each donated RMB1 million to the Shanghai Medicine and Health Development Foundation, funding that was used to support frontline workers from the Shanghai Municipal Health Commission, the Jing’an District Health Commission and Ruijin Hospital.

**Taikoo Li Qiantan**



Thanks to the dedication and selflessness of our employees, operations at Swire Properties’ new wellness-themed mall remained safe and stable throughout Shanghai’s 65 days of lockdown. When Pudong District businesses were closed on 28 March, more than 100 employees from the mall’s engineering, security and sanitation units decided to stay behind. This team was responsible for maintaining the mall’s infrastructure, including fire equipment, electricity and water supplies, for the entire lockdown.

**Sino-Ocean Taikoo Li Chengdu**



In May and June 2022, Sino-Ocean Taikoo Li Chengdu provided support and relief to long-term tenants by organising workshops to devise and implement recovery strategies. Over 20 workshops were held which aimed to help tenants drive sales and traffic in the wake of April’s pandemic restrictions. Over 200 VIP members of the mall also attended the workshops, receiving extra reward points and other promotional gifts from various brands as a gesture of thanks for their loyalty and participation.



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**New Xi'an Team**



The Swire Properties team in Xi'an had just begun work on our new Taikoo Li Xi'an project when a COVID-19 outbreak took hold. The team began working from home in December 2021, earlier than the official citywide lockdown. Swire Properties then donated RMB1 million to fund COVID-19 relief initiatives across Xi'an. The donation provided pandemic prevention funding to the Xi'an government and health authorities, along with medical and hygiene supplies and daily necessities for the community.

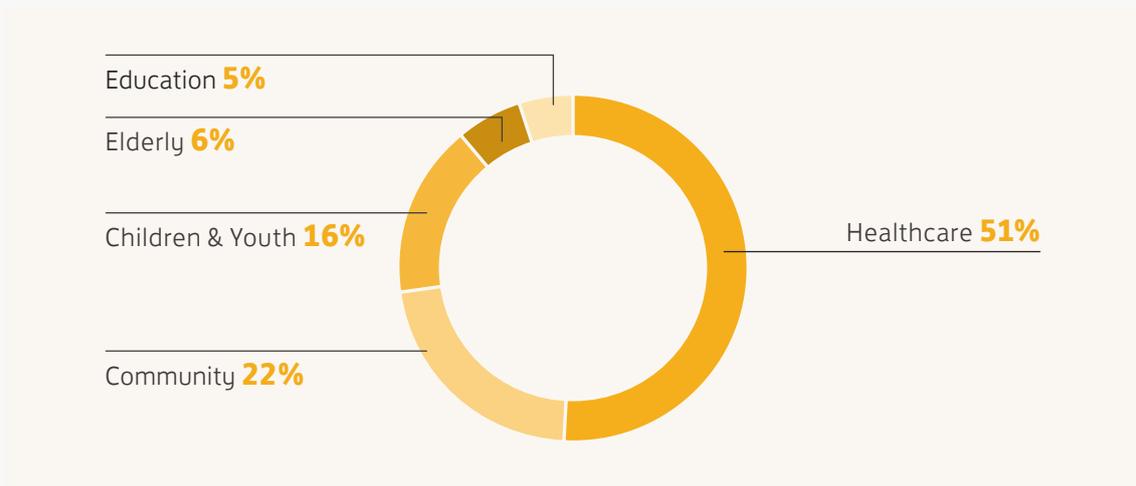
**Swire Properties Community Caring Fund**



The Swire Properties Community Caring Fund ("CCF") provides sponsorship to less-well-known Hong Kong-based community organisations nominated by our employees. The objective is to help these organisations plan and implement community-based initiatives and outreach projects.

Since 2013, the CCF has donated over HKD 19 million to 163 community-based initiatives and outreach projects.

In 2022, the CCF sponsored 21 initiatives and outreach projects, donating a total of over HKD 2 million to projects.





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**Noodles For Love**



Running into its third year, the CCF continues to show support to the “NOODLES FOR LOVE”, a matching donation scheme to promote food sharing and caring culture. Teaming up with one of Cityplaza’s tenant, we have sold 3,000 packets of noodles during this event. Swire Properties will also make matched donations to our two charity partners, Hong Kong YWCA and St. James’ Settlement.

**Caring Frontline Cleaning Workers**



Together with YWCA, the CCF launched a “Spreading Care to Frontline Cleaners” scheme to show care to frontline cleaners and our appreciation to their hard work and dedication in upkeeping our community hygiene. The scheme included regular visits to refuse collection points and handing out of supplies such as disinfectant sprays and cooling towels to support the wellbeing of the cleaner’s work environment.

**COVID-19 Emergency Support**



The CCF supports local non-profit organisations such as J Life Foundation, Direction Association for the Handicapped and Time Capsule in care response programmes to relief the challenges during COVID-19. We made donations of food, essential supplies, and test kits to support vulnerable communities including low-income families, elderly, people with severe physical disabilities and cleaning workers.



## People

We believe that the contributions of our employees are critical to the implementation of our SD 2030 Strategy and to our overall success.



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Talent Attraction

Talent Management

Occupational Health and Safety

Diversity and Inclusion

Volunteering

We believe that the contributions of our employees are critical to the implementation of our SD 2030 Strategy and to the overall success of Swire Properties. As such, we aim to create an environment where our employees will be healthier, happier and more productive. We also seek to invest in our employees and aim to provide them with rewarding career paths as we work to develop a diverse, industry-leading team.

**Human Rights Policy**

We conduct our businesses in a manner which respects the human rights and dignity of our employees, those employed in our supply chains and the communities in which we operate, in line with the principles and guidance contained in the United Nations Guiding Principles on Business and Human Rights.

In 2022, we introduced our [Human Rights Policy](#), which is informed by the International Bill of Human Rights and by the International Labour Organisation’s Declaration of Fundamental Principles and Rights at Work.

The policy sets out the expectations for which our operations and supply chain should operate. The policy addresses diversity and inclusion practices, labour standards, health and safety and employment conditions. Well established channels are provided to our employees and stakeholders to report on human rights-related issues.



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## 2022 Progress

Our People Working Group is comprised of 24 representatives from different functions within the Company. Its primary responsibility is to achieve progress in the six focus areas of the People Pillar: Talent Attraction, Talent Management, Rewards, Occupational Health and Safety, Diversity and Inclusion, and Volunteering.

In 2022, we continued to work towards achieving our 2025 KPIs. We introduced the [Human Rights Policy](#), setting out our expectations for which our operations and supply chain should operate in areas of diversity and inclusion practices, labour standards, health and safety and employment conditions. Our progress towards our 2025 KPIs is summarised in the table below.

### Progress Summary Table



#### Talent Attraction

##### Employer Branding

**2025 KPI**

- Improve employee net promoter score by **10%**<sup>2</sup>

**Progress Updates in 2022**

- Our Pulse Survey revealed an improvement of **44%**. Our Talent Management subgroup is developing strategies to improve performance in this area.



#### Talent Management

##### Learning and Development

**2025 KPI**

- A **25%** increase in training hours per employee per year<sup>3</sup>

**Progress Updates in 2022**

- Delivered around **154,000** training hours in 2022, an average of **24** training hours per employee. This is an increase of **97%** compared to our 2016 baseline year.

<sup>2</sup> Compared to the baseline year of 2020.

<sup>3</sup> Compared to the baseline year of 2016.



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Engagement

2025 KPI

- Achieve an employee engagement index rating of **90%** or above
- Improve employee turnover rate by **5.5%**<sup>4</sup>

Progress Updates in 2022

- The results of our 2022 People Engagement Pulse Survey recorded an **88%** employee engagement index rating.
- The turnover rate in 2022 was **18.6%** and has improved by **21.2%** compared to our 2018 baseline year.



Occupational Health and Safety



Safety

2025 KPI

- Maintain a lost time injury rate (“LTIR”) at or below **1.2** for non-hotel operations; and at or below **2.0** for hotel operations
- Maintain **zero** work-related fatalities and **zero** serious incidents<sup>5</sup> for employees

Progress Updates in 2022

- An LTIR of **0.57** for Swire Properties’ non-hotel operations and an LTIR of **1.56** for Swire Properties’ hotel operations.
- Maintained **zero** work-related fatalities and **zero** serious incidents.

<sup>4</sup> Compared to the baseline year of 2018.

<sup>5</sup> “Serious incident” is defined in the Swire Pacific Fatal and Serious Incident Reporting Policy, a serious incident is a life-threatening or life-altering injury (that results in permanent disablement or causes a permanent change to the employee’s daily life) arising from an incident which is directly connected with the operations.



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Diversity and Inclusion



Policy, Strategy and Governance

2025 KPI

- Maintain a female representation of no less than **40%** in the workforce
- Maintain a gender balance in senior management
- Maintain gender pay ratio at **1 : 1**

Progress Updates in 2022

- **40.2%** of the workforce are female.
- **38.3%** of senior management positions are held by female.
- The gender pay ratio in 2022 was **1 : 0.92** (female to male)<sup>6</sup>.

<sup>6</sup> In 2022, gender pay ratio is calculated based on a non-weighted average methodology.



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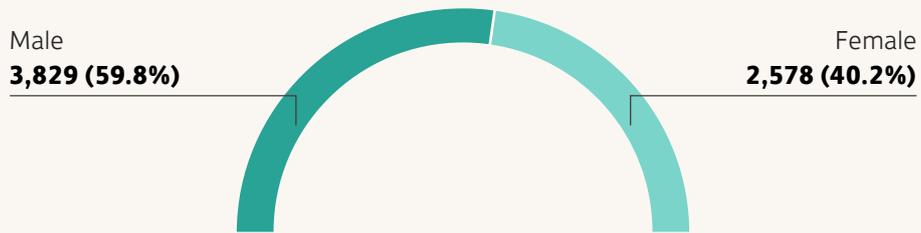
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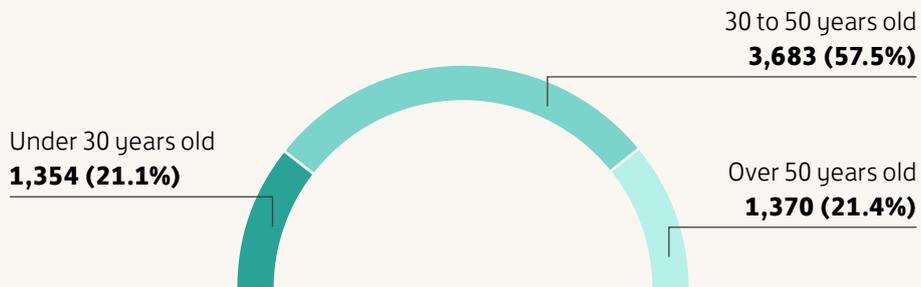
## Employment Profile

We employ around 6,400 people<sup>7</sup>, of which approximately 3,000 are located in Hong Kong, 3,000 in the Chinese Mainland, and 300 in Miami, U.S.A.

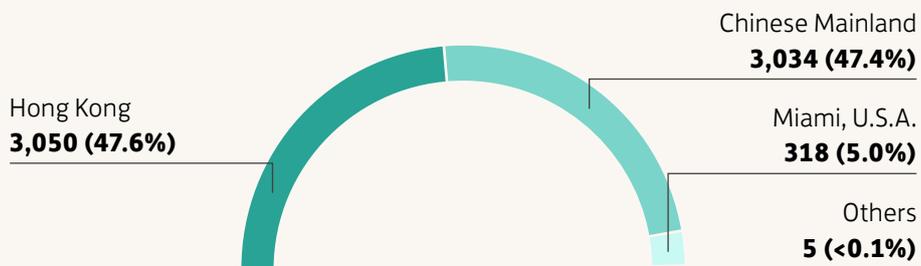
### Employees, by gender



### Employees, by age group



### Employees, by region



<sup>7</sup> This figure reflects permanent employees with permanent and fixed term/temporary contracts in our Hong Kong portfolio, Chinese Mainland portfolio, U.S.A. portfolio, and Swire Hotels.



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## Talent Attraction

**HKEX**  
Aspect B1

### Creating an Industry-leading Work Environment for our Employees

Our employees receive competitive remuneration packages with a variety of benefits. In Hong Kong, these packages include medical care, retirement schemes and discretionary bonuses, while in the Chinese Mainland, in addition to social insurance and housing funds, employees are provided with medical care and discretionary bonuses.

Swire Properties strives to ensure that every employee receives regular, objective, fair, and open assessments of their performance and is rewarded accordingly with merit-based incentives. We have a Performance and Development Review (“PDR”) system in place to streamline our assessment processes and ensure consistency across the Company. Our office employees align their annual performance goals with each SD Pillar.

In 2021, we identified a job evaluation platform and completed the job evaluation process – a key building block of Swire Properties’ new Rewards Philosophy, which is designed to ensure that our employees receive fair pay internally and a competitive salary within the industry. The project began in 2022, with the development of the Rewards Philosophy framework scheduled for completion by Q4 of 2023.

Our employer branding communication strategy, launched in 2020, ensures that we continue to attract and retain talent. Our 2025 KPIs contain targets relating to talent attraction and retention which will support our long-term plan of being identified as a “preferred employer” by 2030.

Since 2020, we have taken a blended approach to onboarding interns and trainees. While traditional in-person visits to our portfolios still take place, some orientation is now conducted online via our internal learning platform.

This platform has become part of our regular onboarding practices. New joiners may access the platform at any time to familiarise themselves with the Company by reading articles, completing quizzes and watching videos of department representatives sharing their experiences. This popular and efficient approach cuts down on the manpower involved in the orientation process, and serves as a blueprint for future recruits, regardless of their onboarding date or location.

#### Total New Hires, by region

	Number	Percentage
 Hong Kong	<b>662</b>	<b>43.2%</b>
 Chinese Mainland	<b>690</b>	<b>45.1%</b>
 Miami, U.S.A.	<b>179</b>	<b>11.7%</b>
<b>Total</b>	<b>1,531</b>	



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## Swire Properties Wins Randstad Most Attractive Employer Award 2022



Swire Properties was recognised as “Hong Kong’s Most Attractive Employer” at the Randstad Employer Brand Awards 2022, underscoring the Company’s commitment to investing in our people to create an open, inclusive and rewarding workplace environment with an emphasis on gender equality and diversity. This is the second time Swire Properties has placed first – the other time was in 2020. We have consistently been ranked in the top 10 since 2017.

The awards rank the employer attractiveness of Hong Kong’s 75 largest commercial companies and institutions that are known by at least 10% of the local population. This year’s awards saw companies rated on their relative employer brand awareness and attractiveness by more than 3,000 local respondents.

## Delivering on our Employee Value Proposition

Last year, Swire Properties developed employer branding guidelines to recognise, strengthen and support the reputation and reality that the Company is a great place to work.

Our reputation as a respected and valued employer – our employee value proposition (“EVP”) – is defined by four core themes which reinforce our position as a modern, forward-looking, creatively-focused company that is proud of the mutual respect and trust between employer and employees. These themes are:

- **Building Trust** through adherence to impeccable professional and ethical standards, and a rigorous, respectful internal culture.
- **Building Pride** in the quality of our projects, and the imagination, invention and openness to new ideas that deliver ingenious and inspiring solutions.
- **Building Futures** because long-term thinking is central to our commercial ethos, not only in the responsible, sustainable legacy we leave for future generations, but in the lasting and wide-ranging development of our staff.
- **Building Communities** by transforming the places where people live, work, stay, and play to best effect.

This EVP is part of our wider Employer Brand story – that the combined skill, imagination and creativity of everyone at Swire Properties has enabled us to transform the places where we operate, create new and thriving communities and redefine our proactive responsibility for a sustainable future. The purpose of the story is to inspire enduring creativity and, as such, each employee deserves our respect and the ability to enjoy targeted opportunities to enhance their skills and celebrate working together.



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## Talent Management

**HKEX**  
Aspect B3

We attach great importance to attracting talented people to work with us and retaining them as they develop their long-term careers with the Company.

### People Engagement Pulse Survey for Employees

In 2022, we conducted a People Engagement Pulse Survey of 570 employees across Hong Kong and the Chinese Mainland. The survey had a 100% response rate and the results paint an encouraging picture: an average of 88% of the surveyed employees reported being engaged – the same level reported in our 2020 People Engagement Survey. This figure outperforms the local markets and global benchmarks. Two categories, “Change Management” and “Originality”, saw a marked improvement over the 2020 survey, while staff communication was also excellent, with 360 staff providing a total of 800 written comments. In 2022, we also conducted an 100% response rate engagement survey for all of our Miami, U.S.A. employees, with engagement index reaching 94%.

An important 2025 KPI in this performance category is improving our net promoter score (“NPS”) by 10%. In the 2020 survey, our NPS was 16%; in the 2022 survey it was 23%.

### Breakdown of the Engagement Index for the Hong Kong and the Chinese Mainland People Engagement Pulse Survey 2022

#### By Management & Non-Management level



**88%**

Management level



**87%**

Non-management level

#### By Age Group



**84%**

Under 36 years old



**88%**

36 to 55 years old



**93%**

Above 55 years old

#### By Gender



**87%**

Female



**89%**

Male

**75%**

Prefer not to say

#### By Region



**85%**

Hong Kong



**92%**

Chinese Mainland



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### Learning and Development Programmes

Our multi-year trainee programmes help develop talent in building surveying, engineering and general management, and Swire Hotels’ 18-month International Operations Management Trainee Programme provides wide-ranging exposure to hotel operations in Hong Kong, the Chinese Mainland and Miami, U.S.A.

In 2022, we continued empowering our employees, providing engagement, learning and motivational opportunities through online and offline programmes. Several of these were new or revamped versions of long-running initiatives such as the Achieving Excellence Programme and two structured leadership programmes: the Building Management Team (“BMT”) Leadership Excellence Programme and Technical Services (“TS”) Supervisory Excellence Programme launched in 2021.

The BMT Leadership Excellence Programme is designed to develop stronger BMT leaders and create a more structured approach to employee training and development and the BMT leadership pipeline. The programme is focused on enhancing BMT supervisors’ people management capabilities. Based on the findings of several focus group discussions, four modules were designed to address the top identified leadership needs.

The six-module TS Supervisory Excellence Programme follows the same approach as the BMT programme but with customised content for the TS team. Both programmes helped supervisors learn or enhance their skills and knowledge in people management and helped them to apply those skills to workplace situations.

#### Total Training Hours and Spending

**~154,000**  
hours

Total training hours

**24**  
hours

Average training hours per employee

**HKD7.7**  
million

Total training spend

**HKD1,200**

Average training spend per employee

#### Average Hours of Training, by gender



**22.4**

Male



**26.4**

Female

#### Average Hours of Training, by employment category



**23.5**

Management level



**24.2**

Non-management level



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**Launch of the SPROPS Learning Hub**



The Swire Properties Learning Hub was launched in July 2022, aiming to nurture a culture of self-learning across the Company. An enhanced and more comprehensive version of the existing Learning and Development Hub has a section specifically designed for frontline employees that provides customised content to enhance their engagement, learning and motivation levels.

This “e-hub” provides digitised materials that are quickly and easily accessible to maximise qualitative and quantitative impacts. Topics include Empowerment, Innovation, Diversity and Inclusion, People Management, Agility, and others, with the materials provided in different formats. One example is the “Move a Step Forward” online learning module, which consists of short videos and a one-page toolkit. This flexible and convenient approach gives learners a quick and basic understanding of topics like the growth mindset and design thinking. Initially offered in English, a Chinese translation is currently being produced, along with more short videos.

Another example is “GoSkills”, a flexible learning platform that helps colleagues learn essential business skills to achieve personal and professional goals. GoSkills provides information on over 70 topics, including over 1,000 courses on common software programs used in the workplace for administration and design, soft skills, and business and development. Learners can set their own learning pace and curricula by managing, tracking and assigning courses based on their personal training needs.



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### The Achieving Excellence Programme Review



The Achieving Excellence Programme (“AEP”) is a Swire Properties leadership development programme launched in 2015. This two-year programme aims to help our managers discover their leadership potential through workshops that develop leadership and communication skills, strategic thinking and performance management.

Its four main modules are “Leadership Development”, “Smarter Process and Better Experience”, “Seeing the Bigger Picture”, and “Learning by Doing”. The

programme review, which began last year, adopted a multidimensional evaluation system, including a 360-degree feedback mechanism that gathers employee feedback on how the AEP has helped them in their career development and contributed to employee retention and work efficiency improvements. The review adopted the Kirkpatrick Evaluation Model to evaluate learning effectiveness, gathering input through questionnaires and focus group discussions.

The review found that the “energy level” of various traits has increased over the past two years, including innovation, decision-making skills, motivation of others, planning and teamwork, and cooperation. Based on these findings, the curriculum will be fine-tuned and further tailored to meet both individual development and business needs. Additional programme elements will also be offered in digital form.

### Strengthening the Work Effectiveness of Frontline Staff



Swire Properties ran three recurring initiatives in 2022 to strengthen the work effectiveness of individual frontline staff. These were aimed at customer service and building management staff and emerging leaders.

A customised half-day customer service training programme for residential staff concentrated on their specific training needs to support a better delivery of customer experience. The programme gave staff tools to help them understand and

communicate with residents more effectively. We estimate that 300 frontline staff will have completed this training by early 2023.

A Building Management Team refresher programme was revamped into a two-part hybrid learning programme and launched in May 2022. Frontline staff who complete the first part, an e-learning session, are invited to attend the second part, a classroom session. In the classroom, participants work



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on interactive training through case studies, group discussions, quizzes, and site visits. The e-learning component allows staff to learn at their own pace, while the classroom sessions enhance engagement and real-world training.

The half-day Leadership in Transition programme focuses on experience sharing as a tool for frontline training. Existing management staff share their knowledge and experiences in a Q&A session, while newly promoted staff explain challenges they may have encountered transitioning from being an individual contributor into a people management role. This format allows the participants to appreciate the details involved in changing roles and the concurrent adjustments in mindset that are necessary to getting a successful start.

**Empowerment Campaign**



In our 2020 People Engagement Survey, “empowerment” was one of the two major focus areas identified as the required follow-up action. Accordingly, we developed a series of activities that will allow us to create workplaces where employees feel empowered and valued.

The first training workshop was held in May 2022 for senior management on “How the Best Leaders Ignite Everyone’s Intelligence”. It aimed to enable leaders to become multipliers who can

discover, access and use their teams’ untapped capabilities; who can rekindle energy and enthusiasm as teams achieve stronger results; who can innovate by encouraging new and bold thinking; and who can break through to new levels of performance by amplifying people’s intelligence. Two follow-up sharing sessions were held in late 2022, discussing how to apply these multiplier tools in the workplace.

An “Empowerment x D&I Luncheon” on “How to Empower Yourself and Others” was also held, welcoming three speakers who shared their personal and professional stories about what it means to be empowered at work, and explained how anyone can empower themselves and others by building a trusting and open culture. Lastly, a sharing session was held in late 2022 with staff whose careers are success stories of self-empowerment and/or being empowered by a supervisor.



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**Service Excellence Awards**



Swire Properties continues to reward exceptional frontline staff with awards for exemplary service. This year, 27 staff from nine business units received Service Excellence Awards, with two of them receiving the top “Best of the Best” award: one from Cityplaza’s Building Management Team and the other from Citygate Outlets’ Technical Team – both of whom went above and beyond the call of duty. Now in the ninth year, the Service Excellence Awards are among the Company’s

most popular and effective initiatives in terms of engaging and encouraging frontline colleagues to do even better in their day-to-day work.

**Digital Series**



NFTs, or non-fungible tokens, was a hot topic in 2022, with individuals and companies seeking to realise the market opportunities inherent in these new instruments. In July 2022, aiming to elevate innovation and encourage smart processing, Swire Properties invited a cryptocurrency and blockchain expert to host a workshop during

which he shared his insights on NFTs, explaining their utility and discussing their potential future value.

As we work to reinforce a data-driven mindset across the Company, the 2022 Digital Workshop Series also held a masterclass on data analytics. This ever-popular series will continue in 2023, hopefully with more in-person workshops.



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## Employee Health and Wellbeing

We value our employees and work to improve their health and wellbeing through a wide variety of events and activities held both in and out of the office. These events contribute positively to employee health and wellbeing, build rapport between employees and increase the level of employee engagement.

### The “1 & All Sports Challenge”



Swire Properties added new ideas and elements based on the number “50” to our employee sports events this year, to help celebrate our 50th anniversary. One such activity saw all employees from Hong Kong and the Chinese Mainland attempt to collectively burn 5,000,000 calories during the 50 days between 1 November and 20 December.

We also invited all departments to take part in a friendly competition, asking everyone to get creative and devise a sports activity that reflected both the idea of teamwork and our 50th anniversary. In addition, we set up five different exercise challenges in which individuals, teams and families were invited to compete – participants could join one or all of the challenges, and the top 10 finishers in each category won prizes.

We also invited all departments to take part in a friendly competition, asking everyone to get

### Prioritising Wellbeing and Mental Health



Swire Properties cares deeply about the health and wellbeing of our employees. Throughout 2022, we demonstrated our care in various ways.

The serious COVID-19 situation during the first half of 2022 meant that several staff had to endure quarantine arrangements, which was psychologically difficult. When our people were sent to quarantine centres, we ensured that they receive a care package which included food and leisure items to help them pass the time. Care

packs were also distributed to all frontline staff during the worst weeks of the pandemic to provide support and show our gratitude for their professionalism. These packs included face masks, supplements and soup vouchers.

June was wellness month at Swire Properties’ Hong Kong offices. To mark Global Wellness Day on 11 June, 18 fun and interactive workshops and webinars were held throughout the month of June to help staff relax and rejuvenate mentally and physically and generate inspiration on ways to lead healthier and happier lives. The activities included learning to create an aroma stone, an “art jam”, massage sessions, paper marbling, rainbow calligraphy, and other arts and crafts workshops.



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## Hong Kong Wellness Initiatives

### Employee Wellness Programme

All through 2022, the Swire Properties Employee Wellness Programme held activities and initiatives to boost health and happiness. These included the “Small Changes that Change Everything” workshop in February, in which experts explained how to make tiny behavioural changes that can slowly become habits to help people achieve goals like losing weight, de-stressing, sleeping better or being more productive.

### Online Wellness Sharing

Online sharing sessions held in June focused on various mind and body wellness topics, such as “Caring for Your Eyes” – discussing the causes of common eye diseases and exercises that can prevent them; “Loving Monday” – sharing tips on how to boost energy and engage in positive thinking during the work week; and “The Science of Wellbeing” – discussing strategies on how to generate positivity in relationships, during challenges and at work.

### Photography Exhibition



As part of our 50th anniversary celebrations, in July we arranged two guided tours to the “Recovery, Resilience, Resurgence” photography exhibition to give our staff a glimpse of Hong Kong’s story from recovery to resilience through the lenses of three photographers whose work spanned the 1940s to the 1970s.

### 50A Family Fun Day



To celebrate Swire Properties’ 50th anniversary and the start of the festive season, we held a 50A Family Fun Day called “Party in SPROPS City” on 2 December 2022. Over 600 participants, including colleagues from all levels and their families and friends, participated in various games, arts and crafts workshops featuring gingerbread decoration, Christmas ornaments design and suncatcher candles making, and the parade.



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### Chinese Mainland Wellness Initiatives

With COVID-19 measures in place throughout the year, 2022 saw our Chinese Mainland staff prioritise their mental and physical health. Accordingly, we devised numerous activities and initiatives to promote health and happiness.

#### Empathy and Care at Taikoo Li Qiantan



The entire city of Shanghai was locked down from March to May 2022. Some employees at Taikoo Li Qiantan volunteered to stay at the mall, ensuring that essential operational and maintenance tasks were completed. These staff needed to stay in a “closed loop” and were not permitted to have physical contact with other people during this time. Swire Properties worked to make this environment as comfortable and human-centric as possible, providing designated bathroom facilities, a clothes-drying area, designated food pickup points, and a calming nucleic acid testing area.

On top of providing meals to our staff, we supported staff wellbeing by offering comfortable accommodations, psychological counselling and inspirational online activities, and expressed our appreciation through gift cards, vegetable hampers and a daily stipend. We also created a “Delivery Personnel Supply Stop”, offering food and drinks to delivery workers as a token of thanks.

#### Caring for Employees During the Chengdu Soft Lockdown

During Chengdu’s citywide soft lockdown and COVID-19 testing initiative in early September, the Sino-Ocean Taikoo Li Chengdu team worked to ensure that our staff had access to essential materials including cots, sleeping bags, test kits, surgical masks, N-95 respirators, latex gloves, nutritious food and other daily necessities.

#### Delivering Food to Employees During the Shanghai Lockdown



As Shanghai grappled with a severe COVID-19 outbreak earlier in the year, the HKRI Taikoo Hui shopping mall was able to purchase fruit, vegetables, meat products and cooked meals which were delivered to all employees during April. We also included letters thanking them for their above-and-beyond contributions and encouraging them to stay healthy and strong during this unprecedented health crisis.



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**Taikoo Hui Guangzhou Employee Rope Skipping Contest**



In July, more than 60 employees from Taikoo Hui Guangzhou joined a rope skipping contest organised as part of the workplace wellness campaign. Participants from different departments were challenged on their speed, stamina and skills in this fun event that also enhanced mutual understanding and friendship. The contest was part of the mall's wider commitment to supporting employee mental and physical health on top of other measures, including an employee centre

equipped with workout equipment and consistent efforts to promote a healthy work-life balance.

**Staff Club – Weekly Sports**



A variety of sports activities for staff were organised thrice weekly at Sino-Ocean Taikoo Li Chengdu. These included badminton, yoga, basketball and kickboxing. In 2022, more than 520 staff participated in these events, spending a total of 637 hours in a healthy, competitive environment.

**Frontline Office Upgrade at Sino-Ocean Taikoo Li Chengdu**



An upgrade to the Sino-Ocean Taikoo Li Chengdu frontline office commenced in March 2022.

The project prioritised sustainability and staff wellbeing in all aspects of workplace design and management. Ergonomic furniture was chosen to ensure proper posture and avoid strains, and a nap area was built, giving shift staff a comfortable place to rest.



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## Occupational Health and Safety (“OHS”)

We regard health and safety as an indispensable part of our business and have enshrined this in our SD 2030 Strategy and our 2025 and 2030 KPIs. Updated in November 2022, our [Health and Safety Policy](#) (“the Policy”) underpins our commitment to providing and maintaining a healthy and safe environment for all employees, customers, contractors and members of our community during their association with the Company.

Endorsed by the Board and signed by the Chief Executive, the Policy sets the direction on how to achieve our ultimate goal of Zero Harm through demonstrating solid leadership and effective management of occupational health and safety in the planning, design and conduct of all business activities.

The relevant SDG is:



**SDG 3**

Ensuring healthy lives and promoting wellbeing.

GRI  
403

HKEX  
Aspect B2  
KPI B2.3

### Our Zero Harm Commitment

Zero Harm is a Company-wide commitment to eliminate or mitigate health and safety hazards across our operations, encompassing all our people, regardless of their seniority or level of experience. The commitment requires everyone to go beyond compliance and proactively work on an ongoing basis to create a safe and harm-free working environment for all our stakeholders.

To achieve Zero Harm requires a high level of commitment. It means no fatalities, no injuries and no harm to health as a result of our business activities.

In July 2022, we appointed a Head of Health and Safety, a new position created to further strengthen and drive a health and safety culture, awareness and performance across our operations. The role reports directly to our Chief Executive with a functional reporting line to our Director.



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### Safety Management Systems

Swire Properties' Safety Management System ("SMS") is fully aligned to the ISO 45001:2018 standard, the international standard for Occupational Health and Safety Management. As at 31st December 2022, the SMS across our Hong Kong portfolio and 4 of our 6 Chinese Mainland portfolio are certified under ISO 45001:2018 by Hong Kong Quality Assurance Agency and China Quality Certification Centre. In 2022, we extended the ISO 45001:2018 certification to our managed residential portfolio in Hong Kong.

The provision of healthy and safe workplaces is critical to our continued success. In 2022, we developed strategies to further integrate health and safety considerations into every part of our business. This approach is supported by strong leadership and management endorsement and oversight. Health and safety issues and performance are standard agenda items that are presented and discussed at monthly Executive Committee meetings chaired by the Chief Executive, reported in quarterly board papers and reviewed at every board meeting. The Chief Executive is accountable and oversees the implementation of OHS matters. Health and safety performance indicators are also presented to our parent company, Swire Pacific on a quarterly basis.

### Employee Engagement and Communication

Effective communication and employee engagement are essential elements of our Zero Harm strategy. In 2022, we strengthened these elements by setting up quarterly health and safety communication sessions with all heads of departments and general managers. This has created a new two-way communication platform with the management team, which facilitates the efficient implementation of initiatives and sharing of essential feedback, enhancing awareness and promoting ownership of issues.

Swire Properties has Safety Management System Steering Committees (SMSSCs) in place in Hong Kong and the Chinese Mainland. These are chaired by our Head of Health and Safety and include health and safety representatives from each portfolio. The SMSSCs meet quarterly to monitor and evaluate the Company's safety performance, risks and progress towards targets. Findings and updates from the SMSSCs are communicated down to the portfolio level through each portfolio's Health and Safety Working Group and human resources department. Similar health and safety coordination meetings are held with representatives from Swire Hotels and Brickell City Centre in Miami on a quarterly basis.



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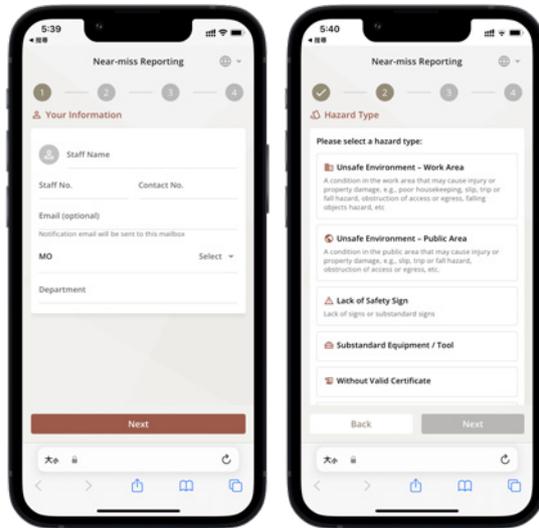
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### Hazard, Near-miss and Incident Reporting



In 2022, we implemented several improvement initiatives in our hazard, near-miss and incident reporting which, in accordance with SMS procedures, all our employees have a duty to report. While we continue to perform routine safety walks, we also introduced an app-based Near-miss and Hazard Reporting System which allows our employees to report any near-miss incidents or hazardous conditions via their mobile devices. The app not only enables corrective actions to be tracked and implemented faster, it also supports data analysis, making trend analysis and reporting easier.

All workplace injuries are investigated in order to find and eliminate the root cause of the injuries and prevent reoccurrence. In 2022, we extended our investigation criteria to include high potential (“HiPo”) incidents, defined as non-serious injury incidents or near-miss events that have the potential to cause serious injuries or fatalities. A “four-box learning report” is produced which documents the findings for all HiPo incident investigations. These reports include information such as incident descriptions, contributing factors, underlying and root causes, and corrective plans and action plans. These reports are shared with the general managers of our portfolios and disseminated to employees via established communication channels.

We also continued our management safety walks, during which senior employees undertake safety walks around properties to demonstrate leadership commitment as well as to identify potential hazards. In 2022, we introduced joint safety inspections at Two Taikoo Place, which are discussed later in this section.

### Mental Health and Wellbeing

Every office in each of our portfolios recognises the importance of ensuring the wellbeing of their employees. As such, our offices have created tailored programmes and campaigns which support mental and physical health in different and locally relevant ways.

We provide information to employees via the Company’s intranet, covering a range of topics relating to healthy work practices and office safety. We also conduct, on request, assessments of our employees’ workstation ergonomics, screen illumination and visual comfort.

In addition, we provide counselling services and learning opportunities through our Employee Assistance Programme, which offers in-person counselling and 24-hour telephone support from relevant professionals. We also host regular events for our employees, such as luncheons and training sessions, to promote physical, mental and emotional wellness and work-life balance. In 2022, we provided around 34,000 hours of health and safety related training.



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## 2022 Health and Safety Performance

We prioritise the health and safety of our employees and pride ourselves on our safety-oriented workplace culture.

### Health and Safety Performance

We have maintained a record of zero workplace fatalities and serious or life-altering injuries among our employees. There have also been no confirmed incidents of non-compliance with relevant laws or regulations relating to the provision of a safe working environment and the protection of employees from occupational hazards.

One of our 2025 KPIs is to achieve and maintain a Lost Time Injury Rate (“LTIR”) at or below 1.2 for non-hotel operations, and at or below 2.0 for hotel operations. Through investment in training and awareness programmes, we have achieved significant improvements in LTIR over the past 10 years. In 2022, our overall LTIR was 0.87, with hotel operations being 1.56 and non-hotel operations being 0.57.

In 2022, our LTIR decreased by 9.4% compared to 2021; similarly, our Lost Day Rate (“LDR”)<sup>8</sup> decreased by 12.4% over the same period.

**HKEX**  
KPI B2.1, B2.2

### Employee LTIR and LDR Trends

	2020	2021	2022
LTIR	1.25	0.96 ↓ 23.2% change year-on-year	0.87 ↓ 9.4% change year-on-year
LDR	48.80	35.86 ↓ 26.5% change year-on-year	31.42 ↓ 12.4% change year-on-year

**HKEX**  
KPI B2.2

<sup>8</sup> Number of lost scheduled working days per 100 employees per year calculated by number of lost-time injuries/number of hours worked multiplied by 200,000.



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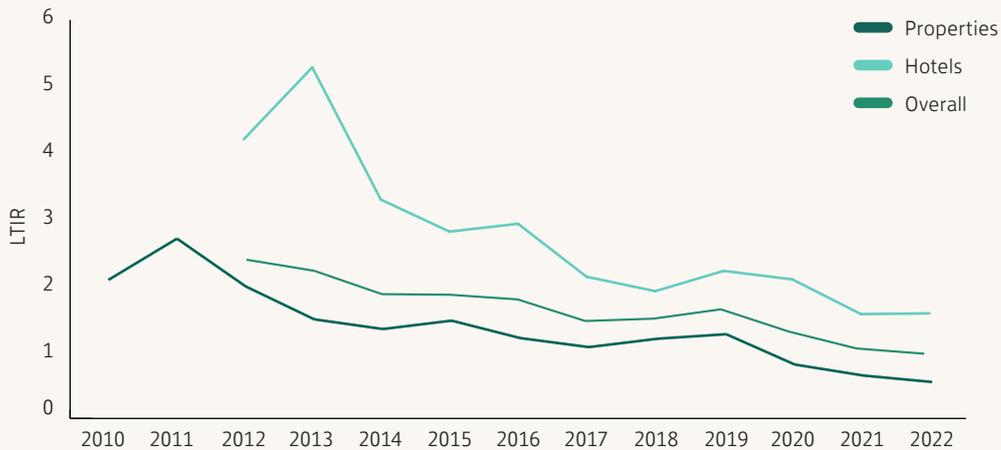
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2022 Employee LTIR and LDR, by portfolio

	LTIR	LDR
 Properties	<b>0.57</b>	<b>26.81</b>
 Hotels	<b>1.56</b>	<b>41.77</b>
<b>Total</b>	<b>0.87</b>	<b>31.42</b>

Trend Analysis of Lost Time Injury Rate (LTIR) from 2010 to 2022





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**Hong Kong Health and Safety Week**

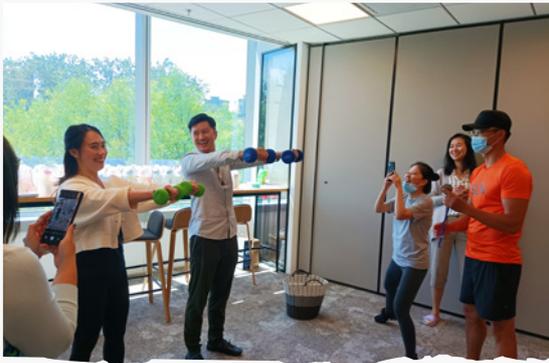


Put on as part of our 50th anniversary celebrations, Health and Safety Week applauded our many “Original. Always.” occupational health and safety accomplishments and a safety culture that is renowned throughout the industry.

Taking place every month from the beginning of the year through to January 2023, this year-long campaign targeted frontline Hong Kong employees, aiming to increase their safety awareness levels and offer high-level training,

sharing sessions and fun activities. Highlights included an interview with Ms. Elizabeth Kok, Director and Senior Advisor, where she explains why health and safety is important to Swire Properties and shares her vision on workplace safety. The campaign also includes a “Mindset” programme to enhance health and safety concepts and behaviours among frontline employees through engaging activities such as virtual reality (“VR”) experiences, game booths, seminars and fitness workshops.

**Chinese Mainland Safety Month**



July marked Safety Month at our Chinese Mainland portfolios. Each property organised safety drills, training sessions and exercise programmes, with the view that “a little effort today will prevent injuries tomorrow”. We also celebrated the fact that Taikoo Hui Guangzhou received the Company’s annual Outstanding Health and Safety Award for the second year running; launched an AI-based smart construction safety system at several properties; and announced the rollout

of the Near-miss Hazard Reporting System across all our Chinese Mainland properties as of mid-July. Lastly, the COVID-19 Personal Prevention Handbook was distributed to all Chinese Mainland employees, conveying up-to-date disease prevention knowledge and guidelines to everyone.



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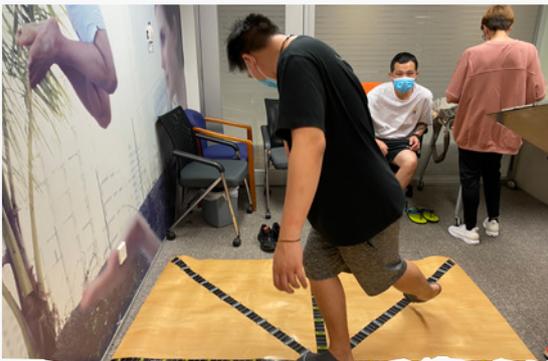
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### VR Safety Training



This year, we introduced safety training programmes that employ VR technology to deliver messages on property management-related safety topics. In Hong Kong, the programme employs 11 modules for frontline employees that provide realistic simulation training on hazards associated with working at height, and slip, trip and fall prevention. In the Chinese Mainland, we introduced four VR safety training modules on hazards associated with working at height, electrical work and equipment operation.

### EAST Hong Kong's "Work Safely" Slip, Trip and Fall Prevention Campaign



From June to November 2022, EAST Hong Kong posted weekly videos on the Beekeeper platform about slip, trip and fall prevention. Divided into three series, each with six levels, the videos covered information and tips about maintaining static and dynamic balance, along with fun facts about healthy lifestyles. The campaign also featured quizzes to help team members revise and consolidate their knowledge.

### Safety Inspections at Two Taikoo Place



In 2022, we introduced joint safety inspections at Two Taikoo Place – which at the time was in the middle of handing over from the construction stage to the operations and fit-out stage. The Health and Safety team, Management Office ("MO") team and Project team representatives all conducted joint safety walks during the handover. This was followed by daily safety inspections which included tenant facilities undergoing fit-out by their appointed contractors. We then gave safety briefings to tenant project managers and contractors on house rules, and communicated Swire Properties' safety expectations to all tenants prior to their commencement of fit-out works through posters and guidelines.



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**Swire Properties Internal Safety Awards**

Many of our properties reached or maintained internal health and safety standards this year, including Zero Lost Time Injury awards and our Outstanding Health and Safety Performance Award.

**180 days Zero LTI awards in 2022:**

- Island Place
- Cityplaza
- Sino-Ocean Taikoo Li Chengdu
- Taikoo Li Qiantan
- Pacific Place Apartments
- EAST Hong Kong
- EAST Residences Hong Kong
- The Temple House



**500 days Zero LTI awards in 2022:**

- Citygate
- INDIGO
- HKRI Taikoo Hui
- The Opposite House

Both Cityplaza and Taikoo Hui Guangzhou won the internal Swire Properties Outstanding Health and Safety Performance Award in 2022, which is given to the management offices that demonstrate outstanding health and safety performance, good management practices and innovative approaches to improving health and safety in the workplace.



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## Diversity and Inclusion

Swire Properties embraces Diversity and Inclusion (“D&I”) and understands the importance of a diverse workforce to our business success. In 2022, we continued our work to build an inclusive and supportive working environment through policies, engagement and education.

The relevant SDGs are:



**SDG 5**

Achieving gender equality and empowering women and girls.



**SDG 10**

Reducing inequalities within and among countries.

Our commitment to promoting diversity in the workplace is documented in our Corporate Code of Conduct and our Equal Opportunities Policy, both of which are communicated to our employees through our employee handbook. Additionally, the [Swire Pacific Diversity and Inclusion Steering Committee](#) formulates policies and provides guidelines to promote a diverse workforce and an inclusive working environment across the Swire Group.

In 2021, Swire Properties became a corporate member of CareER, an NGO that provides career development opportunities to persons with disabilities and special educational needs. We also began participating in the CareER Disability Inclusion Index, a comprehensive and localised assessment tool that evaluates a company’s performance in terms of disability inclusion in its operations and services.

This year, we began disclosing against the 2023 Bloomberg Gender-Equality Index (“GEI”), which acknowledges the Company’s commitment to achieving gender equality.

### D&I Policy

Our [D&I Policy](#) reaffirms our commitment to creating an inclusive and supportive working environment for all our employees regardless of age, gender or gender reassignment, sex or sexual orientation, marital or family status, disability, race (including ethnic origin or nationality), and religious or political beliefs.

Our D&I Committee is chaired by our Director, Human Resources and reports to the Executive Committee (“EXCOM”) on a quarterly basis. The D&I Committee’s responsibilities include ensuring equal opportunities, advocating fair and bias-free processes for recruiting, developing and promoting our employees, and monitoring our success in achieving D&I in our workplaces. The D&I Committee also serves as a governing body to review grievances relating to discrimination.

As society evolves, so have the Company’s D&I practices. In 2021, to recognise our ever-more diverse workplace, we introduced new policies on respect in the workplace, staff grievances and parental leave. These new policies help foster an inclusive and supportive working environment for all our people by creating an environment where people feel comfortable and able to reach their full potential. In turn, this produces a workplace without harassment and bullying, and in which there are proper procedures to ensure that grievances and complaints are dealt with effectively, fairly and efficiently.

**GRI**  
2-21, 405, 406  
**HKEX**  
Aspect B1



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### Respect in the Workplace Policy

Our [Respect in the Workplace Policy](#) aims to ensure that all our people are treated, and treat others, with dignity and respect. It outlines Swire Properties' expectation that our people contribute to an environment of trust and respect and conduct themselves in a manner which is not offensive, or reasonably perceived by others to be offensive, and which takes due account of the diversity of others' backgrounds, cultural values and beliefs. Behaviour which does not adhere to this policy will not be tolerated and will lead to disciplinary action being taken, up to and including dismissal.

### Parental Leave Policy and Guidelines

Our [Parental Leave Policy and Guidelines](#) demonstrates Swire Properties' commitment to supporting our employees when they start or grow their families, and our commitment to removing bias in the workplace. We recognise that there are many different types of family units, and we challenge the view that childcare is solely a female responsibility. Ultimately, we want our people to pursue fulfilling and successful careers while raising children. Providing appropriate levels of parental leave is key to this aim. The policy recognises all parents regardless of their gender or sexual orientation, how they became parents (whether by natural birth, surrogacy or adoption), and the nature or existence of a family unit.

### Flexible Working Policy Initiative

Our Flexible Working Policy was launched in mid-2019. We introduced the Staggered Working Hours initiative to allow employees to arrive or leave the office at flexible times provided they are present during specified core working hours. Employees are able to balance their work with their personal commitments, helping advance our goal of building a more people-centric workplace culture. We believe that staggered working hours empower our employees to be more creative and productive.

To augment this policy, we also launched the Sabbatical Leave Policy in January 2020. Sabbaticals allow an employee an extended period away from work, during which time they may recharge themselves, adjust to any life transitions, dedicate time to family matters, or develop their skillsets in various areas. Although this is unpaid leave, employees on sabbatical still enjoy selected staff benefits such as annual leave, medical benefits, training and the use of recreation facilities.

Throughout the COVID-19 pandemic, we have continuously initiated other working alternatives across our offices, including distributed work, work-from-home and telecommuting arrangements. These policies vary according to need and geography.



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**Female Representation in the Workforce**

(as at 31 December 2022)



**40.2%**

of workforce are female

**Percentage of Senior Management Positions Held by Women**

(as at 31 December 2022)



**38.2%**

of senior management positions are held by women

**Gender Pay Ratio (female to male)**



**1 : 0.92**

(female to male)

\*In 2022, gender pay ratio is calculated based on a non-weighted average methodology.

**Chief Executive pay to Employee Pay Ratio**



**24.5 : 1**

\*Calculated as the ratio between the total annual compensation of the Chief Executive and the mean employee compensation



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**Swire Properties listed on the Bloomberg Gender-Equality Index for the first time**



This year, Swire Properties began disclosing against the Bloomberg Gender-Equality Index (“GEI”), securing a position on the 2023 Bloomberg GEI list. The index includes 484 companies across 11 sectors from 45 countries. Of the five Hong Kong companies listed on this year’s index, three of them are Swire companies: Swire Properties, Swire Pacific and Cathay Pacific.

This achievement reflects our dedication to advancing gender equality in the workplace. We

have worked, and will continue to work, towards fostering an inclusive and supportive working environment for all our people by creating an environment where everyone feels comfortable and able to reach their full potential. This year, we developed targets around gender balance, seeking to maintain a workplace female representation of no less than 40%. In 2022, 40.2% of our workforce was female, with 38.3% of senior management positions held by women. Our gender pay ratio is very close to full equality, with the ratio being 1:0.98 (female to male) in 2022.

The GEI is a modified market capitalisation-weighted index developed to gauge the performance of public companies in terms of gender-related data reporting. The index measures gender equality across five pillars: the leadership and talent pipeline, equal pay and gender pay parity, inclusive culture, anti-sexual harassment policies, and external branding.



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## Swire Group Diversity and Inclusion Survey 2022

In 2022, Swire Properties took part in the Swire Group's second annual D&I survey. The survey allows the company to garner feedback on the diversity approach and identify opportunities to improve workplace inclusivity where our employees can thrive and succeed regardless of age, gender, gender identity, disability, ethnicity, sexual orientation and other characteristics.

The objectives of the survey were to understand the extent to which our people feel the Company has an inclusive work environment where ideas and voices are heard, supported and respected, and to collect demographic data to better understand our workforce and ensure our D&I strategies and initiatives are inclusive and accessible to all groups. This survey will help us shape and refine our D&I policy and strategies on an ongoing basis.

The survey reached out to over 73% of our employees from our Hong Kong portfolio, Chinese Mainland portfolio and Hong Kong hotels, of which around 15% responded to the survey. Preliminary results revealed that:

- 89% of the respondents agreed that the Company values and respects a variety of ideas, perspectives and working styles.
- 86% of the respondents agreed that the Company has created an environment where people of diverse backgrounds can succeed.
- 87% of respondents agreed that the Company's senior leadership publicly supports and promotes diversity initiatives.
- 82% of respondents agreed that the Company's D&I-related policies and procedures are fairly enforced throughout the Company's operations.

The survey's demographic data revealed a number of workforce diversity indicators:

- Around 93% of respondents self-identified as Chinese, followed by 2% as Other Asian, 1% as White, while 4% of respondents preferred not to answer.
- At the management level, around 94% of respondents self-identified as Chinese, followed by 1% as Other Asian, 1% as White, 1% as Mixed and 3% of respondents preferred not to answer.
- 6% of respondents self-identified as LGBT+.
- 1% of respondents self-identified as having a disability.



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### Pride Month



June 2022 marked Swire Properties' celebration of Pride Month, which “commemorates years of struggle for civil rights and the ongoing pursuit of equal justice under the law for the lesbian, gay, bisexual, transgender and queer community, as well as the accomplishments of LGBTQ individuals<sup>9</sup>”. As we celebrate 50 years of success as a team, it is more important than ever that we foster an inclusive culture where our LGBTQ+ colleagues feel seen and safe in bringing their authentic selves to work.

To celebrate the month, our D&I Committee organised a calendar of special events. This began with the launch of our Pride 2022 video featuring our people, a set of Pride-themed Microsoft Teams backgrounds and a special-edition postcard with a rainbow QR code that took colleagues to a Pride mini-quiz.

A “lunch and learn” workshop on “Creating an LGBTQ+ Friendly Workplace” was led by a community sex educator who shared general misconceptions about sex and gender, advised on how to use inclusive language and support an LGBTQ+ friendly workplace, and talked about his own experiences of being queer in Hong Kong. An exclusive movie screening and a Pride-themed rainbow cocktail-making class held at our Mr & Mrs Fox restaurant rounded out the month's office-related events in Hong Kong.

The Upper House committed to donating 5% of the proceeds from a series of events and activities held during Pride Month to Hong Kong Marriage Equality. These events included a Pride cocktail event, themed Sunday Sessions, a drag evening, and more. The hotel extended this charitable initiative by continuing the 5% contribution to Hong Kong Marriage Equality from additional drag nights held through to the end of 2022.



Brickell City Centre (“BCC”) in Miami hosted its second annual month-long “Pride at BCC” celebration in June 2022. Held in collaboration with various partners, Pride at BCC provided a safe space where guests were welcomed to celebrate our unique differences under the banner of equality. Events during the month included sponsored complimentary cocktail-making classes each weekend, classes hosted by drag queens from TV's “RuPaul's Drag Race”, and storytelling seminars.

The mall also highlighted retailers with their own equality-related stories to tell and partnered with the Miami-Dade Police Department and 14 other law enforcement agencies from Miami-Dade and Broward Counties. Pride-branded vehicles were paraded and on display at BCC, and officers were invited for a small celebration.

<sup>9</sup> <https://www.britannica.com/story/why-is-pride-month-celebrated-in-june>



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**Pink Friday**



Swire Properties’ annual celebration of Pink Friday fell on 18 November. This multi-industry event takes place in workplaces across Hong Kong every year, aiming to show visible support for the LGBTQ+ community and celebrate the importance of inclusive and diverse workplaces. A video explanation of Pink Friday’s origins and significance to the wider Swire Group can be found [here](#).

At our offices, this year’s event included a slogan competition, a Pink Friday quiz, a fair with an array of games booths and a best-dressed competition. Additionally, during the week, an F&B outlet at Blueprint offered a pink bento box special.

**Empowering Women**

Swire Properties’ continues to empower women in the Company and in all areas of society gathered momentum in 2022. A host of initiatives and events across our portfolios underlined our commitment to advancing equality everywhere.

**International Women’s Day in Hong Kong**



International Women’s Day (“IWD”), held on 8 March, is a global campaign to raise awareness of gender equality and encourage everyone to play their part and help create a world free of bias, stereotypes and discrimination. Leading up to IWD, the Swire Women’s Network hosted a virtual celebration on 3 March, featuring invited speakers and the screening of a video featurette on this year’s theme, #BreakTheBias.

The “Break the Bias” theme illustrated how, as an organisation, we are committed to eliminating gender barriers to create a more inclusive workplace for both women and men. To understand more about what Break the Bias means to our people, we spoke to colleagues from Hong Kong, the Chinese Mainland and the U.S.A. – a video of their thoughts can be found [here](#).

On 8 March, we marked IWD with an interactive workshop that showcased excerpts from “She Objects”, a documentary on gender stereotypes in the Hong Kong media, featuring insights from celebrities and interviews with leading experts. Blueprint also invited two female leaders to share their journey to success and how they are forging change in the world.



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**International Women’s Day in the Chinese Mainland**



Taikoo Li Sanlitun honoured women in the community on IWD, welcoming visiting women researchers from the Chaoyang District Commerce Bureau and bringing flowers to female volunteers in the DongSanLi resident community.

Ahead of IWD, Swire Properties hosted a fresh flower floral design workshop for residents of Beisanli, a neighbourhood in Beijing. The workshop had an accredited professional share basic floristry techniques and skills, showing

participants how to match the leaves, colours and proportions of each element to create better visual effects.

**Pink House Pop-Up at HKRI Taikoo Hui**



Between July and October 2022, HKRI Taikoo Hui held a charity initiative called “Pink House” in partnership with Be Pink, a women’s programme run by a foundation. With a mission to help women develop awareness and strengthen their sense of self-worth, the pop-up store became a place for women to meet, exchange knowledge and join diverse activities to build a joyful community where women could relieve stress and find inner peace. The Pink House pop-up also held various

charity-themed workshops and promotional activities where the public could learn more about various charitable initiatives.

**Kartini Day**



On 21 April, our Savyavasa team in Jakarta marked Kartini Day, an important day in Indonesia that celebrates the birthday of iconic human rights advocate Raden Adjeng Kartini. Kartini Day acknowledges the activist’s efforts to emancipate and empower women in Indonesia. The team filmed a special Kartini Day video in the marketing gallery of the newly-completed Savyavasa development, dancing to promote diversity and empower women in the workplace.



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### Taikoo WIN



The Taikoo Women's Inspire Network ("Taikoo WIN") is a business network established by the Company and two of our Taikoo Place tenants, aiming to create a community in support of women working for professional firms and companies based in the Taikoo Place area.

In addition to several online gatherings, Taikoo WIN hosted an in-person event in August called "Leadership in the 'new' normal: Navigating a world post-COVID", which explored the impacts of

the new environment on personal and professional lives and how to engage employees and customers during this period of uncertainty. The wide-ranging discussion came to several conclusions, including that companies should offer accessible mental health support, help upskill employees with digital and technological skills to stay ahead of trends, and that leaders need to be emotionally intelligent and empathetic.

## Social Inclusion

### CareER Disability Inclusion Index and Inclusive Recruitment Fair

This year, Swire Properties continued our participation in the CareER Disability Inclusion Index. This index helps organisations create a structured framework of disability inclusion strategies to meet their various ESG objectives. We provided data for the index and received results in October 2022. Swire Properties received higher than average ratings across the board, with particularly high marks in recruitment and accommodation and adjustment. Our results were also significantly higher than in 2021, indicating that our new D&I initiatives are bearing fruit.

Swire Hotels participated in the Inclusive Recruitment Fair 2022 organised by CareER in Hong Kong. At the event, Swire Hotels promoted job opportunities to highly educated students and graduates with disabilities and special needs.

### Internships for Minority Students

In the summer of 2022, Swire Properties worked with the Zubin Foundation and the Amber Foundation to provide internship opportunities to students from ethnic minority groups. Four university students joined us as interns, with two working in our legal department, one in our Taikoo Place management office and one in Blueprint.



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### The UPSTAIRS Programme

2022 marked the fourth year of The Upper House's collaboration with the Hong Kong Down Syndrome Association ("HKDSA") in the UPSTAIRS programme, which creates training and work experience opportunities for Down Syndrome individuals. This year saw 10 HKDSA members attached to five departments during the month-long programme.

After a briefing by HKDSA social workers about Down Syndrome, our team members then worked alongside the HKDSA members for the month, learning about the challenges Down Syndrome individuals face when performing daily tasks. This positive, inclusive programme brought joy and camaraderie to everyone who participated.

### Age Inclusion Workshop

Age is one of the five diversity focus areas at Swire Properties, part of our pledge to create an age-neutral, multi-generational workplace. To increase awareness about the benefits of such a workplace, we arranged an age inclusion Lunch and Learn workshop called "Purpose Through the Ages" led by a leadership coach. Various discussions and exercises helped the participants discover how values and purposes evolve as one moves through different life stages, and learn how to connect with colleagues of all ages in order to develop greater empathy for others and create a more inclusive environment.

### Celebrating Black History Month



For the first time, Brickell City Centre hosted a month-long celebration honouring Black History Month. Partnering with the South Florida People of Color organisation, the mall hosted a weekly performance art series honouring Black culture. Every Friday evening in February, the mall's Garden Deck was transformed into a performing arts centre which celebrated a different culture each week. Performances included singing, dancing and instrumental performances from cultures represented throughout Miami.



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## Employee Events

### Chinese Mainland “D&I Lunch and Learn” Webinars

Three D&I Lunch and Learn webinars were held by the D&I Committee’s Chinese Mainland Chapter in 2022. In March, the “Primer to Inclusive Communication” webinar welcomed 50+ participants, while in August, the “Introduction to Mental Wellbeing” workshop had over 70 people take part. These two webinars were run by an executive coach and representatives from a Beijing-based wellness organisational consultancy and training company, who introduced verbal and non-verbal communication techniques to address unconscious biases, raise mental health awareness and build a more inclusive workplace. The third, held in early December, was called “Why Gender Equality Matters to me”. Over 80 staff attended, learning from the founder of a social enterprise that promotes gender diversity and inclusion in science, technology, engineering and mathematics (STEM).

### Celebrating World Day for Cultural Diversity for Dialogue and Development

In Hong Kong in May, Swire Properties hosted an event in collaboration with The Zubin Foundation on World Day for Cultural Diversity for Dialogue and Development. Our two panel sessions welcomed subject matter experts and industry peers who discussed the challenges facing ethnic minority groups in Hong Kong and how these can be addressed by communities and businesses, with the goal being to understand the role cultural diversity plays in enabling sustainable development.

About 40 Swire Properties staff attended the sessions, discussing how these challenges affect our lives and business, and brainstorming ways to bring about positive change.

### “Uncomfortable Conversation” Seminar and Webinar Series



Riding on the successful launch of the Male Ally initiative in May 2021 – a network of allies who promote gender equality – we began a new seminar and webinar series in 2022 called “Uncomfortable Conversations”. The series aimed to spark conversations between our staff and industry experts about sensitive gender equality topics such as bias and gender privilege.

The Uncomfortable Conversations initiative has three main goals: to promote, pledge and empower everyone, especially men, to actively work to strengthen bonds within our community; to advocate for underrepresented people in day-to-day settings; and to ensure that D&I issues are actively considered and implemented in recruitment, job flexibility, promotions and rewards. While the series acknowledges that some discussions may cause discomfort, it is believed that important and necessary changes can be made to attitudes, communications, engagement and culture through honest and open discussions.



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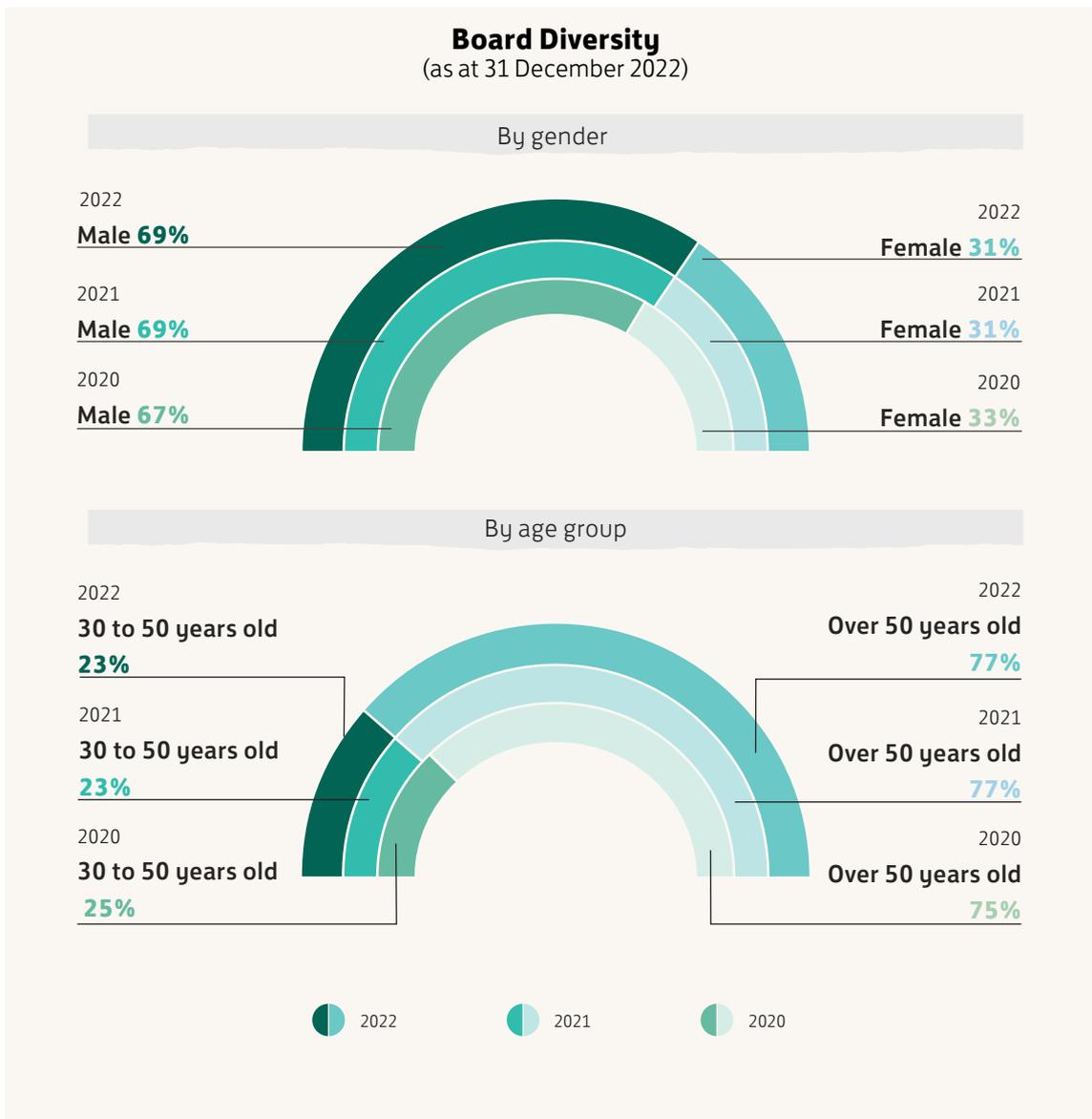
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### Board Diversity

Our [Board Diversity Policy](#) recognises the value of diversity in the composition of our Board and endorses the principle that our Board should cultivate a balance of skills and experience as well as a diversity of perspectives that are aligned with our business.

In 2022, we revised our policy to provide enhanced disclosure on policy ownership. The Nomination Committee has been delegated with the responsibility for the implementation and monitoring of this policy. This year, we introduced board diversity targets to monitor the implementation of the Board Diversity Policy. The target will guide us to develop strategies to improving the diversity across our Board. Performance will be published in our Company’s annual reports and SD reports.

We are committed to maintain a 30% female representation on the Board. As at the end of 2022, 31% of the Board position are represented by women.





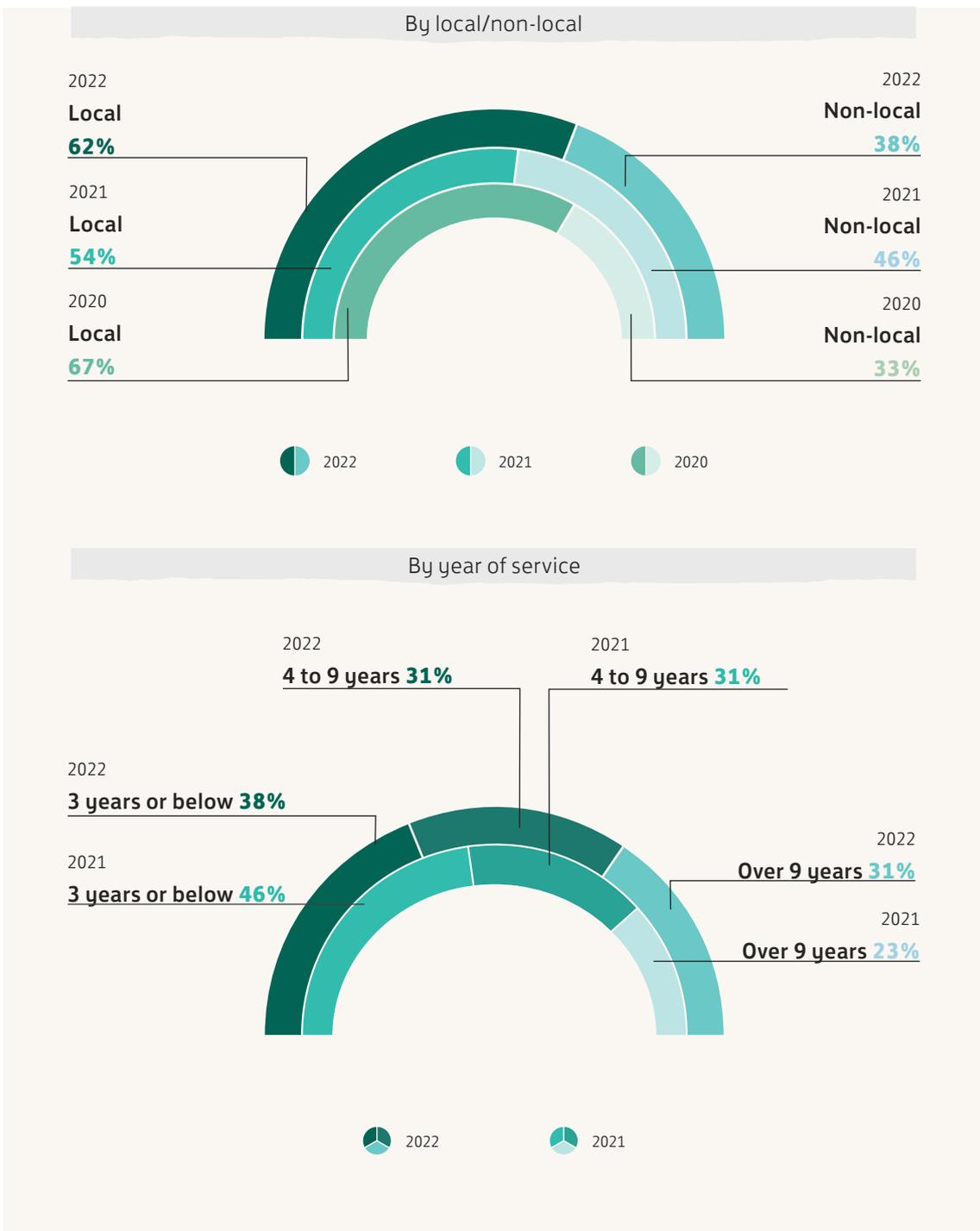
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Additional information about the diversity of our Board members is available in the [Swire Properties Annual Report 2022](#).



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## Volunteering

### Together, We Build Communities!

Swire Properties has always been taking a leading role to create positive impact in the community. Our people are vital in our connection to the community. A big part of this involves engaging its employees actively, in the spirit of philanthropy and volunteerism, to give back to the community.

The Swire Properties Community Ambassador programme is the platform that brings our families and friends, Swire retirees, our business partners, office workers at our managed portfolios, our shoppers as well as the service users of our charity partners together.

Together, we create sustainable value through innovative community programmes that can make positive impacts to enrich people’s lives and the community as a whole.

### Our Growing Community of Ambassadors

The Swire Properties Community Ambassador programme is an ever-growing network in community care amongst our Hong Kong, the Chinese Mainland and Miami development. Our community investment programmes focus on creating maximum placemaking impact, youth development, social inclusion, community-building & sustainable development. As our Chinese Mainland portfolio continues to grow, we continue to seek ways to organise more cross-city volunteer initiatives to strengthen the connections between our Hong Kong and Chinese Mainland Community Ambassadors and encourage everyone to take part in volunteering. For every 10 hours of voluntary service completed, our employees are eligible to receive one extra day of leave, capped at two days per year.

However, pandemic-related restrictions on travel and gatherings throughout the year curtailed these actions across our portfolio during 2022.

GRI  
413

HKEX  
Aspect B8  
KPI B8.1, B8.2



# People

2022 Progress

Employment Profile

Talent Attraction

Talent Management

Occupational Health and Safety

Diversity and Inclusion

**Volunteering**

## Community Ambassador Programme Volunteer Hours, by focus area



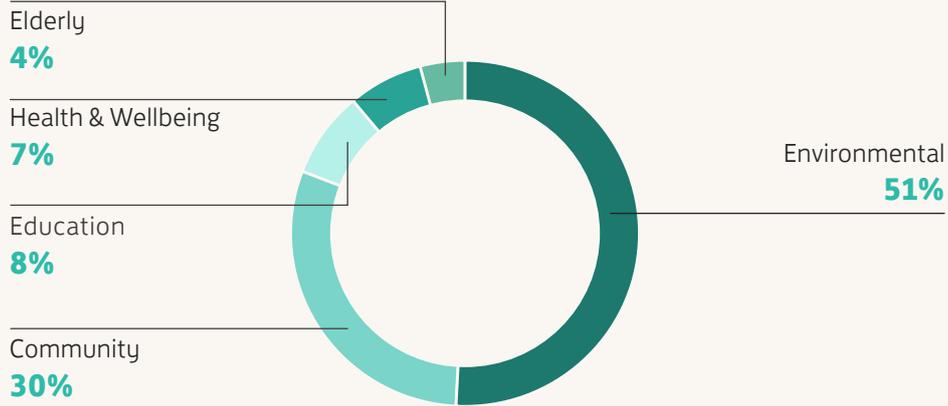
**73**

Activities supported



**6,127.5**

Total volunteer hours



## Community Investments and Contributions in 2022

**HKD44 million**

Total Value of Cash Contributions

**HKD26 million**

Total Value of In-kind Contributions



People

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Talent Attraction

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Occupational Health and Safety

Diversity and Inclusion

**Volunteering**

## Volunteer Initiatives in Hong Kong

### BOOKS for LOVE @ \$10



The “BOOKS for LOVE @ \$10” campaign is an annual fundraising event that aims to pass on the joy of reading through collecting and selling donated second-hand books. This year marked the campaign’s 10th anniversary, and to celebrate, we launched a number of new initiatives, including the first-ever online book sale; a “Gift a Book” programme where people bought book coupons online which were then donated to less-privileged students; and an extended in-person book sale

which raised a record HKD1 million plus and attracted over 30,000 visitors to Taikoo Place.

Since its launch, the initiative has been consistently popular, winning support from our customers, tenants and the general public and gathering tens of thousands of donated books every year. The collected books are sorted and categorised by our Community Ambassadors and volunteers from our NGO partners, and then sold for HKD10 per book. This year’s event mobilised 6,000 volunteers, with the proceeds raised going to The Boys’ & Girls’ Clubs Association of Hong Kong and the Agency for Volunteer Service.

### LEGO® SERIOUS PLAY® for the Community



Adding some fun to our 50th anniversary celebrations, the Community Ambassador team hosted a few LEGO® SERIOUS PLAY® workshops in 2022, reusing LEGO® bricks from past exhibition panels to inspire children in the community. Last year, the Ambassador team celebrated 20 years of community service with a roving exhibition where the event backdrops and panels were made from LEGO® bricks.

Led by experienced LEGO® SERIOUS PLAY® trainers, several family-friendly workshops were offered to our young Ambassadors and children in need from our NGO partner. The workshops taught children about the importance of eco-friendly living as they enjoyed hours of LEGO® play.



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**Volunteering**

**Eco-art Miniature Christmas Tree Workshops**



In advance of Christmas 2022, we organised 10 eco-art miniature workshops for our staff, their family and friends, our tenants and NGO partners. Making use of wood upcycled from last year’s White Christmas Street Fair, the Ambassador team created 200 Christmas tree miniatures. Led by a miniature artist, the participants used clay to breathe new life into the upcycled wood and create their own miniatures.

**Volunteer Initiatives in the Chinese Mainland**

**“Mr Fix-it”**



Taikoo Hui Guangzhou hosted two sessions of the popular “Mr Fix-it” activity this year – an initiative that aims to help improve homes and support grassroots families in the community. In May, our Community Ambassadors partnered with a company to give a fresh new look to the home of a family dependent on social subsidies in Tianhe District. In August, in partnership with a hotel, our Community Ambassadors helped a community in Baiyun District turn an idle business flat into a

fun house for kids. Eighty Ambassadors, social workers and partner volunteers joined the programme, contributing nearly 700 hours of volunteer time.



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**Walk for Love**



Organised by a provider of volunteer services for companies in the Foreign Enterprise Service Corporation system, the “Walk for Love” event has become Beijing’s largest charity walk for enterprise volunteers, supporting the healthy growth of disadvantaged rural and urban children since its launch in 2012.

Community Ambassadors from Swire Properties’ developments in Beijing, Chengdu, Guangzhou, Shanghai, Shenzhen, and Xi’an all walked with their friends and family members and shared their walking data online. For every two kilometres walked by a participant per day, Swire Properties donated between three to five RMB to the campaign. The funds raised were used to buy toothpaste, toothbrushes, soap, and other hygiene supplies for boarding school students in Qinghai Province, helping schools to improve student health.

Community Ambassadors from Swire Properties’ developments in Beijing, Chengdu, Guangzhou, Shanghai, Shenzhen, and Xi’an all walked with their

An additional group walk in October saw Community Ambassadors in Beijing complete a five-kilometre hike along a mountain track, raising more funds and getting fit at the same time.

**Taikoo Hui Guangzhou Community Ambassadors Clean Popular Trail**



More than 50 Community Ambassadors from Taikoo Hui Guangzhou helped remove about 35kg of rubbish from a famous footpath linking two villages in the city’s Conghua district. Part of the mall’s annual tree planting programme, the event, held in mid-March, added green space and kept the environment clean. During the 10km hike, they enjoyed beautiful views, collected rubbish and put their commitment to sustainable development into practice.



People

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**Sichuan Community Centre Summer Activities**

Part of Swire Properties’ earthquake relief efforts in 2013 included building the Sichuan Community Centre in Shuanghong Village. In the five years since the centre’s completion in 2017, it has held several events to support and assist local children, elderly people and women. This year, two civil society organisations helped support a one-day children’s day camp based at the centre that brought together fun, knowledge sharing and the spirit of giving.



During the study tour in the century-old Chengdu YMCA building on Chunxi Road, the children learnt about history and how the generations before them inherited and spread values based on mutual care and support. The children and volunteers then made traditional dragon boat paper models as part of the Dragon Boat Festival and presented them to Chengdu sanitation workers along with messages of thanks to those who help keep the city’s environment clean and beautiful.

Another event saw Community Ambassadors plan and implement a “Forest Kingdom” camp for 30 third- to sixth-grade students that included games, teambuilding sessions and craft workshops.



Another initiative encouraged children to give back to the community and make a difference by assisting older people living alone while enriching their own wellbeing and understanding of life. After some basic training, the children, assisted by a social worker, purchased daily necessities and helped clean the houses of these elderly people during the Chinese New Year holiday period and in the summer. The programme won strong support from parents who encouraged their children’s participation and donated relief supplies.



## Partners

Swire Properties aims to continue to develop long-term, mutually beneficial relationships with our business partners and other key parties to improve our SD performance.



Partners

**2022 Progress** Suppliers Tenants Customers  
Residential Owners, Occupiers and Serviced Apartment Residents

Our SD 2030 Strategy focuses on working with all our partners to achieve our SD objectives, including suppliers, tenants, customers, residential owners and occupiers, as well as governments, NGOs and joint venture partners.

## 2022 Progress

With 24 representatives from different functions within the Company, the composition of our Partners Working Group reflects our commitment to engaging with as many partners as possible, including local partners in all places where we have a significant presence.

In 2022, we conducted a review of our Supplier Code of Conduct (“SCoC”) to ensure alignment with global best practices in terms of supply chain working conditions, fair and respectful treatment of employees and business ethics that are material to the business of Swire Properties.

We continued to work closely with our partners and began making progress towards our [2025 and 2030 KPIs](#). Our progress this year is summarised in the table below.

### Progress Summary Table



#### Suppliers



#### Monitoring (Compliance)

**2025 KPI**

- Maintain **100%** implementation of the SCoC in all portfolios

**Progress Updates in 2022**

- It is now standard practice to require that all suppliers in Hong Kong, Chinese Mainland and Miami, U.S.A. comply with the SCoC.
- In 2022, we conducted an annual supply chain risks assessment of over **300** of our Tier-1 suppliers.

#### Driving Impact

**2025 KPI**

- 25%** of products and services purchased for wholly-owned new and existing investment portfolios shall be sustainable

**Progress Updates in 2022**

- In 2022, **17%** of the products and services purchased were sustainable.



Partners

2022 Progress    Suppliers    Tenants    Customers  
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Contractors Health and Safety

2025 KPI

- Reduce 5-year rolling average of accident rate per 1,000 contractor workers<sup>10</sup> in our Hong Kong development projects by **50%**

Progress Updates in 2022

- Achieved a reduction of **64%** in accident rate



Tenants

Tenant Engagement

2025 KPI

- **50%** of office tenants in wholly-owned portfolios<sup>11</sup> to sign the Green Performance Pledge to jointly improve environmental performance by 2025

Progress Updates in 2022

- In 2022, **52** tenants signed the Green Performance Pledge, representing **37.9%** of our office tenants in Hong Kong.
- In December 2022, we launched the Green Performance Pledge pilot in the Chinese Mainland.

<sup>10</sup> Using 2015-2019 (5-year average) as baseline. Accidental rate represents the number of reportable accidents per 1,000 contractor workers. It is calculated as the total number of reportable accidents multiplied by 1,000 and then divided by average daily number of contractor workers on-site.

<sup>11</sup> Measured by occupied lettable floor area ("LFA") of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui Guangzhou.



Partners

2022 Progress **Suppliers** Tenants Customers  
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## Suppliers

We work closely with a wide range of suppliers, including architects, designers, consultants, service providers, contractors and vendors. These engagements impact the implementation of our SD 2030 Strategy in several dimensions, including [occupational health and safety](#), [waste](#), [long-term decarbonisation](#) and [building/asset investments](#).

### Supply Chain Profile

#### Number of suppliers, by geographical region

(as at 31 December 2022)



**~2,100**

Hong Kong



**~2,300**

Chinese Mainland



**~400**

U.S.A.



**~100**

Southeast Asia Region

The suppliers mainly include following categories: construction, engineering services, utilities, cleaning, operational services (e.g. IT, HR & Admin, Marketing).

GRI  
2-6

HKEX  
KPI B5.1



Partners

2022 Progress **Suppliers** Tenants Customers  
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### Supplier Code of Conduct

Swire Properties' [Supplier Code of Conduct](#) ("SCoC") sets out the minimum standards and practices for our suppliers relating to legal and regulatory compliance, environmental protection, health and safety, labour practices, and other areas. This policy extends to subcontractors working on projects for Swire Properties.

In 2022, we revised the SCoC to include modern slavery, and provided more details around the definition of child and forced labour.

Under the revised policy, no person who works for Swire Properties can be below 16 years of age and below 18 years of age for employment at night, unless they are part of a recognised professional apprenticeship programme. To ensure proper respect for human rights throughout our business, including our supply chain, we require that all our suppliers not to use any form of forced labour, which now includes imprisoned, indentured, bonded, military or slave labour. Physical punishment, threats of violence or other forms of physical, sexual, psychological or verbal abuse should not be used.

The definitions around D&I were expanded to include age, gender, gender orientation, sexual orientation, relationship, family status, disability, race, ethnicity, nationality and religious or political beliefs.

The expectations around compensation and working hours were strengthened. We expect suppliers to provide their employees with written and understandable information about their conditions of employment, with respect to wages and working hours, before they enter employment and be paid regularly and on-time.

A section on whistleblowing was also included to allow the reporting of misconduct.

In addition to encouraging our suppliers to have their own supplier codes of conduct in place, we require that all our suppliers adopt and implement policies and procedures that prevent bribery, corruption and fraud in their own operations. Suppliers that fail to comply fully with our SCoC risk termination of their contracts, subject to the contractual terms therein, and removal from our approved contractors list.

We utilise an e-Contractor List Management System, providing a framework to monitor the performance of technical service providers and handle any disciplinary issues. Service providers are now required to perform well in five areas – health and safety, environment, procurement, management, and quality – or risk disciplinary action.

The relevant SDG is:



**SDG 12**

Ensuring sustainable consumption and production patterns.

**GRI**  
308, 414

**HKEX**  
Aspect B4, B5  
KPI B4.1, B4.2, B5.2



## Partners

2022 Progress

**Suppliers**

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### Supplier Compliance Monitoring

We work closely with our suppliers to collect accurate and up-to-date information about their environmental, social and governance practices and performance.

Our e-Contractor List Management System is integrated with our vendor requisition process in Hong Kong and the Chinese Mainland. This automated platform facilitates supplier selection, management and performance analysis and allows for timely updates of supplier information.

For new suppliers to be included on the list of approved contractors, they must first complete self-assessment questionnaires to confirm that they have appropriate policies and systems in place to comply with our SCoC. We monitor the compliance status of suppliers on our approved contractors list on an ongoing basis. In addition to requesting regular self-assessments, we may also undertake supplier site visits, request that our suppliers obtain independent certification in accordance with internationally recognised standards, and submit environmental and health and safety management plans for our internal review.

We continuously refine our performance management system for technical services providers. Any act of non-compliance or malpractice in the areas of health and safety, environment, procurement, quality and site management is recorded, and the technical provider will be subject to disciplinary action.

In 2022, we conducted a comprehensive risk assessment of over 300 Tier-1 suppliers, identified as either critical suppliers, high-volume suppliers, high-spending suppliers or non-substitutable suppliers, to confirm their compliance with our SCoC and that there were no violations of human rights issues. These suppliers are based in Hong Kong, the Chinese Mainland and the U.S.A., and together they contributed to more than half of our procurement spend in 2022.

According to our findings, none of these suppliers were considered “high risk” under our Enterprise Risk Management System (“ERM System”). There were also no incidents of human rights violations identified across our operations in 2022.

Since 2021, our technical services and sustainable development department has conducted on-site inspections for selected technical contractors in Hong Kong. These inspections are essential to fulfilling our ISO 14001 environmental management system requirements. In 2022, no non-compliance or malpractice incidents were recorded during the on-site inspections. Through these inspections, several opportunities for continual improvement were identified and we are communicating with the responsible parties to initiate follow-up actions.

#### GRI

308, 403, 414

#### HKEX

Aspect B4, B5  
KPI B4.1, B4.2,  
B5.2, B5.3



## Partners

2022 Progress

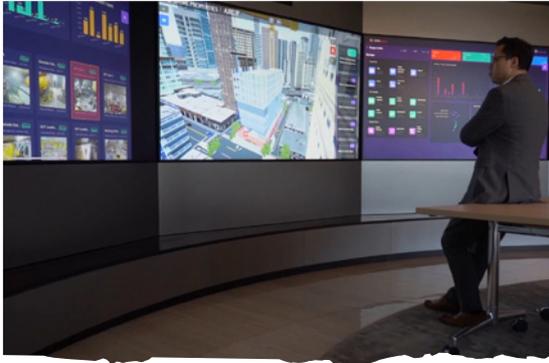
**Suppliers**

Tenants

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### Smart Construction CONDUCTOR System



In 2022, as part of our wider ambition to drive and adopt smart safety construction and digitalisation at our projects, Swire Properties worked with a consultant to develop and adopt the innovative CONDUCTOR smart construction system during work on our Six Pacific Place project. CONDUCTOR is a dedicated tool that allows users to monitor multiple construction data streams and multiple construction sites simultaneously, greatly enhancing efficiency, task management and safety.

CONDUCTOR uses data drawn from a variety of tools and applications to provide holistic smart construction support to the project team. These include various task management applications, Internet of Things (“IoT”) sensors, AI video analytics, smart helmets, smart watches, and more. In addition to providing real-time data and monitoring, the system also facilitates cross-site performance comparisons and enable performance benchmarking over time.

CONDUCTOR was piloted on the Six Pacific Place project and was recognised with a 2022 CIC Construction Innovation Award organised by the Construction Industry Council.

### Green Site Office for Taikoo Li Xi’an



Before commencement of construction work by the main contractor, the archaeological excavation is being proceeded now. A series of SD initiative related measures facilitating a green site office have been enforced as described as follows:

- Recycling of 7,000 bricks from the existing site wall were reused to erect hoardings which aesthetically match the site surrounding.
- Solar panels for lighting and charging pillars for electric car are used on-site.
- Staff are encouraged to reduce water consumption, while food wastes are collected to become fertiliser for farming after treating.
- Part of the site has been arranged as a small farm, where nearby residents can be invited to participate in farming to raise their awareness of the importance of environmental protection.



Partners

2022 Progress **Suppliers** Tenants Customers  
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### Sustainable Procurement

As part of our sustainable procurement strategy, since 2015 Swire Properties has been implementing environmental procurement guidelines in accordance with the ISO 14001 Environmental Management System. This system tracks our consumption of office supplies, building services equipment and building materials that meet specific environmental criteria – such as whether the products have been certified or accredited by reputable, independent third parties. We use this data to evaluate our sustainable procurement performance and identify further opportunities to source more sustainable products.

Beginning in 2020, we expanded our procurement of green products and services to include sustainability-related products and services, including expenditures on promoting safety, health and wellbeing in our properties and new developments.

In addition, we also track our consumption of specific construction materials used in projects under development, such as timber, concrete and reinforcement bar. This allows us to benchmark our consumption of these materials and their environmental impact during the construction of new developments.

We have been a member of the Hong Kong Green Purchasing Charter of the Green Council since 2013 and a member of their Sustainable Procurement Charter since 2018.

We were the first real estate developer in Hong Kong to introduce low-carbon specifications for new developments, detailing such specifications for concrete, reinforcement bar and structural steel. These specifications have now been adopted into the main contract for a new development in Hong Kong.

Cityplaza and Citygate Outlets were recognised with Excellent Green Product Advocator Awards at the Hong Kong Green Shop Alliance Awards 2022. These awards were given to both malls for contributing to a greener retail environment through the adoption of green products.

Since 2021, we have worked with Tsinghua University to explore the availability and use of low-carbon building materials in the Chinese Mainland.

To facilitate the low-carbon transformation of our supply chain, we also regularly share our considerable experience with contractors and building material suppliers in the real estate and construction industries through publications, presentations at conferences and other channels. The aims are to collaborate with our supply chain partners to innovate low-carbon best practices, and to catalyse the greater general availability of low-carbon building materials.

The relevant SDGs are:



**SDG 12**  
Ensuring sustainable consumption and production patterns.



**SDG 13**  
Taking urgent action to combat climate change and its impacts.

**GRI**  
301  
**HKEX**  
Aspect A2  
KPI B5.4



## Partners

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### Sustainable Procurement for Hong Kong and the Chinese Mainland in 2022



**HKD1,477 million**

Total value

**17%**

of total procurement spend

### Green Procurement at Two Taikoo Place and Six Pacific Place



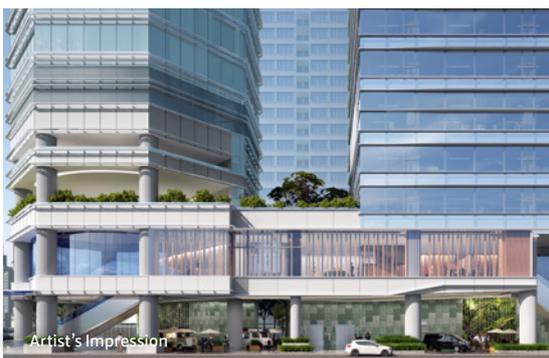
Two Taikoo Place and Six Pacific Place have established a “whole lifecycle carbon” management approach which addresses both embodied carbon and operational carbon. Part of this vision involved the use of green procurement during the construction stage of the project.

The green building materials procured include:

#### Two Taikoo Place

- Nearly 100% of concrete used is Platinum-certified under the Construction Industry Council (“CIC”) Green Product Certification.
- Structural steel and rebar have high recycled content and are manufactured by the electric arc furnace (“EAF”) process.
- All gypsum blocks used are Platinum-certified under the CIC Green Product Certification.
- Forest Stewardship Council (“FSC”) or Programme for the Endorsement of Forest Certification (“PEFC”) certified timber used in temporary works.
- Platinum-grade chillers certified under CIC Green Product Certification.
- Low-volatile organic compound (“VOC”) and chlorofluorocarbon (“CFC”)-free paints, coatings, adhesives, sealants, flooring, insulation and furniture were purchased during the interior fit-out stage.

#### Six Pacific Place



- FSC and PEFC certified timber adopted for both temporary and interior works.
- As at 31 December 2022, procured more than 23,000 tonnes of concrete which are Platinum-certified under the CIC Green Product Certification.
- Procured rebar which are Platinum-certified under the CIC Green Product Certification.
- All fan coil unit procured with CIC Green Product Certification.



## Partners

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### A Sustainable Timber Deck at Three Pacific Place



After being in use for 16 years, the wooden deck and stone benches in the Star Street Plaza and Queen's Road East Plaza in front of Three Pacific Place needed a revamp. Instead of demolishing them and building new ones using fresh materials, with the old materials sent to landfill, Swire Properties prioritised recycling as many existing elements as possible.

The deck's timbers were recycled and reconstituted into a more durable wood-plastic composite ("WPC") deck, with the entire process performed by a local vendor. Meanwhile, sandstone panels from the external façade of the Pacific Place Mall were replaced after over 10 years of service. These were transformed into reconstituted stone benches and tables with all suppliers being local companies.

The project is an excellent example of closed-loop recycling and is a ground-breaking project for WPC usage in Hong Kong, since all the recycling, reconstitution and fabrication processes took place locally. We seek to incorporate sustainability into every facet of our business and establish long-term cooperative relationships with green supply chain partners, together transitioning to a low-carbon economy.

For more details, please refer to the project mini-site [here](#).



## Partners

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### Further Expansion of our Sustainable Sourcing Programme



We are committed to expanding our sourcing of sustainable materials across all areas of our business. In 2022, we continued to make significant achievements in this regard, including:

Portfolio Management Offices and Facilities:

- Air handling units, paints and coatings, panel board and water pump with CIC Green Product Certification
- Toilet paper and printing paper certified by the Forest Stewardship Council (“FSC”)
- Office printing paper with 100% recycled content in our Hong Kong internal offices
- Biodegradable tea bags with certified organic tea

Hotel Operations:

- Sustainable seafood that meets guidelines set out by the WWF Seafood Guide or the Aquaculture Stewardship Council
- Plant-based meat alternatives on menus, helping to lower carbon emissions and reduce the ecological footprint of our operations
- Vegan, organic and biodynamic wines added to menus
- Coffee beans processed with solar power and packaged in biodegradable materials
- Bamboo material bathroom amenities
- Simplified packaging for room amenities such as removing paper boxes
- Toilet paper rolls replaced with 90-100% recycled fibre certified by FSC
- All office printing papers certified by FSC



Partners

2022 Progress **Suppliers** Tenants Customers  
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**Supplier Health and Safety and Smart Construction**

Working closely with all our partners to foster a strong health and safety culture is an integral part of Swire Properties’ commitment to Zero Harm. Beyond day-to-day operations and the management of existing properties, this culture also applies to our projects under development and all related construction sites.

In 2022, we continued to enhance the collection and public reporting of health and safety-related metrics and incident reports from our contractors which was introduced last year. This new approach allows us to track performance and enables us to work with our partners to develop strategies that improve on-site health and safety performance, ensuring that all our construction sites continue to be safe places to work. Our ambitious internal construction accident rate target is used to guide our efforts in this area.

Meanwhile, we continued to successfully adopt the use of innovative smart technology to eliminate safety hazards and improve overall safety during the construction stage at several construction sites in Hong Kong and the Chinese Mainland this year. This took various forms, ranging from using robotic technology to replace humans on more dangerous tasks, to issuing workers with smart devices to further enhance their safety on-site.

GRI  
403

HKEX  
Aspect B6

**Number of fatalities of contractor workers**



A contractor fatality is defined as a loss of life of a contractor or subcontractor employee as the result of an incident occurring when the contractor or subcontractor employees are conducting work for our Company.

**Lost Time Injury Rate of contractor workers at Hong Kong development projects**



The Lost Time Injury Rate (“LTIR”) represents the number of injuries per 100 contractor workers per year. It is calculated as “total number of injuries multiplied by 200,000 and then divided by total hours worked”. The factor of 200,000 is the annual hours worked by 100 contractor workers, based on 40 hours per week for 50 weeks a year.

**Accident rate of contractor workers at Hong Kong development projects**



The accident rate represents the number of reportable accidents per 1,000 contractor workers. It is calculated as “total number of reportable accidents multiplied by 1,000 and then divided by average daily number of contractor workers on-site”.



## Partners

2022 Progress

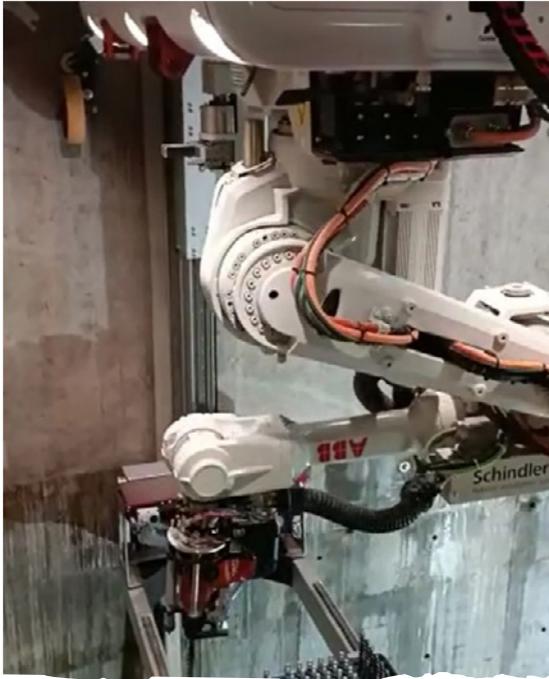
**Suppliers**

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## Swire Properties Invests in Next-Level Innovative Safety Initiatives



This year, Swire Properties increased our investment in cutting-edge technologies to increase construction site safety and reduce risks to workers.

Working at height and inside the confined space of lift shafts are among the high-risk activities on any construction site. In 2022, Swire Properties adopted three leading-edge safety innovations to significantly reduce these risks during the construction of EIGHT STAR STREET, Two Taikoo Place and Six Pacific Place, in addition to employing safety monitoring and a safety management systems.

The first innovation was the application of the scaffold-less lift installation method (“SLIM”) for the installation of passenger lifts at Two Taikoo Place. Traditional methods involves the erection of scaffolding within the lift shafts which serves as the working platform for the workers to install the various lift components. The scaffold-less lift installation method, on the other hand, is a much safer approach which eliminates the risks associated with workers having to physically climb up and down the scaffold. Workers are instead stationed on a motorised work platform which can be moved up and down the lift shaft.

The first innovation was the application of the scaffold-less lift installation method (“SLIM”) for the installation of passenger lifts at Two Taikoo Place. Traditional methods involves the erection

Six Pacific Place also significantly improved construction safety with the deployment of the automated Robotic Installation System for Elevators (R.I.S.E.) – the first use of this system in Hong Kong. Developed by a lift manufacturer, this robotic system conducts repetitive high-risk work such as drilling holes and setting anchor bolts within lift shafts automatically. This minimises the number of people inside the lift shafts, further reducing the possibility of accidents or injuries when compared to traditional installation methods.

In addition, during the final phases of construction at Two Taikoo Place, an automated robotic system was used to perform a potentially dangerous task: the field water tests of the curtain wall system. These tests, undertaken at height, ensure that windows and other glass installations are waterproof. Using a robot for these tests eliminates the need for people to work at height, reduces human error and improves safety.

We also used smart safety helmets for the workers, equipped with headlights and temperature and heartbeat sensors. The helmets are connected to an IoT network and sends out an alert when abnormalities are detected. This enhances communication and emergency management and further protects workers. Smart watches, AI-based analytical CCTV, IoT sensors and a full-coverage 5G mobile network at Six Pacific place also provided further technological safety aids.



## Partners

2022 Progress

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### Smart Safety at our Chinese Mainland Renovation Sites



Beginning in June 2022, an AI smart site safety monitoring system was set up at the renovation project site at Sino-Ocean Taikoo Li Chengdu to monitor the workers' safety-related behaviour including smoking and the non-wearing of safety helmets. The system is equipped with a local speaker that warns workers and automatically sends alerts to the management team. In addition to enhancing safety management and preventing accidents, the system also allows construction site management tasks to be conducted remotely.

This system has since been rolled out at construction sites at our Taikoo Li Sanlitun and Taikoo Hui Guangzhou properties. It can be configured to detect any pre-defined safety-related issues and provide real-time alarms – thus providing site-specific ways to improve the efficiency of safety supervision, reduce unsafe behaviour and visibly demonstrate effective management and the high standard of Swire Properties' contractor safety requirements.



## Partners

2022 Progress

**Suppliers**

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## Six Pacific Place Wins Multiple Site Safety Awards



Six Pacific Place won several safety awards at the 28th Considerate Contractors Site Award Scheme, organised by the government's Development Bureau and the Construction Industry Council. At the awards, Six Pacific Place was showcased as an example of good site safety practices and safety innovations, which included:

- CONTRACTOR, a smart construction management platform which integrates different hardware and software applications, mentioned earlier in this section.
- CCTV cameras with AI video analytics to detect unsafe behaviour or dangerous situations such as not wearing personal protective equipment ("PPE") properly, entering a potentially dangerous area, and fall, smoke and fire detection.
- Smart helmets that monitor health-related parameters such as body temperature and heart rate for workers in high-risk areas such as lift shafts.
- Indoor environment quality sensors that continuously monitor site environmental metrics such as PM2.5, temperature and humidity. Alerts are sent to the site management team if abnormal conditions are detected.
- The use of building information modelling ("BIM") to review high-risk site activities, mentioned earlier in this section.
- VR training provided to workers to ensure they fully understand safe working procedures.

The awards won were:

- Safety and Environmental Excellence for New Works Contracts – Gold
- Considerate Contractors Site Awards for New Works Contracts (Group B) – Gold
- Outstanding Environmental Management and Performance Awards – Silver



## Partners

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Residential Owners, Occupiers and Serviced Apartment Residents

## Tenants

Swire Properties works closely with our commercial tenants to help them integrate sustainability practices into their operations throughout the lifecycle of their tenancies. Our SD 2030 Tenants subgroup – made up of representatives from our portfolio management teams and the technical services and sustainable development department – meets regularly to develop and enhance our tenant engagement efforts on sustainability. Sustainability is a regular agenda item incorporated into internal leasing and management meetings.

Since 2015, we have worked with a number of our office tenants at Taikoo Hui Guangzhou to implement a variety of sustainability initiatives under our Green Pledge Programme. Based on the same goals as that programme, in 2021 we launched a pilot of our Green Performance Pledge (“GPP”), a performance-based agreement that acts as a blueprint for our landlord-tenant partnerships, providing a roadmap to show our tenants how they can contribute to a more sustainable world. The pilot attracted significant interest and numerous requests for both new and existing tenants. Our 2025 KPI is to have 50%<sup>12</sup> of our office tenants sign this pledge.

The GPP was formally rolled out in July 2022 in our Hong Kong properties, with a pilot programme launched in our Chinese Mainland properties December this year.

We also continued to train our general managers and colleagues from management offices at our Hong Kong and Chinese Mainland portfolios to help ensure that all teams are engaged in the Company’s SD goals and offer our value-adding SD programmes to our tenants. The one-stop resource hub on the Company’s intranet continued to support our efforts in this area through 2022, allowing colleagues to access useful tools, courses and articles that support their sustainability-related conversations with tenants.

### Tenant Surveys Focus on Future Needs

In 2022, Taikoo Place conducted the final part of our three-phase customer mapping plan. Phase One was a tenant survey; Phase Two focused on understanding our customers’ physical usage across the portfolio and the unique needs of different customer archetypes; and Phase Three researched ways to create an open feedback loop with tenants to keep us continuously informed about changing tenant needs and preferences, allowing us to be more agile with decision-making and consequently enhance our offerings.

**HKEX**  
Aspect A3  
KPI A3.1

<sup>12</sup> Measured by occupied lettable floor area (“LFA”) of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui Guangzhou.



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## Tenant Engagement

### Environment

#### The Green Performance Pledge Builds Momentum



Officially launched in July 2022 in Hong Kong, the Green Performance Pledge (“GPP”) is a performance-based landlord-tenant partnership. Building on the basic premise of a green lease, the GPP covers the entire tenancy cycle in two core areas, fit-out and operation, focusing on creating a significant impact in terms of energy, water and waste reduction. This performance-based programme gives users access to an array of “green tools” and enhances tenant-landlord collaboration.

From the launch of the GPP pilot in August 2021 until 31 December 2022, 52 office tenants – representing 37.9% of occupied lettable floor area from the Company’s Hong Kong office portfolio (over 2.5 million sq ft) – signed up. Participants are from Taikoo Place, Pacific Place and One Citygate, and span a wide range of industries including banking and finance, legal, information technology and consumer brands. The GPP pilot also launched in our Chinese Mainland portfolio in December 2022. Swire Properties aims to engage 50%<sup>13</sup> of office tenants in Hong Kong and the Chinese Mainland in the GPP by 2025.

For new tenants fitting out their premises, or for existing tenants planning a renovation, the GPP includes a set of “SD Fit-out Technical Guidelines”. Featuring user-friendly templates, the guidelines cover office design tips, as well as a validation and recognition system to improve energy and water efficiency, reduce waste and enhance employee wellness.

Under the operations portion, tenants can make use of various tools and methods of support available to guide them while they improve the sustainability of their operations. Highlights include performance benchmarking and action planning, data sharing, tailored SD offerings including free energy audits and smart water meters, access to pioneering green technologies such as Hong Kong’s first smart waste reduction monitoring system, networking opportunities, and recognition for exemplary environmental performance.

By encouraging tenants to elevate their SD performance, the GPP is also helping the Company meet its Scope 3 emissions reduction target of 28% per sqm for tenants by 2030 (against a 2018 baseline) under the science-based targets.

<sup>13</sup> Measured by occupied lettable floor area (“LFA”) of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui Guangzhou.



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### The GPP Awards Ceremony 2022



In September 2022, the Company held the GPP Pilot Awards Ceremony, a celebration for our ground-breaking GPP pilot tenants. We shared GPP pilot results, presented awards and held an experience-sharing session about best practices with our pilot tenants. More than 30 guests from 10 participating tenant companies took part in the ceremony.

Of the 13 pilot tenants, eight amassed “green points” in the operations portion of the GPP for sharing SD data and reaching specified performance goals. They were recognised with Platinum, Gold, Silver or Member awards. Five tenants also participated in the fit-out and renovation portion of the GPP, collecting “seed points” for adopting sustainability and wellness features. These tenants were recognised with “Three Seed”, “Two Seed” or “One Seed” ratings.

### GPP tenant case studies

#### Fit-out

One of our tenants followed our “SD Fit-out Technical Guidelines” and achieved outstanding results for their office:

- 52% of existing office furniture was reused
- 43% improvement in pantry faucet water efficiency
- Five types of recyclables were collected, including glass bottles and food waste
- An overall reduction in electricity use intensity of 21% compared to the tenant’s previous premises

#### Operations

As part of the GPP, one tenant participated in Swire Properties Smart Metering Pilot Programme, monitoring energy use by time and by zone in their office premises. They discovered that almost half of their total electricity was consumed outside office hours. The tenant removed underused equipment, which led to a 9.3% reduction in electricity use in two communal areas between October 2021 and June 2022, and began exploring more efficient management of lighting and server equipment to further improve energy savings. This tenant also took part in Swire Properties’ [2021 Smart Waste Reduction Challenge](#), reducing total waste per employee by nearly 19% between July 2021 and January 2022.

Another tenant joined our free energy audit programme, aiming to improve energy performance in their offices, with the main focus being lighting, office appliances and heating, ventilation and air conditioning (“HVAC”) systems. The audit identified energy management opportunities of over 27,000 kWh that could be achieved through lighting retrofits, the use of daylight sensors and better overall equipment management.



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### The Green Kitchen Initiative 2.0



Launched in 2017, Swire Properties' Green Kitchen Initiative is a platform that allows portfolio management teams and tenants to have sustainability conversations before fit-out and renovation projects commence, allowing both sides to collaborate on reducing energy and water usage and improving air quality and waste management – thus enhancing the sustainability performance of food and beverage outlets across our portfolios.

Given the Green Kitchen Initiatives' durable success and popularity, in 2022, we upgraded the scheme, rolling out the Green Kitchen Initiative 2.0. This includes several prerequisites for receiving the Green Kitchen Award, such as incorporating LED lights, flow controllers and food waste recycling.

As of the end of 2022, 76 tenants across our Hong Kong and Chinese Mainland portfolios have received Green Kitchen Awards, with 24 being new to the programme in 2022. Six tenants received the Gold Three Leaf Award during the year - a special mention for the best performing tenants in the scheme.

Examples of initiatives introduced by these winning tenants include:

- Putting in place demand-controlled or variable-speed exhaust systems to reduce kitchen exhaust fan energy use and associated cooling and heating costs.
- Installing dishwashers, steamers and refrigerating appliances with a heat recovery function.
- Selecting highly energy-efficient cooking equipment.
- Setting up food waste recycling and recycling facilities for items like glass bottles, beverage cartons, coffee grounds and polyfoam boxes.
- Adopting exhaust systems with high purification efficiency.
- Introducing smart systems to streamline production processes to prevent or even eliminate unnecessary waste.

An analysis of the key impacts of the Green Kitchen Initiative at our EAST Hong Kong hotel's FEAST restaurant between the second halves of 2019 (before renovation) and 2021 reveals a strong positive impact, including:

- 6% reduction in electricity usage (excluding air conditioning)
- 31% reduction in town gas usage
- 19% reduction in water consumption



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### The Loop and Urban Farm Programmes

Launched in 2017, The Loop is our SD exhibition centre in Devon House at Taikoo Place. The Loop features a recycling centre, food waste composter, “eco-art” installation and edible garden, among other exhibitions. The 4,000 sq ft space encourages tenants and the wider community to “close the loop” by incorporating sustainable practices into their business operations and daily lives.

In July, INDIGO in Beijing also unveiled The Loop – a multipurpose space to engage employees, tenants and business partners on SD initiatives.

There has also been a renewed focus on urban farming during the COVID-19 pandemic. In 2021, we extended The Loop’s urban farming and community engagement concept to other properties across Hong Kong in partnership with Rooftop Republic, a social enterprise focused on urban farming.

This year, One Pacific Place became the fifth space under our “The Loop” concept, providing over 1,600 sq ft of urban farm area.

**In 2022, our five urban farms in Hong Kong**

<p>Produced <b>6 varieties</b> of crops</p>	<p>Harvested <b>~500kg</b> of crops</p>
<p>Donated <b>~275 kg</b> to Feeding Hong Kong</p>	<p>Engaged <b>&gt;1,350</b> participants</p>

### The Loop at Citygate



Launched in June 2021, The Loop at Citygate has created the opportunity for all 19 One Citygate office tenants to experience farming in an urban context. During the four farming seasons in 2022, office tenants cultivated a dozen types of herbs and vegetables, enjoying their harvest when the crops were ready. This urban farm employs strict organic farming practices without using any industrial or conventional chemical fertilisers or pesticides.

The Loop at Citygate has rejuvenated the rooftop area, become a relaxing place where the participants can get close to nature, and supported local arts and culture through the commission of a farm-themed mural on the rooftop. Overall, the farm is another example of Swire Properties’ community-building efforts and our work to improve the wellbeing of our employees and our office tenants.



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### The Loop at One Island East, Taikoo Place



The One Island East rooftop farm is located 300 metres above ground. Originally a space dedicated to building maintenance, since 2021, over 300 sq ft of the rooftop has been turned into an urban farm with 50 planters for seasonal greens and herbs. A food digester machine and composting tumblers have also been set up to convert office tenants' food waste into compost to fertilise the farm.

### The Loop at One Pacific Place



In November 2022, Swire Properties launched The Loop at One Pacific Place in partnership with the building's anchor tenant. This newest Loop will grow 28 types of crops throughout the year and will also repurpose food waste collected from the tenant's offices into compost for the farm, demonstrating the power of cross-industry efforts and landlord-tenant collaboration in driving sustainability in the workplace.

### The Loop at South Island Place



Launched in 2021, this sky farm runs a regular Farm Club which engages 66 office workers in urban farming programmes and events, and harvesting almost 26kg of produce by the end of September 2022, 21kg of which was donated to a local food charity.

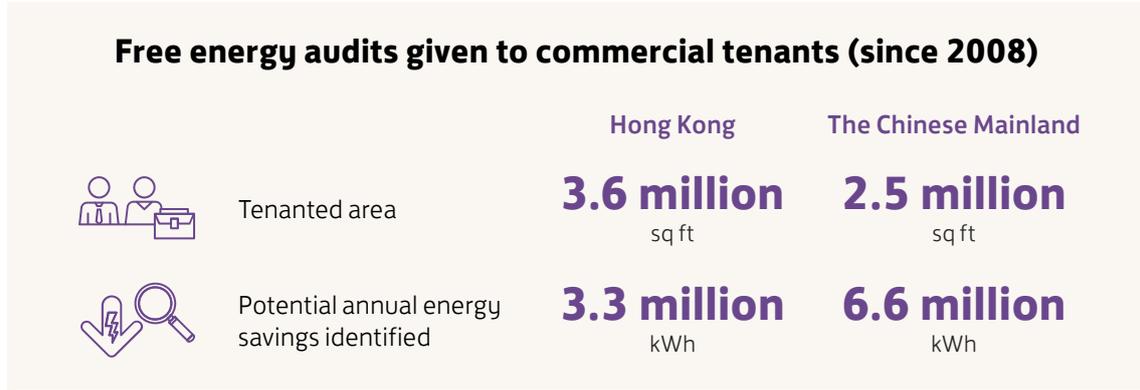


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**Energy Audits**

In 2022, we continued our long-running initiative of conducting free energy audits for our tenants to help them identify energy-saving opportunities.



**Hong Kong Green Shop Alliance**



Swire Properties was the first real estate developer to support the Hong Kong Green Shop Alliance (“HKGSA”), established by the Construction Industry Council and the Hong Kong Green Building Council in 2016 to promote sustainability initiatives in the retail industry through landlord-tenant collaboration. This year, our leadership in this field was again recognised as we won several major accolades at the 2022 HKGSA Awards:

**Special Citation on Carbon Neutrality:**

- Given to Swire Properties for our 1.5°C-aligned science-based targets, our strong commitment to achieving net-zero before 2050 and our continued implementation of decarbonisation strategies covering Scopes 1, 2 and 3 at both corporate level and at our shopping malls.

**Best Green Practice in Malls category:**

- Citygate Outlets – Bronze Award, given for our innovative energy-saving solutions and facilities, and initiatives that help tenants save energy and reduce waste.

**Best Collaborative Effort of Malls and Shops category:**

- Cityplaza – Best Tenant Partner Award, given in recognition of our engagement initiatives and resource sharing that have helped tenants save energy and reduce waste and promote sustainable development to their sublet tenants.

**Excellent Green Product Advocator Award:**

- Citygate Outlets
- Cityplaza



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Digitalisation



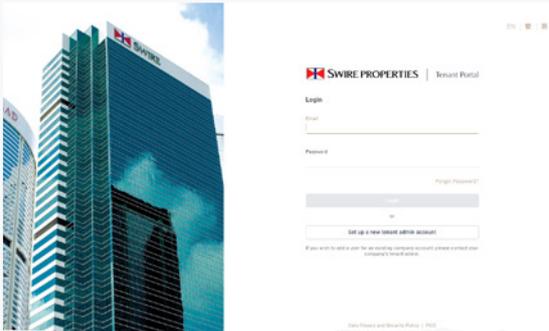
As part of our commitment to innovation and experimentation, Swire Properties’ ongoing digital transformation aims to improve digital connectivity, incorporate cutting-edge technologies, create efficiencies and cost savings, and reduce waste across our operations.

As a measure of the success of this transformation, this year we received the highest level of certification from two global digital connectivity benchmarks: WiredScore, which assesses the

ability of a building to meet the needs of the modern office tenant; and SmartScore, which certifies best-in-class smart buildings that deliver a fully integrated user experience through a modern, digital platform to improve efficiency and are fully future-proofed to meet the highest standards of sustainability.

Taikoo Place and Pacific Place are now the first WiredScore-certified portfolios in Hong Kong, with 15 commercial buildings certified, while Two Taikoo Place and Six Pacific Place are the first buildings in Hong Kong to be both WiredScore and SmartScore Platinum certified – this is an impressive achievement, as only 0.6% of buildings assessed by these schemes have globally obtained a Platinum rating.

Tenant Portal



Our tenant portal is a website through which our tenants can make facility management requests, view e-debit notes and circulars, and get in touch with the administration and other important contacts. After making a request, work orders are automatically generated. This digitised process reduces paper use and saves data input time.

In 2021, new features were added to the portal, including the piloting of a facilities maintenance

feature at Taikoo Place which offers a digital alternative to submitting and tracking facilities maintenance requests. All requests made through the system are logged and can be reviewed at any time.

The tenant portal is now accessible to all office tenants and retail tenants. In 2022, we began to develop an upgraded version of the tenant portal which incorporate new features to capture tenant's energy and waste data and track performance against the GPP. Features related to the GPP will be progressively enhanced to support data sharing, benchmarking and gamification.

Representatives from our information technology department, technical services and sustainable development department and portfolio management teams meet regularly to ensure that the portal meets evolving tenant engagement and sustainability needs.



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### Smart Resource Conservation through Technology



2022 saw an increase in the use of smart technology throughout our properties. We continued working with three tenants on the Smart Power Metering System pilot programme that is allowing landlords and tenants to continuously review energy consumption patterns, identify potential energy savings and drive behavioural change.

To promote water efficiency and raise awareness about the importance of conserving water, we completed the installation of wireless water sub-meters for office tenants in Taikoo Place and Citygate, and began installation works in Pacific Place. In Taikoo Place, we also began to proactively help tenants review the efficiency of their water fittings and make simple retrofits to reduce their faucets' flow rate.

While waste measurement usually involves manual weighing and recording, we continue to embrace emerging technologies that can digitalise the waste data collection process. In 2021, with the support of the Swire Pacific SD Fund, we launched the [Smart Waste Reduction Challenge](#), where smart scales are retrofitted underneath bins inside tenants' premises to collect waste data. In 2022, the Challenge welcomed more tenants. In parallel, we also began a Smart Mobile Scale Pilot programme, in which cleaning contractors are provided with a designated cloud-connected scale with which they weigh and record tenants' waste in the back-of-house area.

We will continue to identify, evaluate and expand approaches that promote data sharing and help all parties cut down on energy, water and waste in the hopes of deepening collaboration with our tenants.



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### Social and Wellness

#### +UP! Better Living Pop-ups



Taikoo Place held new versions of its popular “+UP! Better Living Pop-ups” events campaign at its multipurpose space ArtisTree in October and November 2022. The series of wellness-inspired programmes was curated to introduce the idea of a “work-life balance lifestyle” to people working in the Taikoo Place community by providing the support they need to relax and restore themselves both physically and mentally. These events are part of placemaking efforts that create unique

beyond-the-office experiences by harnessing the power of workplace wellbeing. These events included:

- A wellness pop-up at ArtisTree offering a range of self-care-focused lifestyle products including organic fashion items, haircare, candles, incense and herbal drinks.
- A “Sounditation Journey” that combined visual arts, healing sounds and meditation conducted by a local renowned singing bowl artist that offered one-of-a-kind “sounditation” experience in an immersive multimedia setting.
- A series of fitness classes including yoga, pilates and high-intensity full-body workout sessions designed to help people create personal fitness regimes to build muscle strength and release everyday stress.
- Two Corporate Wellness Challenge events – a two-day inaugural Indoor Golf Tournament and the 8-Hour Charity Spin. Both events aimed to build community spirit and create positive, healthy workplaces and carry a charity cause to support mental health and well-being. Our Taikoo Place tenant partners gave a strong show of support to the events. Over HKD500,000 was raised, of which HKD350,000 was donated by Swire Properties.



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### One Citygate Tenants Wellness X ESG Programme



The One Citygate Tenant Wellness X ESG Programme workshops, launched in 2022, aimed to raise awareness of sustainable development and build a community for One Citygate employees and tenants. Four workshops were held during the year.

In May, the “Rooftop Yoga for Office Workers” workshop was co-organised with several office tenants and our SD partner, which sponsored free yoga mats tailor-made from recycled plastic. Employees from four offices took part.

In July, the “Craft Coffee Workshop” was held with participants from six offices who tasted various specialty coffees and learnt how to hand brew coffee, with the Q grader instructor (a certified coffee professional) and assistants coming from a non-profit organisation that trains underprivileged young people to become professional baristas.

August marked an underwater clean-up diving event, in which 19 participants from six different offices took part in a “ghost net hunting dive” to clean up underwater trash in Sai Kung. Participants learnt about marine environmental protection and extracted a large ghost net – these are abandoned fishing nets that drift through the water, causing harm to marine biodiversity.

In December, to celebrate Christmas and wrap up the year, we held a whisky tasting workshop for One Citygate tenants. Forty participants gathered at the Pavilion bar in the Silveri Hotel and enjoyed several types of whisky from around the world presented by a professional mixologist. After the workshop, our tenants enjoyed casual networking time with each other over snacks and drinks.



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## Project After 6



Launched in 2014, PROJECT AFTER 6 is an engagement programme that strengthens connections between office workers by bringing art, music and entertainment into their work environments and tapping into their unexplored talents. The programme helps cultivate a pleasant, cohesive working environment and creates positive impacts for our tenants and their employees, leading to a more integrated community and greater business success.

The 2022 version of PROJECT AFTER 6 saw Taikoo Place host five consecutive days of exclusive mini-music concerts at ArtisTree. This year's programme aimed to have celebrities share their love and experience of on-stage performance with our tenant performers. Themed "Share the Light, Share the Stage", we encouraged PROJECT AFTER 6 alumni from past years to act as mentors for this year's new musicians.

After online auditions were held for Taikoo Place tenants, 15 shortlisted musicians were selected to perform with 10 celebrity singers and groups. The concerts proved to be popular as usual, with all tickets selling out within five hours of the promotion being announced. Over 1,100 tenants from 71 companies attended, with social media reach extending to 2.2 million people.

This year's PROJECT AFTER 6 reinforced Taikoo Place's placemaking commitment, further deepened our already-strong landlord-tenant relationships and encouraged work-life balance in the Taikoo Place office community.



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## Customers

Swire Properties seeks to continuously improve our services and offerings. To do this, we must understand our customers' needs, and feedback is a vital part of this understanding. In 2022, our research programmes continued to provide us with invaluable data which will be analysed and used to further refine the customer experience and our market positioning.

### Privacy Policy

We are committed to protecting the privacy of our customers. Our Privacy Policy covers our operations in Hong Kong and the Chinese Mainland. This policy on data management and protection provides guidance on the handling of personal data, including that of our customers, throughout the data lifecycle and will be updated from time to time to ensure compliance with the relevant laws and regulations.

Under the Privacy Policy, our employees are required to comply with internal guidelines covering the collection, processing, transfer, retention and disposal of personal data.

**GRI**  
418

**HKEX**  
KPI B6.5

### Retail Customers

We obtain valuable feedback from customers visiting our major retail properties through annual customer surveys and our Mystery Shopper Programme ("MSP"). We conduct three types of marketing research: annual shopper behaviour and branding research; the MSP; and a luxury shopper programme in the Chinese Mainland.

### Annual Shopper Behaviour and Branding Research

Our 2022 shopper behaviour and branding research programme was carried out in all nine malls in Swire Properties' portfolio, beginning in Q3 of 2022. Carried out by a research agency, the research programme consists of qualitative and quantitative studies, designed to identify shopper profiles, gauge customer behaviour, determine the presence and predisposition of mall brands, and understand customer needs in each of the malls. Results from the studies will help us gauge the performance of our malls and provide actionable insights for management teams.

In 2021, nearly 6,600 interviews and 2,500 online brand surveys were completed. The survey covered 100% of our major retail properties in Hong Kong and the Chinese Mainland and a number of their competitors. Over 97% of the response ratings were between "excellent" and "good".

Our new cycle of annual shopper behaviour and branding research programme is being carried out in all nine malls in Swire Properties' portfolio beginning in Q3 of 2022. The results will be available in mid-2023 and will be used to facilitate the long-term strategic planning processes at our malls.



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### Mystery Shopper Programme 2022

Our annual Mystery Shopper Programme (MSP) evaluates the performance of our customer service officers in our six Chinese Mainland malls by identifying their strengths and weaknesses of our CSOs and providing actionable recommendations for better customer service and experience.

When compared to the first MSP, the latest programme shows an overall improvement of 23.5% was accomplished by all our malls, reflecting our continuous dedication to enhancing the customer experience.

### Chinese Mainland City-level Luxury Shopper Study 2022

Performed by a consulting firm, Swire Properties' "Chinese Mainland City-level Luxury Shopper Study 2022" was carried out in the five cities in which we have operations, performing a deep dive into the thoughts and opinions of luxury.

Designed to inform our future strategies, the study had three parts – a customer research section, a benchmarking section against industry standards, and a section on future opportunities.

### INDIGO's Sustainable Development Studio at The Loop



In August, INDIGO opened its Sustainable Development Studio ("SD Studio") at The Loop, a multipurpose space where employees, tenants and business partners can host sustainability-related events such as meetings, workshops and mini-exhibitions.

Located in the lobby area that connects the office building, shopping mall and parking lot, the SD Studio adopts a similar design to The Loop, with sustainability-related mosaics, modular

furniture which can be easily stowed during multifunctional events, and fabrics made from recycled and repurposed materials from a previous exhibition.

The SD Studio has three main functional walls – a history wall, which charts INDIGO's sustainable development journey and green certifications; an educational material wall, showing how plastic, metal, glass and electronic waste products are recycled and upcycled; and a co-creative art wall to help inspire the public through inspirational green living-themed works.



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## Digital Customer Experience

### TAIKOO+ Mobile App Launch – Unlock Cross-portfolio Synergy



Launched in November 2021, the TAIKOO+ mobile app is a unified, “one-stop shop” platform designed to attract cross-mall registration and unlock cross-portfolio synergy. Covering three Hong Kong shopping destinations – Pacific Place, Cityplaza and Citygate Outlets – the app provides several member services through a single platform, with core services including loyalty programme enrolment, conversion of spending to points and rewards redemptions.

The TAIKOO+ app has performed Impressively thus far, yielding:

- A 352% growth in Cityplaza and Citygate Outlets shared membership.
- An overall increase in shared members at all three malls of 273%.
- A 56% engagement rate of Cityplaza loyalty members.
- A handling rate of more than 65% of Cityplaza and Citygate Outlets receipt uploads by the app – helping capture member data for analysis and increasing the operational efficiency of customer service counters.

### The “Personally Yours” Digital Game Campaign Launch



In the Chinese Mainland, Gen Z consumers are increasingly responding to personalised product marketing. To reach this large market segment, Swire Properties devised the “Personally Yours” digital campaign for our 50th anniversary. This new experiment in commercial real estate is a unique, proactive and integrated approach to customer engagement.



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“Personally Yours” brings to life new retail service concepts that connect people, goods and spaces. It facilitates private traffic marketing, enables brands to adopt targeted marketing and enhances the consumer experience through four key features:

1. “Creative ways to play” – The campaign invites customers into a digital world where they use a pioneering user-generated content (“UGC”) model to customise their own unique virtual avatars and obtain their own exclusive digital collectible for use in an engaging multiplayer game – a first for Swire Properties.
2. “Empowering brands to link virtual and real-world realities for targeted marketing” – brands can digitally showcase their products, creating online exposure which is then converted to foot traffic at physical stores. Through the game, online gameplay is connected to the in-store experience.
3. “Digital art augments the attractiveness of fashion” – the campaign includes digital art with physical products. In addition to making personalised images and virtual outfits, the campaign requested two artists to create 10 digital works of art inspired by our 50th anniversary theme. The participants were allowed to reuse these pieces to make their own digital creations.
4. “A whole new self image” – the campaign supports and encourages participants to use diverse and elaborate digital designs for their virtual avatars when adding fashion elements to their hair styles, facial features, expressions, and clothing.

By connecting the virtual and physical worlds, “Personally Yours” was more than an isolated marketing event – it became a sustained engagement and outreach initiative, a symbol of Swire Properties Creative Transformation ethos. As of 12 September 2022, the campaign had generated nearly RMB15 million in advertising value, and the “Personally Yours” game acquired over 220k interactions.

## HK1 CRM



We continued to rollout the customer relationship management (“CRM”) platform in 2022 at Swire Properties’ shopping malls in Hong Kong, which now covers Citygate, Cityplaza and Pacific Place. Designed to enhance shopping experience for customers and streamline processes for mall staff and management, the platform integrates customer information allowing for better management of customer loyalty programmes, including tiers, campaigns, rewards, redemptions and gifts. The platform is also speeding up rewards redemption and receipt verification time, reducing inventory error and providing advanced data analytics that allows for precision marketing.

In 2023, the team plans to expand the platform to include contactless car-parking services, digitalised valet parking and other incremental features that will enhance the customer experience and create further efficiencies.



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## Residential Owners, Occupiers and Serviced Apartment Residents

Swire Properties continues to develop residential projects in Hong Kong and in other locations. While some of these projects, such as WHITESANDS and ALASSIO, have been developed for sale, others, such as our Pacific Place Apartments and EAST Residences, continue to be managed by the Company. In 2022, we continued on our newest residential development, the EIGHT STAR STREET project located in Wan Chai's Starstreet Precinct.

### Enhancing Environmental Partnership with Residential Owners and Residents

In late 2020, Swire Properties reactivated our Residential Sustainability Taskforce, which encompasses the 21 residential properties that we currently own or manage. The taskforce's aim is to discuss and calibrate a unified approach towards SD issues for these properties.

In 2022, the taskforce coordinated on topics such as cleaning contractor management, SD data collection, preparations for municipal solid waste charging, enrolment into new government and NGO programmes, and the exchange of best practices.

Several projects were completed in 2022:

- All 21 estates participated in a detailed mapping of their electricity meters, water meters and waste recycling channels and began reporting electricity usage, water consumption and waste generation data in the Company's central SD data platform.
- Nineteen estates signed up to the Hong Kong government's GREEN COLLECT programme, a one-stop recyclables collection service for various low-value recyclables, including plastics, glass bottles, small electrical appliances, and others.
- One estate participated in a Municipal Solid Waste Charging Trial Scheme between May and October 2022, where 560 residents from four residential towers were encouraged to dispose of waste using designated garbage bags provided by the government and utilising the estate's recycling facilities.

### Ham Tin Villas – Connecting Residents with Nature



The newly renovated Ham Tin Villas on Lantau Island prioritise sustainability and connections with nature. Each house features a private garden ranging in size from 3,700 sq ft to 5,700 sq ft, while each master bedroom has access to an outdoor rooftop terrace.

The landscape design includes an aesthetically pleasing man-made creek which also absorbs runoff from heavy rain to prevent flooding. We also took pains to preserve the area's natural

heritage: a 100-year-old banyan tree and other trees and boulders were preserved and retained in their original positions, and all the plant species on the site are native to Hong Kong.



## Performance (Environment)

Swire Properties aims to continue to design, construct and manage high-quality developments that contribute positively to the environment and to the communities in which we operate.



## Performance (Environment)

**Policies**

2022 Progress

Profile of Environmental Impacts

Climate Change

Energy

Resource and Circularity

Water

Biodiversity

Occupant Wellbeing

Building/Asset Investments

Swire Properties aims to continue to design, construct and manage high-quality developments that contribute positively to the environment and to the communities in which we operate. Swire Properties is committed to strengthening our environment-related policies and management approaches to environmental protection by expanding the focus of our initiatives beyond the direct impacts of our business.

We seek to address environmental concerns that are crucial to the communities in which we operate, including climate change, energy management, resource management and circularity, and water conservation. We also provide [thought leadership](#) on environmental and other sustainability issues to stakeholders in our industry – locally, regionally and globally.

## Policies

Our policies clearly set out our environmental principles, approaches and commitments.

### Environmental Policy

This policy sets out the principles underpinning our approach to managing and reducing the environmental impacts arising from our operations.

### Climate Change Policy

Climate change poses significant risks to our business. This policy outlines our commitment to managing climate change risks across our operations, and developing mitigation, adaptation and resilience strategies to address these risks.

### Energy Policy

This policy outlines our approach to energy management, which involves integrating energy efficiency considerations over the lifecycle of our developments by adopting appropriate technologies and influencing the behaviour of our tenants, employees and others with whom we work.

### Resource and Circularity Policy

This policy guides our approaches to reducing waste, from the design and construction phases of our projects to the daily operation and management of our buildings.

**GRI**  
301-3, 305-7

**HKEX**  
Aspect A1, A2, A3, A4  
KPI A3.1



## Performance (Environment)

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### Water Policy

We conducted a review of our Water Policy in 2022 to ensure alignment with regulations and to better reflect water-related issues that are material to Swire Properties.

The policy has been updated to strengthen our commitments around the responsible use of water. This includes understanding the water risk at the locations of our developments, reducing water-consumption intensity through improved design, implementing efficient water management measures during operations, ensuring that water is discharged into the environment safely, and engaging our stakeholders to encourage the responsible consumption of water.

### Biodiversity Policy

We conducted a review of our Biodiversity Policy in 2022 to ensure that the policy reflects biodiversity-related issues that are material to Swire Properties. During the review, no new material biodiversity issues were identified and as such, no updates to the policy were made.

This policy sets out how we incorporate biodiversity considerations into our operations by minimising the adverse impacts of our operations on biodiversity and ecosystems, supporting appropriate biodiversity and conservation initiatives, promoting awareness of biodiversity and conservation issues, and other measures.

### Environmental and Energy Management Systems

Environmental considerations are integrated into different areas of our business through environmental and energy management systems that conform to international standards such as the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System. In 2022, approximately 80% of our assets<sup>14</sup> in Hong Kong and the Chinese Mainland conformed to the ISO 14001 and ISO 50001 systems. We believe these systems create a robust framework for managing our environmental and energy performance.

<sup>14</sup> By gross floor area (GFA).



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## Thought Leadership

We strive to provide guidance and leadership for the real estate sector in Hong Kong, throughout Asia Pacific and on a global level by sharing our experience and expertise. We also promote the importance of and demonstrate our commitment to sustainability at numerous conferences and seminars in Hong Kong and beyond – sharing our vision in the hope of inspiring other corporations to achieve common sustainability goals.

### WorldGBC Global Webinar: Placemaking for a Net-Zero Future



As part of the World Green Building Council's "Net Zero Solutions Around the World" event, held during the week of World Environment Day in June 2022, Swire Properties co-hosted a half-hour session called "Placemaking for a Net-Zero Future". The webinar explored various aspects of decarbonisation and perspectives on a net-zero future. Our Chief Executive, Tim Blackburn, shared how Swire Properties is working to achieve net-zero goals across our businesses, and explained how

our efforts to decarbonise our buildings and operations have driven pioneering projects, the adoption of cutting-edge technology, business opportunities and the creation of vibrant local communities.

Click [here](#) for a video of our Chief Executive discussing our progress towards net-zero.



**Performance (Environment)**

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**Sharing Our Knowledge through Public Engagement**

Swire Properties believes that by sharing our experience and practices, we can inspire other companies and organisations to join us on our sustainability journey. We believe that this sharing helps reinforce our commitment to sustainability and demonstrates our continuous efforts to transition to a net-zero economy. In 2022, we delivered presentations at various conferences and seminars including:

**The RIMS-WTW Asia Pacific Risk Conference**

Organised by the Risk Management Society

**The BEC EnviroSeries Conference 2022: Driving Business Ambition into Action for a Net-Zero Hong Kong**

Organised by the Business Environmental Council

**The Greater Bay Area Sustainable Built Environment Conference**

Organised by the Hong Kong Green Building Council

**The 2nd China Building Energy Conservation Industry's Promotion Conference on Carbon Peak and Carbon Neutralization – Zero-carbon Operation Public Buildings, Communities and Parks**

Organised by the Tsinghua University Research Centre for Building Energy Efficiency

**15th Asian Financial Forum “Navigating the Next Normal towards a Sustainable Future”: “Dialogues for Tomorrow” – The Future of Property**

Organised by Hong Kong Trade Development Council

**ReThink HK 2022**

Organised by Rethink Hong Kong

**RICS Hong Kong Annual Conference 2022**

Organised by The Royal Institution of Chartered Surveyors (RICS)

**HKMA/BOC Life Sustainability Summit 2022**

Organised by The Hong Kong Management Association



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2022 Progress

Our Performance (Environment) Working Group, which comprises 29 members from different functions within the Company, has developed key performance indicators for seven environmental and resource management focus areas.

This year, we continued to work towards our 2025 and 2030 KPIs, with our approved 1.5°C science-based targets guiding our efforts across the Company. Our 2022 progress is summarised in the table below.

Progress Summary Table



Climate Change



Decarbonisation

2025 KPI

- Operational Carbon Emissions (Scope 1 and 2 SBT): Reduce absolute greenhouse gas (“GHG”) emissions by **25%**<sup>15</sup>

Progress Updates in 2022

- Reduction of Scope 1 and 2 absolute GHG emissions: **↓ 28%**

2030 KPI

- Value Chain GHG Emissions (Scope 3 SBT – Downstream Leased Assets): Reduce carbon intensity from the tenant-controlled portion of downstream leased assets by **28%** per square metre<sup>16</sup>
- Value Chain GHG Emissions (Scope 3 SBT – Capital Goods): Reduce embodied carbon intensity from new development projects by **25%** per square metre (construction floor area)<sup>17</sup>

Progress Updates in 2022

- Reduction of carbon intensity from the tenant-controlled portion of downstream leased assets: **↓ 40%**
- Reduction of embodied carbon intensity from new major developments: **↓ 17%**

<sup>15</sup> Compared to the 2019 baseline.

<sup>16</sup> Compared to the 2018 baseline.

<sup>17</sup> Compared to the 2016-2018 baseline.



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Energy



Energy Reduction

2025 KPI

- Reduction of electricity use intensity (kWh/m<sup>2</sup>)<sup>18</sup>:

Hong Kong portfolio<sup>19</sup>

↓ **20%**<sup>20</sup>

Chinese Mainland portfolio<sup>21</sup>

↓ **13%**<sup>20</sup>

Progress Updates in 2022

- Reduction of electricity use intensity (kWh/m<sup>2</sup>):

Hong Kong portfolio

↓ **15%**

Chinese Mainland portfolio

↓ **9%**

- Continued to implement energy-saving measures throughout our Hong Kong and Chinese Mainland portfolios and hotels.

Renewable Energy

2025 KPI

- Generate **4-6%** of landlord's building energy from on-site renewable or clean energy sources for selected newly completed office projects

Progress Updates in 2022

- Approximately **6%** of landlord's building energy will be supplied by renewable sources at Two Taikoo Place.
- 100%** of electricity at Sino-Ocean Taikoo Li Chengdu and The Temple House in Chengdu, as well as Taikoo Hui Guangzhou is procured from [renewable sources](#).

<sup>18</sup> The 2025 KPIs under Energy have been updated per our approved 1.5°C-aligned SBT. Energy Use Intensity has been renamed to "Electricity Use Intensity" in 2022 to reflect the use of electricity for the provision of shared services for and in the common parts of our buildings. The actual scope of this KPI remains unchanged.

<sup>19</sup> Our Hong Kong portfolio refers to our office and retail portfolio and hotels in Hong Kong.

<sup>20</sup> Compared to the 2019 baseline.

<sup>21</sup> Our Chinese Mainland portfolio refers to our office and retail portfolio and hotels in the Chinese Mainland.



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Resource and Circularity



Resource Recycling and Waste Diversion

2025 KPI

Waste diversion rates from landfills:

- Hong Kong portfolio (including hotels) **30%** of commercial waste
- Hong Kong (projects under development) **85%** of demolition waste  
**70%** of construction waste

- Chinese Mainland (projects under development) **50%** of total waste<sup>22</sup>

Waste recycling rate:

- Chinese Mainland portfolio (including hotels) **40%** of commercial waste

Progress Updates in 2022

Waste diversion rates from landfills:

- Hong Kong portfolio (including hotels) **25.4%** of commercial waste
- Hong Kong (projects under development) **94.6%** of demolition waste for 6 Deep Water Bay Road  
**81.7%** of construction waste for EIGHT STAR STREET  
**89.3%** of construction waste for Two Taikoo Place
- Chinese Mainland (projects under development) **84.5%** of construction waste for Taikoo Li Qiantan  
**60.3%** of construction waste for Taikoo Li Sanlitun West extension

Waste recycling rate:

- Chinese Mainland portfolio (including hotels) **44.8%** of commercial waste

<sup>22</sup> The waste diversion rate from landfill for Chinese Mainland projects under development is calculated in accordance with LEED requirements. Flexibility will be allowed for projects not wholly-owned by the Company, and for projects with major contractor(s) already on board.



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### Water



#### Water Reduction

##### 2025 KPI

- Reduction of water intensity:

Hong Kong portfolio<sup>23</sup> (m<sup>3</sup>/m<sup>2</sup>)  
 ↓ **10%**

Chinese Mainland portfolio<sup>23</sup> (m<sup>3</sup>/m<sup>2</sup>)  
 ↓ **20%**

Hotels<sup>24</sup> (m<sup>3</sup>/guest night)  
 ↓ **8%**

##### Progress Updates in 2022

- Reduction of water intensity:

Hong Kong portfolio (m<sup>3</sup>/m<sup>2</sup>)  
 ↓ **9.2%**

Chinese Mainland portfolio (m<sup>3</sup>/m<sup>2</sup>)  
 ↓ **25.9%**

Hotels (m<sup>3</sup>/guest night)  
 ↑ **15.1%**



### Biodiversity

#### Integration

##### 2025 KPI

- Conduct biodiversity surveys in **50%** of new development projects
- Implement guidelines to integrate biodiversity considerations into new developments

##### Progress Updates in 2022

- The findings and recommendations from the completed urban biodiversity study of our Taikoo Place redevelopment have been discussed and shared with various departments to enhance the biodiversity of both existing projects and projects under development. The findings from the study will be used to establish guidelines to integrate biodiversity considerations in future new projects.

<sup>23</sup> Our Hong Kong portfolio refers to our office and retail portfolios in Hong Kong, excluding hotels; our Chinese Mainland portfolio refers to our office and retail portfolios in the Chinese Mainland, excluding hotels. For our Hong Kong portfolio and Chinese Mainland portfolio, the water intensity reduction targets are compared to a 2016 BAU baseline year.

<sup>24</sup> For Hotels, the water intensity reduction targets set is compared to a 2018/2019 baseline year.



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## Occupant Wellbeing

### Indoor Air Quality (“IAQ”) Management

#### 2025 KPI

- For common areas, **90%** of buildings achieve IAQ Excellent Class in our Hong Kong portfolio<sup>25</sup> or fulfil the local IAQ standard in our Chinese Mainland portfolio<sup>26</sup>

#### Progress Updates in 2022

- For common areas, approximately **83%** of buildings in our Hong Kong portfolio achieved IAQ Excellent Class.
- Approximately **80%** of buildings in our Chinese Mainland portfolio fulfilled the local IAQ standard.

<sup>25</sup> Our Hong Kong portfolio refers to our office and retail portfolio and hotels in Hong Kong.

<sup>26</sup> Our Chinese Mainland portfolio refers to our office and retail portfolio and hotels in the Chinese Mainland.



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## Building/Asset Investments



### Environmental Building Assessment Schemes<sup>27</sup>

#### 2025 KPI

- **100%** of wholly-owned new development projects<sup>28</sup> to achieve the highest environmental building assessment scheme rating
- **90%** of all wholly-owned existing developments<sup>28</sup> to achieve the highest environmental building assessment scheme rating

#### Progress Updates in 2022

- **100%** of projects under development achieved the highest ratings.
- **93%** of wholly-owned existing developments achieved the highest ratings.

#### Hong Kong portfolio

- Lincoln House achieved Final Platinum rating under BEAM Plus Existing Building Version 2.0.
- Pacific Place achieved Final Platinum rating under BEAM Plus Existing Building Version 2.0.

#### Chinese Mainland portfolio

- Taikoo Hui Guangzhou achieved Platinum under LEED v4 for Building Operations and Maintenance: Existing Buildings and Platinum under WELL Version 2 Core.
- Taikoo Li Sanlitun achieved Platinum under LEED v4.1 for Building Operations and Maintenance: Existing Buildings.

<sup>27</sup> BEAM Plus/LEED/China Green Building Label/WELL Certification; the most suitable environmental building assessment scheme is selected based on the project location.

<sup>28</sup> Exclude trading properties.



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Profile of Environmental Impacts

Carbon Emissions

In 2022, our total carbon emissions (Scope 1 and 2) decreased by 6% compared to 2021. The carbon intensity in our Hong Kong portfolio, Chinese Mainland portfolio and U.S.A. portfolio decreased compared to 2021.

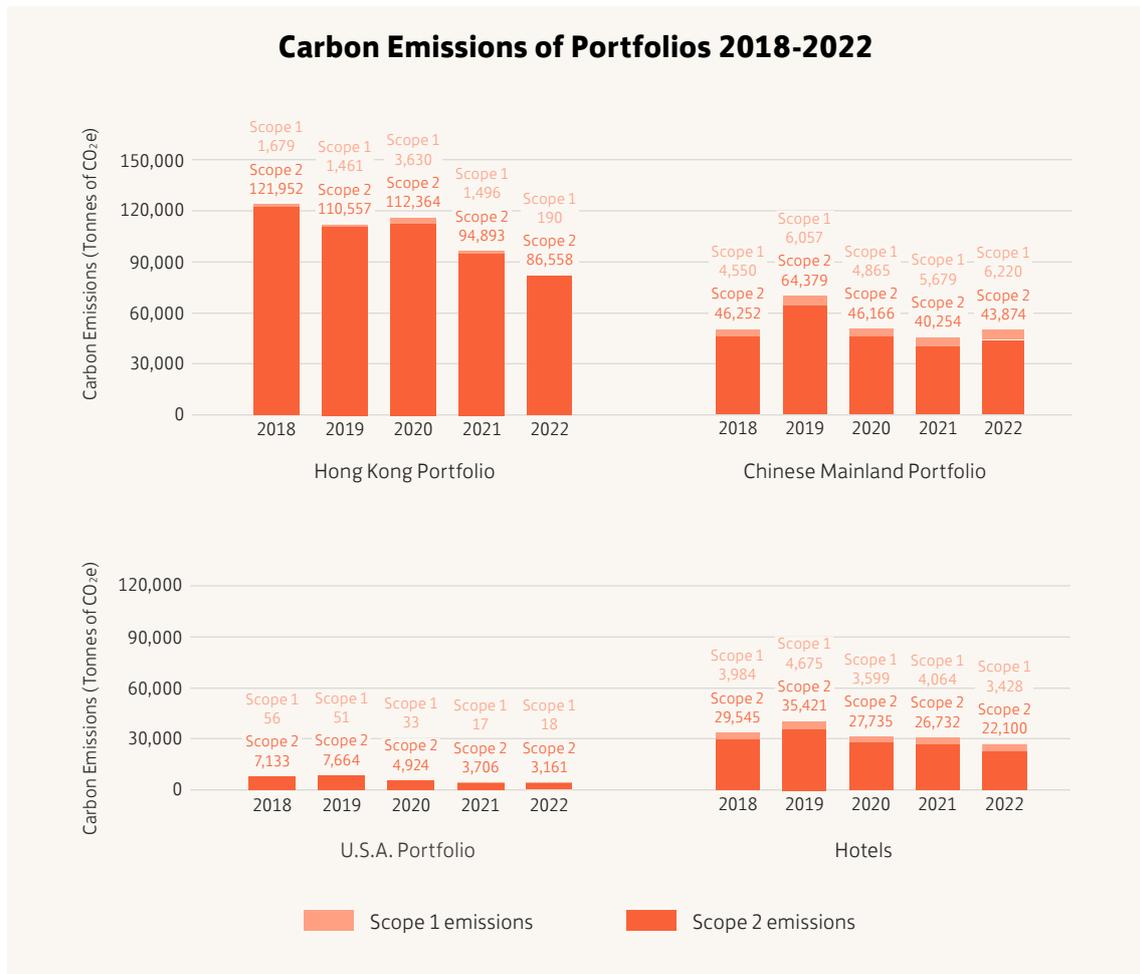
The Company’s largest source of Scope 2 emissions arising from purchased electricity. This category of emissions decreased by 6% compared to 2021. This is attributed to various initiatives including the adoption of innovative low-carbon technologies, better energy management, and the procurement of renewable electricity at Taikoo Li Sanlitun, although the impacts of COVID-19 also lowered the electricity demand.

For further information about our progress against SBTs and our efforts to reduce our carbon emissions, please click [here](#).

HKEX  
KPI A3.1

GRI  
305

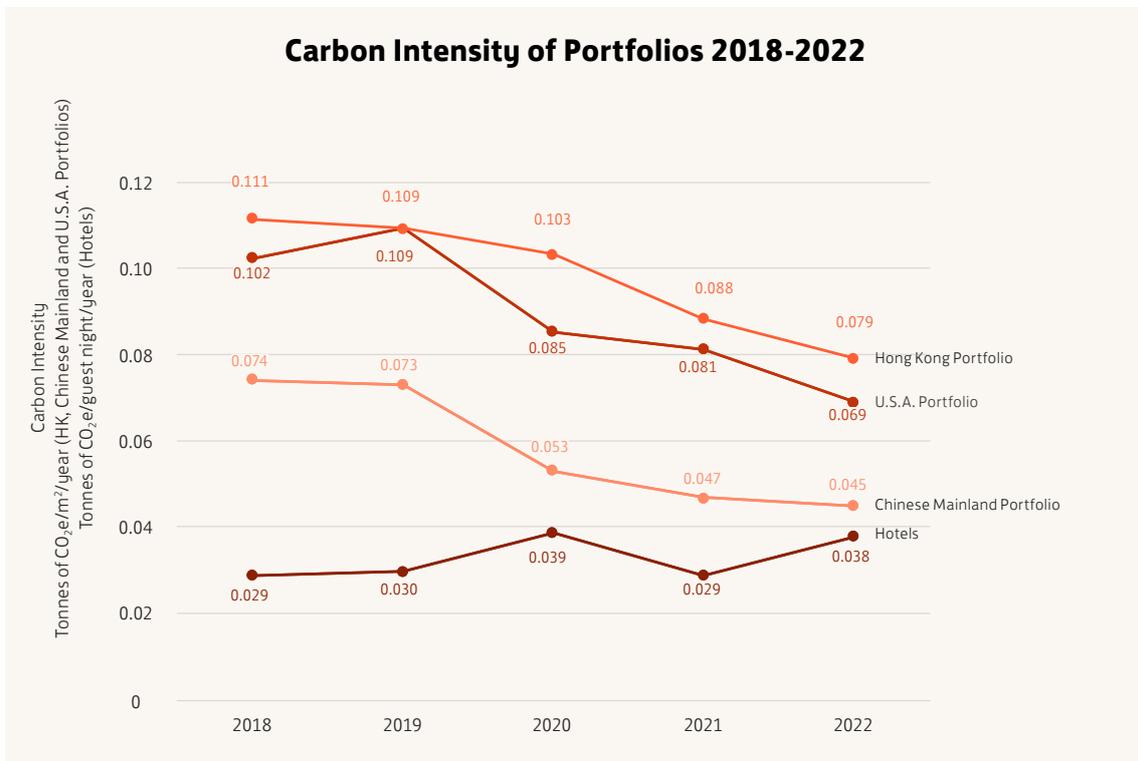
HKEX  
KPI A1.2, A1.5





Performance (Environment)

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Carbon Emissions - Scope 3

In 2019, Swire Properties developed SBTs which were validated, and approved by SBTi. Aside from our ambitious Scope 1 and 2 emissions target, our SBTs also encompass the significant categories of our upstream and downstream value chain emissions.

We have established [science-based targets](#) to reduce the emissions generated by capital goods and downstream leased assets by 25%<sup>29</sup> and 28%<sup>30</sup> per square metre respectively by 2030.

Swire Properties is conscious of our direct and indirect emissions at various stages along the value chain. Besides measuring Scope 1 (direct carbon emissions mainly from energy combustion on-site) and Scope 2 carbon emissions (indirect carbon emissions which mainly comes from electricity purchased and used), since 2018 we have conducted comprehensive reviews of our Scope 3 emissions (indirect emissions that occur along the value chain) to understand our emissions sources and identify the associated material categories for management and reporting.

Our 2022 review identified that the most significant sources of our Scope 3 emissions come from Category 1 – Purchased Goods and Services, Category 2 – Capital Goods, and Category 13 – Downstream Leased Assets, as categorised by the Greenhouse Gas Protocol, accounts for over 70% of our value chain emissions.

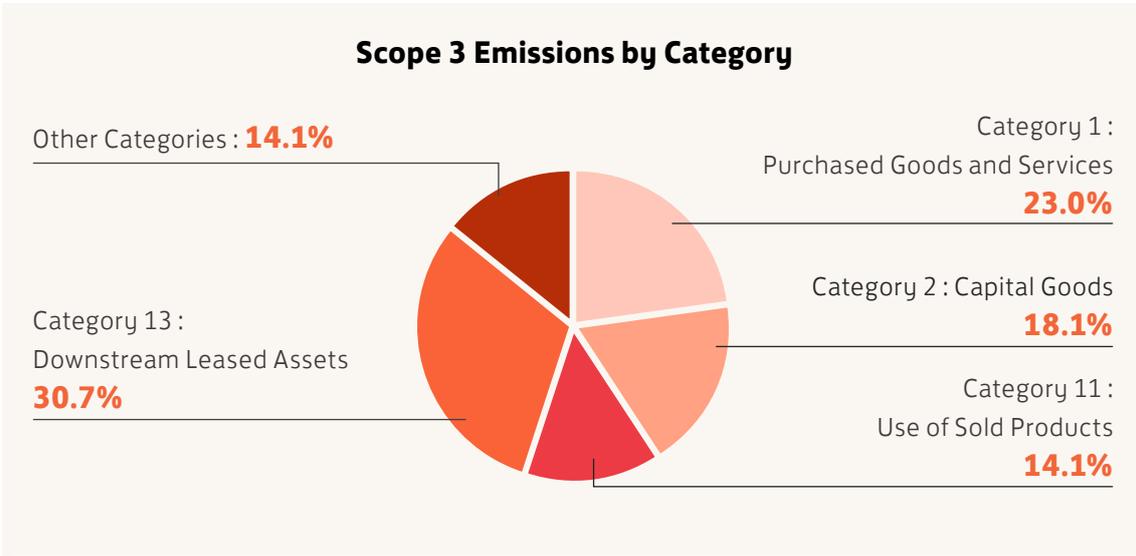
<sup>29</sup> Compared to the 2016-2018 baseline.

<sup>30</sup> Compared to the 2018 baseline.



Performance (Environment)

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Category 1's contribution to our total scope 3 emissions increased from 15.9% in 2021 to 23.0% in 2022. The increase was mainly attributed to the upfront embodied carbon of procured construction materials and on-site energy use during the construction stage at The River and EIGHT STAR STREET, our latest residential development in Vietnam and Hong Kong. The operational carbon associated with residential building was reported under Category 11 - Use of Sold Products. For further information on the lifecycle carbon emissions of the EIGHT STAR STREET project, please click [here](#).

The disclosure of our Scope 3 emissions is included in this report and presents a more holistic view of the Company's carbon footprint along the value chain. This data has been included in our SD Report since 2020 – please refer to [Performance Data Summary](#) for details. While Swire Properties may have limited influence or control over some of our Scope 3 emissions categories, we will continuously monitor these emissions and seek opportunities to influence, particularly if they begin to represent an increasing portion of our total carbon footprint.



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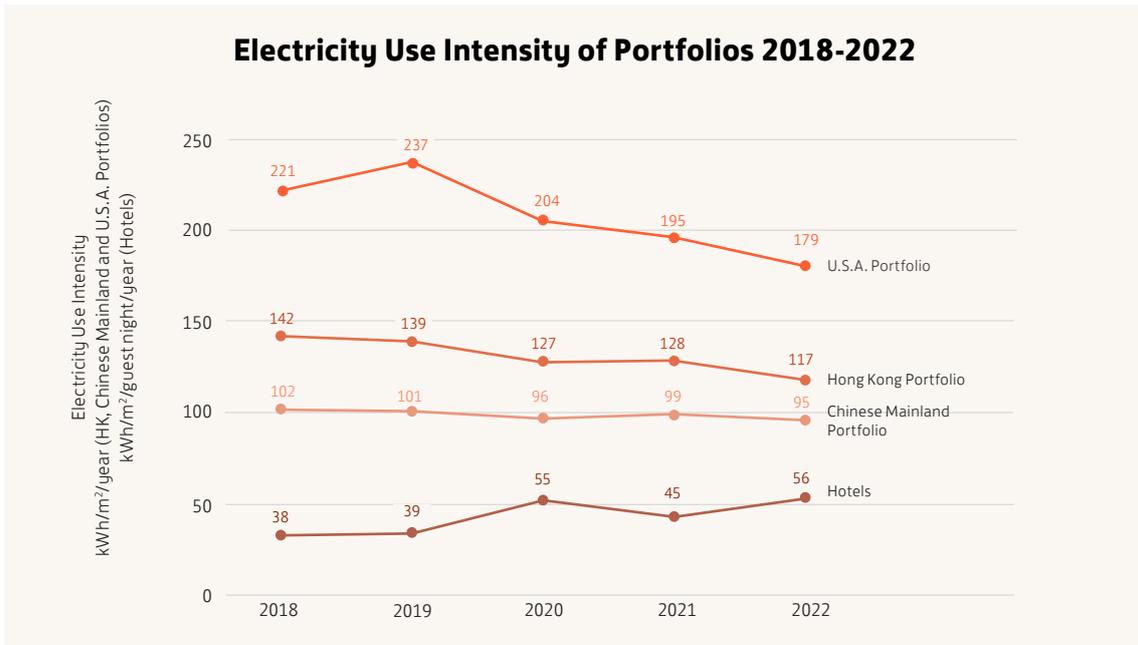
### Electricity use intensity

In 2022, our electricity use intensity<sup>31</sup> decreased by 41%, from 194 kWh per square metre (“kWh/m<sup>2</sup>”) per year to 114 kWh/m<sup>2</sup> per year across our global portfolios, as compared to our 2008 baseline year.

In 2022, the electricity use intensity in our Hong Kong portfolio (including hotels) decreased by 15% as compared to our 2019 baseline year.



In 2022, the electricity use intensity in our Chinese Mainland portfolio (including hotels) decreased by 9% as compared to our 2019 baseline year.



For further information about our energy reduction initiatives, please click [here](#).

<sup>31</sup> Electricity use intensity refers to electricity consumption (per square metre) for the provision of shared services for and in the common parts of our buildings.

<sup>32</sup> Compared to the 2019 baseline.



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**Water Use**

In 2022, the total water usage in all portfolios and hotels decreased by 8% as compared to 2021. On top of our continued efforts on the rollout of water saving initiatives such as the installation of low flow restrictors to optimise water usage across our portfolios, we further identified opportunities to reduce freshwater demand such as using seawater for flushing, greywater recycling and rainwater harvesting. At our Hotels, some of the reduction were, in part, due to the relative decrease in the number of guest nights during the period when COVID-19 pandemic worsened.

When measured against our 2025 KPI, the water intensity of the Hong Kong portfolio decreased by 9.2% in 2022 as compared to the 2016 BAU baseline. In 2022, the reduction was mainly attributed to the switch of seawater supply for freshwater flushing at Citygate and the restoration in seawater supply for flushing at Cityplaza mall.

The water intensity in our Chinese Mainland portfolio decreased by 25.9% compared to the 2016 BAU baseline. In 2022, the reduction was mainly due to the reduced occupancy in offices and footfall in malls.

In our Hotels, the water intensity in 2022 has increased by 15.1% as compared to the 2018/2019 baseline used for our 2025 KPI. We attribute this, in part, to the relative decrease in the number of guest nights during the period when COVID-19 pandemic worsened.

For further information about our water reduction initiatives, please click [here](#).

GRI  
303

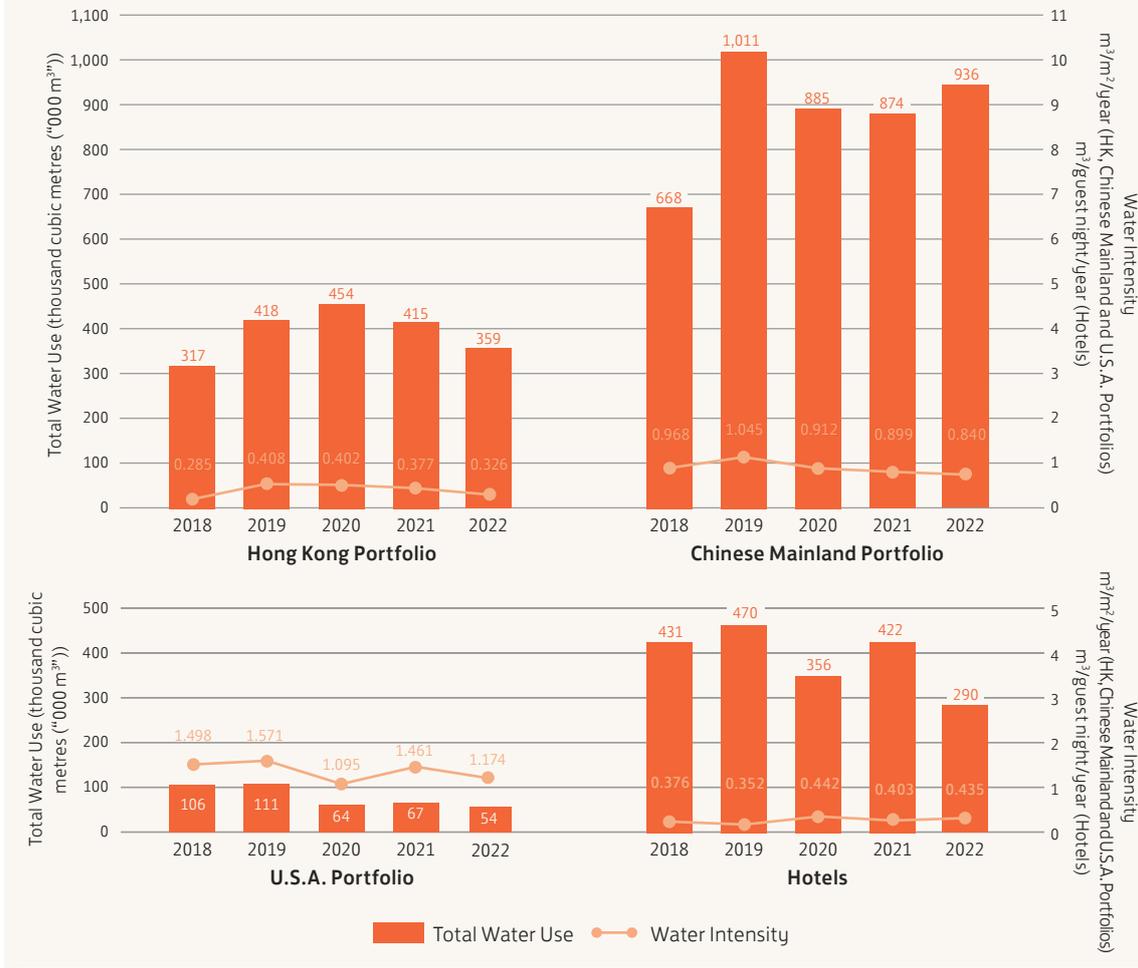
HKEX  
KPI A2.2, A2.4



# Performance (Environment)

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## Water Use and Water Intensity of Portfolios 2018-2022





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### Water Intensity

		2025 Target	2022 Progress
	Hong Kong Portfolio	↓ 10%	↓ 9.2%
	Chinese Mainland Portfolio	↓ 20%	↓ 25.9%
	Hotels	↓ 8%	↑ 15.1%

Remarks:

- Our Hong Kong portfolio refers to our office and retail portfolios in Hong Kong, excluding hotels; our Chinese Mainland portfolio refers to our office and retail portfolios in the Chinese Mainland, excluding hotels.
- For our Hong Kong portfolio and Chinese Mainland portfolio, the water intensity reduction targets are compared to a 2016 BAU baseline year.
- For Hotels, the water intensity reduction targets set is compared to a 2018/2019 baseline year.

### Materials Used

By Projects Under Development in 2022

GRI  
301-1

 <b>119,879 m<sup>3</sup></b> Concrete	 <b>15,372 tonnes</b> Reinforcement bar	 <b>2,139 m<sup>3</sup></b> Timber
 <b>5,850 MWh</b> Electricity consumption	 <b>308,593 litres</b> Diesel consumption	 <b>71,444 m<sup>3</sup></b> Water consumption

Remarks:

- Projects under development refers to projects that are under construction or in the pre-certification stage.
- Includes investment properties under development in all portfolios, including joint venture and non-joint venture projects.
- “Diesel consumption” includes biodiesel consumption.



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### Climate Change

Swire Properties recognises that climate change poses significant risks and also presents significant opportunities to our business. We are firmly committed to reducing climate impacts and optimising resource efficiency throughout our operations.

We are responding to the Climate Change focus area through initiatives on mitigation, adaptation and resilience.

The relevant SDG is:



#### SDG 13

Taking urgent action to combat climate change and its impacts.

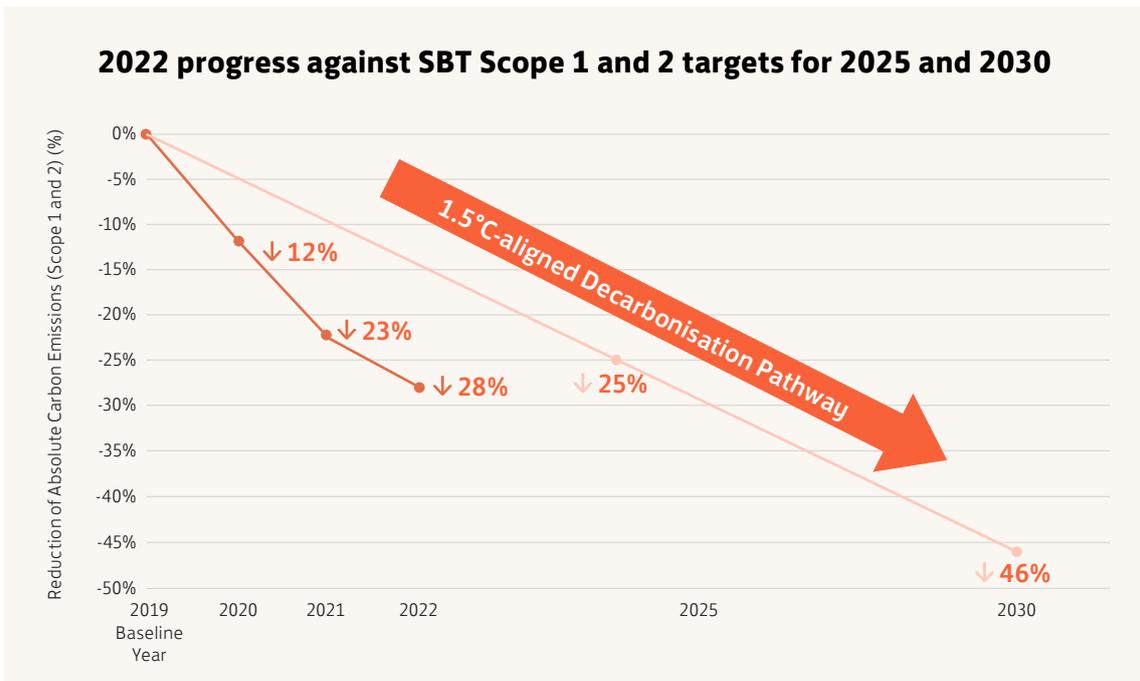
Our Climate Change Policy outlines our commitment to managing climate risks across our operations and to developing mitigation, adaptation and resilience strategies to address those risks in line with global best practices.

GRI 305

HKEX Aspect A1, A2, A3, A4 KPI A1.5, A3.1, A4.1

### Continuously Progressing Towards our Science-based Targets

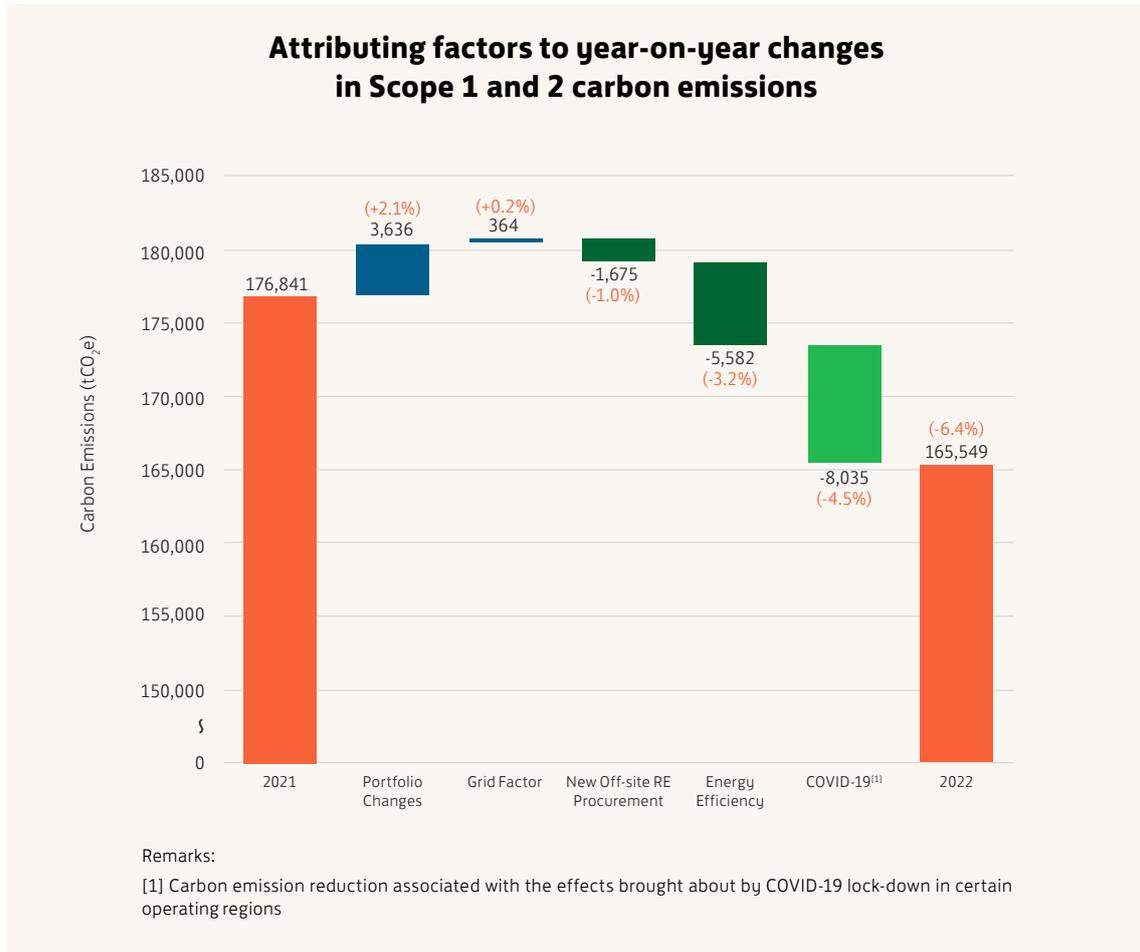
#### Scope 1 and 2 Emissions





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In 2022, Swire Properties achieved a 28% absolute carbon reduction compared to the 2019 baseline for our global portfolio. Throughout the year, we continued to adopt innovative [low-carbon technologies](#) and management practices and invest in energy efficiency research and development. A lowered energy demand was also observed at some of our portfolios due to impacts by COVID-19.

On top of our continuous rollout of energy saving strategies across our portfolios, Swire Properties developed an AI model, in partnership with a digital automation and energy management company, to predict the cooling demand of our commercial building further driving down our energy demand through operation optimisation.

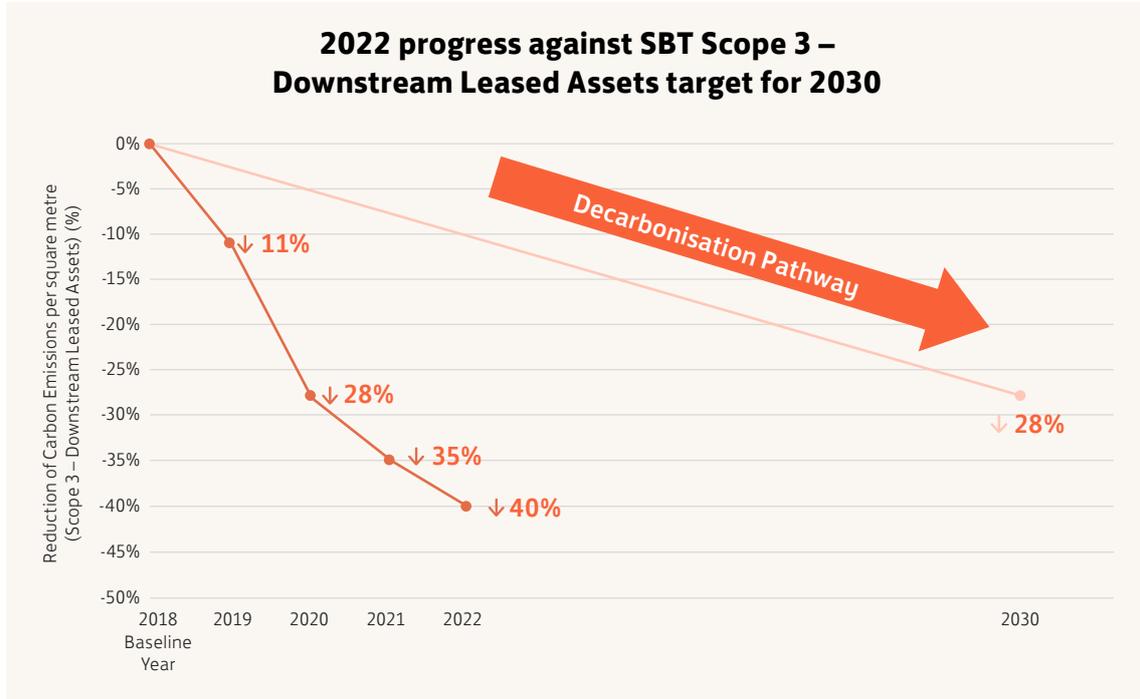
We continued to explore opportunities to increase our on-site renewable energy generation across our portfolio and source for off-site renewable electricity, where feasible. This year, we completed the installation of PV panel systems at Devon House and Dorset House at Taikoo Place. Taikoo Hui Guangzhou and Sino-Ocean Taikoo Li Chengdu are powered by 100% off-site renewable electricity, achieving net-zero carbon in its annual electricity consumption for both landlord and tenant operations. In 2022, Taikoo Li Sanlitun became our third portfolio in the Chinese Mainland to enter into an off-site renewable electricity purchase agreement.



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Scope 3 Emissions – Downstream Leased Assets



A 40% reduction against the 2018 baseline was recorded in 2022. This continual downward trend is attributed to:

- Tenant operations in Taikoo Hui Guangzhou and Sino-Ocean Taikoo Li Chengdu becoming powered by 100% renewable electricity in 2021 and 2020 respectively
- Improvements in tenants’ energy use intensity
- Remote working arrangements for some tenants’ employees due to the COVID-19
- Grid emission factor improvement

This year, we continued to work closely with commercial tenants to reduce their carbon footprint through a variety of tenant engagement activities, including:

- The Green Performance Pledge, a performance-based agreement that acts as a blueprint for our landlord-tenant partnerships.
- The Green Kitchen Initiative, a platform that allows our portfolio management teams and our F&B tenants to collaborate on sustainability-enhancing measures before fit-out and renovation projects.
- Energy audits that help tenants identify energy-saving opportunities – these have been ongoing since 2008.



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### Scope 3 Emissions – Capital Goods

#### 2022 progress against SBT Scope 3 – Capital Goods target for 2030

**2030 Target**

↓ **25%**  
per square metre

**2022 Progress**

↓ **17%**  
per square metre

To reduce embodied carbon emissions throughout the lifecycle of our developments, we have established performance-based targets on embodied carbon for concrete, rebar and structural steel for future projects in Hong Kong. These targets were informed by comprehensive market research and communications with industry associations such as the Construction Industry Council.

Since 2020, we have included low-carbon procurement specifications – developed in accordance with international standards such as ISO 14067 – for construction materials such as concrete with pulverised fuel ash (“PFA”) or ground granulated blast furnace slag (“GGBS”), rebar and structural steel with recycled content.

2022 marks the completion of Two Taikoo Place, our latest redevelopment project in Taikoo Place. Throughout the construction process, we continued to work closely with our contractors and suppliers to procure low-carbon building materials and foster better energy management at our construction sites.

In 2022, we completed a cradle-to-site carbon footprint calculation for Two Taikoo Place, showing that the upfront embodied carbon emissions of Two Taikoo Place were 76,783 tonnes of CO<sub>2</sub>e and 643.2 kg of CO<sub>2</sub>e per square metre construction floor area. A 17% decrease in carbon intensity is achieved compared to our 2016-2018 baseline year. This was attributed by:

- Procurement of nearly one hundred percent of low-carbon concrete that had CIC Green Product Certification (Platinum rating)
- Adoption of structural steel and rebar with high recycled content and manufactured by the electric arc furnace process
- During construction, usage of a battery storage system to replace two traditional diesel generators used to power the two tower cranes – this avoided on-site air pollution and achieved lower carbon emissions

For further information on our whole-lifecycle carbon management approach at Two Taikoo Place, please click [here](#).



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### Reinforcing our Commitment to a Net-Zero Future



Tackling carbon emissions is the collective responsibility of companies, governments and wider society. Swire Properties is constantly seeking opportunities to communicate our SD ambitions to a broader audience. By sharing our sustainability work, we hope to facilitate the sharing of best practices and to drive industry momentum towards achieving net-zero.

This year, our Chief Executive, Tim Blackburn took part in World Green Building Council's "Placemaking for a Net-Zero Future" global webinar, sharing how Swire Properties is leading the way for other in achieving our net-zero goals.

Click [here](#) for a video of Mr Blackburn explaining our progress towards net-zero.

### Net-zero Roadmap

Swire Properties was the first real estate developer in Hong Kong and the Chinese Mainland to join the Business Ambition for 1.5°C campaign, led by the Science Based Targets initiative in partnership with the United Nations Global Compact. We have put in place approved 1.5°C-aligned science-based targets to support the delivery of net-zero emissions before 2050.

In 2022, our Scope 1 and Scope 2 emissions accounted for 28% of our total carbon emissions. We developed a carbon management hierarchy to prioritise our actions. Our core focus is on reducing demand for energy and resources in both the landlord and tenant areas, then improving the efficiency of our energy and material consumption before switching to low-carbon energy sources – this prioritisation will help maximise our carbon abatement in the most cost-effective manner.

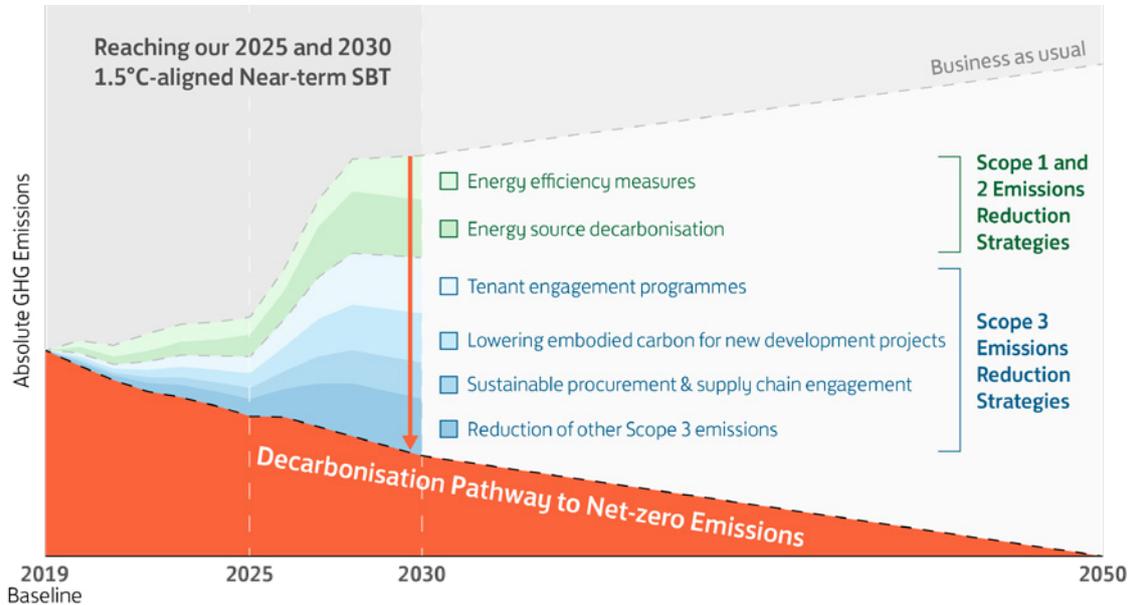
72% of our 2022 emissions came from Scope 3 activities along our value chain. While working to decarbonise our operations, we recognise that we also have an important role to play in facilitating emissions reductions along our value chain through collaborations with our partners.



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Swire Properties Net-zero Roadmap



Remarks:

- [1] Graph shown is for illustration purpose only. Information presented are not drawn to scale.
- [2] The Business As Usual (“BAU”) scenario takes into account the Company’s HKD100 billion investment plan. Projected changes in carbon emissions (under BAU scenario) primarily reflect the addition and removal of buildings from our portfolio. The performance of our 2019 baseline is based on our already well-established energy management programmes (including control optimisation, retro-commissioning, equipment replacement, and innovative technologies). BAU scenario assumes no additional energy saving measures are to be implemented across our portfolios and value chain and no further improvements from energy source decarbonisation after 2019.

Swire Properties began to set out a roadmap to guide our strategic investment and actions to support our net-zero commitments. This “Net-zero Roadmap” outlines the key areas where the Company will focus its efforts and resources across our global portfolio to deliver a near-term 1.5°C-aligned SBTs and transitioning to net-zero before 2050.

Reduction strategies to support the delivery of our **2025 and 2030 1.5°C-aligned near-term science-based targets (“SBTs”)**:

**Scope 1 and 2 Emissions**

**Energy Efficiency**

- Continue to invest in and develop certified green buildings with best-in-class energy efficiency and climate resilience, through the adoption of passive building designs and energy-efficient building systems.
- Perform retro-commissioning and technical upgrades across our portfolios in pursuit of ever-better energy performance such as electrically-commutated (“EC”) motor plug fan.
- Digitalisation of building operations via rollout of smart energy management platforms and digital twin systems.
- Extensive application of innovative low-carbon and energy-efficient technologies such as integrated direct current microgrid solutions.
- Increase the adoption of on-site renewable energy generation and off-site renewable electricity procurement.



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- Maintain and improve our energy management plan in line with ISO 50001.
- Continue our collaboration with academic institutions such as Tsinghua University to explore further energy saving opportunities.

### Scope 3 Emissions

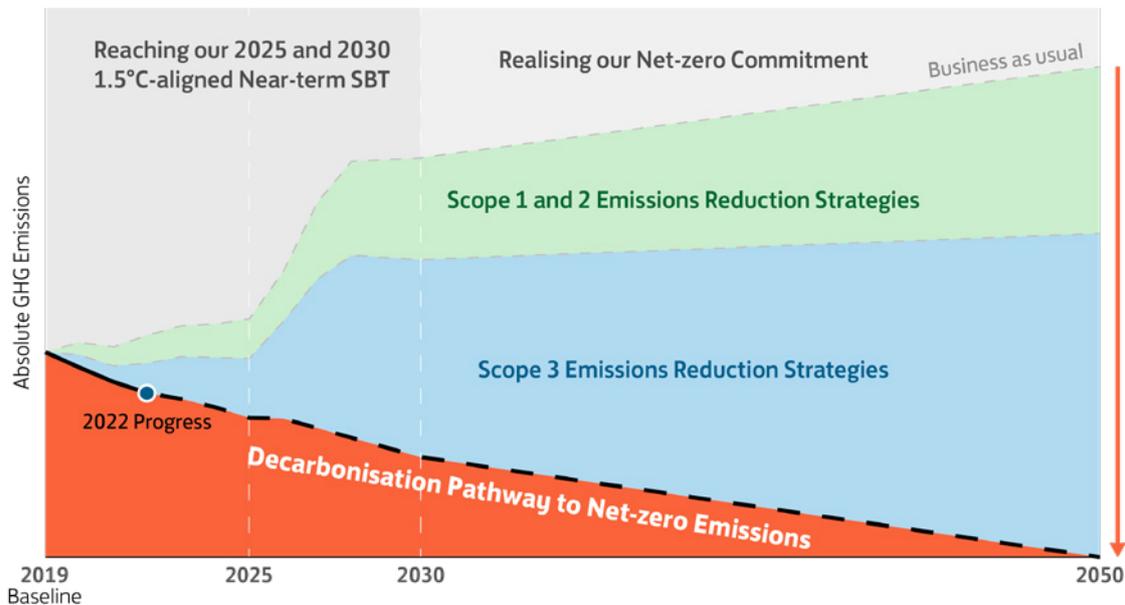
#### New Development Projects (Scope 3 Emissions – Capital Goods)

- The adoption of low-carbon procurement specifications for major construction materials such as concrete, rebar and structural steel.
- Minimise use of materials through structural optimisation and low-carbon design.
- Early electrification of construction sites and adopt more energy efficient construction methods, equipment and processes.
- Expand our sustainable procurement efforts to cover more purchased goods and services.

#### Tenant Engagement (Scope 3 Emissions – Downstream Leased Assets)

- Deepen collaboration with our tenants through tenant engagement programmes such as our bespoke Green Performance Pledge, Green Kitchen Initiative and free energy audits.
- Promote resource circularity through various tenant engagement initiatives such as the Smart Waste Reduction Programme and Smart Reusable Cup System.

### Swire Properties Net-zero Roadmap



Strategies to help realise our **Net-zero commitment**:

### Scope 1 and 2 Emissions

#### Decarbonising our direct operation

- Adopting net-zero design in new buildings and major retrofits, and continuous digitalisation and electrification of existing buildings.



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- Scaling up the adoption of low-carbon and energy-efficient technologies through the support of green financing, Swire Pacific SD Fund and internal financing mechanism such as internal carbon pricing.

### Energy source decarbonisation

- Continue to expand our capacity of on-site renewable energy generation and explore further opportunities of off-site renewable electricity procurement, where feasible.
- With China and Hong Kong committing to become carbon neutral by 2060 and 2050 respectively, our portfolio operating in these locations are expected to benefit from the continuous decarbonisation of the grid.

### Scope 3 Emissions

- Expanding the adoption of low-carbon procurement specifications to a wider spectrum of construction and building materials, supplies and services.
- Ramping up our engagement programme and support to suppliers, tenants and other value chain partners to improve data and best practices sharing and to build up their climate resilience in the net-zero transition.
- Deliver our zero waste to landfill commitment to support the transition to a circular economy and our pledge to reach a state of water neutrality by 2050.

Our 1.5°C-aligned near-term SBT and net-zero roadmap provides a clear steer for us in reaching

## Net-zero emissions by 2050

We endeavour to reduce our emissions through the decarbonisation strategies but understand that residual emissions will remain. These emissions would be neutralised at the net-zero target year and thereafter to help us reach net-zero.



**Performance (Environment)**

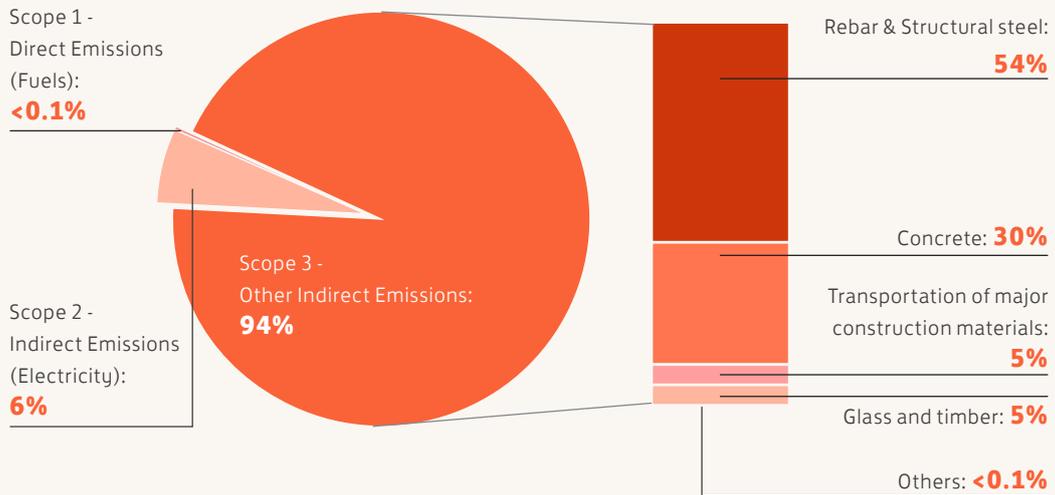
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**Two Taikoo Place – Decarbonisation Strategy along the Building Lifecycle**



Swire Properties' latest development, Two Taikoo Place, showcases our most recent low-carbon building development strategies. A whole-lifecycle carbon management approach was adopted by the project team to identify opportunities to reduce emissions spanning the demolition stage, design stage, construction stage and operations stage. In 2022, we completed a cradle-to-site carbon footprint calculation for Two Taikoo Place, showing that the upfront carbon emissions of Two Taikoo Place were 76,783 tonnes of CO<sub>2</sub>e and 643.2 kg of CO<sub>2</sub>e per square metre construction floor area<sup>33</sup>. Similar to One Taikoo Place, the major carbon emission hotspots came from embodied carbon from concrete, rebar and structural steel, broke down as follows:

**Breakdown of Two Taikoo Place upfront embodied carbon emissions**



<sup>33</sup> The calculation methodology and data sources were reviewed by the School of Design and Environment at the National University of Singapore (NUS).



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The initiatives employed during the various stages of building lifecycle are detailed below:

### A. Demolition Stage:

The process of demolishing the existing old building achieved a high material recycling rate of over 88%. This included broken concrete from the substructure of the existing old building, which was sent to other sites for alternative disposal and to be used as backfilling materials. The H-beam and rebar were also recycled.

### B. Design Stage:

Two Taikoo Place has been designed and built to the highest sustainability standards, achieving Pre-certified Platinum ratings for LEED, WELL and BEAM Plus.

Building Information Modelling (“BIM”) was used to optimise structural design, excavation and lateral support works to reduce structural steel usage, rock excavation and concrete usage. Prefabricated rebar and modularised pipe ducts were also used, optimising material use by avoiding cut-off wastage on site.

On the procurement side, nearly one hundred percent of the concrete had CIC Green Product Certification (Platinum rating), while structural steel and rebar with high recycled content and manufactured by the electric arc furnace process was also used.

### C. Construction Stage:

Low-carbon strategies were adopted throughout the construction stage, including the use of:

- A battery storage system to replace two traditional diesel generators used to power the two tower cranes – this avoided onsite air pollution and achieved lower carbon emissions
- An electric forklift
- B5 biodiesel
- Metal scaffolding for external work – this replaced traditional bamboo scaffolding, reducing the use of timber and reducing construction and demolition waste
- Reused timber
- Recycled metal including rebar scraps generated from rebar fixing for structural works, H-beam and pipe pile

Swire Properties continued to support the BEC Power Up Coalition, designed to facilitate the early connection of construction sites to mains electricity. Swire Properties was one of the first to sign the Power Up Pledge, which is a commitment to optimise electricity use and avoid the use of diesel generators and other high-emissions electricity sources.

### D. Operations Stage:

Two Taikoo Place has a broad array of best-in-class innovative energy saving technologies and initiatives to reduce its operational carbon emissions. These include:

- High performance chillers and plant optimisation



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- EC plug fan in all air-handling units
- High-efficiency lift motors with power regeneration
- Heat recovery from exhaust air

Two Taikoo Place also uses several on-site renewable energy systems:

- B100 biodiesel waste-to-energy tri-generation system
- Solar photovoltaic panels
- A wind turbine – the first wind turbine installed in our global portfolio

These are expected to generate on-site renewable energy equivalent to approximately 6% of total landlord's building energy.

Two Taikoo Place also uses a market-leading Neuron Digital Twin system that utilises artificial intelligence to analyse and “learn” from large, historical data sets to optimise the efficiency of its building systems. This knowledge is then deployed to establish trends, forecast energy usage, optimise the running of a multitude of building systems, and detect faults, which allows for predictive maintenance.

We will also install electricity sub-meters to facilitate electricity use monitoring and management by tenants.

### Partnership with National University of Singapore (“NUS”) on EIGHT STAR STREET Residential Development



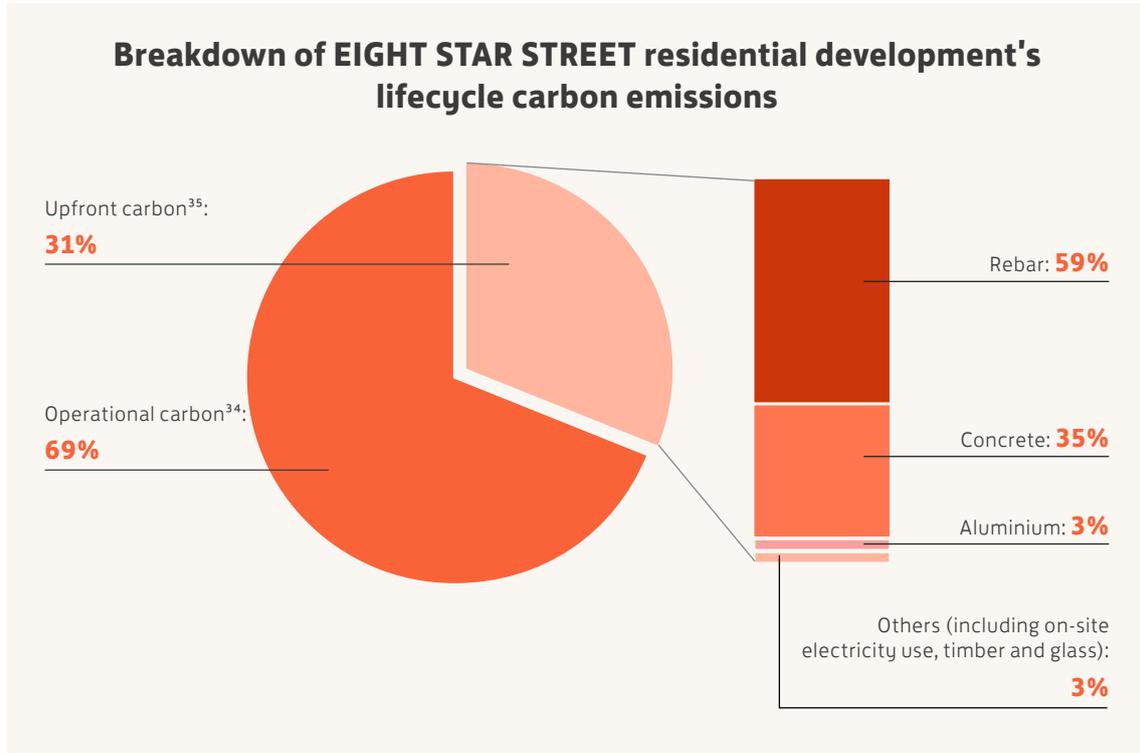
For our EIGHT STAR STREET residential development, we partnered with NUS in a first-of-its-kind whole lifecycle carbon assessment for a residential building. In addition to calculating upfront embodied carbon emissions, as we have done for our recent commercial projects – One Taikoo Place, Two Taikoo Place and Six Pacific Place – in this assessment, NUS also developed a 3D BIM model to simulate energy consumption and estimate the lifecycle operational carbon emissions for this 21-storey residential building with retail shops and amenities on the lower ground, ground and first floors.



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The study predicted the building’s lifecycle carbon emissions as below:



The study also explored how different design considerations might affect the building lifecycle carbon emissions:

- Low-carbon construction materials: the use of low-carbon concrete (with pulverised fuel ash or ground granulated blast furnace slag), rebar and structural steel with recycled content, and green hydrogen steel
- Structural optimisation to reduce material use and associated carbon footprint
- The adoption of Modular integrated Construction (“MiC”) and Design for Manufacture and Assembly (“DfMA”)

Findings from the study is published as an [academic paper](#) at MDPI.

In 2022, Swire Properties started to collect electricity, water and waste data for selected existing residential buildings. These data will deepen our understanding of our energy consumption patterns of our residential portfolio and identify opportunities for improvement in future.

<sup>34</sup> Operational carbon is being calculated assuming a 50-years operational lifespan. Data estimates are being made using DesignBuilder’s energy simulation with reference to [1.5°C Net-Zero World Scenario](#).

<sup>35</sup> Upfront carbon includes carbon emissions associated with raw material acquisition, manufacturing, transportation, construction and installation.



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### Partnership with Tsinghua at INDIGO II



We recognise that emissions associated with our capital goods, which includes emissions associated with the upfront carbon of new development projects, as one of the major contributors to our Scope 3 emissions.

Leveraging our experience of upfront carbon emissions calculations from projects in our Hong Kong portfolio, in 2022 we partnered with Tsinghua University to develop a carbon emissions calculation tool for projects in the Chinese

Mainland covering the whole lifecycle stage from cradle-to-grave, including raw materials acquisition, manufacturing, transportation, construction, building operations, demolition and disposal. In 2022, we began working with our main contractors using this tool to collect data at our INDIGO II extension project.

### Climate Risk Assessment

Our comprehensive climate risk assessment identifies the key risks posed by climate change to our business operations and the business opportunities that may arise from new climatic conditions.

### Physical Risk Assessment

This consists of asset-level modelling of both the acute and chronic physical risks associated with various climate scenarios, presented in selected timeframes from the immediate term to the distant future – 2030, 2050, and 2100. It also includes detailed asset-level assessments that evaluate individual buildings' sensitivity and adaptive capacity to the potential effects of the identified climate risks.

The analysis identified that overall, there are low to moderate levels of risk for flooding, heat stress, water stress and extreme wind for our global portfolio in all assessed climate scenarios. These risk levels are attributed to the relatively robust adaptive capacity and mitigation measures we have integrated into our buildings.

We also identified short-and mid-term measures for individual buildings to mitigate risks and build resilience across our portfolios. Examples include:

- Upgrading flood protection measures and alert systems
- Improving chiller efficiency
- Regularly inspecting glass façades
- Installing smart monitoring systems



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Some of these resilience measures will also be incorporated into the planning and design stages of new developments to ensure our assets will continue to be resilient under different future climate scenarios.

With the announcement of the Company’s HKD100 billion investment plan for new projects in the Chinese Mainland and Hong Kong, it is of the utmost importance to expand our climate risk assessment work to cover new project sites. This will allow us to critically evaluate the potential climate exposure of these developments and take early strategic action to incorporate climate resilience into the projects’ design and planning stages.

After the release of the Sixth Assessment Report (AR6) by IPCC in 2022, we immediately began to update our climate models to incorporate the latest available climate science.

We will also perform relevant deep-dive hazard modelling for selected projects, such as urban drainage modelling, riverine flood modelling and coastal hydrodynamic modelling, using outputs from climate models.

The results will be analysed to generate climate-related parameters and design concepts for projects in order to help design teams communicate and channel climate-related considerations into their designs.

### Assessment of Transition Risks and Opportunities

This is a comprehensive review of global, national and local government policies, including Hong Kong’s Climate Action Plan 2050, released in 2021, as well as regulatory, market and technological trends based on different climate scenarios involved in the global transition to a low-carbon economy.

We identified a number of risk and opportunity drivers that may have a financial impact on our business under three different climate scenarios: the “Net Zero Scenario” (1.5°C); the “Paris Consistent Scenario” (2°C); and the “Hot House World Scenario” (3°C). The drivers include tightened building energy codes and guidelines, increased market demand for green and energy-efficient properties and climate-resilient properties.



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**Heat map showing the estimated annual impact of climate-related risks and opportunities under different climate scenarios in 2030**

Risk / Opportunity Driver	Risks			Opportunities		
	1.5°C Scenario	2°C Scenario	3°C Scenario	1.5°C Scenario	2°C Scenario	3°C Scenario
Tightened building energy codes and guidelines	Lower risk	Moderate risk	Not applicable	Not applicable	Not applicable	Not applicable
Introduction of carbon pricing in operating markets	Higher risk	Moderate risk	Moderate risk	Not applicable	Not applicable	Not applicable
More stringent public disclosure requirements	Moderate risk	Moderate risk	Not applicable	Not applicable	Not applicable	Not applicable
Increased market demand for climate resilient properties	Not applicable	Not applicable	Not applicable	Higher opportunity	Higher opportunity	Higher opportunity
Increased market demand for green and energy efficient properties	Not applicable	Not applicable	Not applicable	Higher opportunity	Higher opportunity	Higher opportunity
Increased tenant demand for energy efficiency and data transparency	Not applicable	Not applicable	Not applicable	Moderate opportunity	Moderate opportunity	Moderate opportunity
Growing investor demand for green and low-carbon finance and investment	Moderate risk	Moderate risk	Not applicable	Moderate opportunity	Moderate opportunity	Moderate opportunity
Potential increase in insurance premiums	Moderate risk	Moderate risk	Moderate risk	Not applicable	Not applicable	Not applicable
Increased exposure to reputation and litigation risks	Higher risk	Higher risk	Higher risk	Not applicable	Not applicable	Not applicable
Greater adoption of low-carbon construction materials	Moderate risk	Moderate risk	Moderate risk	Not applicable	Not applicable	Not applicable
Utility supply and cost	Higher risk	Higher risk	Higher risk	Not applicable	Not applicable	Not applicable
Increased adoption of green and low-carbon technology	Moderate risk	Moderate risk	Moderate risk	Higher opportunity	Higher opportunity	Higher opportunity
Increased adoption of renewable energy	Moderate risk	Moderate risk	Moderate risk	Moderate opportunity	Moderate opportunity	Moderate opportunity

**Risk level**  
 Lower risk   Moderate risk   Higher risk   Lower opportunity   Moderate opportunity   Higher opportunity   Not applicable

Based on the analysis, our current business and sustainability strategies will allow us to effectively manage the identified transition risks and capture the identified opportunities during the transition to a low-carbon economy. These strategies include:

- 1.5°C-aligned science-based targets to drive long-term carbon reduction
- Investment in, and development of, certified green buildings with best-in-class energy efficiency and climate resilience
- Investment in renewable energy measures throughout our portfolio
- Wide application of innovative green technologies
- Commitment to green financing
- Engaging our supply chain, tenants and other relevant stakeholders in climate resilience and sustainability initiatives

We also conducted a quantitative assessment of the potential financial impacts of key identified transition risks and opportunities that will inform our risk management and strategic planning.

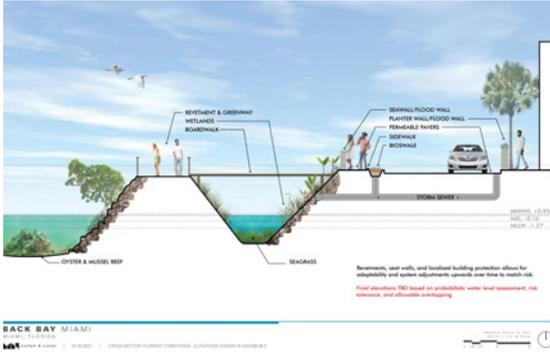
For more information, please refer to our [Climate-related Financial Disclosures](#).



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Miami Back Bay Resiliency Study



In January 2021, concluding a three-year exercise, the United States Army Corps of Engineers (“USACE”) proposed a plan to protect Biscayne Bay and the Downtown area from storm surges and a sea level rise. While the proposal met the engineering criteria, the structural solution consisting of a massive flood wall, which risked compromising the views and functionality of the waterfront.

Swire Properties engaged an engineering firm to propose an alternative solution and design a long-term environmental solution that both protected and enhanced Miami’s urban coastline. Formally presented in February 2021, the plan envisioned a series of barriers to dissipate wave energy including a combination of submerged oyster reefs, mangroves, revetments and localised sea walls. The output, which also met engineering criteria, provided a platform for the County and municipalities to discuss viable nature-based solutions as an alternative to the proposed flood wall.

As a result of input from Swire and the County’s and other governmental entities, in 2022 the USACE agreed to reconsider the proposed flood wall. They have now budgeted an additional USD8.2 million and 60 months for the study. Upon the announcement of the new study, an Army spokesperson said, “It is critical that any plan balance project performance while also preserving and protecting the environment and does so in an equitable manner for the community<sup>36</sup>.”

<sup>36</sup> <https://www.wlrn.org/news/2022-09-07/army-corps-agrees-to-redo-billion-dollar-plan-to-fortify-miami-dade-against-storm-surge>



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Energy

Swire Properties strives to continually reduce the consumption of energy in our Hong Kong and Chinese Mainland portfolios and in our hotel operations. In 2022, we adopted a variety of technologies and strategies to achieve this objective.

Some of our properties generate renewable energy on-site, using it for operations and, in some cases, feeding power back into the electricity grid.

The relevant SDG is:



SDG 7

Ensuring access to reliable and sustainable energy.

GRI 302

HKEX Aspect A4 KPI A1.5, A2.3, A3.1

Integrated Photovoltaics, Energy Storage, Direct Current and Flexible (“PEDF”) Power System



As our capacity to generate renewable energy on-site and the grid’s renewable energy supply is increasing, there is a growing need to explore more efficient ways to utilise the energy that is produced. Most of our on-site renewable energy are photovoltaic systems, which supply direct current (“DC”). Coupled with increasing on-site DC equipment, using a power distribution system which runs on DC instead of alternating current (“AC”) can reduce energy loss incurred between AC and DC conversions.

Integration with DC-operated battery storage system adds flexibility to the building’s power demand control, as well as maximising the capture of variable grid provided solar and wind power supply, which is weather and time dependent and not directly matching with building power demand. An integrated Photovoltaics, Energy Storage, Direct Current, and Flexible Power System (PEDF) can generate an estimated 5-10% in energy reduction.

PEDF is also a solution being promoted by the Chinese government to accelerate the optimisation of building energy consumption. This solution is mentioned in the “Action Plan for Carbon Dioxide Peaking before 2030” (published October 2021).



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Funded by the Swire Pacific SD Fund, Swire Properties is piloting a PEDF solution at Building 15 and the RED of Taikoo Li Sanlitun. On-site implementation work commenced in late 2022 and completion is targeted for early 2023. Significant energy savings are anticipated, which will result in cost savings to tenants, lower carbon emissions and further support Company and government sustainability initiatives.

Another PEDF pilot project is under development at Taikoo Hui Guangzhou. This will be tailor-made for DC applications and will improve the flexibility and reliability of the energy supply.

### The Global AI Challenge and Other Energy Saving Awards



Swire Properties partnered with a digital automation and energy management company in the “Global AI Challenge for Building Electrical and Mechanical Facilities”, held between November 2021 and September 2022. Organised by the Hong Kong government’s Electrical and Mechanical Services Department and the Guangdong Provincial Association for Science and Technology, this global event highlighted AI development and applications in the building services industry. It

aimed to promote international innovation and technology ideas through exchange and cooperation. The event was the first and largest AI event related to building electrical and mechanical services in the world.

Our goal was to develop an AI model to predict the cooling demand of a commercial building and the joint team won the Grand Prize – the “Alliance Contracting Outstanding AI Influencer Award” and a Gold Award. We also had the best model accuracy in the Open Group, consisting of 44 global teams. The model is now being implemented in our Cloud-Based Smart Energy Management Platform and can accurately predict the cooling load in our buildings 24 hours in advance.

Meanwhile, Taikoo Hui Guangzhou won the “Best Practice Award for Building Energy Efficiency”, hosted by Tsinghua University. The award recognised the development’s continuous improvement in building energy efficiency over the past 10 years. Taikoo Hui Guangzhou was also featured as a case study in Tsinghua University’s Annual Report on China Building Energy Efficiency 2022.



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### Multiple Energy Saving Strategies Across our Portfolio



As in previous years, in pursuit of ever-better energy performance, Swire Properties continued to perform technical upgrades at all our properties. These included:

#### Energy Valve Installation at Citygate Outlets

We installed energy valves at the main chilled water supply zones and in the offices and shops of Citygate Outlets to optimise energy use by controlling chilled water temperatures and preventing overcooling of occupied areas. These valves enable flow control and delta temperature control of the chilled water system, which will in turn produce a better energy performance. They will also accumulate operational data for analysis and verification. This ongoing project will cover all zones of the Citygate mall and offices by 2026.

#### Electrically-commutated (“EC”) Motor Plug Fan Retrofits Across Our Properties

Centrifugal fans in air handling units (“AHUs”) at Taikoo Place, Cityplaza, Pacific Place, Citygate, Island Place Mall and Taikoo Hui Guangzhou were replaced with electrically-commutated (“EC”) plug fans that achieve better energy performance and produce less noise and vibration. These fans are estimated to reduce fan power consumption by 20 to 30%.

#### Conversion to Variable Primary Flows in our Chilled Water Systems

At Cityplaza, we have converted our chilled water system from constant-primary variable-secondary to a variable-primary flow system. The new system eliminates a set of pumps and eliminates the possibility of low delta temperature syndrome, thus reducing the energy consumption of the overall chilled water distribution system. This conversion is expected to save 220,000 kWh per year.

#### Replacement of High-efficiency Air-cooled Chillers

We completed the replacement of two air-cooled chillers at Berkshire House, which is expected to save 249,000 kWh per year.

#### Installation of an Automatic Chiller Condenser Tube Cleaning System

We completed the installation of automatic chiller condenser tube cleaning system for all chillers at Devon House, which is served by seawater, thus improving its heat transfer efficiency. This is expected to reduce energy consumption by 384,000 kWh per year.

#### Chiller Replacement Project at Sino-Ocean Taikoo Li Chengdu

One light duty chiller was replaced with a more energy-efficient variable speed drive chiller in April 2022, which will save about 100,000 kWh of electricity per year.



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### Smart Power Management System at Sino-Ocean Taikoo Li Chengdu

Smart power management systems improve both power management and safety by making the power supply more reliable. In turn, this creates efficiencies and frees up technicians to perform other important tasks. At Sino-Ocean Taikoo Li Chengdu, the new smart power management system began operating in December 2022, providing real-time data monitoring and failure alerts, and giving easy-to-enact precautions to operators.

### Energy-saving Retrofits at Taikoo Hui Guangzhou

At Taikoo Hui Guangzhou, two projects created significant energy savings this year. The installation of a variable-speed drive cooling tower will save around 50,000kWh per year; while eight centrifugal fans in primary air units (“PAUs”) and AHUs were replaced with EC plug fans, which are highly efficient, have a long life, and produce low noise and vibration. These new plug fans will save around 100,000 kWh per year.

### Replacing Fluorescent Lighting with LEDs at Swire Hotels

At The Upper House, the team replaced 88 fluorescent light tubes with LED lights in the guest floor light boxes. The fluorescent lights were 28W, while the new LED lights are 12W. This will create savings of over 12,000 kWh per year.

At some of our Pacific Place Apartments, we replaced 26W fluorescent light tubes in the emergency staircases with 10W LED lights. Altogether, 118 lights were replaced which will save over 21,000 kWh annually.

### Chiller Replacement at The Opposite House

In April 2022, the screw-type chiller was replaced by an oil-free chiller. This replacement will save approximately 150,000 kWh per year.

### Carbon Management in Our Hotels

Our Hotels use solar energy to heat up water in their kitchens, and have induction cookers, variable speed controls for kitchen exhaust fans, heat recovery functions for gas cooking stoves, and electric conveyor dishwashers to maximise kitchen energy efficiency.

Electric cooking reduces energy use between 20% and 50% when compared to traditional gas cooking. LED lights are installed in all kitchens, which consume between 35% and 50% less energy than fluorescent tubes and last twice as long. The restaurants’ sustainable food sourcing initiatives prioritise procuring food ingredients from local or regional sources to reduce our overall carbon footprint. All House Collective hotels maintain a consistent auditing system to identify energy efficiency improvement opportunities.



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### New Lighting at EAST Hong Kong

In 2022, we completed replacing the decorative lighting in guest rooms at EAST Hong Kong to LED, reducing decorative lighting energy consumption by 141,000 kWh, or 60%. EAST Hong Kong has dimming systems in the lobby and restaurants to provide adequate lighting level with less power consumption; while motion sensors are in use in the hotel’s gym between 11pm-6am daily, which automatically switch off lighting and TVs if the gym is unoccupied. The hotel also participates in Hong Kong government’s Charter on External Light, in which external decorative lighting on the property is switched off daily from 10:45pm to 5:30pm the next day to save energy.



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## Increase in Renewable Energy Adoption

### On-site Renewable Energy Generation



One of our 2025 KPIs is to generate 4-6% of the landlord’s building energy from renewable or clean energy sources in selected new office developments. At Two Taikoo Place, we are installing solar PV panels, a wind turbine and a waste-to-energy tri-generation system, which we estimate will supply renewable energy equivalent to approximately 6% of the landlord’s building energy.

We continue to explore other ways of increasing on-site renewable energy generation across our portfolio, such as installing solar PV panels on the roofs of existing developments like INDIGO, Taikoo Hui Guangzhou and Taikoo Li Sanlitun. We installed additional high-efficiency solar PV panels at INDIGO in 2019, while PV panels will be installed on Taikoo Place buildings in phases. A 30 kW PV panel system was installed at Devon House in 2022 which is expected to generate 31,000 kWh annually.

### Off-site Renewable Electricity Procurement

We are committed to exploring new procurement options for off-site renewable electricity for our portfolio, where feasible. Since 2021, Taikoo Hui Guangzhou became powered by 100% renewable electricity, joining Sino-Ocean Taikoo Li Chengdu in achieving net-zero carbon in its annual electricity consumption for both landlord and tenant operations and setting a new standard for the real estate sector in Asia. In 2022, Taikoo Li Sanlitun became our third portfolio in the Chinese Mainland to enter into an off-site renewable electricity purchase agreement, with 15% of the landlord’s annual electricity consumption from clean energy sources.

#### On-site Renewable Energy Generated in 2022\*

**211,398 kWh**

INDIGO

**31,281 kWh**

Taikoo Hui Guangzhou

**4,835 kWh**

Taikoo Li Sanlitun

**80,274 kWh**

One Taikoo Place

**51,235 kWh**

Dorset House

\*Include solar PV panel and waste-to-energy trigeneration system



Performance (Environment)

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**Off-site Renewable Electricity Procurement**

**27,701,806 kWh**

Taikoo Hui Guangzhou

**10,799,762 kWh**

Sino-Ocean Taikoo Li Chengdu

**4,726,830 kWh**

The Temple House

**2,186,929 kWh**

Taikoo Li Sanlitun

**220,115 kWh**

The Opposite House

**Continued Progress on our Cloud-Based Smart Energy Management Platform**



Swire Properties’ Cloud-based Smart Energy Management Platform was launched in 2019 and is being rolled out in phases. Utilising IoT, big data analysis, AI and cloud computing, the platform leverages building operations data to generate energy management and energy-saving insights.

Currently implemented at Taikoo Place, Pacific Place, Cityplaza, Citygate, Taikoo Hui Guangzhou, INDIGO and Sino-Ocean Taikoo Li Chengdu, the platform will ultimately be used at all our Hong Kong and Chinese Mainland properties.

This year, the platform identified opportunities to achieve a 50% reduction in energy use from AHUs serving the central link bridge at Cityplaza. In the 2023 ASHRAE Technology Award, the Retro-Commissioning and Digital Transformation of Cityplaza Mall through the Cloud-Based Smart Energy Management Platform received a First Place award in the Commercial Buildings Existing Building Commissioning (“EBCx”) Category.

The Platform is also equipped with a machine-learning model which is able to provide accurate cooling load predictions 24 hours in advance, thus enabling better chiller control sequencing. The machine learning model for cooling load prediction was used in the “Global AI Challenge for Building Electrical and Mechanical Facilities”, held between November 2021 and September 2022. The team won a Gold Award and the Grand Prize – Outstanding AI Influencer Award, and had the best model accuracy in the Open Group out of 44 global teams.

The platform’s features and performance has been recognised in CIBSE Building Performance Awards 2023 – Best Digital Innovation Award. This award recognises and celebrates innovation that has made a significant contribution to digital engineering, showing ground-breaking thought.



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### Energy Saving Innovations



Two energy saving innovations were piloted at our properties this year. The first was a nanofluid solution consisting of aluminium oxide nanoparticles. The nanofluid is added to the chilled water system in one of our shopping malls to increase the water’s thermal conductivity, thus improving its heat transfer efficiency and reducing the system’s energy use. The nanofluid is expected to reduce chiller energy consumption by approximately 12.5%, or around 6% of landlord annual electricity consumption for the mall.

The second was a pilot scheme to create advanced air duct seals for primary air ducts serving One Pacific Place, Three Pacific Place, 28 Hennessy Road, and Cityplaza, where deteriorating primary air ducts were beginning to leak. A water-based aerosolised sealant made from vinyl acetate polymer was used to seal the leaks, reducing air leakage, meaning less energy is wasted. The pilot sealing work indicated a saving of approximately 6% fan energy and 3% associated cooling energy, leading to 3-4% energy saving related to the primary air units.



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### Collaborations with Tsinghua University



Since 2011, Swire Properties has worked with Tsinghua University through the Joint Research Centre for Building Energy Efficiency and Sustainability. Together, we develop and test new methods to increase energy efficiency and improve environmental performance in our projects. This collaboration continues to generate substantial energy savings and allows us to share new ideas and practices with our employees, business partners, industry peers and other researchers.

We are working to push the boundaries of traditional building management by developing new AI technologies, improving indoor air quality (“IAQ”) control measures, increasing the generation and use of renewable energy, and other measures to make our portfolios even more energy efficient and sustainable.

Highlights of our partnership in 2022 included:

- Retro-commissioning work at Taikoo Li Qiantan
- Developing AI technologies for plant optimisation and smart facility management
- Developing DC microgrid guidelines and reviewing the DC microgrid pilot project design
- A whole-lifecycle building carbon emissions study where an accounting tool was developed and adopted by the INDIGO Phase Two extension development project.



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## Resource and Circularity

We are committed to supporting the transition towards a circular economy by reducing and managing waste effectively and promoting circularity across our operations. We aim to identify the impacts of waste disposal from our business activities, set targets to continually improve our waste management performance and incorporate waste prevention considerations into our procurement processes.

GRI  
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HKEX  
Aspect A1,  
A2, A3  
KPI A1.6, A3.1

### Focusing on Resource Management and Circularity

In 2017, we developed our Waste Management Policy to guide our approaches to reducing waste, from the design and construction phases of our projects to the daily operation and management of our buildings. In 2020, Swire Properties began to review this policy to highlight the value of rethinking resource use and promoting circularity and in 2021, we announced our [Resource and Circularity Policy](#), putting greater emphasis on “designing out” waste and keeping products in use while continuing to enhance resource recovery and recycling across our operations.

Reframing waste in the context of resource use and management encourages our employees, tenants, suppliers and others with whom we do business to engage with the topic with greater positivity and creativity before resources are consumed. This approach supports our transition to a circular economy and our goal to achieve zero waste to landfill by 2050. The emphasis on circularity will also help prepare the Company and our tenants for upcoming waste-related legislation, such as the compulsory garbage sorting legislation that has been introduced in major Chinese Mainland cities and the municipal solid waste charging legislation in Hong Kong which may be enacted in the latter half of 2023.

Our Resource and Circularity Taskforces in Hong Kong and the Chinese Mainland – made up of representatives from our technical services and sustainable development department, portfolio management teams and hotels – meet regularly to evaluate our resource management strategies, analyse waste data, review progress towards our 2025 and 2030 KPIs and facilitate new circularity initiatives.

### Waste Diversion Rates

We track and collect data on more than 20 types of waste produced by our office and retail tenants, hotel guests and occupants of our residences. We strive to manage the downstream processes of each waste stream and work closely with recycling partners to provide secure outlets for the recyclables we collect.

**25.4%**

Commercial waste diversion rate in our Hong Kong portfolio (including Hotels)

**44.8%**

Commercial waste recycling rate in our Chinese Mainland portfolio (including Hotels)

### Total amount of waste recycled

**3,340 tonnes**

Hong Kong portfolio (including Hotels)

**8,363 tonnes**

Chinese Mainland portfolio (including Hotels)



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### Continuous Efforts to Combat Food Waste



Food waste is a significant component of the waste sent to landfill in Hong Kong. Since 2005, when Swire Properties installed our first food decomposer at one of our Hong Kong shopping malls, we have been working with our hotels, restaurants and tenants to deepen our food waste reduction and recycling efforts. In 2022, we collected more than 8,300 tonnes of food waste from our Hong Kong and Chinese Mainland portfolios and our Hotels.

In Hong Kong, Swire Properties leverages a programme funded by the Hong Kong government's Environment and Conservation Fund to promote food waste recycling amongst our tenants. In 2022, over 75% of our F&B tenants and 113 tenanted office floors in Citygate Outlets, Cityplaza, Island Place Mall, Pacific Place, South Island Place and Taikoo Place participated in our food waste recycling programme.

### Food Waste Recycling Review with HKPC

In the first half of 2022, the fifth wave of COVID-19 significantly impacted our F&B tenants. In June, we began partnering with the Hong Kong Productivity Council ("HKPC") to review the status of food waste recycling at our portfolios. We visited over 100 office and F&B tenants to understand their current food waste recycling practices, identify the support they need (such as providing bins and bags, or posters) and offer specific advice to enhance their food waste recycling performance. One F&B group also nominated 22 shops to participate in an in-depth review on food waste and recyclables management practices.

### Taikoo Li Sanlitun's Campaign Against Food Waste Featured on TV



The management office and several retail outlets at Taikoo Li Sanlitun were featured in a programme produced by Beijing Radio and Television Station ("BRTV") that explored the city's ongoing efforts to reduce non-household kitchen waste.

A BRTV production team visited the mall to shoot on-location video of our waste disposal equipment and management system and conduct interviews with tenant representatives from restaurants and a supermarket. The programme outlined Beijing's new policy to impose a comprehensive weight-based charge for kitchen trash generated by restaurants, canteens and farmers' markets. It also drew attention to Taikoo Li Sanlitun restaurants that offer customers smaller portions, and asked the public to be mindful of reducing food waste while dining out and embrace the "Clean Plate" campaign that encourages diners to eat everything they have ordered. The programme was aired on two of the channel's flagship shows.



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### Supporting a Circular Economy for Takeaway Packaging

The COVID-19 pandemic has brought about a surge in single-use plastic tableware and packaging around the world, including all the communities in which we operate. In Hong Kong, the government also announced plans to bring forward a ban on single-use plastic tableware. The first phase of this measure may be in force as early as the last quarter of 2023. In 2022, we continue to expand initiatives to promote reuse and recycling.

#### Smart Reusable Cup System at Taikoo Place



In 2020, Swire Properties piloted Hong Kong's first smart reusable cup network at Taikoo Place. While the initiative took a brief hiatus in parts of 2022 due to the fifth wave of COVID-19, we relaunched it in August with a more durable cup design, a new range of three different cup sizes and an expanded network of 11 participating cafe partners and tenants. We also began washing and sanitising the cups at one of our F&B tenant's kitchens, fully "closing the loop" within Taikoo Place.

Use of the system involves customers asking for the cup when placing an order, then returning the cup and lid to any of the five return stations at Taikoo Place. In December, we organised a Reusable Cup Day event in partnership with a participating tenant. Close to 150 beverages were served in Muuse reusable cups or the customers' own cups only. The event attracted more customers to join our reuse journey and was a successful experiment in gauging customers' willingness to patronise a café that only uses reusable cups. Since the programme's launch, we have prevented the disposal of over 16,800 single-use coffee cups.

#### Eco Coffee Cup at Swire Hotels



At The Temple House, EAST Beijing, and EAST Hong Kong, coffee drinkers now have the option of purchasing their drinks in a reusable cup instead of a disposable one. The Eco-cup reduces cost and waste and saves customers' money – when reusing the Eco-cup at the restaurant, they receive a discount on their drink purchase.



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### Reusable Food Containers at Pacific Place



In October 2022, we began supporting the city's first-ever closed-loop reusable packaging pilot programme for delivery platforms, an initiative launched jointly by a food delivery platform and WWF-Hong Kong, an environmental NGO, with funding from the Hong Kong government's Environment and Conservation Fund. A return machine was placed at One Pacific Place to collect used containers that were then sanitised and recirculated to the programme's restaurant partners.

### Shanghai Malls Transform Plastic Bottles into School Uniforms



Taikoo Li Qiantan and HKRI Taikoo Hui both have strong plastic bottle collection programmes. The malls gave these collected bottles a new lease on life as school uniforms. After opening in late 2021, Taikoo Li Qiantan began collecting PET bottles. In 2022, 1.7 tonnes of these bottles were recycled into 500 sets of elementary school uniforms which were then donated to schools in mountainous areas via a charity.

Meanwhile, in September and October 2022, HKRI Taikoo Hui initiated a month-long plastic bottle recycling programme in partnership with several environmental charities. Recycling bins were set up in the mall, with the collected bottles processed into school uniforms which were again donated to schools in less economically developed areas.



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## Introducing Circularity Concepts to Festive Celebrations and Events

### White Christmas Street Fair 2022



In 2022, our White Christmas Street Fair continued to work towards being a zero-waste event. From the earliest stages, we incorporated circularity principles into the planning and execution processes to ensure that the materials used were reduced, reused and recycled. Through careful planning of the design and structure of the event installations, the total amount of materials used to set up and run the event was reduced by 23%; while 91% of event setup and consumer waste was diverted from landfills.

Resource and circularity measures adopted included:

- Producing 5,000 decorative “re-poinsettias”, made from old cabin crew uniforms from Cathay Pacific and bed sheets from Swire Hotels, for decorations at the event. These were then redistributed to staff for use as home decorations.
- Creating multifunctional souvenir package which could be reused as food and beverage vouchers at the Street Fair.
- Using 3D “printed reversible sand” installations which can be dismantled and reused for new installations, instead of using non-recyclable fibreglass.
- Using fully recyclable D-Boards for most signage instead of foam board.
- Piloting a closed loop approach for compostable materials.

### The House Collective Mooncake Boxes – Treasure Chests with Upcycled Jade



The design for the House Collective’s 2022 mooncake collections was inspired by traditional Chinese curio boxes, nicknamed the “emperor’s toy chests”. We collected around 50kg of old uniforms and 65kg of glass bottles from our Houses to create a new “jade” called “Ping An Kou”. The materials were melted down into liquid form and remoulded into stylish jade amulets. Once enjoyed, the mooncake box sets can be reused as treasure chests to store items at home, while the

“jade” can be used as a stylish accessory – paying homage to the traditional artefacts that families use to pass peace and safety down through the generations, and the same circular mindset that is at the core of sustainability.



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After the Mid-Autumn Festival, The Upper House team also began collecting used mooncake boxes from customers to be upcycled into lai see packets for Chinese New Year. In addition, as part of The Upper House's ongoing commitment to our community partners, 10% of profits from mooncake sales will be donated to a local charity serving children without families, pregnant teenagers and in-need young women in Hong Kong.

### Starstreet Precinct's Circular Campaign for Christmas



In mid-June 2022, Starstreet Precinct began to prepare for a green Christmas by collecting PET plastic bottles and transforming them into Christmas decorations. The team set up 16 recycling locations at Pacific Place and across Starstreet Precinct. Contributors put their bottles into the designated recycling bins, registered and then watched their "upcycled Christmas masterpiece" take shape. Trees were also planted on the contributors' behalf through a third party –

the progress of which could be tracked via a website. In total, around 1,700 plastic bottles were collected and later converted into decorations. The recycled plastics were finally upcycled into small trinkets in early 2023.

### Zero-waste Festive Decorations at our Hotels



Sustainable seasonal celebrations are a tradition at Swire Hotels. Every Christmas, The Temple House incorporates recycled materials into festive decorations for the annual community-driven tree-lighting ceremony. In 2022, we partnered with a design studio to create zero-waste Christmas trees made of thousands of upcycled plastic bottles that were displayed in The Temple House and The Upper House. After the festivities, the trees were deconstructed into a furniture set

at The Upper House and tea trays at The Temple House. These were then auctioned off, with all proceeds going to local charities. At EAST Hong Kong, Christmas 2022 welcomed a giant teddy bear made from upcycled materials. The bear's structure was created from left-over wooden fencing from when EAST Hong Kong operated as a quarantine hotel. This was covered with a layer of used blankets and covered up with fake fur.



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### Enhanced Collection and Recycling of Event Waste at Cityplaza



In addition to collecting recyclables from mall customers and tenants, in late 2021, Cityplaza began engaging their marketing and promotions team, technical team and exhibitors to recycle event-related waste.

The rationale for this initiative was the observation that at the end of promotion events, renovations and other wide-ranging overhaul projects, a significant amount of material such as hoarding materials were thrown away, when it is completely possible to reuse or recycle these materials.



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### Digitalising and Gamifying Waste Data



Over 90% of the waste generated at our buildings come from building users such as tenants. While waste measurement conventionally involves manual weighing and recording, we continue to embrace technologies that can digitalise the waste data collection process.

Back in 2021, with the support of the Swire Pacific SD Fund, we launched Hong Kong's first Smart Waste Reduction Challenge, using smart scales and a digital engagement platform to "gamify" the

collective sustainability journey experienced by our employees and tenants.

In 2022, the new Smart Waste Reduction Challenge welcomed more tenants. This year, 18 participating teams drawn from 13 office tenants across Taikoo Place, Pacific Place and Citygate as well as the Company's own offices joined, engaging over 3,400 employees in a workplace waste reduction challenge.

The participating teams:

- Received recommendations about how to optimise the design and layout of their office waste bins.
- Replaced individual desk-side rubbish bins with centralised collection and sorting stations.
- Fitted smart scales under each bin to collect live waste disposal and recycling data.
- Set up display screens to showcase their waste reduction progress in real-time and benchmark this progress against other teams.
- Set and tracked customised performance goals and participated in regular meetings to review waste performance.
- Monitored the waste contamination level of their office bins using a waste assessment form.

Throughout the challenge, we organised online and offline engagement activities to support participating teams in their waste reduction efforts and support the Green Performance Pledge through goal-setting and tracking, a toolkit and insights. These included:

- A virtual award ceremony to recognise the waste reduction and recycling efforts of the 15 teams that participated in the 2021 Challenge.
- Three workshops in which participants learnt how to reduce single-use items and textile waste, and a downstream recycling facility visit where tenants learned more about Hong Kong's waste management.
- Two tenant project forums where the tenants' green teams shared best practices, new ideas and challenges.
- A five-day "Go Green Pop-Up" where a recycling game booth was set up to refresh employees' recycling knowledge. Ice cream treats were also given to colleagues who brought their own container. The event reached over 500 employees across the five participating offices.



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Smart Waste Reduction Challenge 2022 Achievements

16%

reduction in total waste per employee\*

36%

overall waste diversion rate

91%

tenants that set up customised waste performance goals achieved at least one goal

\*Compared between July to December 2022 and 2021 for tenants who joined the Smart Waste Reduction Challenge in both 2022 and 2021.

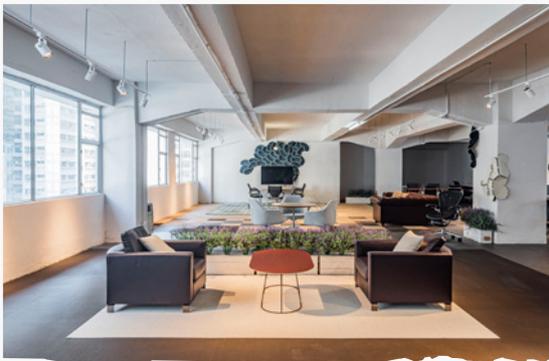
Pilot Projects to Digitalise Waste Data for Office and Retail Tenants

In 2022, Swire Properties began a smart mobile scale pilot project, in which cleaning contractors were provided with a designated smart scale to weigh and record tenants' waste in a back-of-house area. The trial involved seven office tenants from Taikoo Place and Pacific Place, and they received online live data dashboards and monthly summary reports to understand their waste performance and improvement opportunities.

In December, we began another smart waste trial to measure the waste generation and diversion rates of F&B tenants. The pilot involved five F&B tenants at Pacific Place and will provide data that will help review of the outcomes of circularity initiatives in the retail context.

Extending the Useful Life of Furniture and Textiles

Green Furniture Management Service



A Hong Kong and industry-wide first, this year Swire Properties partnered with a provider of sustainable office fit-out and reinstatement to launch a furniture solution for Taikoo Place and Pacific Place tenants. The initiative aims to support a circular economy by significantly reducing the volume of office furniture that goes to landfill.

There are few local channels in Hong Kong where used office furniture can be redistributed or reused. This service aims to bridge the gap by

giving tenants exclusive access to premium and reused furniture products from around Hong Kong. Our partner stores, maintains and displays these high-quality items at a physical showroom provided by Swire Properties. Tenants can browse the full inventory and make a purchase online or book an appointment to the showroom. We have facilitated some new tenants who have obtained almost all of their office furniture through this service.



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In addition to this service, the partner offers a sustainable office furniture redistribution service to the Company's tenants. Tenants with unwanted furniture, often during the reinstatement process, can engage the service provider to arrange re-homing, donation to charities and NGOs or recycling of the constituent components, with a thorough report incorporating the items' destinations, estimated carbon emissions, and diversion from landfill.

As of December 2022, the initiative has helped our Taikoo Place and Pacific Place tenants divert more than 1,300 pieces of furniture from landfills, totalling nearly 40 tonnes.

### Redress Events at Taikoo Place



For the fourth consecutive year, Swire Properties partnered with Redress, a local environmental charity that aims to prevent textile waste, catalyse a circular economy and reduce the fashion industry's environmental impacts. In October, we once again supported "Get Redressed Month", Hong Kong's largest annual clothing drive, by setting up 19 public collection boxes around our portfolios and encouraging our tenants and the general public to donate and give their "pre-loved apparel" a new life.



In November, we were also the venue sponsor for the "Redress Sort-a-thon". In just three days, over 16 tonnes of second-hand clothes were sorted with the help of over 640 volunteers from 36 companies, including our Community Ambassadors. Most of the collected clothes were then either sent for resale at the Redress pop-up shop, donated to over 20 local charity partners or recycled.

### Pacific Place Apartments Reuse Initiatives

Pacific Place Apartments embarked on two initiatives to repurpose old fabrics into useful items. The first initiative involves creating 60 reusable newspaper bags, used to hang daily newspapers on tenants' door, out of a roll of unused curtain fabric. The second involved making 20 curtain bands, used to tie up heavy curtains, out of old bed sheets.



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Water

Swire Properties monitors water consumption in our buildings and utilises various water-saving mechanisms such as water meters, water flow regulators, automatic taps, and automatic flush toilets and urinals.

We regularly encourage our employees and tenants to save water. We also urge our tenants to have in place internal guidelines on fresh and flushing water, as these help us comply with enhancements to the Hong Kong government’s voluntary “Quality Water Supply Scheme for Buildings”.

We aim to manage water risk and reduce overall water consumption under the Water focus area.

The relevant SDGs are:



**SDG 6**  
Ensuring availability and sustainable water management.



**SDG 12**  
Ensuring sustainable consumption and production patterns.

GRI  
303

HKEX  
Aspect A2  
KPI A2.4, A3.1

Water Policy

Swire Properties’ [Water Policy](#) has been updated to focus on our responsible use of water. Pursuant to this policy, we aim to design and implement efficient water management measures across our operations, ensuring water resource is discharged into the environment safely, and encourage our employees and tenants to consume water responsibly, among other action items. In 2022, we conducted a review of our Water Policy to ensure alignment with global best practices and the latest regulations, and to better reflect water-related issues that are material to Swire Properties.

The policy has been updated to strengthen our commitments around the responsible use of water. This includes understanding the water risks in the locations of our developments, reducing water-consumption intensity through improved design, implementing efficient water management measures during operations, ensuring that water is discharged into the environment safely, and engaging our stakeholders to encourage the responsible consumption of water.



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### Water Recycling

Several of our properties have grey water treatment and recycling systems in place. The system at Oxford House at Taikoo Place collects, treats and reuses pantry wastewater from office tenants for cleaning purposes, annually recycling about 300m<sup>3</sup>. Several Chinese Mainland properties including Taikoo Hui Guangzhou, INDIGO, Sino-Ocean Taikoo Li Chengdu and HKRI Taikoo Hui have installed systems to collect and treat wastewater and rainwater for toilet flushing and plant irrigation. One Taikoo Place also has a system that collect rainwater which is then recycled and used to irrigate the gardens and green spaces at Taikoo Square and around the buildings. Recycled rainwater and greywater recycling are used to irrigate the gardens and green landscaped areas at Two Taikoo Place, yielding 100% irrigation-related water saving. Process water from cooling tower is also recycled through a reverse osmosis (“RO”) system and reused in the make-up water tank. Together, these three systems with water efficient fixtures will reduce fresh water demand by over 48%.

This year, we continued to explore any opportunities to save water, whether by upgrading or changing maintenance procedures for our equipment, or through new practices in our daily operations. This year we continued our trial programme of adjusting the cleaning schedule for cooling towers, and our partnership with Tsinghua University to study how cooling tower water consumption can be reduced. Using simulations, the study analyses water-use patterns and generates suggestions for optimal practices at different portfolios. We also continued to explore the concept of water neutrality, setting out definitions, scopes and timelines so that we may begin to use the concept in our operations.

### Water Neutrality Study

Swire Properties’ water neutrality study continued in 2022. We defined water neutrality as a state whereby we optimise our direct water usage – fresh water used for achieving business functions that are under the ownership and control of Swire Properties – to reduce our water footprint through reduce, reuse and recycling where possible. It also involves compensating for the negative impacts of our remaining water footprint by replenishing water in the water-stressed regions in which we operate. Replenishment can be achieved through nature-based solutions such as reforestation and watershed protection, the Global Water, Sanitation and Hygiene programme, or through desalination projects.

We pledged to reach a state of water neutrality by 2050.



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### Water Saving Initiatives

#### Improving the Grey Water Treatment System at Sino-Ocean Taikoo Li Chengdu



This grey water treatment system serves both the mall and The Temple House hotel. The system serves the retail complex and the hotel, and is capable of treating 6,500m<sup>3</sup> of grey water per year.

#### Sustainable Filtered Water for our Hotel Guests and Restaurant Customers in Hong Kong



Swire Properties was the first in Hong Kong to adopt a partnership model with a UK-based social enterprise, removing single-use bottled water with the introduction of on-site water filtration systems at Salisterra in The Upper House. Customers can enjoy filtered still and sparkling water from the system, reducing the burden on landfill and carbon footprint needed to transport the single use bottled water.

The partnership helps the social enterprise in pursuit of their purpose 'to change the way the world sees water'. The social enterprise delivers a sustainable premium water service for guests, while committing to donating all profits from its business to a global water charity that supports the UN Sustainable Development Goals. The partnership was further rolled out to Mr & Mrs Fox, Above Lounge at Pacific Place and EAST Hong Kong.

#### Sustainable Toilet Renovation at Taikoo Hui Guangzhou



At Taikoo Hui Guangzhou, a recent renovation to the bathrooms included a number of SD features – water-free urinals, water-saving toilets, integrated water faucets and hand-dryers to reduce paper use, indoor greenery and the use of sustainable materials throughout such as glass reinforced gypsum walls and ceilings, composite cement walls and high-pressure laminated toilet cubicles. The previous toilet renovation received the Carbon Neutral Certificate in 2021, granted by the China

Emissions Exchange, and we sought to attain the same goal in another sustainable toilet renovation project this year.



## Performance (Environment)

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### Water Conservation at The Temple House



The Temple House and EAST Hong Kong restaurants installed water economisers on all water taps and a LEED-CI standard water saving dish-washing machine to minimise water usage.

At The Temple House, The Opposite House and The Middle House, higher flow-rate kitchen faucets were replaced with faucet aerators to decrease water usage, collectively reducing water consumption by over 3,250m<sup>3</sup>.

### Rainwater Recycling at INDIGO



INDIGO's existing grey water system collects high-quality wastewater and rainwater to make grey water for toilet flushing and greenery irrigation. Cutting-edge treatment technology can effectively treat sewage water, allowing it to reach grey water or even pure water standards for use in cooling towers. In 2022, INDIGO built a sewage water recycling system, further improving our water savings and reducing wastewater discharged into the municipal pipework system.

When operating, the system will have the capacity to save up to 85,000 m<sup>3</sup> of water per year.

### Water Categorisation and Sub-metering Efforts at our Chinese Mainland Portfolio

In 2022, our Chinese Mainland portfolio completed the water sub-metering installation project. By breaking down landlord water consumption into specific categories, such as air conditioning, water features, bathroom faucets, cleaning and others, we gain increased visibility on water consumption patterns and system demands. This allows us to optimise water usage and strengthen our efforts to create better water stewardship.



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Biodiversity

GRI  
304

Anchored by our [Biodiversity Policy](#), we integrate biodiversity considerations into our new developments and operations and, where relevant, work to minimise any adverse impacts of our operations on biodiversity and ecosystems.

Although the majority of our portfolio is located in urban areas where biodiversity issues are usually not material, we have conducted assessments at all of our existing properties and projects under development to determine the status of biodiversity and its importance to the places that we develop and the surrounding natural environment. These assessments have shown that none of our existing properties contain or are located adjacent to areas of globally or nationally important biodiversity.

Biodiversity Guidelines



In 2022, we started to develop Swire Properties Biodiversity Guidelines suitable for Hong Kong and the Chinese Mainland. The guidelines are designed to define the importance of biodiversity and the Company’s approach to protecting it across our developments. The guidelines will explain the importance of biodiversity, various laws and regulations and recommended actions Swire Properties can take to protect and enhance biodiversity across all stages of our current and future properties.



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### Taskforce on Nature-related Financial Disclosure



Taskforce on Nature-related  
Financial Disclosures

The Taskforce on Nature-related Financial Disclosures (“TNFD”) was established in 2021 in response to the growing need to factor nature into financial and business decisions. The TNFD is a global, market-led initiative with a mission to develop and deliver a risk management and

disclosure framework which organisations can use to report and act on evolving nature-related risks and opportunities, with the ultimate aim of supporting a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes.

Swire Properties recognises biodiversity and nature loss as one of the emerging risks to our businesses. The health of the ecosystems affects the availability of natural resources and land conditions, thereby our ability to generate value for our stakeholders. With increasing concerns around biodiversity loss and its interconnection with climate change, Swire Properties began exploring the business impact and dependencies on nature, associated nature-related risks and opportunities in accordance with the TNFD framework.

In 2022, our Deputy Head of Sustainable Development joined the TNFD as a Taskforce member, providing inputs to the Taskforce to develop the framework. The TNFD’s complete recommendations (v1.0) will be published in September 2023. Swire Properties also started to partner with the World Business Council of Sustainable Development (“WBCSD”) to pilot the TNFD beta framework. We hope our participation will help generate insights that will improve the relevance of the framework to the real estate sector.



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Occupant Wellbeing

We aim to operate and maintain our buildings and workspaces in ways that promote occupant health and wellbeing.

The relevant SDG is:



SDG 3

Ensuring healthy lives and promoting wellbeing.

GRI 416

HKEX Aspect B6 KPI B6.4

On top of numerous physical and mental health and wellbeing considerations, we also design and construct our buildings to enhance visual comfort through the use of natural daylight, glare indices and diverse types of lighting, at the same time minimising the adverse impacts of external lighting, such as sky glow, source intensity and building luminance. We also consider acoustic impacts throughout the design, construction and operational phases of our buildings. We are gradually installing UVC lamps in the air handling units across our portfolios. As at 31 December, this upgrade has been completed for over 650 units in Taikoo Place to help with sterilisation and improve IAQ.

Apart from monitoring occupant wellbeing in existing buildings, we also incorporate wellness features and initiatives in our new development projects.

IAQ Initiatives in 2022



Indoor air quality has always been important to Swire Properties and our tenants and customers. In a post COVID-19 world, having clean, sanitary indoor air to breathe is a top concern for most people. We are actively working to meet and exceed air quality guidelines at all our properties.

In 2022, we installed a continuous IAQ monitoring system and improved HVAC controls in the common areas of all buildings at Taikoo Place and Pacific Place, Cityplaza and Citygate Outlets.

The sensors were installed at various locations in the shopping arcade and office lobbies, measuring and displaying temperature, relative humidity, CO<sub>2</sub>, TVOCs, PM2.5, PM10, CO and O<sub>3</sub>. The data is closely monitored by our facility management team to ensure good thermal comfort.

Since its opening in 2011, INDIGO has continuously improved indoor air quality. In 2022, the ONE INDIGO office building was awarded RESET® Air standard certification – the first office building in China to obtain “RESET® Air v2 Commercial Interior” certification for the overall public area. The assessment items include fine particulate matter, TVOCs, carbon dioxide, temperature and relative humidity.



Performance (Environment)

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 Resource and Circularity      Water      Biodiversity      Occupant Wellbeing      **Building/Asset Investments**

**Building/Asset Investments**

As part of our management approach to identify and manage the significant impacts of our buildings on the environment and natural resources, we aim to obtain certification for our buildings under environmental building assessment schemes that provide benchmarks and objective standards against which we can measure our performance.

As part of our Building/Asset Investments focus area, we support green building development.

The relevant SDGs are:



**SDG 11**

Making cities and human settlements inclusive, safe, resilient and sustainable.



**SDG 12**

Ensuring sustainable consumption and production patterns.

**GRI**  
417

**HKEX**  
Aspect A3, B6  
KPI A3.1, B6.4

**Demonstrating and Sustaining Green Building Leadership**

Our projects employ an integrated design approach in accordance with the requirements of several internationally-recognised green building standards and rating schemes. This requires members of our project teams and operations teams to work together in areas ranging from building design to construction and operation.

In 2021, Swire Properties became the first developer in Hong Kong and the Chinese Mainland to join the World Green Building Council's ("WorldGBC") Corporate Advisory Board. As part of a select group of global leaders in sustainability, companies that sit on the Corporate Advisory Board guide WorldGBC strategy and activities to accelerate the sustainable building movement.

We also encourage our tenants to participate in environmental building assessment schemes and work closely with them to implement sustainability strategies that will help them achieve the relevant certifications.

These include local and international green building certification schemes such as:

- BEAM Plus, a set of standards recognised and certified by the Hong Kong Green Building Council.
- LEED, a rating system devised by the United States Green Building Council.
- The China Green Building Label, issued by the Ministry of Construction in the Chinese Mainland.
- WELL, a certification scheme developed by the International WELL Building Institute.

On top of the above schemes, we also have a SD fit-out programme, part of the Green Performance Pledge, which offers a set of SD Fit-out Technical Guidelines for new tenants fitting out their premises, or for existing tenants planning a renovation. These guidelines feature user-friendly templates, office design tips, and a validation and recognition system to improve energy and water efficiency, reduce waste and enhance employee wellness.



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Green Buildings as a Percentage of our Portfolio

**95%**

of wholly-owned existing buildings<sup>37</sup> are certified green buildings, of which **98%** have achieved the highest ratings.

**100%**

of wholly-owned projects under development<sup>38</sup> have achieved green building certification ratings.

Green Buildings Certified in 2022



**BEAM Plus**

**Lincoln House**

- Final Platinum (Existing Buildings Version 2.0)

**Pacific Place**

- Final Platinum (Existing Buildings Version 2.0)



**LEED**

**Taikoo Hui Guangzhou**

- Platinum (LEED v4 for Building Operations and Maintenance: Existing Buildings)

**Taikoo Li Sanlitun, Beijing**

- Platinum (LEED v4.1 for Operations and Maintenance: Existing Buildings)



**WELL**

**Taikoo Hui Guangzhou**

- Platinum (WELL V2 Core)

<sup>37</sup> “Wholly-owned existing buildings” do not include joint venture projects and trading properties and are measured as the percentage of total GFA.

<sup>38</sup> “Projects under development” refers to projects that are under construction or in the precertification stage and does not include joint venture projects and trading properties.



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## Green Building Award (GBA) 2021 and RICS Award 2022



Swire Properties won the Pioneer Award in Green Building Leadership (Facilities Management) at the Green Building Award 2021 and was the Sustainability Award winner at the RICS Awards 2022 Hong Kong.

Six of our buildings also won the “GBA Low Carbon Buildings Top 100 Award”, presented by the Greater Bay Area Carbon Neutrality Association:

Taikoo Hui Guangzhou Mall, Taikoo Hui Guangzhou Office Towers 1 and 2, One Island East, One Taikoo Place and Cityplaza.

Taikoo Li Sanlitun West received an Excellence Award in the “Regeneration Project of the Year” category at the RICS Awards China 2022, recognising that the project has re-energised the Sanlitun community and created a fashionable lifestyle destination that is connected to public services, improving the lives of the local residents.

Swire Properties also made the list of finalists for the Sustainability Award at the 2022 British Business Awards, organised by the British Chambers of Commerce in China.

## Green Building Design for Savyavasa



Savyavasa, the Company’s first residential development in Jakarta Indonesia, is committed to achieving Green Mark Gold rating under the Building and Construction Authority (“BCA”) Green Mark for Residential Buildings.

Among the features which will earn the development this certification are:

- Double glazing to reduce heat transfer and save energy and for noise cancellation.
- Use of energy recovery ventilators to pre-condition and filter air, saving energy and providing a supply of clean, fresh air.
- 100% water efficient fittings to reduce water usage.
- Provision of 20 electric charging stations and priority charging lots within the development, with provisions made to extend these services as demand increases.
- Use of certified low-VOC paints in all applicable areas.
- Construction materials compliant with green certification.



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### Taikoo Hui Guangzhou Wins Rigorous LEED Platinum Certification Again



Five years after achieving LEED Platinum certification, Taikoo Hui Guangzhou renewed the certification, meeting the standards of the v4.0 rating system.

Since its opening in 2011, the shopping centre has been a leader in sustainability practices. Among the mall's recent achievements are becoming powered by 100% renewable electricity in July 2021, and having its restrooms recognised by

the Guangzhou Emissions Exchange for outstanding performance in carbon neutrality – the first public convenience facility in a commercial complex to receive this recognition.

This year, Taikoo Hui Guangzhou helped three more of its F&B tenants earn a One-Leaf rating, and two more of its F&B tenants earn a Two-Leaf rating, the second-highest grade in the Swire Properties Green Kitchen Initiative.

### Taikoo Li Sanlitun Wins Platinum LEED v4.1 Certification



In June, Taikoo Li Sanlitun earned Platinum LEED v4.1 certification for its operations and maintenance of existing buildings, a step up from its LEED Gold v3 which the mall received in 2017.

As Swire Properties' first retail-led, mixed-use development in the Chinese Mainland, Taikoo Li Sanlitun has long been committed to promoting SD. Prior to receiving LEED Gold, the mall improved its energy efficiency through LED lighting renovation, façade insulation and automated

waste sorting. Over the past five years, the complex has continued to increase energy efficiency through an HVAC system upgrade in the south zone, saving more than 66,500 kWh per month in the summer, and installing a solar power system in the north zone, paving the way for this latest certification.



# Climate-related Financial Disclosures

We publish climate-related financial disclosure with reference to the recommendations of the TCFD under four categories - governance, strategy, risk management and metrics and targets.

## Climate-related Financial Disclosures

In 2015, the Financial Stability Board (“FSB”)<sup>39</sup> established the Task Force on Climate-related Financial Disclosures (“TCFD”) to develop voluntary, consistent climate-related financial risk disclosures for use by companies when providing information to investors, lenders, insurers and other stakeholders. In 2017, the TCFD published a set of recommendations for voluntary climate-related financial disclosures that are consistent, comparable, reliable, clear and efficient, and which aim to provide decision-useful information to lenders, insurers and investors.



**GRI**  
102-30, 201, 305

**HKEX**  
Aspect A2, A3, A4  
KPI A3.1, A4.1

We recognise the risks and opportunities presented by climate change to our business. In accordance with our [Climate Change Policy](#), we are committed to communicating our management approaches and strategies for climate mitigation, adaptation and resilience to our stakeholders. In 2018, we started to publish climate-related financial disclosures with reference to the recommendations of the TCFD under the four core categories of Governance, Strategy, Risk Management and Metrics and Targets. In 2020, we completed the climate risk assessment for physical and transition risks and opportunities to our global portfolio.

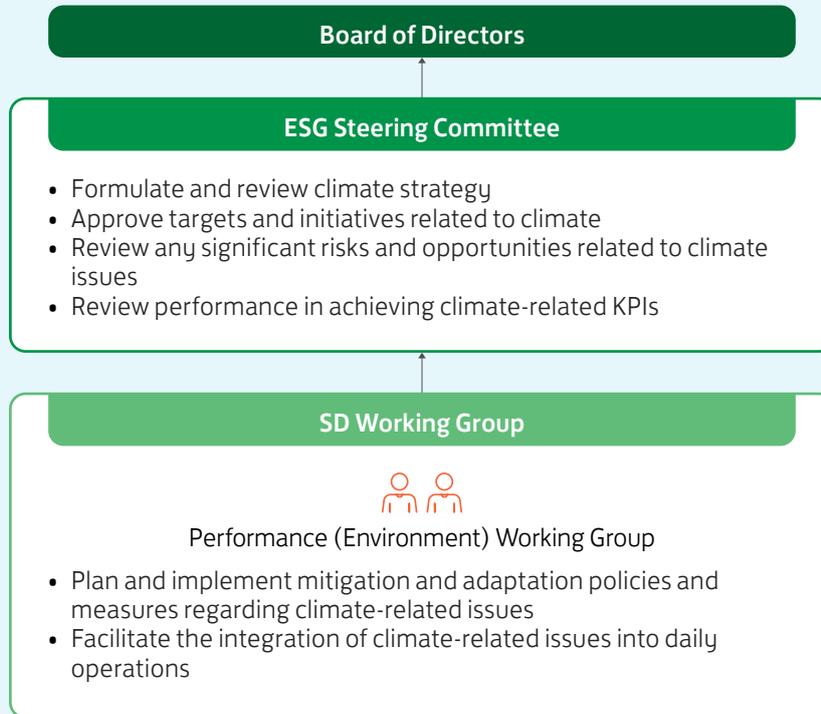
This is our fifth set of climate-related financial disclosures. They are set out in the following pages.

<b>Governance</b>	Swire Properties’ governance around climate-related risks and opportunities
<b>Strategy</b>	Addressing the actual and potential impacts of climate-related risks and opportunities related to the Company’s businesses, strategy, and financial planning
<b>Risk Management</b>	How we identify, assess and manage climate-related risks
<b>Metrics and Targets</b>	The metrics and targets used to assess and manage relevant climate-related risks and opportunities material to Swire Properties

<sup>39</sup> The FSB is an international body that monitors and makes recommendations about the global financial system.

## Governance

### Swire Properties' governance around climate-related risks and opportunities



Our ESG Steering Committee (“ESGSC”) is chaired by our Chief Executive. Other members are the Finance Director and six members of our senior management from the human resources and administration, portfolio management, projects, public affairs and technical services and sustainable development departments. In 2022, an Independent Non-Executive Director of the Company joined the ESGSC; this person is also the Chairman of our Audit Committee. The Chairman of the ESGSC reports relevant SD matters, including climate-related issues, to the Board five times a year.

The ESGSC meets quarterly and, in accordance with its [terms of reference](#), has the following overall responsibilities related to climate change:

- Formulate and review the Company’s SD 2030 Strategy and climate strategy, including approving targets or key initiatives related to climate change mitigation, adaptation and building climate resilience.
- Review any significant risks, opportunities and investments regarding climate change, energy/carbon management and low-carbon transition.
- Review on an annual basis the performance of the Company in achieving our energy/carbon intensity reduction targets, including progress towards achieving our science-based targets, and other climate change- and energy-related KPIs.

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The Board provides oversight of our [risk management framework](#) and SD risks, including climate-related risks. Our SD agenda and the progress of our SD 2030 Strategy are reported by the ESGSC and discussed at quarterly board meetings. We also conduct regular risk identification and analysis and review management processes throughout the year through the Audit Committee and our ERM System. This includes our Corporate Risk Register in which climate change has been identified as an emerging risk.

Both the Board and the ESGSC have sufficient knowledge of climate-related issues and the impacts of such issues on the company’s business and operations. Regular training on climate-related issues is provided to ensure that all our people keep abreast of the latest developments.

A Working Group under the Performance (Environment) Pillar, composed of members with sufficient technical expertise in climate-related issues, is in place to plan and implement different mitigation and adaptation policies and measures, and to facilitate the integration of climate-related issues into business operations.

Our [Climate Change Policy](#) guides our management approach and strategy on climate change mitigation, adaptation and resilience. We also support the Business Environment Council’s efforts to develop and promote the Low Carbon Charter for the property and construction sector in Hong Kong.

In 2020, we conducted a [materiality review](#) to gather feedback from 570 internal and external stakeholders through qualitative interviews and a quantitative survey. The topics of green building construction and renovation, energy efficiency, decarbonisation, climate adaptation and resilience were identified as material issues to our business continuity and development. These issues align with the focus areas of the Performance (Environment) Pillar of our SD 2030 Strategy.

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## Strategy

### ***Addressing the actual and potential impacts of climate-related risks and opportunities related to the Company's businesses, strategy, and financial planning***

We recognise that climate change poses different types of risks to our business. Apart from physical risks, such as flooding, extreme weather events and increasing temperatures, which can disrupt or negatively impact our employees, assets and supply chains, we also acknowledge the potential financial impacts that can result from transition risks, which include regulatory, market and reputational risks.

Climate change also presents us with opportunities to develop low-carbon and climate-resilient assets to meet the increasing market demand for climate-proof buildings and to mitigate the potential operational costs attributed to extreme weather conditions, such as maintenance and insurance premiums. Also, climate change helps stimulate business innovation and experimentation, which may aid the transition to a lower-carbon economy.

We are committed to creating climate-resilient places and communities that are better able to cope with the physical impacts of climate change. We are also committed to developing [certified green buildings](#) that are energy-efficient and low-carbon by design and in operation. In 2022, 100% of our new projects under development achieved the highest green building rating; 95% of all existing buildings were certified green buildings; and over 97% of our 2022 gross rental income came from certified green buildings.

Under our SD 2030 Strategy, one of our 2025 KPIs is to generate 4-6% of landlord's energy from [on-site renewable energy sources](#) in selected new office developments. At Two Taikoo Place, we are installing solar PV panels, a wind turbine and a waste-to-energy tri-generation system, which we estimate will supply renewable energy equivalent to approximately 6% of the landlord's building energy.

We are also committed to exploring new procurement options for off-site renewable electricity for our portfolio, where feasible. Since 2021, Taikoo Hui Guangzhou became powered by 100% renewable electricity, joining Sino-Ocean Taikoo Li Chengdu in achieving net-zero carbon in its annual electricity consumption for both landlord and tenant operations and setting a new standard for the real estate sector in Asia. In 2022, Taikoo Li Sanlitun became our third portfolio in the Chinese Mainland to enter into an off-site renewable electricity agreement, with 15% of the landlord's annual electricity consumption from clean energy sources.

To prepare for the transition to a low-carbon economy, we have established carbon-reduction targets and initiatives under our SD 2030 Strategy for our Hong Kong and Chinese Mainland portfolios. We have ramped up our science-based targets ("SBTs") to align with the 1.5°C pathway. These were officially approved in September 2021, making us the first real estate developer from Hong Kong and the Chinese Mainland to establish 1.5°C-aligned decarbonisation goals in line with the Paris Agreement for our global portfolio.

Our ambitious new SBTs are approximately 50% more aggressive than our original 2°C-aligned SBTs approved by the SBTi in 2019. These new goals have put the Company on the right path to reaching net-zero emissions by 2050 and support the Hong Kong government's pledge to achieve carbon neutrality before 2050.

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These approved [SBTs](#) are:

- Reduce absolute Scope 1 and 2 greenhouse gas (“GHG”) emissions by 25% by 2025 (compared to the 2019 baseline).
- Reduce Scope 3 GHG emissions from downstream leased assets by 28% per sqm by 2030 (compared to the 2018 baseline).
- Reduce Scope 3 GHG emissions from capital goods by 25% per sqm by 2030 (compared to the 2016-2018 baseline).

In 2022, we are making steady progress towards our SBTs:

- Reduced absolute Scope 1 and 2 greenhouse gas (“GHG”) emissions by 28% (compared to the 2019 baseline).
- Reduced Scope 3 GHG emissions from downstream leased assets by 40% per sqm by 2030 (compared to the 2018 baseline).
- Reduced Scope 3 GHG emissions from capital goods by 17% per sqm by 2030 (compared to the 2016-2018 baseline).

Since 2011, we have worked with [Tsinghua University](#) through the Joint Research Centre for Building Energy Efficiency and Sustainability to develop and test new methods of increasing energy efficiency and improving environmental performance in our projects. This collaboration continues to generate substantial energy savings and allows us to communicate and share new ideas and practices with our employees, business partners, industry peers and other researchers.

To reduce embodied carbon from our development projects and construction activities, we have established performance-based targets on embodied carbon for concrete, rebar and structural steel for future projects in Hong Kong. We have also specified that [low-carbon materials](#) should be adopted in our projects and activities such as concrete with pulverised fuel ash or ground granulated blast-furnace slag, rebar and structural steel with recycled content, and the optimisation of structural design to minimise material consumption.

We are committed to integrating sustainability considerations into our financing mechanisms. We have been incorporating sustainability into our annual budgeting process to plan the capital required to realise our decarbonisation goals. It ensures adequate resources are allocated towards mitigating and adapting to climate-related risks and to fully recognise opportunities to building our climate resilience. The annual budget is reviewed and approved by the Board. A total of HKD 3,159 million has been budgeted as the future three-year (2023 to 2025) forecast expenditure for climate-related projects, including funds generated from ICP.

Since 2018, we have obtained green financing through a number of green bonds, green loans and sustainability-linked loans. These fund green projects related to renewable energy, energy efficiency and climate change adaptation. We issue an annual [Green Finance Report 2022](#) that provides information on projects funded by the green bonds and green loan and their estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts. In 2022, approximately 60% of our current bond and loan facilities were in a green format.

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In 2023, Swire Properties will begin piloting the use of internal carbon pricing (“ICP”) to drive our transition to a low-carbon economy. Our ICP model will take the form of an internal carbon fee. By linking each unit of CO<sub>2</sub> emissions to a fixed cost, our business units will be further incentivised to integrate low-carbon considerations into their business decisions.

ICP will become another strategic tool in our carbon management strategy to drive aggressive near-term decarbonisation across our portfolio while we seek to achieve net-zero by 2050. The funds raised through ICP will be directed towards decarbonisation projects that drive or provide additional carbon reduction impact.

Our [New Ventures](#) department works with investors, accelerators and experts from around the world to source new technologies that add strategic value to our operations, including low-carbon technologies. In 2019, we launched UrbanLab, the first corporate accelerator programme in the Chinese Mainland to focus on PropTech to foster the application of innovative technology solutions relevant to the real estate sector. In 2020, we established a new USD50 million corporate venture capital fund which will be used to invest in relevant and innovative technology companies to help fuel the Company’s ongoing creative and digital transformation.

## Risk Management

### *How we identify, assess and manage climate-related risks*

We assess the key physical and transition risks and opportunities posed by climate change to our global assets and business operations to help us develop long-term strategies that protect our business from climate-related risks. We have used quantitative and qualitative scenario analyses which consider impacts along a timescale which ranges from the immediate term to 2030 and as far ahead as 2100.

### Physical Risks

In accordance with the TCFD's recommendations, we have conducted asset-level modelling of the acute and chronic physical risks (namely flooding, heat stress, water stress and extreme wind) associated with the four Representative Concentration Pathways (RCP 2.6, 4.5, 6 and 8.5) used by the Intergovernmental Panel on Climate Change. These pathways broadly represent comprehensive climate scenarios related to three projected global average temperature increases: 1.5°C, 2°C and 3°C.

We have collated historical data and projected climate variables, such as temperature, precipitation, sea level rise and wind speed from suitable global climate models, and applied local meteorological data to predict local climate scenarios. This data has allowed us to accurately evaluate the exposure of specific assets and operations in selected timeframes, from the immediate term to the distant future, namely, 2025, 2030, 2050, and 2100.

We have also undertaken detailed asset-level assessments to evaluate the degree of sensitivity and adaptive capacity of individual buildings under the potential effects of the identified climate risks. These assessments consider system robustness such as existing flood prevention systems and façade conditions; system redundancy, such as the capacity of chillers and water supply; and susceptibility to past extreme weather events.

Our analysis showed that there is an overall low to moderate level risk of flooding, heat stress, water stress and extreme wind for our global portfolio in all assessed climate scenarios. This is attributed to the relatively robust adaptive capacity and mitigation measures we have integrated into our buildings.

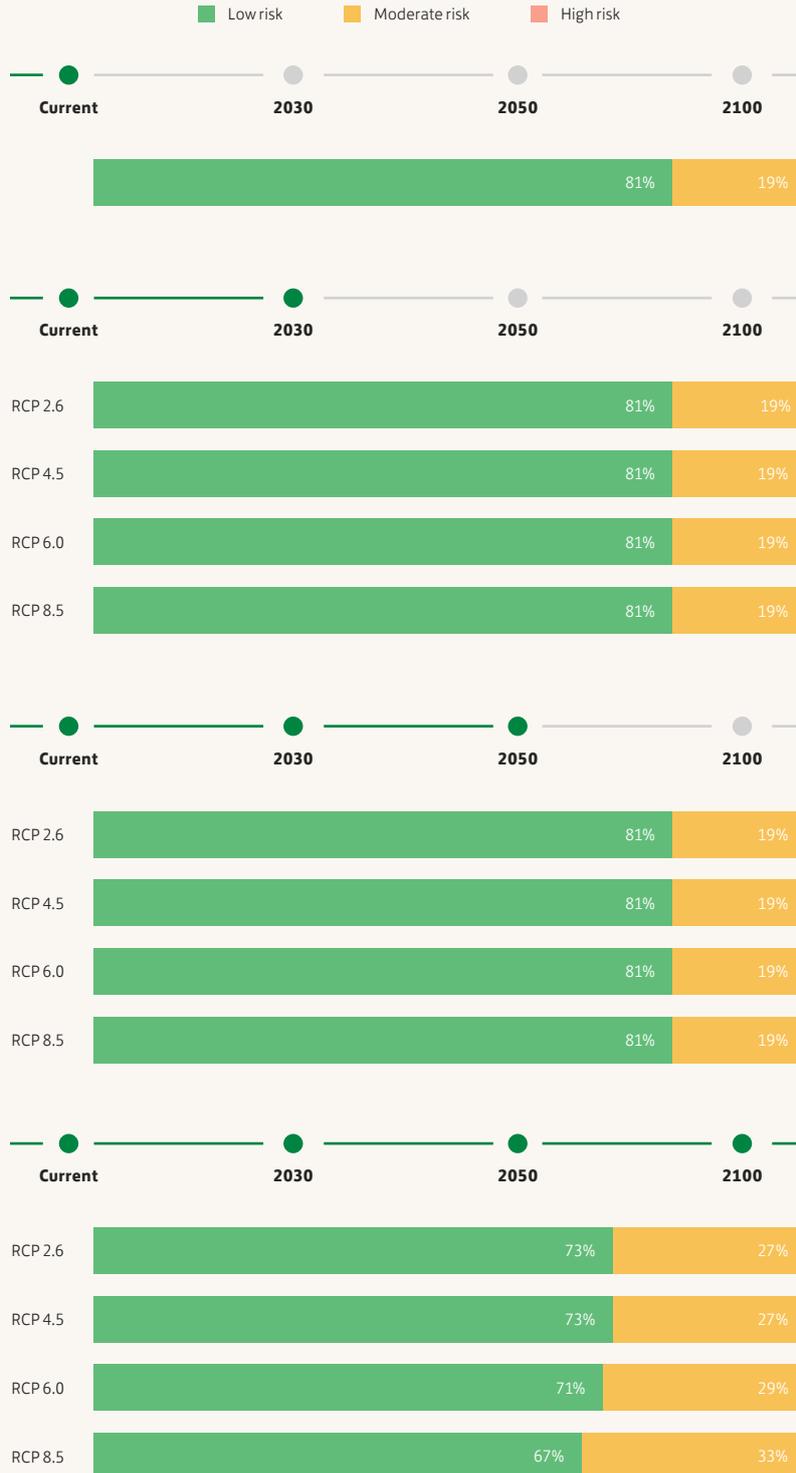
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of flooding in 4 RCP climate scenarios



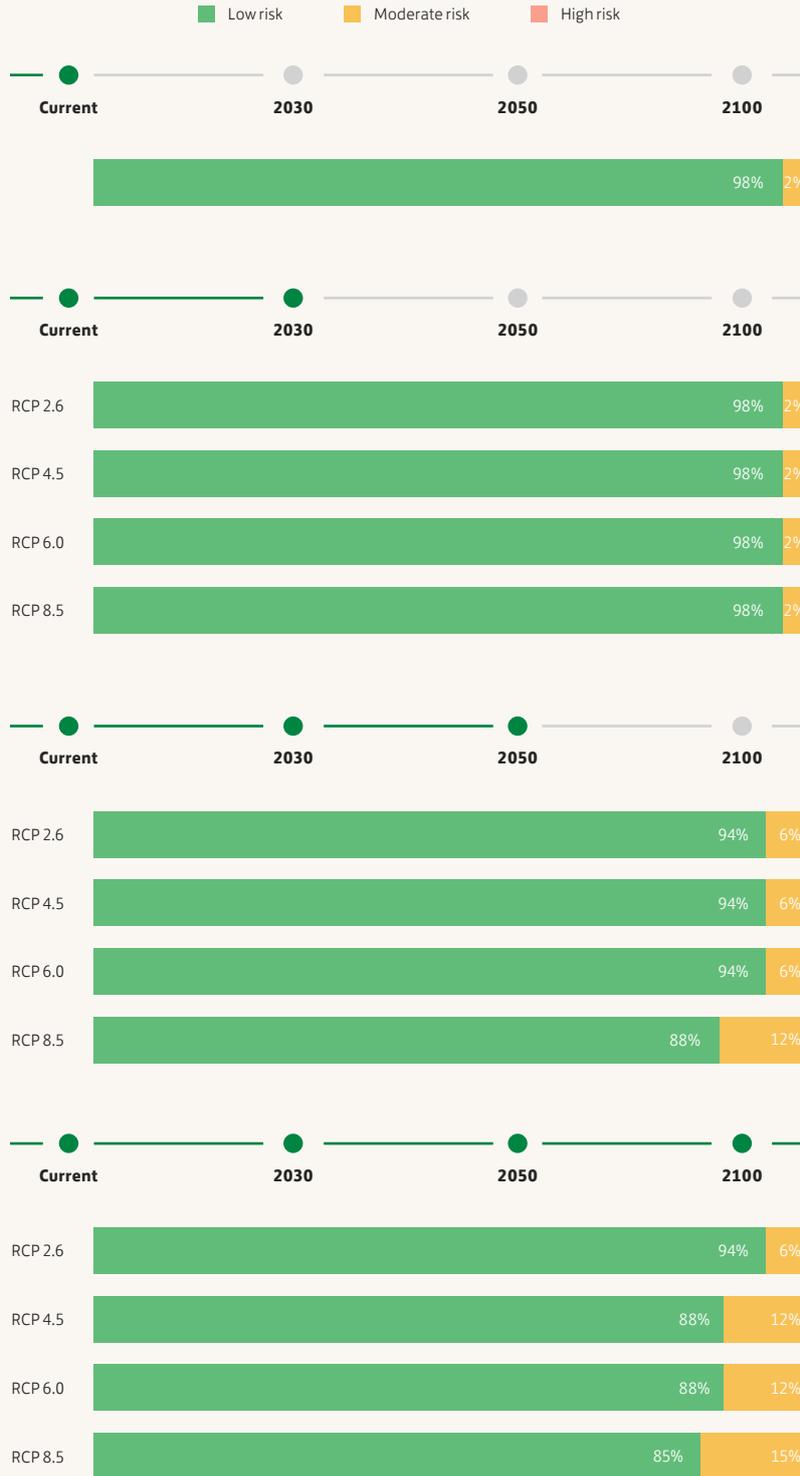
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of heat stress in 4 RCP climate scenarios



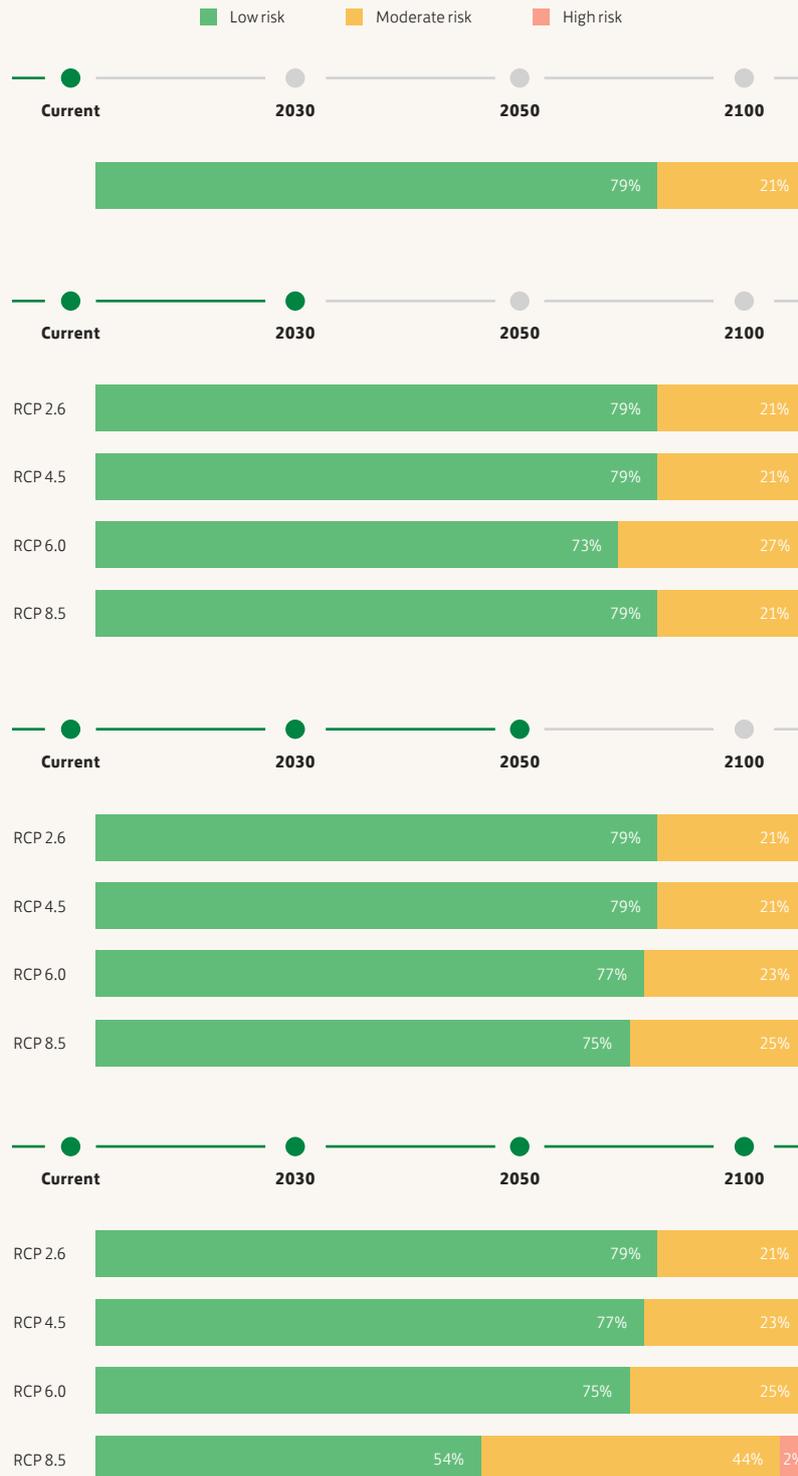
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of water stress in 4 RCP climate scenarios



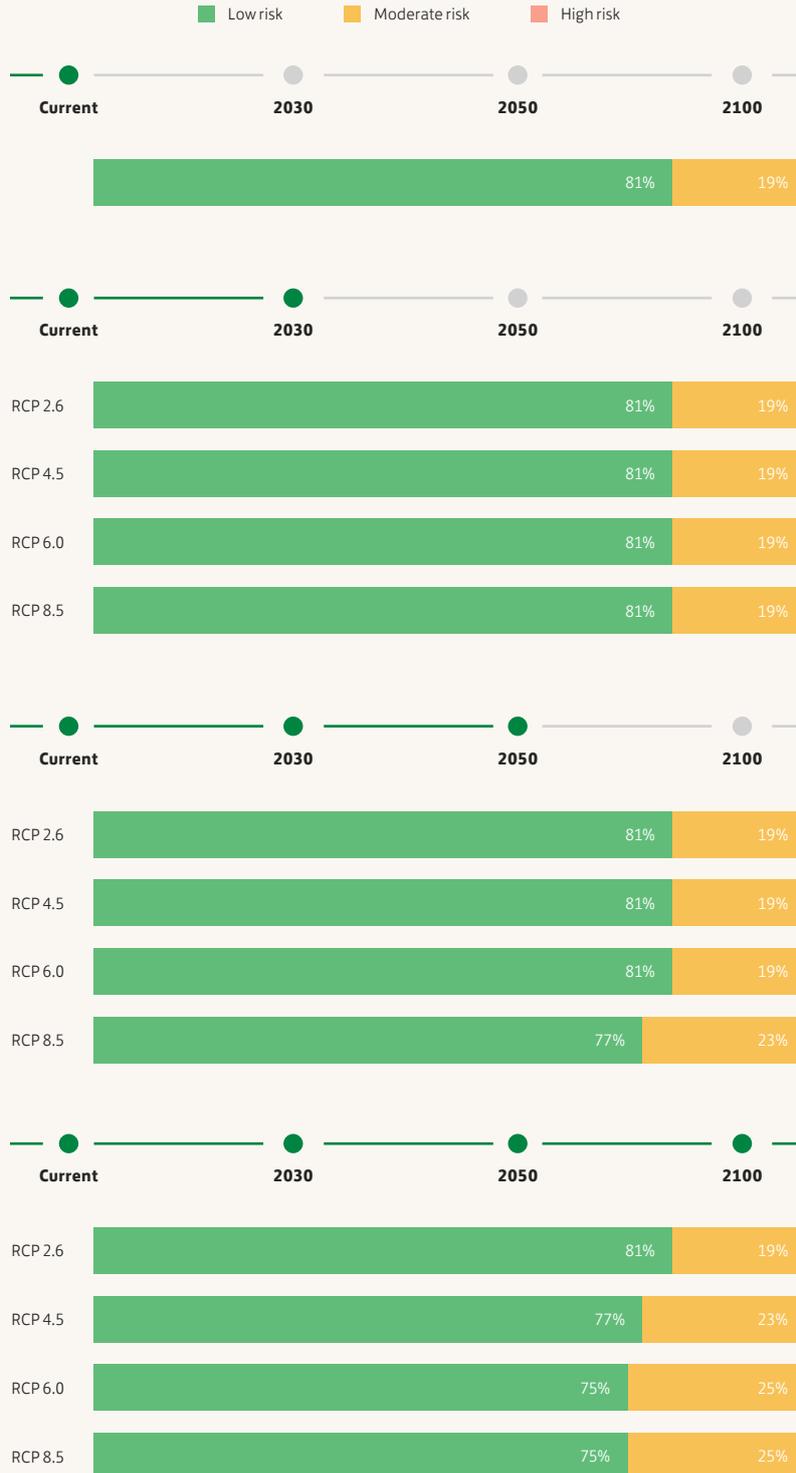
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of extreme wind in 4 RCP climate scenarios



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We have identified short- and medium-term measures for individual buildings that will mitigate risks and building resilience across our portfolios. These include upgrading flood-protection measures and alert systems, chiller efficiency improvements, glass façade inspections and smart monitoring systems. Some of these resilience measures will also be incorporated into the planning and design stages of new developments. We believe that by doing this, we can ensure our assets will continue to be resilient under other future climate scenarios.

### Transition Risks and Opportunities

Regarding the global transition to a low-carbon economy, in accordance with the TCFD’s recommendations, Swire Properties has developed three distinct and plausible climate change scenarios in order to stress test the resilience of its business and strategy to varying future operating environments.

The scenarios used by Swire Properties have been informed by several publicly available climate scenarios from recognised authorities including the International Energy Agency (“IEA”), the Network for Greening the Financial System (“NGFS”) and the Intergovernmental Panel on Climate Change (“IPCC”) who developed the Shared Socio-Economic Pathways (“SSPs”). The scenarios incorporate global and local government policies, environmental, economic, social and technology indicators and market trends. The scenarios are not intended to be predictions of the future; rather, they seek to stress-test Swire Properties’ business against several plausible future states. The scenarios look at two time horizons (2030 and 2050) and include both global and region-specific (Hong Kong and the Chinese Mainland) indicators.

#### Climate Scenario Analysis

1.5°C – Net-Zero World Scenario	2°C – Paris Consistent Scenario	3°C – Hot House World Scenario
<ul style="list-style-type: none"> <li>• RCP 1.9</li> <li>• IEA Net-Zero by 2050</li> <li>• NGFS Net-Zero 2050</li> <li>• SSP1 – Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• RCP 2.6</li> <li>• IEA SDS</li> <li>• NGFS Below 2°C</li> <li>• Shared Socio-Economic Pathway – Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• RCP 6.0</li> <li>• IEA Stated Policies Scenarios (STEPS)</li> <li>• NGFS Current Policies</li> <li>• Shared Socio-Economic Pathway – Fossil-fuelled development</li> </ul>

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Risk Management

Metrics and Targets

**1.5°C – Net-Zero World Scenario** represents a world where global warming is limited to 1.5°C through stringent climate policies, innovation and demand-led change reaching global net-zero CO<sub>2</sub> emissions around 2050. In addition to meeting all current net-zero pledges, additional pledges from countries are met and there is a significant increase in public and private investment into green technologies. The share of renewables in the global electricity supply increases to more than 60% by 2030<sup>40</sup> and there are much more stringent government policies such as stricter energy efficiency building codes and carbon taxes. This is reflected by a carbon price of USD162 per tonne of carbon<sup>41</sup>, which illustrates overall policy intensity.

**2°C – Paris Consistent Scenario** limits global warming to 2°C through gradually increasing the stringency of climate policies. All current net-zero pledges are achieved in full and there are extensive efforts to realise near-term emissions reductions. There is a comparatively moderate increase in public and private investment into green technologies and the share of renewables in the global electricity supply by 2030 increases to 49%<sup>42</sup>, shifting the economy from being fossil fuel driven to a renewable energy-driven economy. More stringent government policies such as stricter energy efficiency building codes and carbon taxes help the world achieve net-zero by 2070. The carbon price of USD52 per tonne of carbon<sup>43</sup>, which illustrates overall policy intensity, shows less policy action compared with the 1.5°C world.

**3°C – Hot House World Scenario** represents a world where no additional action is taken above the current policies that are in place in 2022. Fossil fuel subsidies remain in place in the Chinese Mainland, there is insufficient technological investment in low-emission technologies and a continued reliance on carbon-intensive technologies to fuel growth. Consequently, the grid remains largely powered by coal and other non-renewable energy. The Paris Agreement fails and in the longer term many areas across the globe, including Hong Kong and the Chinese Mainland, experience a significant increase in extreme weather events over the second half of the century. The focus for stakeholders under this scenario is on adaptation as the world fails to transition to a low-carbon economy.

These scenarios together represent balanced, science-based scenarios that offer a contrast between the best-case and worst-case scenarios for us to sufficiently consider the risks and opportunities posed by climate change that could potentially impact our business operations and our value chain.

Swire Properties has identified climate-related risks and opportunities that could affect its business under the different scenarios, and they are outlined in the table below. The risk list was built through reviewing publications of international research organisations and peer companies, engagement with internal and external experts and stakeholders, and through our materiality assessment and extensive public domain research.

<sup>40</sup> Net-Zero Emissions by 2050, International Energy Agency (2020), World Energy Outlook 2020, IEA, Paris, <https://www.iea.org/reports/world-energy-outlook-2020/achieving-net-zero-emissions-by-2050>

<sup>41</sup> IIASA NGFS Climate Scenarios Database, REMIND model, Carbon prices shown for the Chinese Mainland under NZ2050 Scenario <https://data.ene.iiasa.ac.at/ngfs/#/workspaces/1989>

<sup>42</sup> Sustainable Development Scenario, International Energy Agency, 2020, Renewables, 2020, Paris <https://www.iea.org/fuels-and-technologies/renewables>

<sup>43</sup> IIASA NGFS Climate Scenarios Database, REMIND model, Carbon prices shown for the Chinese Mainland under Below 2 Degrees Scenario <https://data.ene.iiasa.ac.at/ngfs/#/workspaces/1989>

Governance

Strategy

**Risk Management**

Metrics and Targets

	<b>Risk and Opportunity Drivers</b>	<b>Potential Financial Impacts</b>
Policies and Regulations	1. Tightened building energy codes and guidelines	Increased capital investment and expenditures to meet these requirements
	2. Increased ambition of national decarbonisation strategies and roadmaps	Increased capital investment and expenditures to support these strategies and concurrent energy efficiency programmes  Decreased operating costs due to the improved energy efficiency of buildings
	3. Introduction of carbon pricing in operating markets	Increased expenditures for compliance
	4. More stringent public disclosure requirements	Increased expenditures for meeting these new requirements  Need to attract green investment and diversify financing sources
Market, Reputation and Liability	1. Increased market demand for climate-resilient properties	Increased revenue due to shift in market preference
	2. Increased market demand for green and energy-efficient properties	Increased revenue due to potentially higher rental premiums for green buildings
	3. Increased tenant demand for energy efficiency and data transparency	Increased revenue due to improved tenant satisfaction and experience  Lower operating costs due to improved energy efficiency
	4. Growing investor demand for green and low-carbon finance and investment	Attract green investment and diversify financing sources
	5. Potential increase in insurance premiums	Increased expenditures due to increased insurance premiums
	6. Increased exposure to reputation and litigation risks	Decreased revenue due to shifts in market preferences

Governance

Strategy

**Risk Management**

Metrics and Targets

	Risk and Opportunity Drivers	Potential Financial Impacts
Supply Chain	1. Greater adoption of low-carbon construction materials	Increased material procurement expenditures
	2. Limited resource availability and higher pricing	Increased expenditures due to higher energy costs
Technology and Innovation	1. Increased adoption of green and low-carbon technology	Increased capital investments in technology  Decreased operating costs due to improved energy efficiency
	2. Increased adoption of renewable energy	Increased capital investment in renewable energy systems  Increased revenue from selling generated renewable energy to power companies

In 2022, Swire Properties undertook a prioritising exercise, via quantitative and qualitative assessments, to facilitate the most efficient allocation of resources to mitigate risks and capitalise on potential opportunities.

With the support of a risk consultant, we facilitated workshops with nearly 50 cross-functional groups of managers to assess individual risks and opportunities from a broad and diverse perspective. For each risk and opportunity driver, these subject matter experts evaluated the vulnerability, current/planned practices and controls, adaptability and future risk exposure. Participants then debated the impact of the risk or opportunity on our financial performance (revenue and expenditures) and financial position (assets and liabilities and capital and financing) as well as the likelihood of the risk or opportunity impacting us under each climate scenario. For certain risks, the outputs from the workshop were fed into actuarial risk models to project what the potential impacts could be across different probabilities. Sensitivity analysis and risk modelling were employed to evaluate the uncertainty and volatility associated with the impact of individual risk and opportunity drivers.

The evaluation also covered impacts across our value chain including our supply chain and procurement, construction activities, property management, tenant operations and engagement, property marketing and sales, and the retrofitting and refurbishment of buildings. Risks were assessed in line with our existing Enterprise Risk Management assessment scales to enable comparison of the significance of climate-related risks relative to other risks.

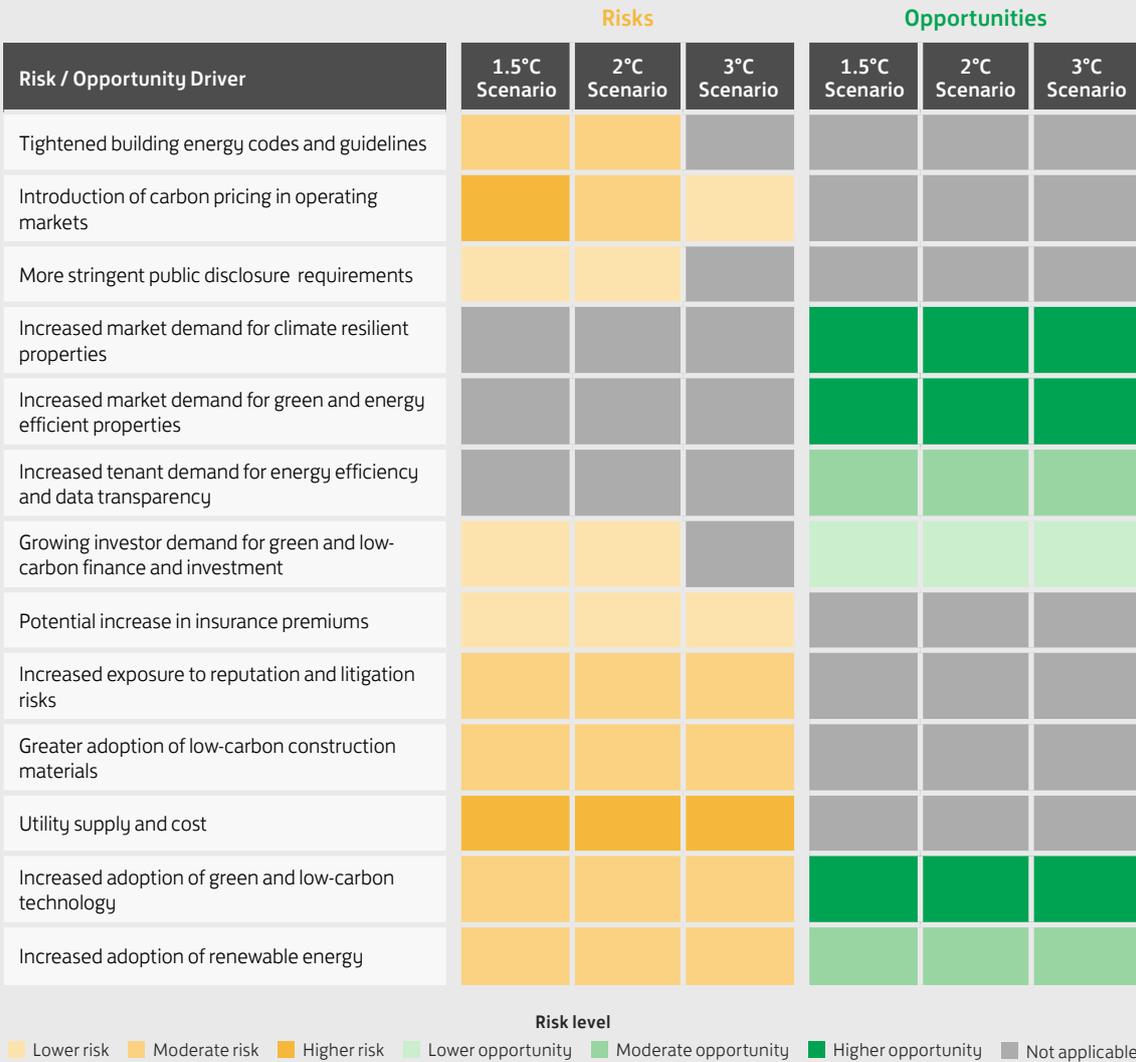
Governance

Strategy

Risk Management

Metrics and Targets

**Heat map showing the estimated annual impact of climate-related risks and opportunities under different climate scenarios in 2030**



Analysis shows that our current business and sustainability strategies will allow us to effectively manage the identified transition risks and capture opportunities from the transition to a net-zero economy. These strategies include:

- Our 1.5°C-aligned science-based targets to drive aggressive near-term decarbonisation across our global portfolio, paving the way to achieve net-zero emissions before 2050.
- Investment in and development of certified green buildings with best-in-class energy efficiency and climate resilience.
- Investment in renewable energy adoption throughout our portfolio.
- Wide application of innovative green and low-carbon technologies.
- Commitment to green financing.
- Engaging our supply chain, tenants and relevant stakeholders in climate resilience and sustainability.

Governance

Strategy

**Risk Management**

Metrics and Targets

For future investments, we have integrated sustainability criteria into the due diligence risk assessment process for new acquisitions, including climate adaptation and resilience, flood risk assessment, energy efficiency and carbon emissions of the acquired assets.

We have had a Business Recovery Plan in place since 1997 to ensure that we maintain critical crisis planning and execution capabilities in the event of major incidents, including extreme weather events. We have also put in place local crisis response plans for all portfolios.

Through the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, we manage our daily operational risks related to climate change, carbon and energy management. As at 31 December 2022, approximately 80% of our properties (measured by gross floor area) in Hong Kong and the Chinese Mainland are certified to the ISO 14001 Environmental Management System.

Governance

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Metrics and Targets

## Metrics and Targets

*The metrics and targets used to assess and manage relevant climate-related risks and opportunities material to Swire Properties*

The table below provides key metrics related to the impacts of GHG emissions, energy and green building development on the financial aspects related to revenue, capital and financing, expenditures and assets. For our climate-related targets, please refer to the [Climate Change](#) section of this report.

Financial Category	Climate-related Category	Metric	Unit of Measure	2019	2020	2021	2022
Revenues	Risk Adaptation and Mitigation	Gross rental income contributed by certified green buildings	%	>95%	>98%	>98%	>97%
Capital and Financing	Risk Adaptation and Mitigation	Proportion of bond and loan facilities from green financing (includes green bonds, green loans and sustainability-linked loans)	%	/	~30%	~30%	~60%
Capital and Financing	Risk Adaptation and Mitigation	Three-year budget/forecast expenditure for climate-related projects	HKD	/	/	/	3,159 million
Expenditures	Risk Adaptation and Mitigation	Sustainable procurement spend	HKD	48 million	1,196 million	946 million	1,477 million
Expenditures	Risk Adaptation and Mitigation	Expenditures on energy efficiency/low-carbon projects supported by green bond proceeds	HKD	31 million	19 million	17 million	/*
Expenditures	Risk Adaptation and Mitigation	Expenditures on renewable energy supported by green bond proceeds	HKD	2 million	1 million	3 million	/*
Expenditures	Risk Adaptation and Mitigation	Expenditures on sustainable water and wastewater management supported by green bond proceeds	HKD	3 million	/	1 million	/*
Expenditures	Energy/Fuel	Total energy consumption	GJ	1,312,767	1,215,434	1,247,638	1,248,636

\*No green bond and green loan were raised from 1st October 2021 to 31st December 2022.

Governance Strategy Risk Management Metrics and Targets

Financial Category	Climate-related Category	Metric	Unit of Measure	2019	2020	2021	2022
Expenditures	Energy/Fuel	Proportion of electricity consumption from renewable sources	%	<b>13.2%</b>	<b>14.3%</b>	<b>19.0%</b>	<b>24.1%</b>
Expenditures	Energy/Fuel	Building electricity use intensity by gross floor area	kWh/m <sup>2</sup> /year	<b>139</b> HK Portfolio	<b>127</b> HK Portfolio	<b>128</b> HK Portfolio	<b>117</b> HK Portfolio
				<b>101</b> Chinese Mainland Portfolio	<b>96</b> Chinese Mainland Portfolio	<b>99</b> Chinese Mainland Portfolio	<b>95</b> Chinese Mainland Portfolio
				<b>237</b> U.S.A. Portfolio	<b>204</b> U.S.A. Portfolio	<b>195</b> U.S.A. Portfolio	<b>179</b> U.S.A. Portfolio
Expenditures	Energy/Fuel	Carbon emissions (Scope 1 and 2) – market-based method	Tonnes of CO <sub>2</sub> e	<b>230,265</b>	<b>203,316</b>	<b>176,841</b>	<b>165,549</b>
Expenditures	Energy/Fuel	Building carbon intensity by gross floor area	Tonnes of CO <sub>2</sub> e/m <sup>2</sup> /year	<b>0.109</b> HK Portfolio	<b>0.103</b> HK Portfolio	<b>0.088</b> HK Portfolio	<b>0.079</b> HK Portfolio
				<b>0.073</b> Chinese Mainland Portfolio	<b>0.053</b> Chinese Mainland Portfolio	<b>0.047</b> Chinese Mainland Portfolio	<b>0.045</b> Chinese Mainland Portfolio
				<b>0.109</b> U.S.A. Portfolio	<b>0.085</b> U.S.A. Portfolio	<b>0.081</b> U.S.A. Portfolio	<b>0.069</b> U.S.A. Portfolio
Expenditures	Energy/Fuel	Carbon intensity of tenants (Scope 3 – downstream leased assets)	Tonnes of CO <sub>2</sub> e/m <sup>2</sup> /year	<b>0.121</b>	<b>0.098</b>	<b>0.089</b>	<b>0.081</b>
Assets	Risk Adaptation and Mitigation	Percentage of wholly-owned existing buildings which are certified green buildings	%	<b>97%</b>	<b>97%</b>	<b>96%</b>	<b>95%</b>
Assets	Risk Adaptation and Mitigation	Percentage of wholly-owned projects under development which are certified green buildings	%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Assets	Risk Adaptation and Mitigation	Expenditures for green building development supported by green bond and green loan proceeds	HKD	<b>733 million</b>	<b>669 million</b>	<b>1,502 million</b>	<b>/*</b>

\*No green bond and green loan were raised from 1st October 2021 to 31st December 2022.



## Performance (Economic)

Swire Properties aims to deliver sustainable economic performance coupled with good corporate governance and high ethical standards.



## Performance (Economic)

### 2022 Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

Swire Properties aims to deliver sustainable economic performance coupled with good corporate governance and high ethical standards.

## Top Material Issues



Corporate governance



Long-term financial performance and value



Risk management

## 2022 Progress

This year, our Performance (Economic) Working Group, made up of 11 representatives from different functions within the Company, worked towards achieving our 2025 and 2030 KPIs in the focus areas under this Pillar: Financial Performance, Green Financing, Corporate Governance, Risk Management, and Disclosure and Communications. Swire Properties believes that communication is crucial to success; as such, we continued to engage with our investors at various events to keep them informed about our SD journey and our performance.

In 2022, we introduced the Anti-Bribery and Corruption Policy, Remuneration Policy and Shareholders' Communication Policy.

The Anti-Bribery and Corruption Policy sets out the standard of behaviour expected from our operations and associated persons working for or on behalf of Swire Properties around offering or accepting advantages, conduct to be observed when making donations or sponsorships to charitable organisations and channels to report potential misconduct.

The Remuneration Policy is developed to ensure our employees receive fair and competitive compensation programmes to attract, motivate, retain and reward employees at all levels, including our Executive Directors and senior management.

The Shareholders' Communication Policy sets out the framework to promote effective communication with our shareholders, to enable them to exercise their shareholder rights in an informed manner, and to allow the investment community to engage actively with Swire Properties.

We also reviewed our Corporate Code of Conduct in 2022 to reflect various policy updates. Our Whistleblowing Policy was also revised in the same year increasing transparency around report investigations procedure and updates around policy governance.

Our progress this year is summarised in the table below.



## Performance (Economic)

### 2022 Progress

Green Financing

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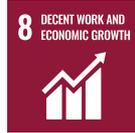
Investor Relations

Risk Management and Internal Controls

## Progress Summary Table



### Financial Performance



#### Underlying Profit | Dividends | Gearing Ratio and Credit Rating

#### Progress Updates in 2022

- Details of our financial performance for the year ended 31 December 2022 are available in the [Swire Properties Annual Report 2022](#).



### Green Financing

#### Green Bonds

#### 2025 KPI

- Achieve a minimum of **50%** of bond and loan facilities from green financing

#### Progress Updates in 2022

- As at the end of 2022, approximately **60%** of our current bond and loan facilities came from green financing.
- For more details, see our latest [Green Finance Report 2022](#), published in March 2023.



## Performance (Economic)

**2022 Progress**  
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Investor Relations

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## Corporate Governance

### Anti-bribery and Anti-corruption

#### 2025 KPI

- Annual bribery and corruption risk review by the Executive Committee (“EXCOM”)

#### Progress Updates in 2022

- An anti-bribery questionnaire covering the 2022 reporting period has been submitted to EXCOM for review.

### Executive Compensation

#### 2025 KPI

- Establish corporate SD performance metrics that are linked to the Chief Executive’s variable compensation

#### Progress Updates in 2022

- The Chief Executive’s variable compensation is linked to health and safety performance targets.

### Board Diversity

#### 2025 KPI

- Maintain no less than **30%** female representation on the Board

#### Progress Updates in 2022

- **31%** of our Board positions are held by female members.



## Performance (Economic)

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## Corporate Governance

Swire Properties is committed to conducting our affairs in accordance with high ethical standards. This reflects our belief that it is imperative to act with probity, transparency and accountability in order to achieve our long-term objectives of maximising shareholder value, while focusing on sustainable development to preserve the environment and promote the interests of our employees, those with whom we do business and the communities in which we operate.

Our Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- Satisfactory and sustainable returns to our shareholders.
- That the interests of those who deal with the Company are safeguarded.
- That we operate in an environmentally, socially and economically responsible manner across all aspects of our business.
- That overall business risks are understood and managed appropriately.
- The delivery of high-quality products and services to the satisfaction of our customers.
- That high standards of ethics are maintained.

Our Chairman is responsible for ensuring, through the Board, that good corporate governance practices and procedures are followed. Our Audit Committee, consisting of three Non-Executive Directors, is responsible for assisting the Board in discharging its responsibilities for corporate governance.

Our Executive Committee, which is chaired by the Chief Executive and comprises three Executive Directors and eight members of senior management, is responsible for overseeing the day-to-day operations of the Company.

For more information on Corporate Governance, please refer to the [Swire Properties Annual Report 2022](#).

### GRI

2-9, 2-11, 2-12,  
2-13, 2-16, 2-19,  
2-20, 2-23, 2-24



Performance (Economic)

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Ethics

Corporate Code of Conduct

Our [Corporate Code of Conduct](#) (“the Code”) applies to every employee, officer and director of the Company and its subsidiaries. It sets out the operating principles underpinning our management approaches to a range of issues, including:

- Business ethics
- Conflicts of interest
- Competition and antitrust
- Bribery
- Political contributions
- Gambling
- Procurement
- Record-keeping
- Use of Company information and property
- Whistleblowing
- Health and safety
- Environment
- Equal opportunities and diversity
- Use of social media
- Privacy

In 2022, we conducted a review of our Code to reflect various latest policy development (e.g. Anti-Bribery and Corruption Policy). Detailed guidance was provided around the acceptance of festive or special occasion gifts, entertainment, hospitality or travel.

Under the Code, all our employees have a responsibility to report concerns about any suspected or actual improprieties relating to the Company and/or its subsidiaries. Employees found to be in breach of the Code will be subject to disciplinary action. In 2022, there were no reported cases of breaches of the Code.

As part of the annual employee performance and development review process, all employees are required to sign a statement on an annual basis in agreement to undertake and regularly review the Code.

GRI  
2-15, 406  
HKEX  
KPI B7.2



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**Whistleblowing Policy**

Our [Whistleblowing Policy](#) sets out our policy on whistleblowing, including the protection of whistleblowers from reprisal or disadvantage.

If an employee wishes to report concerns, they contact either our human resources and administration department, their immediate supervisor, or the Swire Group internal audit department (“GIAD”); or make a report through our whistleblowing platform – this is hosted by a third-party service provider and includes a 24-hour hotline service. Third parties that deal with Swire Properties, such as customers and suppliers, are also encouraged to report their concerns either directly to GIAD or via the whistleblowing platform. Anonymous reports may be submitted.

We also ensure that our contractors are aware of our Whistleblowing Policy and the different reporting platforms that are available to them.

The policy was reviewed in 2022, increasing transparency around report investigations procedure and updates around policy governance. Reports and complaints made shall be retained for a period of not more than seven years, following the completion of investigation or closure of the matter. The review of the policy is placed under the Terms of Reference of Swire Properties’ Audit Committee.

In 2022, we received a total of 27 whistleblowing reports, 23 cases were related to operational issues, and the rest were related to the Code. All the whistleblowing cases have been evaluated and fully resolved.

We are committed to the fair treatment of any person who makes a genuine and appropriate report. In addition to making every effort to keep the identity of whistleblowers confidential, all reported information is treated in confidence, except where Swire Properties is required by law or regulation to disclose it, for legal or audit purposes, or where Swire Properties refers the matter to the relevant regulators or law enforcement authorities.

GRI  
2-26

HKEX  
KPI B7.2



## Performance (Economic)

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### Anti-Bribery and Corruption Policy and Practices

Swire Properties believes that conducting business with integrity is critical to its success as a sustainable and responsible business group. We are committed to ensuring compliance with anti-bribery and corruption laws and regulations in our corporate governance.

We have procedures in place to monitor and report on related issues, preventing and actively managing possible violations against the law and related governing policies such as our Code.

In 2022, we introduced the [Anti-Bribery and Corruption Policy](#). It sets out the standard of behaviour expected from Swire Properties and the compliance procedures to be adopted. The policy applies to Swire Properties' operations (including its subsidiaries), associated persons working for or on behalf of Swire Properties, as well as any actions taken on Swire Properties' behalf.

Our employees or associated persons are not permitted to offer or accept advantages for the purpose of influencing business decisions, which can include cash, loans, gifts, entertainment, hospitality, or travel. To prevent misconduct, all gifts (including in the form of cash), entertainment, hospitality and travel must be recorded fairly and accurately in a register maintained by the relevant business or functional unit.

Any request for facilitation payment or kickbacks must be reported to the Director, Human Resources as soon as possible. No personnel or associated persons shall make or accept, directly or indirectly, facilitation payments or kickbacks of any kind.

To avoid the perception of improper conduct, our employees are expected to exercise caution when making or soliciting contributions to charitable causes and when providing entertainment and corporate hospitality or reimbursing bona fide expenses for legitimate business purposes. In 2022, there were no concluded legal cases regarding corrupt practices brought against the Company or its employees.

All charitable donations by Swire Properties should be authorised by the Chief Executive. While making sponsorships, our employees or associated persons must record fairly and accurately all sponsorship items in a register maintained by the relevant business or functional unit. The policy prohibits Swire Properties, including our employees or associated persons to make any direct political contributions (in cash or in kind) on behalf of Swire Properties.

All our employees are required to confirm on an annual basis that they have read and have agreed to be bound by the Code, which includes our anti-bribery practices. It is compulsory for our employees in Hong Kong and the Chinese Mainland (including those who have been seconded to other offices) to receive anti-bribery refresher training on an annual basis at minimum. In 2022, approximately 8,690 hours of anti-bribery-related training was provided to employees across the Company.

We provide channels for our employees and stakeholders to report on instances of actual or suspected bribery, corruption or non-compliance.

In 2022, there were no convicted cases of anti-bribery and corruption.

GRI  
205

HKEX  
Aspect B7  
KPI B7.1, B7.2,  
B7.3



## Performance (Economic)

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### Remuneration Policy

**HKEX**  
Aspect B1

Swire Properties is committed to providing fair and competitive staff compensation programmes that will attract, motivate, retain and reward employees at all levels, including our Executive Directors and senior management. The [Remuneration Policy](#) documents key remuneration principles developed to support the Company's strategy and is aligned with the Company's corporate values. This policy ensures that the Company has a consistent, transparent and clear approach to remuneration considerations.

The policy is founded on the following key principles:

- That compensation is competitive in the market.
- That pay is based on individual performance.
- Equity and fairness in pay.
- Transparency of employee performance.
- The Company's affordability.
- The Company's financial and individual performance.
- Options for pension scheme are provided as part of retirement benefits.

The Remuneration Committee reviews and approves the remuneration proposals with respect to our Executive Directors and senior management, with reference to the Remuneration Policy and the Board's corporate goals and objectives. The remuneration proposals of our Executive Directors and senior management will be reviewed annually, based on market data and peer comparison prepared by independent external consultants. No Executive Director or senior management takes part in any discussion about his or her own remuneration. The remunerations of individual Executive Directors and senior management by band is disclosed in the Annual Report of the Company.



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**Product Responsibility**

We are committed to ensuring that our marketing and communications materials comply with the relevant government regulations and industry guidelines, including the Residential Properties (First-hand Sales) Ordinance in Hong Kong and the Consent Scheme of the Hong Kong Lands Department.

We respect property rights, including intellectual property rights, and require our employees to comply with applicable legal requirements relating to the collection, holding, processing, disclosure, and use of personal data, and to respect the privacy of others and the confidentiality of information received in the course of our business operations.

Please refer to the [Partners](#) section of this report for information about our Privacy Policy.

**HKEX**  
Aspect B6  
KPI B6.3, B6.5

**Competition Law**

We are committed to complying with all applicable competition and antitrust laws, including the Competition Ordinance in Hong Kong.

To help our employees understand the legal requirements of the Competition Ordinance in Hong Kong, we have guidelines in place on conducting dealings with competitors and third parties, avoiding the abuse of market power and participating in trade associations and industry bodies. We have also developed and implemented a Competition Law e-training programme for our relevant Hong Kong and Chinese Mainland employees.

In 2022, there were no legal actions related to anti-competitive behaviour brought against Swire Properties.

**GRI**  
206



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## Information and Cyber Security

GRI  
418

Under our risk management framework, the Board and management are responsible for identifying and analysing the risks related to information and cyber security, and for determining how such risks should be managed and mitigated.

We are committed to conducting regular audits to ensure compliance with our Information and Cyber Security Policy and Privacy Policy. The two policies include guidelines on data management and protection for implementation in Swire Properties. Our cyber security framework is aligned with National Institute of Standards and Technology (“NIST”), and we regularly conduct independent information security governance assessments to identify opportunities for improvement.

We also have a cyber incident response plan in place that outlines clear procedures and guidance for handling cyber security incidents and that addresses potential threats from cyber attacks that may disrupt our business. Scenario-based paper drills are conducted every year to serve for continuous awareness training purposes.

In terms of compliance certification, in view of the increasing importance of and demand for privacy data security management, Swire Properties obtained an ISO 27701 certification extension, on top of our existing ISO 27001 certification, covering all managed sites in Hong Kong, the Chinese Mainland and the U.S.A. Completed in late 2022, we continued to prioritise continuous governance and control over the handling of personal data and sensitive information so as to minimise our risk exposure.

This year, we also formed our Digital Project Governance (“DPG”) Working Group. Comprised of representatives from our IT operations, information security and enterprise architect teams, the DPG Working Group manages digital projects to ensure they have undergone architecture design and security reviews, penetration tests and privacy impact assessments.

We regularly implement comprehensive information security and cyber security awareness training for our employees. In 2022, we offered 8,520 hours of such training.

This year, we also initiated an updated awareness programme to ensure that staff understand key concepts relating to information security. All staff were required to participate in the Information Security E-learning Programme 2022.

In addition, a legal seminar on information security called “Cybersecurity and Data Privacy Regulation in Asia-Pacific” was held in September, covering important concepts like the history and current state of data privacy regulation in Asia Pacific, cyber security regulation, data privacy versus data security, and cyber attacks and incident response.



Performance (Economic)

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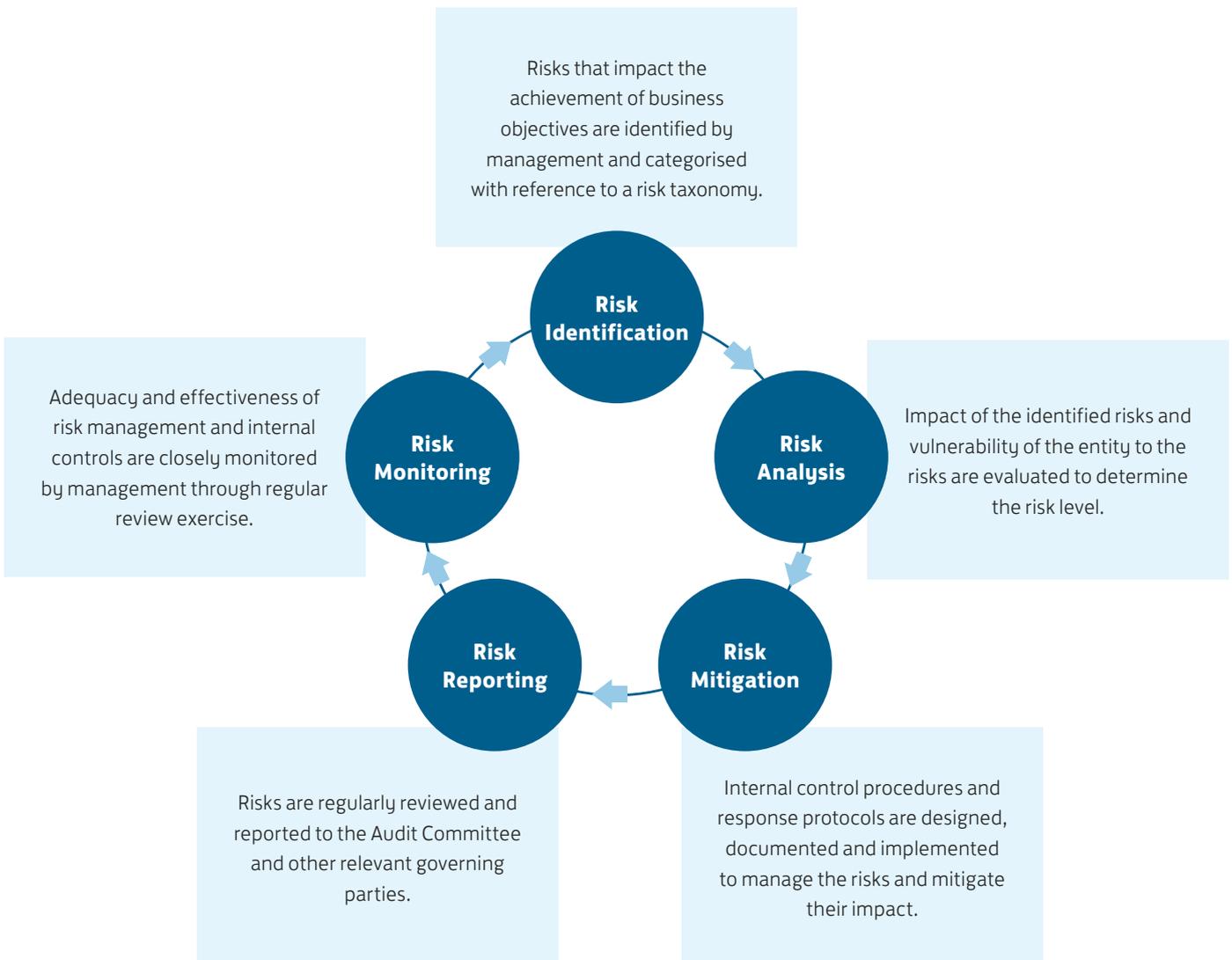
## Risk Management and Internal Controls

GRI  
2-12, 201, 403

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company’s strategic objectives and for ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems.

The Board and management are responsible for identifying and analysing the risks underlying the achievement of business objectives, and for determining how such risks should be managed and mitigated. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems, and management provides confirmations to the Board on the effectiveness of these systems.

The management of risks is subject to audit by GIAD, with support from specialist external consultants where necessary. The following diagram illustrates the key risk management processes of the Company.





**Performance (Economic)**

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**Risk Management and Internal Controls**

**Executive Committee**

The Executive Committee meets twice a month and is responsible for overseeing the day-to-day operations of the Company. It comprises three Executive Directors and eight members of senior management. The Chief Executive chairs the Executive Committee.

The Executive Committee provides oversight of all the risks to which the Group is subject and is responsible for the design, implementation and monitoring of the relevant risk management and internal control systems of the Group. Matters of significance that arise are reported as appropriate via the Audit Committee to the Board of Directors.

**GRI**  
2-12, 201, 403

**Risk Governance Framework**





**Performance (Economic)**

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**Risk Management and Internal Controls**

**Continuously Reviewing our ERM System**

Our Enterprise Risk Management (“ERM”) system helps us identify, analyse and manage business risks. Risk identification, analysis and management processes are completed on a regular basis throughout the year and the results help to guide our business decisions.

Our Corporate Risk Register (“CRR”) incorporates ESG-related risks, such as climate-related risks. We have also integrated SD factors into our corporate risk analysis.

In 2022, we started our journey to digitalise our CRR dashboard and risk scoring model. The new digitalised CRR platform offers a standard template for updating risk details, risk scoring and risk mitigating measures. With this new digitalised platform, benchmarking across Swire Group will become easier. In the next phase, we plan to optimise the system and the reporting protocol. Swire Properties’ management will also continue to monitor and conduct regular reviews of risks and the effectiveness of mitigation strategies. External risk advisors will regularly be consulted for their risk management experience, allowing us to keep abreast of the industry best practices.

**Risk Profile**

The following table provides an overview of our risk profile (listed in alphabetical order), including what we consider to be Swire Properties’ principal existing and emerging risks, possible associated impacts, risk trend and mitigation measures that are in place or under development.

Existing Risks and Possible Impacts	Risk Trend	Mitigation Measures
<p><b>Brand and image</b> The failure to maintain brand position and perception may make us less competitive.</p>		<ul style="list-style-type: none"> <li>• Crisis communication and social media policies are in place and are updated and tested regularly to ensure consistent, responsible and responsive communication (including when handling major incidents) in order to safeguard the Company’s reputation.</li> <li>• Closely monitor social media in order to evaluate and provide responses to negative social media content.</li> <li>• Engagement with third parties to understand their perceptions of the Company and to anticipate current and potential economic, political, social or environmental issues that may adversely affect our reputation.</li> </ul>



Performance (Economic)

2022 Progress  
Green Financing

Corporate Governance  
Investor Relations

Risk Management and Internal Controls

Existing Risks and Possible Impacts	Risk Trend	Mitigation Measures
<p><b>Business disruption</b></p> <p>Severe disruption to the business caused by acts of man or acts of nature may have adverse financial effects on the Company.</p>		<ul style="list-style-type: none"> <li>• A business recovery plan for major incidents, and other business compliance measures for specific scenarios, operational emergencies and health and safety, are in place and are regularly updated and tested.</li> <li>• In response to pandemic, standard operating procedures and guidelines are in place, ensuring intensive cleaning and disinfection of our premises. Government’s requirements and guidelines on pandemic or social distancing are strictly observed.</li> <li>• Strategic plans are regularly reviewed to maintain business resilience and sustainability.</li> <li>• Conduct site surveys and consult professional advisors to ensure properties in earthquake and hurricane zones are built to meet the relevant building codes and safety standards.</li> <li>• Purchase insurance to the extent practicable to cover financial loss due to property damage, business interruption and third-party liabilities.</li> </ul>
<p><b>Business risks</b></p> <p>The lack of compelling development projects and business disruption may lead to a slowdown in business and so affect financial performance.</p>		<ul style="list-style-type: none"> <li>• Obtain suitable reserves of land, reinforce existing assets and actively explore investment opportunities.</li> <li>• Monitor and evaluate disruptive business models, with a view to making our operations more robust.</li> <li>• Enhance competitiveness by increasing efficiency, using appropriate technology and operational procedures.</li> </ul>
<p><b>Development risks</b></p> <p>Delay in the completion of developments may have an adverse financial effect by delaying the timing of property sales and leasing.</p>		<ul style="list-style-type: none"> <li>• Closely work with contractors to monitor and manage construction progress in order to avoid delays.</li> <li>• Stringent contractor prequalification requirements and stringent requirements for approving design changes.</li> <li>• Build in contingencies for statutory approvals and communicate with government authorities on a timely basis.</li> </ul>



Performance (Economic)

2022 Progress  
Green Financing

Corporate Governance  
Investor Relations

Risk Management and Internal Controls

Existing Risks and Possible Impacts	Risk Trend	Mitigation Measures
<p><b>Political risks</b></p> <p>Changes in the global and local political landscape and priorities may have significant impact on the business environment.</p>		<ul style="list-style-type: none"> <li>Regular review of investment strategy, business model and capital allocation in response to any impact of international tensions.</li> <li>Maintain high level of sensitivities to political and social issues by closely monitoring social media and government policies with a timely response.</li> <li>Senior management engagement with government authorities to anticipate political developments in order to plan appropriate responses and to ensure compliance with applicable laws and regulations.</li> <li>Maintain robust corporate governance practice through oversight functions (internal audit, risk management, the company secretary, legal counsel and independent non-executive directors).</li> </ul>
Emerging Risks and Possible Impacts	Risk Trend	Mitigation Measures
<p><b>Climate change</b></p> <p>Extreme weather conditions and climate change may increase the risks of physical damage to properties and adversely affect their valuation.</p>		<ul style="list-style-type: none"> <li>A <a href="#">climate change policy</a> is in place and is updated regularly.</li> <li>Conduct <a href="#">climate risk assessments</a> at all portfolios to manage the risks and to explore the opportunities arising from the transition to a target of net-zero.</li> <li>Science-based targets have been established to achieve long-term decarbonisation.</li> <li><a href="#">Monitor and reduce carbon emissions</a> from construction activities and embodied carbon from major building and construction materials with the use of innovative technologies.</li> </ul>

- Risk level increased during the year 2022
- Risk level decreased during the year 2022
- Risk level remained broadly the same



Performance (Economic)

2022 Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

## Green Financing

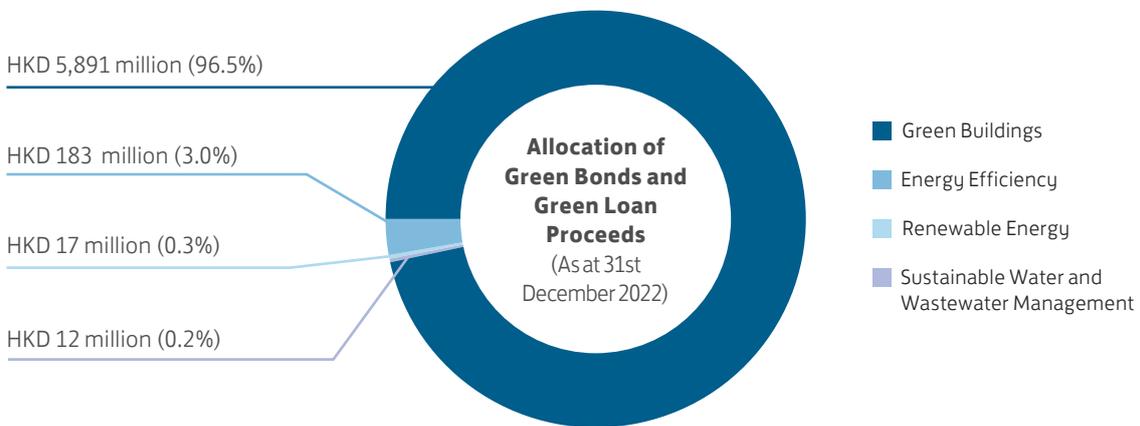
We are committed to integrating sustainability considerations into our financing mechanisms. By obtaining green financing through green bonds, green loans and sustainability-linked loans, we not only support the transition to a low-carbon, more resource-efficient and sustainable economy, we also reaffirm our commitment to sustainable development, and to designing and developing sustainable projects that improve the wellbeing of building occupants and local communities.

We have targeted to achieving a minimum of 50% of bond and loan facilities from green financing by 2025 and 80% by 2030.

### Green Bond Proceeds

The issuance of our first green bond in January 2018 symbolised Swire Properties' deep and ongoing commitment to SD. The bond raised USD500 million at a coupon rate of 3.5% and is due in 2028. In 2020, our commitment deepened further, with the issuance of four more green bonds totalling HKD1,934 million.

As at 31 December 2022, 100% of the net proceeds from these green bonds have been fully utilised. Together with the green loan, the proceeds have been allocated to the following green projects:



We issued our [Green Finance Report 2022](#) in March 2023 which provides information on the green projects funded by our green bonds and green loan and the estimated quantitative environmental impact, including energy and water saving, renewable energy generations and wastewater management practices, among others.



## Performance (Economic)

2022 Progress

**Green Financing**

Corporate Governance

Investor Relations

Risk Management and Internal Controls

### Green and Sustainability-Linked Financing



In 2022, nine sustainability-linked loan facilities totalling HKD11.8 billion were arranged.

As of 31 December 2022, approximately 60% of our current bond and loan facilities came from green financing. Swire Properties has received a reduction in the interest rates for our signed sustainability-linked loans by achieving predetermined sustainability-linked performance targets.

### Swire Pacific SD Fund Accelerates SD Projects



Swire Properties continues to receive financing from the Swire Pacific SD Fund (“SD Fund”), which was established to support and accelerate SD projects to improve sustainability performance through innovative technologies. Several projects applied for the SD Fund in 2022, these included:

- Swire Hotels’ Cloud-based Smart Energy Management Platform.
- Water treatment technology for cooling towers designed to reduce water and electricity consumption.
- Smart personalised air conditioning controls to enhance personal thermal comfort in offices thus reducing cooling demand and lowering electricity consumption.



## Performance (Economic)

2022 Progress

Green Financing

Corporate Governance

**Investor Relations**

Risk Management and Internal Controls

## Investor Relations

Swire Properties believes in keeping our investors properly informed of our operations and plans, and in being transparent and proactively communicating with them about all matters, both financial and those related to sustainability.

### Shareholders' Communication Policy

We believe that promoting and maintaining effective communication can enhance long-term shareholder value and maintain trust and confidence with our shareholders.

The [Shareholders' Communication Policy](#) was developed with the aims to ensure that our shareholders and investment community are provided with appropriate and timely access to material information about our Company and our subsidiaries.

The Company commits to maintain regular dialogue with our shareholders and the investment community through channels such as the Company's financial reports (interim and annual reports), sustainable development reports, circular and annual general meetings.

Information of the Company (which can include corporate information, press releases, financial reports, results announcements, sustainable development reports, circulars and notice of general meetings, constitutional documents etc.) will be made available on the website of the Company and Hong Kong Exchanges and Clearing Limited ("HKEx"). Shareholders can access the information of the Company in both English and Chinese versions to facilitate shareholders' understanding. The Audit Committee is responsible for reviewing this policy, recommending changes and addressing issues of concern.

### Keeping our Investors Updated and Informed

Since 2019, we have held ESG update sessions specifically for investors and analysts. Due to pandemic-related restrictions, instead of in-person events, we have held webinars for our debt and equity investors since mid-2020. These have been attended by 120 investors and analysts in total. At these webinars, senior management provides updates on the company's latest developments and sustainability-related achievements.

A similar situation prevailed in 2022. We held an ESG webinar in June, sharing the Company's latest sustainable development updates and including a comprehensive question-and-answer session. The webinar kept investors up to date on our sustainable development strategy and achievements, our performance on various SD indices and updates broken down by the pillars of our SD Strategy, while the question-and-answer session allowed us to maintain a transparent, open dialogue with our investors.



## 2025 and 2030 Targets

Building on our achievements since the launch of the SD 2030 Strategy in 2016, we are in a good position to advance to our next targets for 2025 and 2030.

## 2025 and 2030 Targets

Building on our achievements since the launch of the SD 2030 Strategy in 2016, we are in a good position to advance to our next targets for 2025 and 2030. These new targets are challenging and will require innovation, creative thinking and considerable effort as we strive to achieve our SD vision: to be the leading sustainable development performer in our industry globally by 2030.



### TALENT ATTRACTION

#### Employer Branding

##### 2025 KPIs

- Improve employee Net Promoter Score by **10%**<sup>44</sup>

### TALENT MANAGEMENT

#### Learning and Development

##### 2025 KPIs

- A **25%** increase in training hours per employees per year<sup>45</sup>

#### Engagement

##### 2025 KPIs

- Achieve an employee engagement index rating at **90%** or above
- Improve turnover rate by **5.5%**<sup>46</sup>

### OCCUPATIONAL HEALTH AND SAFETY

#### Safety

##### 2025 KPIs

- Maintain a LTIR at or below **1.2** for non-hotel operations; and at or below **2.0** for hotel operations
- Maintain **zero** work-related fatalities and **zero** serious incidents<sup>47</sup> for employees

##### 2030 KPIs

- Maintain **zero** work-related fatalities and **zero** serious incidents<sup>47</sup> for employees and contractors

44 Compared to the 2020 baseline.

45 Compared to the 2016 baseline.

46 Compared to the 2018 baseline.

47 "Serious incident" is defined in the Swire Pacific Fatal and Serious Incident Reporting Policy.

48 Using 2015-2019 (5-year average) as baseline. Accidental rate represents the number of reportable accidents per 1,000 contractor workers. It is calculated as the total number of reportable accidents multiplied by 1,000 and then divided by average daily number of contractor workers on-site.

49 Measured by occupied lettable floor area ("LFA") of wholly-owned office portfolios, which are Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui Guangzhou.



## Performance (Environment)

HKEX

KPI A1.5, A1.6, A2.3, A2.4, A3.1, A4.1

### DIVERSITY AND INCLUSION

#### Policy, Strategy and Governance

##### 2025 KPIs

- Maintain a female representation of no less than **40%** in the workforce
- Maintain a gender balance in senior management
- Maintain gender pay ratio at **1:1**

##### 2030 KPIs

- Maintain a gender balance in senior management
- Maintain gender pay ratio at **1:1**



### Partners

### SUPPLIERS

#### Monitoring (Compliance)

##### 2025 KPIs

- Maintain **100%** implementation of the Supplier Code of Conduct in all portfolios

##### 2030 KPIs

- Maintain **100%** implementation of the Supplier Code of Conduct in all portfolios

#### Driving Impact

##### 2025 KPIs

- 25%** of products and services purchased for wholly-owned new and existing investment portfolios shall be sustainable

#### Contractors Health and Safety

##### 2025 KPIs

- Reduce 5-year rolling average of accident rate per 1,000 contractor workers<sup>48</sup> in our Hong Kong development projects by **50%**

##### 2030 KPIs

- Reduce 5-year rolling average of accident rate per 1,000 contractor workers<sup>48</sup> in our Hong Kong development projects by **70%**

### TENANT

#### Tenant Engagement

##### 2025 KPIs

- 50%** of office tenants in wholly-owned portfolios<sup>49</sup> sign the Green Performance Pledge to jointly improve environmental performance by 2025

### CLIMATE CHANGE

#### Decarbonisation

##### 2025 KPIs

- Operational GHG Emissions (Scope 1 and 2 SBT): Reduce absolute GHG emissions by **25%**<sup>50</sup>



##### 2030 KPIs

- Operational GHG Emissions (Scope 1 and 2 SBT): Reduce absolute GHG emissions by **46%**<sup>50</sup>
- Value Chain Emissions (Scope 3 SBT – Downstream Leased Assets): Reduce carbon intensity from the tenant-controlled portion of downstream leased assets by **28%** per square metre<sup>51</sup>
- Value Chain Emissions (Scope 3 SBT – Capital Goods): Reduce embodied carbon intensity from new development projects by **25%** per square metre (construction floor area)<sup>52</sup>

### ENERGY

#### Energy Reduction<sup>53</sup>

##### 2025 KPIs

- Reduction of electricity use intensity by **20%**<sup>50</sup>

##### 2030 KPIs

- Reduction of electricity use intensity by **40%**<sup>50</sup>

#### Chinese Mainland Portfolio<sup>55</sup>

- Reduction of electricity use intensity by **13%**<sup>50</sup>

#### Chinese Mainland Portfolio<sup>55</sup>

- Reduction of electricity use intensity by **35%**<sup>50</sup>

#### Renewable Energy

##### 2025 KPIs

- Generate **4-6%** of landlord's building energy from on-site renewable or clean energy sources for selected newly completed office projects

### RESOURCE AND CIRCULARITY

#### Resource Recycling and Waste Diversion

##### Waste Diversion Rates

##### 2025 KPIs

- 30%** of commercial waste

##### Hong Kong (projects under development)

- 85%** of demolition waste
- 70%** of construction waste

##### Chinese Mainland (projects under development)<sup>55</sup>

- 50%** of total waste

##### 2030 KPIs

- 50%** of commercial waste

##### Hong Kong (projects under development)

- 90%** of demolition waste
- 75%** of construction waste

##### Chinese Mainland (projects under development)<sup>55</sup>

- 60%** of total waste

##### Waste Recycling Rates

##### 2025 KPIs

- 40%** of commercial waste

##### 2030 KPIs

- 45%** of commercial waste

### WATER

#### Water Reduction

##### 2025 KPIs

- 10%** reduction in water intensity (m<sup>3</sup>/m<sup>2</sup>)<sup>57</sup>

##### Chinese Mainland

- 20%** reduction in water intensity (m<sup>3</sup>/m<sup>2</sup>)<sup>57</sup>

##### Hotels

- 8%** reduction in water intensity (m<sup>3</sup>/guest night)<sup>57</sup>

### BIODIVERSITY

#### Integration

##### 2025 KPIs

- Conduct biodiversity surveys in **50%** of new development projects
- Implement guidelines to integrate biodiversity considerations into new developments

### OCCUPANT WELLBEING

#### Indoor Air Quality Management

##### 2025 KPIs

- For common areas, **90%** of buildings achieve IAQ Excellent Class in the Hong Kong portfolio<sup>54</sup> or the local IAQ standard in the Chinese Mainland portfolio<sup>55</sup>

### BUILDING/ASSET INVESTMENT

#### Environmental Building Assessment Schemes<sup>58</sup>

##### 2025 KPIs

- 100%** of wholly-owned new development projects<sup>59</sup> to achieve the highest environmental building assessment scheme rating
- 90%** of wholly-owned existing developments<sup>59</sup> to achieve the highest environmental building assessment scheme rating

##### 2030 KPIs

- 100%** of wholly-owned new and existing developments<sup>59</sup> to achieve the highest environmental building assessment scheme rating



## Performance (Economic)

### SUSTAINABLE AND GREEN FINANCING

#### External Financing

##### 2025 KPIs

- Achieve a minimum of **50%** of bond and loan facilities from green financing

##### 2030 KPIs

- Achieve a minimum of **80%** of bond and loan facilities from green financing

### CORPORATE GOVERNANCE

#### Anti-bribery & Anti-corruption

##### 2025 KPIs

- Annual bribery and corruption risk review by Executive Committee

#### Executive Compensation

##### 2025 KPIs

- Establish corporate SD performance metrics that are linked to the Chief Executive's variable compensation

#### Board Diversity

##### 2025 KPIs

- Maintain no less than **30%** of female representation on the Board

55 Our Chinese Mainland portfolio refers to our office and retail portfolio and hotels in the Chinese Mainland.

56 The waste diversion rate from landfill for Chinese Mainland projects under development is calculated in accordance with LEED requirements. Flexibility will be allowed for projects not wholly-owned by the Company, and for projects with major contractor(s) already on board.

57 For our Hong Kong portfolio and Chinese Mainland portfolio, the water intensity reduction targets are compared to a 2016 BAU baseline year. For Hotels, the water intensity reduction targets set is compared to a 2018/2019 baseline year.

58 BEAM Plus/LEED/China Green Building Label/WELL Certification; the most suitable environmental building assessment scheme is selected based on the project location.

59 Exclude trading properties.



# ESG Reporting Standards and Principles

We have followed the Reporting Principles as recommended by GRI and as set out in the HKEX ESG Reporting Guide to define the report content and to ensure the quality of information presented in this report.

## ESG Reporting Standards and Principles

This report has been prepared in accordance with the GRI Standards: Core option and with reference to the GRI G4 Construction and Real Estate Sector Disclosures. We have been reporting on our SD performance annually against GRI since 2007.

We have also prepared this report disclosing all HKEX mandatory disclosure requirements and “comply or explain” provisions set out in the Environmental, Social and Governance Reporting Guide (“HKEX ESG Reporting Guide”) contained in Appendix 27 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the year ended 31 December 2022.

In 2022, we began mapping our climate disclosures to the recommendations of the International Sustainability Standards Board’s (ISSB) Exposure Draft IFRS S2 Climate-related Disclosures. Please see the [content index](#).

To define the content of this report and to ensure the quality of the information presented therein, we have made reference to the GRI’s Reporting Principles and followed the HKEX ESG Reporting Guide. These include:

### Materiality

We conduct regular materiality assessments and stakeholder engagements to identify material issues related to sustainability, and to ensure these issues are properly addressed by our SD 2030 Strategy.

Please refer to [Materiality](#) for more information.

### Quantitative

The notes accompanying our [Performance Data Summary](#) provide information about the standards and methodologies used to calculate data, where appropriate.

### Balance

We report both the positive and negative impacts of our performance in a transparent manner to enable a reasoned and unbiased assessment of our overall performance.

### Consistency

To facilitate comparability over time, we maintain consistency in the use of reporting standards and principles, methods used to calculate data, structure of the report, and explanations of methods and assumptions used to prepare information. We will also provide explanations to facilitate information interpretation when changes occur.

## Reporting Boundary

For the purposes of this report, our portfolio in Hong Kong comprises primarily Grade-A office, retail, hotel<sup>60</sup>, and residential properties located throughout our portfolio. These include Citygate, Cityplaza, Pacific Place, and Taikoo Place. Our Chinese Mainland portfolio comprises major commercial mixed-use developments in prime locations in Beijing, Chengdu, Guangzhou, and Shanghai. Also within the reporting boundary of this report is the entire Brickell City Centre in Miami, U.S.A., except for the development's office towers, Two Brickell City Centre and Three Brickell City Centre, which were sold in July 2020. Please refer to the Reporting Boundaries of SD Data in 2022.

Our approach to SD reporting reflects the scale of our operations, the complexity of our business and the significance of our various economic, environmental and social impacts.

In the Performance (Economic) Pillar, the scope of disclosures aligns with the Company's financial reporting. We have extracted selected corporate governance and financial performance information from the Swire Properties Annual Report 2022 to help us illustrate our progress on relevant focus areas of our SD 2030 Strategy. More information is available in the [Swire Properties Annual Report 2022](#).

The Places, People, Partners, and Performance (Environment) Pillars cover our management approaches to material issues arising from our businesses, joint ventures and subsidiaries in property investment, property trading and hotel investment. The scope of disclosures in these sections reflects the boundaries of our operational control.

### GRI

2-2, 2-3, 2-6

### HKEX

Mandatory  
Disclosure  
Requirement

<sup>60</sup> In this report, hotel operations refer to hotels that we own and are managed by Swire Properties Hotel Management Limited ("Swire Hotels"), including The House Collective in Hong Kong, Beijing, Chengdu and Shanghai, and EAST in Hong Kong, Beijing and Miami, U.S.A.

## SD Data Reporting Boundary

Unless stated otherwise, for the purposes of disclosing quantitative data on our SD performance, we collect and report KPIs on a 100% basis for our Hong Kong, Chinese Mainland and U.S.A. portfolios, as well as our hotel operations. Notes accompanying our [Performance Data Summary](#) provide additional information about the calculation basis for specific KPIs.

Under the People Pillar, performance data includes portfolio where Swire Properties has full influence over the employee employment contract. This year, we have expanded the boundary of our [health and safety](#) data to include contractor-related accident rate.

For the Partners Pillar, sustainable procurement data covers all investment properties and Hotels.

The Performance (Environment) Pillar includes performance data for portfolios where Swire Properties has the full authority to introduce and implement operating policies at the operational level. The reporting boundary of some KPIs, for example Scope 3 emissions, waste diversion and material used includes investment and trading properties that are under development.

For the Performance (Economic) Pillar, the scope of disclosures aligns with the Company's financial reporting.

It is our practice not to report KPIs for new developments until operational performance data is available for at least one full calendar year after each development has been opened and reached a significant level of occupancy.

Also, when compared to our SD Report 2021, the boundary of KPI reporting in this report has been expanded to include Taikoo Li Qiantan and Taikoo Li Sanlitun West, which opened on 30 September 2021 and 3 December 2021 respectively. The reporting boundary for KPIs also excludes completed developments for sale.

## Reporting Boundaries of SD Data in 2022

### Hong Kong portfolio

- Pacific Place (three office towers, shopping mall and STAR STUDIOS)
- Cityplaza (shopping mall)
- Taikoo Place (nine office towers, including One Island East and One Taikoo Place)
- Citygate (offices and outlets including extension)
- Other offices and shopping malls (South Island Place, SPACES. 8QRE, 28 Hennessy Road and Island Place)

### Chinese Mainland portfolio

- Taikoo Hui Guangzhou
- Hui Fang, Guangzhou
- Taikoo Li Sanlitun, Beijing<sup>61</sup>
- INDIGO, Beijing
- Sino-Ocean Taikoo Li Chengdu
- HKRI Taikoo Hui, Shanghai
- Taikoo Li Qiantan, Shanghai<sup>62</sup>

### U.S.A. portfolio

- Brickell City Centre, Miami (shopping mall)

### Hotels

- Swire Hotels (The Upper House, EAST Hong Kong, The Opposite House, EAST Beijing, The Temple House, The Middle House and EAST, Miami<sup>63</sup>)
- Serviced Apartments (Pacific Place Apartments and EAST Residences)
- Restaurants (PUBLIC, Mr & Mrs Fox and The Continental)

## External Assurance

We obtain external independent assurance for the content of our SD reports. Deloitte Touche Tohmatsu (“Deloitte”) was engaged to provide limited assurance on selected sustainability information contained in this report in accordance with the International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” (“ISAE 3000”) and, with respect to greenhouse gas emissions, the International Standard on Assurance Engagements 3410 “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”). The scope of work carried out by Deloitte is set out in their [assurance report](#).

<sup>61</sup> Taikoo Li Sanlitun West was added to the reporting boundary of KPI data collection and reporting in 2022.

<sup>62</sup> Added to the reporting boundary of KPI data collection and reporting in 2022.

<sup>63</sup> The sale of EAST Miami was completed in November 2021, and the environmental data from the sale date onward has been removed from the reporting boundary.

## Summary of Green Building Certifications

Type of Certification	Rating	Location	Building/Project
BEAM Plus Existing Building	Platinum	Hong Kong	<ul style="list-style-type: none"> <li>Citygate Outlets</li> <li>One Citygate</li> <li>Cityplaza Mall</li> <li>One Pacific Place</li> <li>Two Pacific Place</li> <li>Three Pacific Place</li> <li>Pacific Place Mall</li> <li>28 Hennessy Road</li> <li>Cambridge House</li> <li>Devon House</li> <li>Dorset House</li> <li>Lincoln House</li> <li>One Island East</li> <li>Oxford House</li> <li>PCCW Tower</li> </ul>
BEAM Plus New Building	Platinum	Hong Kong	<ul style="list-style-type: none"> <li>ALASSIO</li> <li>One Taikoo Place</li> <li>South Island Place</li> <li>Two Taikoo Place*</li> <li>Six Pacific Place*</li> <li>EIGHT STAR STREET*</li> </ul>
China Green Building Design Label	2-Star	Beijing	<ul style="list-style-type: none"> <li>ONE INDIGO</li> <li>INDIGO Mall</li> </ul>
LEED BD+C: New Construction/Core and Shell	Platinum	Hong Kong	<ul style="list-style-type: none"> <li>One Taikoo Place</li> <li>Two Taikoo Place*</li> <li>Six Pacific Place*</li> </ul>
		Shanghai	<ul style="list-style-type: none"> <li>HKRI Centre 1</li> <li>HKRI Centre 2</li> </ul>
	Gold	Shanghai	<ul style="list-style-type: none"> <li>HKRI Taikoo Hui Mall</li> <li>The Middle House</li> <li>Taikoo Li Qiantan</li> </ul>

Type of Certification	Rating	Location	Building/Project
LEED O+M: Existing Building	Platinum	Beijing	<ul style="list-style-type: none"> <li>• ONE INDIGO</li> <li>• INDIGO Mall</li> <li>• EAST Beijing</li> <li>• Taikoo Li Sanlitun (North)</li> <li>• Taikoo Li Sanlitun (South)</li> </ul>
		Chengdu	<ul style="list-style-type: none"> <li>• Sino-Ocean Taikoo Li Chengdu</li> <li>• The Temple House</li> </ul>
		Guangzhou	<ul style="list-style-type: none"> <li>• Taikoo Hui Guangzhou Tower 1</li> <li>• Taikoo Hui Guangzhou Tower 2</li> <li>• Taikoo Hui Guangzhou (Shopping Mall)</li> </ul>
WELL Building Standard	Platinum	Guangzhou	<ul style="list-style-type: none"> <li>• Taikoo Hui Guangzhou Tower 1</li> <li>• Taikoo Hui Guangzhou Tower 2</li> <li>• Taikoo Hui Guangzhou (Shopping Mall)</li> </ul>
		Shanghai	<ul style="list-style-type: none"> <li>• Taikoo Li Qiantan</li> </ul>
		Hong Kong	<ul style="list-style-type: none"> <li>• One Taikoo Place</li> <li>• Two Taikoo Place*</li> <li>• Six Pacific Place*</li> </ul>

Includes all wholly-owned, joint venture and trading properties with valid certificates obtained within the past 5 years from the reporting period.

\* For new development projects that obtained ratings under BEAM Plus Provisions Assessment or LEED / WELL Precertification.

## External Charters and Memberships

### External Charters and Initiatives

Name of Charter / Initiative	Sponsoring Organisation(s)
4T Charter	Environment and Ecology Bureau & Electrical and Mechanical Services Department, the Government of the Hong Kong Special Administrative Region
Advancing Net Zero	Hong Kong Green Building Council
Building Energy Pledge	Business Environment Council - Climate Change Business Forum Advisory Group
Business Ambition for 1.5°C	Science Based Targets Initiative, United Nations Global Compact, We Mean Business coalition
Carbon Reduction Charter	Environmental Protection Department, the Government of the Hong Kong Special Administrative Region
Charter on External Lighting	Environment and Ecology Bureau, the Government of the Hong Kong Special Administrative Region
Clean Air Charter	Hong Kong General Chamber of Commerce and Hong Kong Business Coalition on the Environment
Energy Saving Charter	Environment and Ecology Bureau & Electrical and Mechanical Services Department, the Government of the Hong Kong Special Administrative Region
Energy Saving Charter on "No ILB"	Environment and Ecology Bureau & Electrical and Mechanical Services Department, the Government of the Hong Kong Special Administrative Region
FoodSmart Partnership Programme	Environmental Protection Department, Food Wise Hong Kong Campaign and the Hong Kong Productivity Council
Food Wise Charter	Environment and Ecology Bureau, the Government of the Hong Kong Special Administrative Region
Friends of EcoPark	EcoPark Management Company and Environmental Protection Department, the Government of the Hong Kong Special Administrative Region
Green Event Pledge	Environmental Protection Department, the Government of the Hong Kong Special Administrative Region
Low Carbon Charter	Business Environment Council
Manifesto for Energy Efficiency in Buildings	World Business Council for Sustainable Development
Power Up Coalition	Business Environment Council
Sustainable Procurement Charter	Green Council
Carbon Neutrality Partnership	Environment and Ecology Bureau, the Government of the Hong Kong Special Administrative Region

## Memberships

Name of Association	Nature of Membership
BEAM Society	Founding Member
Business Environment Council*	Board of Directors Council Member Executive Committee Member Chair, BEC Sustainable Living Environment Advisory Group Steering Committee Member, BEC Circular Economy Steering Committee Member, BEC Climate Change Business Forum Advisory Group Steering Committee
China Green Building Council*	Corporate Member
Chinese Society for Urban Studies	Corporate Member
Council on Tall Buildings and Urban Habitat (CTBUH)	CTBUH Silver Member
Green Cross - Occupational Safety & Health Council	Group Member
Harbour Business Forum	Patron Member (through the Swire Group)
Harbourfront Commission	Taskforce Member
Hong Kong Association for Customer Service Excellence	Corporate Member
Hong Kong Chamber of Commerce in China	Corporate Member
Hong Kong General Chamber of Commerce*	Full Member Real Estate & Infrastructure Committee
Hong Kong Green Building Council*	Platinum Patron Member
Hong Kong Public Relations Professionals' Association Limited	Corporate Member
Land and Development Advisory Committee	Committee Member
The British Chamber of Commerce in Hong Kong	Member, Real Estate Committee
The Hong Kong Management Association	Charter Member
The Lighthouse Club Hong Kong	Corporate Member

Name of Association	Nature of Membership
The Real Estate Developers Association of Hong Kong	Board of Directors Executive Committee Member Member, Planning Environment and Lands Sub-Committee
Urban Land Institute*	ULI Asia Pacific Corporate Partner
U.S. Green Building Council*	Gold Member
World Wide Fund For Nature Hong Kong*	Pearl Member
World Green Building Council*	Member of Corporate Advisory Board
World Business Council for Sustainable Development*	Member
Task Force on Climate-related Financial Disclosures (TCFD)*	TCFD Supporter
Taskforce on Nature-related Financial Disclosures (TNFD)*	Taskforce Member

\*Associations which were identified having initiatives aligned with the Paris Agreement

Total membership fees to trade/industry associations in 2022: HKD1.75 million

Total membership fees to trade/industry associations which were identified having initiatives aligned with the Paris Agreement in 2022: HKD0.86 million

Trade/industry associations with largest amount of membership fees made in 2022: The Real Estate Developers Association of Hong Kong, World Green Building Council, Hong Kong Green Building Council, World Business Council for Sustainable Development and Urban Land Institute

## Awards and Certifications

### Campaign Asia-Pacific

Event Marketing Award 2022

- Gold – Best Hybrid Event – Personally Yours

### Chartered Institution of Building Services Engineers (CIBSE)

- CIBSE Building Performance Awards 2023: Winner of Best Digital Innovation

### China Quality Certification Centre

ISO 14001:2015 Environmental Management System Certification

- INDIGO
- Taikoo Hui Guangzhou
- Taikoo Li Sanlitun
- Sino-Ocean Taikoo Li Sanlitun Chengdu

ISO 50001:2011 Energy Management System Certification

- INDIGO
- Taikoo Hui Guangzhou
- Taikoo Li Sanlitun
- Sino-Ocean Taikoo Li Sanlitun Chengdu

ISO 45001:2018 Occupational Health and Safety Management System Certification

- INDIGO
- Taikoo Hui Guangzhou
- Taikoo Li Sanlitun
- Sino-Ocean Taikoo Li Sanlitun Chengdu

### Condé Nast Traveller

The Best Hotels and Resorts in the World: The Gold List 2022

- EAST Miami

The Best Hotels and Resorts in the U.S., Canada and the Caribbean: The Gold List 2022

- EAST Miami

Top 20 Hotels in Miami: Readers' Choice Awards 2022

- Ranking #14 – EAST Miami

Top 10 Hotels in Hong Kong: Readers' Choice Awards 2022

- Ranking #3 – The Upper House
- Ranking #8 – EAST Hong Kong

## Top 20 Hotels in China: Readers' Choice Awards 2022

- Ranking #11 – The Temple House
- Ranking #14 – The Opposite House
- Ranking #19 – The Middle House

## Environment Bureau (Hong Kong SAR Government)

### Charter on External Lighting – Platinum Award – Swire Properties Limited

- One Pacific Place
- Two Pacific Place
- Three Pacific Place
- Pacific Place Mall
- Citygate Outlets
- Cityplaza Mall
- Cambridge House
- Dorset House
- Lincoln House
- One Island East
- Oxford House

## Environmental Campaign Committee

### Hong Kong Green Organisation

- Citygate
- Cityplaza
- Pacific Place Complex
- Taikoo Place

## Environmental Protection Department (Hong Kong SAR Government)

### Indoor Air Quality Certification Scheme (Hong Kong)

- Excellent Class (18/F to 19/F & 64/F to 65/F Office) – One Island East
- Excellent Class (32/F) – East, Hong Kong
- Excellent Class (Common Areas) – Citygate Outlets
- Excellent Class (Common Areas) – Extension of Citygate Outlets (A&A)
- Excellent Class (Common Areas) – Extension of Citygate Outlets (Town Lot No.11)
- Excellent Class (G/F Entrance Lift Lobby) – 8 Queen's Road East
- Excellent Class (G/F to 30/F Public Areas and 1/F Coffee Shop) – East, Hong Kong
- Excellent Class (L49 Salisterra and Public Areas of The Upper House Hotel) – Pacific Place

- Excellent Class (Public Area of Office Building) – One Taikoo Place
- Excellent Class (Public Area of Whole Building) – South Island Place
- Excellent Class (Public Areas from 1/F to 28/F) – 28 Hennessy Road
- Excellent Class (Public Areas from 3/F to 28/F) – Berkshire House
- Excellent Class (Public Areas from 4/F to 40/F) – One Pacific Place
- Excellent Class (Public Areas from 4/F to 36/F) – Two Pacific Place
- Excellent Class (Public Areas from LG/F to 38/F) – Three Pacific Place
- Excellent Class (Public Areas of Office Building) – Cambridge House
- Excellent Class (Public Areas of Office Building) – Lincoln House
- Excellent Class (Public Areas of Office Building) – Oxford House
- Excellent Class (Public Areas of Office Building) – PCCW Tower
- Excellent Class (Public Areas of Whole Building) – Devon House
- Excellent Class (Public Areas of Whole Building) – Dorset House
- Excellent Class (Public Areas of Whole Building) – One Island East
- Excellent Class (Whole Office Building) – One Citygate
- Good Class (Common Area on 5/F - 30/F) – EAST Residences
- Good Class (Public Areas of Shopping Mall) – Cityplaza
- Good Class (Public Areas of Shopping Mall) – Island Place
- Good Class (Public Areas of the Shopping Mall) – Pacific Place Mall

## Hong Kong Green Building Council and the Professional Green Building Council

Green Building Award 2021

- Pioneer Award in Green Building Leadership (Facilities Management)
- Two Taikoo Place: Grand Award – New Buildings Category: Projects Under Construction and/or Design – Commercial

## Hong Kong Green Organisation Certification

IAQwi\$e Certificate

- Excellence level (Public Area from 1/F to 28/F) – 28 Hennessy Road
- Excellence level (G/F Entrance Lift Lobby) – 8 Queen's Road East
- Excellence level (Public Area from 4/F to 40/F) – One Pacific Place
- Excellence level (Public Area from 4/F to 36/F) – Two Pacific Place
- Excellence level (Public Area from LG/F to 38/F) – Three Pacific Place
- Excellence level (Whole Office Building) – One Citygate
- Excellence level (Common Area) – Citygate Outlets
- Excellence level (Public Area from 3/F to 28/F) – Berkshire House
- Excellence level (Public Area of Whole Building) – Cambridge House

- Excellence level (Public Area of Whole Building) – Devon House
- Excellence level (Public Area of Whole Building) – Dorset House
- Excellence level (Public Area of Whole Building) – Lincoln House
- Excellence level (Public Area of Whole Building) – One Island East
- Excellence level (18/F to 19/F & 64/F to 65/F Office) – One Island East
- Excellence level (Public Area of Whole Building) – Oxford House
- Excellence level (Public Area of Whole Building) – PCCW Tower
- Excellence level (Public Area of Whole Building) – South Island Place
- Excellence level (Public Area of Office Building) – One Taikoo Place
- Excellence level (Common Area of Extension) – Citygate Outlets (A&A)
- Excellence level (Common Area of Extension) – Citygate Outlets (Town Lot No.11)

### **Hong Kong Green Shop Alliance Award 2022**

- Special Citation - Carbon Neutrality – Swire Properties Limited
- 2nd Runner Up – Best Green Practices in Mall – Citygate Outlets
- Best Tenant Partner Award – Best Collaborative Effort of Malls and Shops – Cityplaza
- Excellent Green Product Advocator – Citygate Outlets
- Excellent Green Product Advocator – Cityplaza

### **Hong Kong Institute of Certified Public Accountants**

Best Corporate Governance and ESG Awards 2022 – ESG Award – Non-Hang Seng Index (Large Market Capitalisation) Category – Winner – Swire Properties Limited

### **Hong Kong Quality Assurance Agency (HKQAA)**

- ISO 14001:2015 Environmental Management System Certification – Hong Kong Portfolio
- ISO 50001:2018 Energy Management System Certification – Hong Kong Portfolio
- ISO 45001:2018 Occupational Health and Safety Management System Certification – Hong Kong Portfolio

### **Marketing Magazine**

DigiZ Awards 2022

- Gold Award – Best Interactive Media Strategies – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Silver Award – Best Digital CSR Campaign – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Bronze Award – Best Cross-Platform Campaign – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Silver Award – Best Social Media Strategies – Cityplaza x Monster Inc. Merry GIFTmas
- Bronze Award – Best Digital OOH Campaign – Citygate Outlets' Jolly Christmas Market
- Bronze Award – Best Conversion Optimisation Strategies – Citygate Outlets' Jolly Christmas Market

Loyalty & Engagement Awards 2022

- Gold Award – Best Social Media Strategy – Swire Properties x Tap & Go CVS Campaign

#### Marketing Events Awards 2022

- Gold Award – Best Audience Growth Event – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Gold Award – Best Engaging Event – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Gold Award – Best Event – Retail – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Silver Award – Best Pop-Up Event – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Bronze Award – Best Launch/Rebranding Event – Cityplaza LIVE HAPPY – Unleash Your Happiness
- Silver Award – Best Use of Influencer – Cityplaza x Monster Inc. Merry GIFTmas
- Silver Award – Best Use of Social Media – Swire Properties x Tap & Go CVS Campaign

#### PR Awards 2022

- Bronze Award – Best Engagement – Mass Community – Cityplaza LIVE HAPPY – Unleash Your Happiness

#### Marketing Excellence Awards 2022

- Silver Award – Excellence in Partnership – Cityplaza The MINIONS House of Kung Fu
- Silver Award – Excellence in Targeted Event – Cityplaza The MINIONS House of Kung Fu

### **MIPIM Asia Awards 2022**

- Gold Award – Best Retail Development – Taikoo Li Qiantan
- Bronze Award – Best Residential Development – EIGHT STAR STREET

### **Occupational Safety & Health Council**

#### 21st Hong Kong Occupational Safety & Health Award

- Silver Award – OSH Annual Report Award – Swire Properties Limited

### **The Hong Kong Council of Social Service**

- 20 Years Plus Caring Company Logo – Swire Properties Limited
- 20 Years Plus Caring Organisation Logo – Swire Properties Limited

### **The Hong Kong Management Association**

#### 2022 Best Annual Reports Awards

- Bronze Award – “General” Category – Swire Properties Limited
- Property Development & Investment – Best Environmental, Social and Governance Reporting Award – Swire Properties Limited

### **The Royal Institution of Chartered Surveyors**

#### RICS Awards Hong Kong 2022

- Winner – Sustainability Award – Swire Properties Limited

#### RICS Awards China 2022

- Taikoo Li Sanlitun West: Excellence – “Regeneration Project of the Year”

### TripAdvisor

- 2022 Travelers' Choice Award – No.3 in the Top 25 Hotels China Category; No.23 in the Top 25 Hotels Asia Category – The Middle House
- 2022 Travelers' Choice Award – No.5 in the Top 25 Hotels China Category – The Opposite House
- 2022 Travelers' Choice Award – No.11 in the Top 25 Hotels China Category – The Upper House

### Water Supplies Department (Hong Kong SAR Government)

#### Quality Water Supply Scheme for Buildings – Flushing Water

- 8 Queen's Road East
- Berkshire House
- Cambridge House
- Citygate Outlets & One Citygate
- Cityplaza
- Devon House
- Dorset House
- Five Pacific Place (28 Hennessy Road)
- Lincoln House
- One Island East
- One Taikoo Place
- Oxford House
- Pacific Place (One Pacific Place, Two Pacific Place and Pacific Place Mall)
- PCCW Tower
- South Island Place
- Three Pacific Place

#### Quality Water Supply Scheme for Buildings – Fresh Water (Management System) Certificate – Gold Certificate

- 8 Queen's Road East
- Berkshire House
- Cambridge House
- Citygate Outlets & One Citygate

- One Pacific Place
- Two Pacific Place
- Three Pacific Place
- Five Pacific Place (28 Hennessy Road)
- Pacific Place Mall
- Devon House
- Dorset House
- Lincoln House
- Oxford House
- One Island East
- PCCW Tower

Quality Water Supply Scheme for Buildings – Fresh Water (Management System) Certificate – Blue Certificate

- One Taikoo Place
- Cityplaza
- South Island Place
- Island Place Shopping Mall

## Performance Data Summary (Environmental)

	Unit	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio					Hotels					Total
		2022	2021	2020	2019	2018	2022*	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022
<b>Energy consumption</b>																						
Direct energy consumption	GJ	1,401	2,853	2,654	2,393	2,622	112,226	111,017	94,589	112,936	88,306	253	250	464	710	775	63,408	75,458	67,742	88,136	74,780	177,288
Industrial diesel	Litres	-	-	-	-	-	6,990	5,120	5,000	5,000	5,150	6,072	6,015	11,928	18,704	20,677	420	3,603	365	2,298	15	13,482
Ultra-low sulphur diesel (ULSD)	Litres	18,043	23,867	35,241	52,940	58,513	-	-	-	-	-	-	-	-	-	-	304	338	340	609	246	18,347
Biodiesel	Litres	14,016	53,125	33,607	60	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,016
Petrol	Litres	8,672	7,197	8,355	14,819	15,697	30,833	53,288	55,604	67,430	63,625	1,030	1,026	1,049	1,128	927	17,034	17,310	21,799	43,217	44,512	57,569
Town gas	Unit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	145,536	163,642	143,957	219,549	236,138	145,536
Natural gas	GJ	-	-	-	-	-	110,953	109,090	92,591	110,551	86,040	-	-	-	-	-	55,832	66,895	60,094	76,080	61,842	166,785
Indirect energy consumption	GJ	462,983	508,683 <sup>(1)</sup>	514,578	511,039	568,654	443,488	347,014	334,331	351,107	252,248	29,660	32,455	42,941	60,310	56,129	135,217	169,908 <sup>(1)</sup>	158,135	186,136	157,486	1,071,348
Non-renewable electricity purchased	MWh	128,475	141,240 <sup>(1)</sup>	142,881	141,955	157,959	64,344	70,208	81,447	97,530	70,069	8,239	9,015	11,928	16,753	15,591	32,613	42,051 <sup>(1)</sup>	43,926	51,704	43,746	233,671
Off-site renewable electricity purchased (via power purchase agreement)	MWh	-	-	-	-	-	40,688	26,185	11,423	-	-	-	-	-	-	-	4,947	5,146	-	-	-	45,635
On-site renewable electricity generated	MWh	131	180	136	-	-	248	239	237	263	46	-	-	-	-	-	-	-	-	-	-	379
District heating (energy purchased from local utility companies)	MWh	-	-	-	-	-	12,527	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,527
District cooling (energy purchased from local utility companies)	MWh	-	-	-	-	-	5,384	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,384
Total energy consumption <sup>(2)</sup>	GJ	464,384	511,536 <sup>(1)</sup>	517,232	513,432	571,276	555,714	458,031	428,920	464,043	340,554	29,913	32,705	43,405	61,020	56,904	198,625	245,366 <sup>(1)</sup>	225,877	274,272	232,266	1,248,636 <sup>8</sup>
<b>Carbon emissions<sup>(3)</sup></b>																						
Direct carbon emissions (Scope 1)	Tonnes of CO <sub>2</sub> e	190	1,496	3,630	1,461	1,679	6,220	5,679	4,865	6,057	4,550	18	17	33	51	56	3,428	4,064	3,599	4,675	3,984	9,856
Indirect carbon emissions (Scope 2) - market-based method	Tonnes of CO <sub>2</sub> e	86,558	94,893 <sup>(4)</sup>	112,364	110,557	121,952	43,874	40,254	46,166	64,379	46,252	3,161	3,706	4,924	7,664	7,133	22,100	26,732 <sup>(4)</sup>	27,735	35,421	29,545	155,693
Total carbon emissions (Scopes 1 & 2) - market-based method	Tonnes of CO <sub>2</sub> e	86,748	96,389 <sup>(4)</sup>	115,994	112,018	123,631	50,094	45,933	51,031	70,436	50,802	3,179	3,723	4,957	7,715	7,189	25,528	30,796 <sup>(4)</sup>	31,334	40,096	33,529	165,549 <sup>8</sup>
Indirect carbon emissions (Scope 2) - location-based method	Tonnes of CO <sub>2</sub> e	86,640	94,936 <sup>(4)</sup>	112,410	110,557	121,952	70,972	59,137	57,282	64,379	46,252	3,161	3,706	4,924	7,664	7,133	25,185	29,569 <sup>(4)</sup>	29,274	35,421	29,545	185,958
Total carbon emissions (Scopes 1 & 2) - location-based method	Tonnes of CO <sub>2</sub> e	86,830	96,432 <sup>(4)</sup>	116,040	112,018	123,631	77,192	64,816	62,147	70,436	50,802	3,179	3,723	4,957	7,715	7,189	28,613	33,633 <sup>(4)</sup>	32,873	40,096	33,529	195,814 <sup>8</sup>
Biogenic carbon emissions	Tonnes of CO <sub>2</sub> e	33	125	79	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33
<b>Materials used</b>																						
Refrigerants containing HCFCs refilled	Kilograms	0	0	192	347	170	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	0
Refrigerants containing HFCs refilled	Kilograms	91	1,095	2,702	987	1,141	391	0	0	189	0	0	0	0	0	0	54	131	39	49	46	536
Paper products	Kilograms	19,499	22,587	24,870	27,078	29,612	10,887	13,496	19,746	17,925	10,275	-	-	-	-	-	14,455	16,978	10,862	19,722	19,272	44,841
<b>Water consumption</b>																						
Water consumption - municipal	000 m <sup>3</sup>	359	415 <sup>(1)</sup>	454	418	317	936	874 <sup>(1)</sup>	885	1,011	668	54	67	64	111	106	290	422 <sup>(1)</sup>	356	470	431	1,639 <sup>8</sup>
<b>Wastewater reuse and discharge</b>																						
Wastewater discharged	000 m <sup>3</sup>	35,279	38,914	38,607	40,097	46,288	858	845	858	983	638	54	67	64	111	106	304	462	344	508	414	36,495
Seawater reused for flushing	m <sup>3</sup>	200,696	225,829	207,579	283,285	337,318	-	-	-	-	-	-	-	-	-	-	30,359	28,618	35,903	40,529	21,211	231,055
Waste potable water reused for flushing	m <sup>3</sup>	7,313	10,848	6,527	7,296	8,936	45,006	66,641	46,174	75,020	121,432	-	-	-	-	-	-	-	-	-	0	52,319
<b>Waste directed to disposal<sup>(4)</sup></b>																						
<b>Hazardous waste</b>																						
Oils and lubricants	Litres	1,588	1,600	0	420	422	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,588
<b>Non-hazardous waste</b>																						
Construction and demolition waste <sup>(5)</sup>	Tonnes	2,942 <sup>8</sup>	2,847	1,890	1,396	2,171	16,597	10,002	6,346	6,659	5,567	-	-	-	-	-	-	-	-	-	-	19,539
Commercial waste	Tonnes	9,395 <sup>8</sup>	10,403	8,800	11,714	12,367	10,004	12,818	14,006	16,987	14,973	1,360	1,287	798	1,343	1,475	695	1,153	926	1,739	1,871	21,454
Residential waste	Tonnes	11	11	1	9	128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11
Grease trap oil <sup>(6)</sup>	Tonnes	519	688	634	515	534	-	-	-	-	-	-	-	-	-	-	5	12	20	13	15	524
Garden waste	Tonnes	401	129	211	184	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	401
<b>Waste diverted from disposal - reuse, recycling, recovery</b>																						
<b>Hazardous waste</b>																						
Battery electrolyte	Litres	0	550	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Oils and liquids	Litres	78	0	160	0	530	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78
Fluorescent tube	Tonnes	2	2	4	2	2	-	-	-	-	-	-	-	-	-	-	<1	<1	<1	0	<1	2
<b>Non-hazardous waste</b>																						
<b>Construction and demolition waste</b>																						
Concrete	Tonnes	22,954	1,022	3,274	6,272	35,478	0	48	153	431	955	-	-	-	-	-	-	-	-	-	-	22,954
Timber	Tonnes	8	1,578	50	0	65	19	5	36	0	0	-	-	-	-	-	-	-	-	-	-	27
Metal	Tonnes	682	20,465	4,034 <sup>(1)</sup>	1,907 <sup>(1)</sup>	2,991	38	0	18 <sup>(1)</sup>	110	214	-	-	-	-	-	-	-	-	-	-	720
Others	Tonnes	1,436	4,191	16,951	8,894	2,942	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	1,436
<b>Commercial waste</b>																						
Paper	Tonnes	2,410	2,446 <sup>(1)</sup>	2,272 <sup>(1)</sup>	2,609 <sup>(1)</sup>	2,862 <sup>(1)</sup>	367	420	515	615	333	-	-	-	-	-	70	53	49	83	65	2,847
Metal	Tonnes	26	28	67	30	22	27	24	40	33	26	-	-	-	-	-	5	5	4	5	4	58
Plastic	Tonnes	36	82 <sup>(1)</sup>	75 <sup>(1)</sup>	14	9	60	47 <sup>(1)</sup>	37	49	46	-	-	-	-	-	9	11	7	15	11	105
Glass	Tonnes	35	34	33	41	36	82	67	62	71	43	-	-	-	-	-	44	58	53	66	12	161
Food waste	Tonnes	669	626	498	507	403	7,285	8,185	6,560	7,109	3,702	-	-	-	-	-	359	438	331	66	429	8,313
Food processing oils <sup>(7)</sup>	Tonnes	16	16	-	-	-	133	157	133	323	244	-	-	-	-	-	9	12	7	6	<1	158
Mixed recyclables	Tonnes	-	-	-	-	-	-	-	-	-	-	270	213	165	228	245	-	61	51	91	82	270
Others	Tonnes	94	26 <sup>(1)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	16	1	-	-	-	110

# Performance Data Summary (Environmental)

	Unit	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio					Hong Kong, Chinese Mainland and U.S.A. Portfolios Total				
		2022	2021	2020	2019	2018	2022*	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
Carbon intensity - market-based method	Tonnes of CO <sub>2</sub> e/m <sup>2</sup> /year	0.079	0.088	0.103	0.109	0.111	0.045	0.047	0.053	0.073	0.074	0.069	0.081	0.085	0.109	0.102	0.062	0.069	0.080	0.092	0.097
Carbon intensity - location-based method	Tonnes of CO <sub>2</sub> e/m <sup>2</sup> /year	0.079	0.088	0.103	0.109	0.111	0.069	0.067	0.064	0.073	0.074	0.069	0.081	0.085	0.109	0.102	0.074	0.078	0.085	0.092	0.097
Direct energy intensity	GJ/m <sup>2</sup> /year	0.001	0.003	0.002	0.002	0.002	0.101	0.114	0.097	0.117	0.128	0.005	0.005	0.008	0.010	0.011	0.050	0.054	0.045	0.056	0.049
Indirect energy intensity	GJ/m <sup>2</sup> /year	0.420	0.462	0.456	0.499	0.512	0.398	0.357	0.344	0.363	0.365	0.643	0.704	0.736	0.854	0.795	0.414	0.419	0.413	0.447	0.468
Electricity use intensity <sup>(2)</sup>	kWh/m <sup>2</sup> /year	117*	128	127	139	142	95	99	96	101	102	179	195	204	237	221	107	117	115	124	130
By type																					
Office portfolio <sup>(8)</sup>	kWh/m <sup>2</sup> /year	95	103	102	111	117	81	80	76	77	80	N/A <sup>(9)</sup>	N/A <sup>(9)</sup>	192	234	218	91	96	95	103	112
Retail portfolio <sup>(8)</sup>	kWh/m <sup>2</sup> /year	157	173	177	194	200	90	100	95	105	102	179	195	208	239	222	111	126	123	135	138
Water intensity	m <sup>3</sup> /m <sup>2</sup> /year	0.326	0.377 <sup>(1)</sup>	0.402	0.408	0.285	0.840	0.899 <sup>(1)</sup>	0.912	1.045 <sup>(1)</sup>	0.968	1.174	1.461	1.095	1.571	1.498	0.597	0.640	0.650	0.747	0.582

	Unit	Hotels				
		2022	2021	2020	2019	2018
Carbon intensity - market-based method	Tonnes of CO <sub>2</sub> e/guest night/year	0.038	0.029 <sup>(1)</sup>	0.039 <sup>(1)</sup>	0.030 <sup>(1)</sup>	0.029 <sup>(1)</sup>
Carbon intensity - location-based method	Tonnes of CO <sub>2</sub> e/guest night/year	0.043	0.032 <sup>(1)</sup>	0.041 <sup>(1)</sup>	0.030 <sup>(1)</sup>	0.029 <sup>(1)</sup>
Direct energy intensity	GJ/guest night/year	0.095	0.072 <sup>(1)</sup>	0.084 <sup>(1)</sup>	0.066 <sup>(1)</sup>	0.065 <sup>(1)</sup>
Indirect energy intensity	GJ/guest night/year	0.203	0.162	0.197	0.139	0.137
Electricity use intensity <sup>(10)</sup>	kWh/guest night/year	56	45 <sup>(1)</sup>	55 <sup>(1)</sup>	39 <sup>(1)</sup>	38 <sup>(1)</sup>
By geographical region						
Hong Kong	kWh/guest night/year	46	42	46	31	30
Chinese Mainland	kWh/guest night/year	73	50	59	47	47
Water intensity	m <sup>3</sup> /guest night/year	0.435	0.403 <sup>(1)</sup>	0.442 <sup>(1)</sup>	0.352 <sup>(1)</sup>	0.376 <sup>(1)</sup>

	Unit	Swire Properties				
		2022	2021	2020	2019	2018
<b>Hazardous Waste</b>						
Total waste disposed <sup>(11)</sup>	Tonnes	1	1	0	<1	<1
Total waste recycled <sup>(11)</sup>	Tonnes	2	3	4	2	3
<b>Non-hazardous Waste</b>						
Total waste disposed <sup>(12)</sup>	Tonnes	41,929	39,350	33,632	40,559	39,101
Total waste reused <sup>(12)(13)</sup>	Tonnes	5,446	1,717	-	-	-
Total waste recycled <sup>(12)(13)</sup>	Tonnes	31,101	37,990	35,475	29,575	51,220
Total waste recovered <sup>(12)(13)</sup>	Tonnes	613	612	-	-	-
<b>Total Waste Generated<sup>(14)</sup></b>	Tonnes	<b>79,092</b>	79,673	69,111	70,136	90,324
Total waste directed to disposal <sup>(15)</sup>	Tonnes	41,930	39,351	33,632	40,559	39,101
Total waste diverted from disposal <sup>(15)</sup>	Tonnes	37,162	40,322	35,479	29,577	51,223

### Reporting Boundary:

- (a) Our Hong Kong Portfolio, Chinese Mainland Portfolio and U.S.A. Portfolio refer to office and retail portfolio in Hong Kong, the Chinese Mainland and Miami, U.S.A. respectively, excluding hotels.
- (b) Hotels refer to Swire Hotels, serviced apartments and restaurants in Hong Kong and the Chinese Mainland.

\* Taikoo Li Sanlitun West and Taikoo Li Qiantan are newly included in 2022.

### Notes:

R - Denotes sustainability data that has been reported on by Deloitte Touche Tohmatsu. Please refer to the Independent Limited Assurance Report for further details.

- The data has been adjusted to reflect actual situation.
- The total energy consumption refers to energy consumption for the provision of shared services for and in the common parts of our buildings.
- Calculation standards and methodologies for carbon emissions:
  - Carbon emissions are calculated using:
    - "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong" published by the Environmental Protection Department (EPD) and the Electrical and Mechanical Services Department (EMSD) of the Hong Kong Government.
    - GHG Protocol published by the WBCSD and the World Resources Institute.
  - Carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and hydrofluorocarbons (HFCs) are included in greenhouse gas (GHG) calculations. Perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>) are not applicable.
  - Direct carbon emissions included industrial diesel, ULSD, biodiesel (for CH<sub>4</sub> and N<sub>2</sub>O emissions), petrol, town gas, natural gas and refrigerant containing HFCs refilled.
  - Indirect carbon emissions included non-renewable electricity purchased, off-site renewable electricity purchased (via power purchase agreement), on-site renewable electricity generated, district heating and cooling (energy purchased from local utility companies) and town gas.
  - Market-based method for indirect carbon emissions (as defined by GHG Protocol Scope 2 Guidance) refers to a method to quantify scope 2 emissions based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with instruments, or unbundled instruments on their own.
  - Location-based method for indirect carbon emissions (as defined by GHG Protocol Scope 2 Guidance) refers to a method to quantify scope 2 emissions based on average energy generation emission factors for defined locations, including local, subnational, or national boundaries.
  - Biogenic carbon emissions (as defined by GHG Protocol Scope 2 Guidance) refers to CO<sub>2</sub> emissions from the combustion or biodegradation of biomass.
  - The sources of emission factors for the reporting of carbon emissions are:
    - Sustainability reports of the local utility companies (for electricity and town gas in Hong Kong).
    - "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong" published by the EPD and the EMSD of the Hong Kong Government.
    - "Guidelines to Defra's Greenhouse Gas Conversion Factors for Company Reporting" by the Department for Environment, Food and Rural Affairs (Defra) of the UK.
    - For market-based indirect carbon emissions calculation (for the Chinese Mainland since 2020): "Methodology for Carbon Emissions Reduction in Commercial Complex Buildings" (by Tsinghua University) published in Journal of Building Energy Efficiency (Nov 2020 Edition), and references from the Chinese Mainland government and industry associations including China Renewable Energy Development Assessment Report by National Energy Administration, China Energy Statistical Yearbook by National Bureau of Statistics and China Electricity Market Annual Report by China Electricity Council.
- Waste directed to disposal (Hazardous) are collected by licensed waste collectors. Waste directed to disposal (Non-hazardous) are sent to landfill.
- Construction and demolition waste includes non-excavated construction and demolition waste except materials sent to public fill.
- Grease trap oil refers to waste oil separated from grease trap waste, one of the two by-products of grease trap waste aside from wastewater. Grease trap oil generation is calculated using "A Study to Promote Recycling of Plastic, Paper and Used Cooking Oil in Hong Kong" published by the Hong Kong Productivity Council.
- Food processing oils include used cooking oil and grease trap oil.
- Electricity use intensity refers to electricity consumption (per square metre) for the provision of shared services for and in the common parts of our buildings, excluding car parking spaces and internal offices.
- The sale of Two Brickell City Centre and Three Brickell Centre were completed in July 2020, and the data has been removed from the reporting boundary since then.
- The sale of EAST Miami was completed in November 2021, and the data has been removed from the reporting boundary since then.
- Total hazardous waste generated is the sum of total hazardous waste disposed and recycled.
- Total non-hazardous waste generated is the sum of total non-hazardous waste disposed, reused, recycled and recovered.
- Total non-hazardous waste diverted from disposal is the sum of total non-hazardous waste reused, recycled and recovered.
- Total waste generated includes construction & demolition waste generated from our new development projects, commercial waste generated from our own operations and downstream leased assets, domestic waste generated from our residential portfolios, and special waste generated from our own operations.
- All disposed, reused, recycled and recovered waste was managed by respective waste management companies or organisations off-site.

## Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology

Scope 3 category	Description	Applicability	Methodology <sup>(1)</sup> / Justification for exclusion	Source of activity data	Source of emission factor	2022 (Tonnes of CO <sub>2</sub> e)	2021 (Tonnes of CO <sub>2</sub> e)	2020 (Tonnes of CO <sub>2</sub> e)	2019 (Tonnes of CO <sub>2</sub> e)	2018 (Tonnes of CO <sub>2</sub> e)
1	Purchased goods and services	Yes	The primary data of the key inputs identified are multiplied by the appropriate emission factors to calculate emissions in this category.  Emissions in this category are calculated using (i) spend-based method for carbon emissions from procurement spend (except for trading properties); (ii) supplier-specific method for carbon emissions due to electricity used for processing fresh water and sewage by government departments.	<b>For 2022 Data:</b> (i) Primary procurement spend data from Swire Properties (ii) Primary water - municipal data from Swire Properties  <b>For 2018 - 2021 Data:</b> • Primary procurement spend data from Swire Properties	<b>For 2022 Data:</b> • “Supply Chain GHG Emission Factors for US Commodities and Industries” published by United States Environmental Protection Agency • Hong Kong Water Supplies Department (WSD) Annual Report • Hong Kong Drainage Services Department (DSD) Sustainability Report  <b>For 2018 - 2021 Data:</b> • Country-specific factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5	97,752	131,214	90,124	113,849	75,229
	Upfront embodied carbon emissions of new trading properties (e.g. residential buildings) developed by Swire Properties		<b>New Trading Properties:</b> Emissions in this category are calculated using (i) supplier-specific method for residential buildings in Hong Kong; (ii) average-data method for residential buildings overseas.	<b>For 2022 Data:</b> (i) Primary consumption data of construction materials and construction activities in the development of residential buildings <sup>(2)</sup> (ii) Gross floor area (GFA) of residential buildings overseas <sup>(3)</sup>	Refer to emission factors listed in Scope 3 Category 2 capital goods (for new development projects)					
2	Capital goods	Yes	<b>New Investment Properties:</b> With technical support from a research team at the Hong Kong University of Science and Technology (HKUST)’s Department of Civil and Environmental Engineering, Swire Properties has developed a carbon accounting tool to calculate the cradle-to-site carbon footprint for new development projects. For reporting purpose, the emissions are allocated to the year of project completion.	<b>New Investment Properties:</b> Primary consumption data of construction materials and construction activities from main contractor <sup>(4)</sup>	<b>New Investment Properties:</b> • Swire Properties and HKUST jointly published <a href="#">academic paper</a> at the 8th International Conference on Innovative Production and Construction • CIC Green Product Certification in Hong Kong • Institution of Civil Engineers (ICE) Database • Sustainability reports of the local utility companies (for electricity and town gas in Hong Kong) • “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong” published by the EPD and EMSD	76,783	N/A	N/A	N/A	174,214
			<b>Existing Portfolio:</b> Embodied carbon from refurbishment and replacement of existing portfolios are reported under category 1 purchased goods and services.	<b>Existing Portfolio:</b> Primary procurement spend data from Swire Properties	<b>Existing Portfolio:</b> • For 2022 Data: “Supply Chain GHG Emission Factors for US Commodities and Industries” published by United States Environmental Protection Agency • For 2018 - 2021 Data: Country-specific factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5					
3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	Yes	Third party provided emission factors are applied to the primary data on amounts of electricity, gasoline, diesel, natural gas, and other fuels used by Swire Properties or supplied to end users to calculate emissions in this category.	Primary energy data from properties managed by Swire Properties	• Country-specific GHG emission factors from electricity by the International Energy Agency (IEA) • Country-specific GHG emission factors from Ecoinvent version 3 • Country-specific GHG emission factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5 • Country-specific energy and fuel price data • Country-specific transmission and distribution losses from the World Bank database library • Sustainability reports of the local utility companies (for electricity in Hong Kong) - for 2022 data only	5,729 <sup>(5)</sup>	2,117	2,063	1,922	2,038
4	Upstream transportation and distribution	Yes	The primary data related to transportation and distribution of good and services are multiplied by the appropriate CEDA factors to calculate emissions in this category.	Primary data from Swire Properties	Factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5	5,788	6,652	5,571	5,953	6,161

## Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology

Scope 3 category	Description	Applicability	Methodology <sup>(1)</sup> / Justification for exclusion	Source of activity data	Source of emission factor	2022 (Tonnes of CO <sub>2</sub> e)	2021 (Tonnes of CO <sub>2</sub> e)	2020 (Tonnes of CO <sub>2</sub> e)	2019 (Tonnes of CO <sub>2</sub> e)	2018 (Tonnes of CO <sub>2</sub> e)	
5	<b>Waste generated in operations</b>	Emissions from disposal and treatment of waste generated by Swire Properties	Yes	<p><b>For 2022 Data:</b> Waste data is multiplied by corresponding emission factors to calculate emissions in this category.</p> <p><b>For 2018 - 2021 Data:</b> The primary spend data related to waste management services are multiplied by the corresponding Scope 3 GHG emission data associated with average waste treatment services in the U.S.A. to calculate emissions in this category.</p>	<p><b>For 2022 Data:</b></p> <ul style="list-style-type: none"> <li>Primary waste data from properties managed by Swire Properties</li> </ul> <p><b>For 2018 - 2021 Data:</b></p> <ul style="list-style-type: none"> <li>Primary procurement spend data from Swire Properties</li> </ul>	<p><b>For 2022 Data:</b></p> <ul style="list-style-type: none"> <li>"Guidelines to Defra's Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Environment, Food and Rural Affairs (Defra) of the UK</li> </ul> <p><b>For 2018 - 2021 Data:</b></p> <ul style="list-style-type: none"> <li>Country-specific factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5</li> </ul>	31,405	40,358	38,698	36,969	30,748
6	<b>Business travel</b>	Emissions from transportation of Swire Properties' employees for business-related activities (in vehicles not owned or operated by Swire Properties)	Yes	<p><b>Air-travel:</b> Flight distance is multiplied by corresponding emission factors to calculate emissions in this category.</p>	<p><b>Air-travel:</b> Travel related data provided by travel providers</p>	<p><b>Air-travel:</b> Cathay Pacific's <a href="#">Fly Greener Programme</a></p>	3,947	3,764	1,982	3,360	3,364
				<p><b>Non Air-travel:</b> Emissions in this category are derived from the amount Swire Properties' employee spend on "automobile" and "hotel room".</p>	<p><b>Non Air-travel:</b> Primary procurement spend data from Swire Properties</p>	<p><b>Non Air-travel:</b> GHG Protocol Scope 3 Evaluator</p>					
7	<b>Employee commuting</b>	Emissions from transportation of employees between their homes and worksites	Yes	Emissions in this category are derived from Swire Properties' number of employees.	Number of Swire Properties employees	GHG Protocol Scope 3 Evaluator	12,750	12,750	12,750	12,750	12,750
8	<b>Upstream leased assets</b>	Emissions from operation of assets leased by Swire Properties	No	As a real estate developer, Swire Properties develops and manages properties which are leased to customers. The emissions of leased offices are identified as Scope 2 emissions.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	<b>Downstream transportation and distribution</b>	Emissions from transportation and distribution of products sold between Swire Properties and the end consumer, including retail and storage	No	As a real estate developer, Swire Properties develops and manages properties which are leased to customers. There are no manufactured products and hence no emissions to report under this category.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	<b>Processing of sold products</b>	Emissions from processing of intermediate products sold by downstream companies such as manufacturers	No	As a real estate developer, Swire Properties develops and manages properties which are leased to customers. There are no manufactured products and hence no emissions to report under this category.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	<b>Use of sold products</b>	Operational carbon emissions from the entire use stage of trading properties (e.g. residential buildings) developed by Swire Properties	Yes	The design electricity use intensity of the residential buildings and their projected future change, is multiplied by corresponding projected emission factors of the entire use stage to calculate emissions in this category <sup>(2)(3)</sup> .	<ul style="list-style-type: none"> <li>Design electricity use intensity of residential buildings developed by Swire Properties</li> <li>GFA of residential buildings<sup>(2)(3)</sup></li> </ul>	<ul style="list-style-type: none"> <li>International Energy Agency (IEA) database</li> <li>Hong Kong's Climate Action Plan 2050</li> <li>COP26: ASEAN's Commitment in The Energy Sector</li> </ul>	60,025	N/A	N/A	N/A	N/A

## Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology

Scope 3 category	Description	Applicability	Methodology <sup>(1)</sup> / Justification for exclusion	Source of activity data	Source of emission factor	2022 (Tonnes of CO <sub>2</sub> e)	2021 (Tonnes of CO <sub>2</sub> e)	2020 (Tonnes of CO <sub>2</sub> e)	2019 (Tonnes of CO <sub>2</sub> e)	2018 (Tonnes of CO <sub>2</sub> e)	
12	<b>End-of-life treatment of sold products</b>	End of life carbon emissions from waste disposal and treatment of trading properties (e.g. residential buildings) developed by Swire Properties	Yes	<p><b>For 2022 Data:</b></p> <ul style="list-style-type: none"> <li>GFA of the residential buildings<sup>(2)(3)</sup> is multiplied by the end of life carbon emission factor to calculate emissions in this category.</li> </ul> <p><b>For 2018 - 2021 Data:</b></p> <ul style="list-style-type: none"> <li>Data on the landfilled waste is multiplied by the corresponding Scope 3 GHG emissions data to calculate emissions in this category.</li> </ul>	<p><b>For 2022 Data:</b></p> <p>GFA of residential buildings<sup>(2)(3)</sup></p> <p><b>For 2018 - 2021 Data:</b></p> <ul style="list-style-type: none"> <li>Primary procurement spend data from Swire Properties</li> </ul>	<p><b>For 2022 Data:</b></p> <ul style="list-style-type: none"> <li>“Comprehensive Evaluation of Carbon Emissions for the Development of High-Rise Residential Building”, MDPI Journal - Buildings 2018</li> </ul> <p><b>For 2018 - 2021 Data:</b></p> <ul style="list-style-type: none"> <li>Process life cycle assessment (LCA) databases including U.S. Environmental Protection Agency's Waste Reduction Model database and Ecoinvent version 3</li> </ul>	276	54	51	49	41
13	<b>Downstream leased assets</b>	Emissions from operation of assets owned by Swire Properties and leased to other entities	Yes	<p><b>Hong Kong Portfolio:</b></p> <p>Aggregate data of metered electricity consumption from tenants are multiplied by local emission factors (market-based method) to calculate emissions in this category.</p>	<p><b>Hong Kong Portfolio:</b></p> <p>Primary electricity data from Swire Properties<sup>(6)</sup></p>	<p><b>Hong Kong Portfolio:</b></p> <p>Sustainability reports of the local utility companies (for electricity in Hong Kong)</p>	130,657 <sup>R</sup>	131,478	139,414	179,515	168,403
				<p><b>Chinese Mainland Portfolio:</b></p> <p>Data of metered electricity consumption at individual tenant level are multiplied by respective emission factors (market-based method) to calculate emissions in this category.</p>	<p><b>Chinese Mainland Portfolio:</b></p> <p>Primary electricity data from Swire Properties</p>	<p><b>Chinese Mainland Portfolio:</b></p> <ul style="list-style-type: none"> <li>“Methodology for Carbon Emissions Reduction in Commercial Complex Buildings” (by Tsinghua University) published in Journal of Building Energy Efficiency (Nov 2020 Edition)</li> <li>References from the Chinese Mainland government and industry associations including China Renewable Energy Development Assessment Report by National Energy Administration, China Energy Statistical Yearbook by National Bureau of Statistics and China Electricity Council</li> </ul>					
14	<b>Franchises</b>	Emissions from operation of Swire Properties' franchises	No	As a real estate developer, Swire Properties develops and manages properties which are leased to customers. We do not own any franchises business and hence there are no emissions to report in this category.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
15	<b>Investments</b>	Emissions from operation of Swire Properties' investments	No	As a real estate developer, Swire Properties develops and manages properties which are leased to customers. The low level of investment activity does not constitute a material contribution to overall GHG emissions.	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes:**

R - Denotes sustainability data that has been reported on by Deloitte Touche Tohmatsu. Please refer to the Independent Limited Assurance Report for further details.

(1) Calculation standard and methodology for Scope 3 carbon emissions: GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard published by the WBCSD and the World Resources Institute.

(2) It refers to EIGHT STAR STREET. A 50-year use phase was applied to the calculations.

(3) It refers to The River, Vietnam which Swire Properties has 20% interest. A 50-year use phase was applied to the calculations.

(4) It refers to Two Taikoo Place.

(5) Newly included electric vehicle charging in Hong Kong and Chinese Mainland portfolios since 2022.

(6) Excluded Island Place Mall.



# Performance Data Summary (Social)

	Hong Kong Portfolio										Chinese Mainland Portfolio										U.S.A. Portfolio										Hotels					Total						
	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021															
<b>Promotion</b>																																										
Total number and rate of employees promotion	154	6.6%	142	6.1%	96	4.0%	189	8.0%	-	152	7.5%	129	7.4%	120	7.2%	184	11.1%	-	9	11.3%	6	8.1%	6	8.0%	7	8.2%	-	203	10.3%	286	13.9%	190	8.8%	352	15.0%	-	518	8.1%				
By gender																																										
Male	83	5.6%	95	6.3%	69	4.4%	126	8.1%	-	91	7.1%	71	6.5%	70	6.6%	107	10.3%	-	6	12.5%	4	9.5%	2	4.3%	4	7.8%	-	108	10.6%	139	13.3%	86	7.9%	185	15.7%	-	288	7.5%				
Female	71	8.3%	47	5.6%	27	3.2%	63	7.7%	-	61	8.2%	58	9.0%	50	8.3%	44	7.1%	-	3	9.4%	2	6.3%	4	14.3%	3	8.8%	-	95	10.0%	147	14.6%	104	9.7%	167	14.2%	-	230	8.9%				
By age group																																										
Under 30 years old	26	8.4%	36	11.9%	25	7.7%	50	15.0%	-	45	11.9%	29	8.3%	23	6.4%	56	10.3%	-	1	11.1%	1	11.1%	0	0%	4	25.0%	-	108	16.5%	171	22.9%	128	16.7%	198	22.3%	-	180	13.3%				
30 to 50 years old	109	9.4%	86	7.1%	59	5.0%	110	9.7%	-	103	7.3%	94	7.8%	93	8.1%	124	28.4%	-	6	13.0%	4	8.9%	6	13.3%	3	6.4%	-	93	8.8%	109	10.3%	60	5.2%	148	12.2%	-	311	8.4%				
Over 50 years old	19	2.2%	20	2.4%	12	1.3%	29	3.2%	-	4	1.8%	6	3.4%	4	2.6%	4	1.1%	-	2	8.0%	1	5%	0	0%	0	0%	-	2	0.8%	6	2.4%	2	0.8%	6	2.4%	-	27	2.0%				
By management level																																										
Management	84	14.7%	-	-	-	-	-	-	-	71	9.5%	-	-	-	-	-	-	-	8	20.0%	-	-	-	-	-	-	-	77	15.5%	-	-	-	-	-	-	-	240	12.9%				
Non-management	70	4.0%	-	-	-	-	-	-	-	81	6.4%	-	-	-	-	-	-	-	1	2.5%	-	-	-	-	-	-	-	126	8.5%	-	-	-	-	-	-	-	278	6.1%				
<b>Performance Review</b>																																										
Total number and percentage of employees receiving regular performance review	2,273	97.2%	2,276	97.1%	2,343	96.8%	2,302	97.0%	2,302	97.1%	2,003	99.4%	1,732	100%	1,671	100%	1,656	99.9%	1,262	97.1%	80	100%	74	100%	75	100%	84	98.8%	97	100%	1,891	95.8%	1,715	83.6%	1,830	84.4%	2,053	87.4%	1,807	85.5%	6,247	97.5%
By gender																																										
Male	1,469	98.9%	1,484	98.5%	1,552	98.4%	1,532	98.3%	1,537	98.2%	1,269	99.5%	1,090	100%	1,068	100%	1,040	99.9%	791	98.4%	48	100%	42	100%	47	100%	51	100%	55	100%	980	96.1%	896	85.7%	944	86.4%	1,057	89.8%	943	88.5%	3,766	98.4%
Female	804	94.3%	792	94.5%	791	93.9%	770	94.5%	765	95.0%	734	99.2%	642	100%	603	100%	616	100%	471	95.0%	32	100%	32	100%	28	100%	33	97.1%	42	100%	911	95.6%	819	81.4%	886	82.3%	996	84.9%	864	82.5%	2,481	96.2%
By management role																																										
Management	573	100%	584	100%	598	100%	572	100%	570	99.3%	739	98.4%	626	100%	564	100%	535	99.8%	426	93.0%	40	100%	33	100%	32	100%	29	100%	42	100%	496	99.8%	435	92.6%	471	98.9%	474	97.1%	399	98.5%	1,848	99.3%
Non-management	1,700	96.3%	1,692	96.1%	1,745	95.8%	1,730	96.1%	1,732	96.4%	1,264	99.9%	1,106	100%	1,107	100%	1,121	100%	836	99.3%	40	100%	41	100%	43	100%	55	98.2%	55	100%	1,395	94.5%	1,280	81.0%	1,359	80.3%	1,579	84.8%	1,408	82.4%	4,399	96.8%
<b>Diversity</b>																																										
Females in management positions (as % of total management workforce)	52.2%	51.7%	52.0%	51.6%	50.7%	55.4%	58.0%	58.0%	58.6%	58.3%	40.0%	42.4%	40.6%	41.4%	42.9%	46.1%	46.6%	46.6%	45.9%	47.4%	51.6%																					
Females in senior management positions (as % of total senior management workforce)	52.0%	61.9%	61.9%	57.1%	57.1%	29.4%	40.0%	41.7%	46.2%	35.3%	0.0%	42.9%	50.0%	57.1%	55.6%	0.0%	29.4%	21.4%	28.6%	38.5%	38.3%																					
Females in middle management positions (as % of total middle management workforce)	65.6%	61.8%	65.7%	66.7%	65.6%	37.5%	28.6%	16.7%	13.3%	0%	37.5%	-	-	-	-	52.5%	49.0%	54.0%	50.0%	48.8%	54.1%																					
Females in junior management positions (as % of total junior management workforce)	51.4%	50.7%	50.7%	50.4%	49.5%	56.2%	58.8%	58.8%	60.2%	59.5%	43.3%	42.3%	37.5%	36.4%	39.4%	45.5%	47.0%	46.6%	46.0%	47.6%	51.8%																					
Females in non-management positions (as % of total non-management workforce)	31.4%	30.4%	29.1%	28.9%	28.6%	25.6%	25.2%	24.9%	26.9%	27.2%	40.0%	43.9%	34.9%	39.3%	43.6%	49.1%	49.8%	50.5%	51.0%	50.1%	35.6%																					
Females in management positions in revenue-generating functions (as % of total revenue-generating management workforce)	50.1%	52.0%	50.2%	49.5%	49.4%	53.2%	57.9%	64.7%	50.0%	41.3%	41.7%	60.0%	100%	55.6%	44.4%	48.7%	44.0%	45.5%	48.4%	48.9%	51.9%																					
Females in STEM-related positions (as % of total STEM-related positions)	24.7%	23.6%	-	-	-	42.5%	34.3%	-	-	-	60.9%	31.3%	-	-	-	44.1%	40.2%	-	-	-	35.4%																					
Females in IT-related positions (as % of total IT-related positions)	32.0%	32.5%	-	-	-	21.0%	17.9%	-	-	-	0.0%	0.0%	-	-	-	13.6%	0.0%	-	-	-	22.9%																					
Females in engineering-related positions (as % of total engineering-related positions)	11.3%	11.5%	-	-	-	13.2%	9.0%	-	-	-	0.0%	0.0%	-	-	-	5.7%	7.5%	-	-	-	11.7%																					
<b>Gender Pay Ratio (Female to Male)<sup>(5)</sup></b>																																										
Total workforce	1:0.84	1:0.81	1:0.79	1:0.78	1:0.78	1:0.79	1:0.78	1:0.73	1:0.75	1:0.90	1:0.94	1:0.97	1:0.90	1:0.96	1:1.01	1:1.12	1:1.16	1:1.14	1:1.13	1:1.11	1:0.92																					
By management role																																										
Management	1:1.05	1:1.03	1:1.05	1:1.02	1:1.04	1:1.40	1:1.48	1:1.45	1:1.44	1:1.70	1:0.97	1:1.00	1:0.95	1:1.06	1:1.10	1:1.15	1:1.17	1:1.21	1:1.15	1:1.13	1:1.18																					
Non-management	1:1.07	1:1.04	1:1.03	1:1.04	1:0.97	1:0.88	1:0.88	1:0.81	1:0.89	1:1.02	1:0.87	1:0.86	1:0.87	1:0.90	1:0.85	1:1.04	1:1.07	1:1.02	1:1.04	1:1.05	1:1.04																					
Gender Remuneration Ratio (Female to Male)	1:0.88	1:0.84	1:0.78	1:0.80	1:0.79	1:0.84	1:0.82	1:0.79	1:0.83	1:1.06	1:1.01	1:1.00	1:0.85	1:0.94	1:0.96	1:1.17	1:1.21	1:1.18	1:1.20	1:1.12	1:0.98																					
By management role																																										
Management	1:1.06	1:1.03	1:0.97	1:0.99	1:1.00	1:1.42	1:1.51	1:1.56	1:1.55	1:2.07	1:1.05	1:1.04	1:0.89	1:1.05	1:1.07	1:1.20	1:1.21	1:1.27	1:1.25	1:1.17	1:1.21																					
Non-management	1:1.22	1:1.16	1:1.14	1:1.18	1:1.09	1:0.98	1:0.97	1:0.88	1:0.95	1:1.08	1:0.87	1:0.87	1:0.85	1:0.87	1:0.77	1:1.09	1:1.14	1:1.03	1:1.10	1:1.05	1:1.15																					



# Performance Data Summary (Social)

	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio					Hotels			Total			
	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018	2022	
<b>Parental Leave</b>																						
Total number of employees entitled to parental leave	2,273	2,276	2,343	2,302	2,302	2,016	1,732	1,671	1,656	1,300	80	73	75	84	96	1,973	1,822	1,938	1,642	1,937	6,342	
By gender																						
Male	1,469	1,484	1,552	1,532	1,537	1,276	1,090	1,068	1,040	804	48	42	47	51	55	1,020	955	1,001	809	986	3,813	
Female	804	792	791	770	765	740	642	603	616	496	32	31	28	33	41	953	867	937	833	951	2,529	
Total number of employees took parental leave																						
By gender																						
Male	19	15	16	13	15	16	15	24	29	25	2	1	2	1	2	37	11	26	28	23	74	
Female	14	19	19	21	28	23	18	28	29	30	3	1	1	2	0	37	30	21	41	29	77	
Return to work rate (%) <sup>(6)</sup>																						
By gender																						
Male	100%	100%	100%	84.6%	93.3%	100%	100%	95.8%	93.1%	100%	100%	100%	100%	100%	100%	100%	100%	100%	96.4%	100%	100%	
Female	100%	100%	100%	100%	96.4%	87.0%	94.4%	96.4%	96.6%	93.3%	33.3%	100%	100%	100%	-	100%	80.0%	90.5%	85.4%	93.1%	93.5%	
<b>Occupational Health and Safety (employee)</b>																						
Number of lost time injuries (sick leave > 0 days)	24	27	27	47	47	2	2	10	10	3	0	0	0	1	0	32	33	45	54	41	58	
Number of reportable injuries (sick leave > 3 days)	21	21	23	31	34	2	1	9	9	2	0	0	0	1	0	19	28	27	38	32	42	
Number of high-consequence injuries (sick leave > 6 months)	2	2	2	3	7	0	0	0	1	0	0	0	0	0	-	1	2	1	0	2	3	
Thousand hours worked	5,266.3	5,375.5	5,414.3	5,477.5	5,434.7	3,757.5	3,185.6	3,221.1	3,248.1	2,475.5	163.5	154.0	168.4	153.2	185.4	4,094.0	4,264.9	4,340.8	4,878.6	4,309.9	13,281.3	
Lost time injury rate (LTIR) (employee) <sup>(7)</sup>	0.91	1.00	1.00	1.72	1.73	0.11	0.13	0.62	0.62	0.24	0.00	0.00	0.00	1.31	0.00	1.56	1.55	2.07	2.21	1.90	0.87 <sup>R</sup>	
Rate of high-consequence injuries <sup>(8)</sup>	0.08	0.07	0.07	0.11	0.26	0.00	0.00	0.00	0.06	0.00	0.00	0.00	0.00	0.00	-	0.05	0.09	0.05	0.00	0.09	0.05	
Lost days due to injuries	1,009.5	982.5	1,506	1,460	2,602.5	222	79	403.5	412	77	0	0	0	22	0	855.0	1,266	1,298	1,083	699	2,086.5	
Lost day rate (LDR) (employee) <sup>(9)</sup>	38.34	36.55	55.63	53.31	95.77	11.82	4.96	25.05	25.37	6.22	0.00	0.00	0.00	28.72	0.00	41.77	59.35	59.80	44.40	32.44	31.42 <sup>R</sup>	
Absentee rate <sup>(10)</sup>	2.55%	1.56%	2.14%	2.76%	2.49%	1.10%	1.31%	1.13%	1.17%	1.05%	0%	0%	0.31%	0.07%	4.51%	3.02%	0.88%	0.92%	1.01%	0.09% <sup>(13)</sup>	2.21%	
Number of work-related ill health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Number of fatalities (employee) <sup>(11)</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 <sup>R</sup>	
Rate of fatalities (employee) <sup>(12)</sup>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Percentage of the organisation operating in verified compliance with an internationally recognised occupational health and safety management system (ISO 45001) <sup>(13)</sup>	100%	100%	100%	100%	100%	59.4%	71.5%	73.0%	73.7%	65.8%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	55.2%	

	Hong Kong Development Projects				
	2022	2021	2020	2019	2018
<b>Occupational Health and Safety (contractor)</b>					
Number of lost time injuries (sick leave > 0 days)	1	6	-	-	-
Thousand hours worked	3,472.4	5,000.0	-	-	-
Lost time injury rate (LTIR) (contractor) <sup>(14)</sup>	0.06 <sup>R</sup>	0.24	-	-	-
Accident rate (contractor) <sup>(15)</sup>	0.90	-	-	-	-
Number of fatalities (contractor) <sup>(16)</sup>	0 <sup>R</sup>	0	-	-	-

	Swire Properties									
	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
<b>Governance</b>										
Convicted cases of corruption	0 <sup>R</sup>	0	0	0	0					
Composition of the Board of Directors										
Total number of Directors	13	13	12	12	11					
By gender										
Male	9 69.2%	9 69.2%	8 66.7%	8 66.7%	7 63.6%					
Female	4 30.8%	4 30.8%	4 33.3%	4 33.3%	4 36.4%					
By age group										
Under 30 years old	0 0%	0 0%	0 0%	0 0%	0 0%					
30 to 50 years old	3 23.1%	3 23.1%	3 25.0%	3 25.0%	4 36.4%					
Over 50 years old	10 76.9%	10 76.9%	9 75.0%	9 75.0%	7 63.6%					
By local or non-local										
Local	8 61.5%	7 53.8%	8 66.7%	6 50.0%	5 45.5%					
Non-local	5 38.5%	6 46.2%	4 33.3%	6 50.0%	6 54.5%					
By Year of service as Director										
3 years or below	5 38.4%	6 46.1%	-	-	-					
4 to 9 years	4 30.8%	4 30.8%	-	-	-					
over 9 years	4 30.8%	3 23.1%	-	-	-					

### Reporting Boundary:

- (a) Our Hong Kong portfolio, Chinese Mainland portfolio and U.S.A. portfolio refer to office and retail portfolio in Hong Kong, the Chinese Mainland and Miami, U.S.A. respectively, excluding hotels.
- (b) Hotels refer to Swire Hotels, serviced apartments and Swire Restaurants in Hong Kong, the Chinese Mainland and Miami, U.S.A.

### Notes:

R - Denotes sustainability data that has been reported on by Deloitte Touche Tohmatsu. Please refer to the Independent Limited Assurance Report for further details.

- Data on permanent and fixed term/temporary employment contract are reported since 2017 in accordance with the GRI General Disclosure 102-8.
- Total new hires applies to permanent employees only. New hires rate is calculated as "total number of new hires (permanent employees) in the reporting year divided by total number of permanent employees as of 31 Dec of the reporting year and then multiplied by 100%".
- Voluntary turnover applies to permanent employees only. Voluntary turnover rate is calculated as "total number of permanent employees voluntarily leaving employment during the reporting year divided by total number of permanent employees as of 31 Dec of the reporting year and then multiplied by 100%".
- Total turnover applies to permanent employees only. Total turnover rate is calculated as "total number of permanent employees voluntarily and involuntarily leaving employment during the reporting year divided by total number of permanent employees as of 31 Dec of the reporting year and then multiplied by 100%".
- In 2022, gender pay ratio and gender remuneration ratio are calculated based on a non-weighted average methodology. The data from 2018 onwards have been restated to align with the revised methodology.
- Return to work rate is calculated as "total number of employees who did return to work after parental leave divided by total number of employees due to return to work after taking parental leave and then multiplied by 100%".
- Lost time injury rate ("LTIR") (employee) represents the number of injuries per 100 employees per year. It is calculated as "total number of injuries multiplied by 200,000 and then divided by total hours worked". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.
- Rate of high-consequence injuries represents the number of high-consequence injuries per 100 employees per year. It is calculated as "total number of high-consequence injuries multiplied by 200,000 and then divided by total hours worked". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.
- Lost day rate ("LDR") (employee) represents the number of lost scheduled working days per 100 employees per year. It is calculated as "total days lost multiplied by 200,000 and then divided by total hours worked." The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.
- Absentee rate is calculated as number of actual days lost divided by number of scheduled work days in the reporting year. Lost days due to work-related injuries has been included in the calculation of absentee rate since 2019.
- An employee fatality is a loss of life of an employee as the result of a work-related incident.
- Rate of fatalities represents the number of fatalities per 100 employees per year. It is calculated as "total number of fatalities multiplied by 200,000 and then divided by total hours worked". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.
- Calculated based on percentage of employees.
- Lost time injury rate ("LTIR") (contractor) represents the number of injuries per 100 contractor workers per year. It is calculated as "total number of injuries multiplied by 200,000 and then divided by total hours worked". The factor 200,000 is the annual hours worked by 100 contractor workers, based on 40 hours per week for 50 weeks a year.
- Accident rate (contractor) represents the number of reportable accidents per 1,000 contractor workers. It is calculated as "total number of reportable accidents multiplied by 1,000 and then divided by average daily number of contractor workers on-site".
- A contractor fatality is defined as a loss of life of a contractor or subcontractor employee as the result of an incident occurring when the contractor or subcontractor employees are conducting work for our Company.
- Included Hong Kong secondees working in Singapore, Jakarta and Papua New Guinea.
- Included training received in the past three years.
- Excluded EAST, Miami, U.S.A. employees.

## Independent Practitioner's Limited Assurance Report

# Deloitte.

# 德勤

To the Board of Directors of  
**Swire Properties Limited**

We have been engaged by the Directors of Swire Properties Limited ("SPROPS") to perform a limited assurance engagement in relation to certain sustainable development data (the "Data Points") included in its Sustainable Development Report for the year ended 31 December 2022 (the "SD Report 2022") and selected by SPROPS.

### Data Points

The Data Points are listed below:

Data Points	Scope of assurance
Electricity consumption	Total*
Electricity use intensity	Hong Kong Portfolio
Carbon emissions (Scopes 1 & 2) - Location-based	Total*
Carbon emissions (Scopes 1 & 2) - Market-based	Total*
Carbon emissions (Scope 3 category 13 downstream leased assets)	Hong Kong and Chinese Mainland Portfolios (excluding Island Place Mall)
Water consumption – municipal	Total*
Commercial waste	Hong Kong Portfolio
Construction and demolition waste	Hong Kong Development Projects
Number of fatalities (employee)	Total*
Number of fatalities (contractor)	Hong Kong Development Projects
Lost time injury rate (employee)	Total*
Lost time injury rate (contractor)	Hong Kong Development Projects
Lost day rate (employee)	Total*
Convicted cases of corruption	Total*

\* In this instance "Total" refers to the total relating to SPROPS' Hong Kong, Chinese Mainland and U.S.A. portfolios as well as its Hotels, as displayed in the Performance Data Summary chapter in the SD Report 2022.

The Data Points are identified with the symbol [R] in the Performance Data Summary of the SD Report 2022.

## Reporting Criteria

The Data Points are presented in accordance with the criteria set out under “ESG Reporting Standards and Principles” in the SD Report 2022 (the “Reporting Criteria”).

## Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1, “*Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*” and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Responsibilities

### Deloitte Touche Tohmatsu

It is our responsibility to express a limited assurance conclusion on the Data Points based on our work performed and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility or accept liability to any other person for the contents of this report.

### Swire Properties Limited

The Directors of SPROPS are responsible for the preparation and presentation of the Data Points in accordance with the Reporting Criteria. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Data Points, applying an appropriate basis of preparation, making estimates that are reasonable in the circumstances and ensuring the accuracy and completeness of the Data Points.

## Reporting Framework

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised), “*Assurance Engagements other than Audits or Reviews of Historical Financial Information*”, and the International Standard on Assurance Engagements 3410, “*Assurance Engagements on Greenhouse Gas Statements*” (the “Standards”), issued by the International Auditing and Assurance Standards Board (together, the “Standards”).

The Standards require that we comply with ethical requirements, and plan and perform the engagement to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the Data Points do not comply in any material respects with the Reporting Criteria.

## Objectives

The overall objective of our procedures was to assess whether the Data Points were prepared, in all material respects, in accordance with the Reporting Criteria.

## Procedures Performed

Our work comprised the following limited procedures:

- Interviews with relevant management and personnel involved in providing information relating to the Data Points for inclusion in the SD Report 2022;
- Sample testing of documentary evidence at SPROPS' corporate level and site level;
- Analytical procedures; and,
- Recalculation.

We have not performed any procedures in relation to other data included in the SD Report 2022. In addition, our work performed is not for the purposes of expressing an opinion on the effectiveness of SPROPS' internal controls.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Inherent Limitations

Non-financial performance information, including the Data Points, is subject to more inherent limitations than financial information given both its nature and the methods used for determining, calculating, sampling and estimating such information. This could have a material impact on comparability. Qualitative interpretations of relevance, materiality and the accuracy of such information are subject to individual assumptions and judgements.

## Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Data Points have not been prepared, in all material respects, in accordance with the Reporting Criteria.



**Deloitte Touche Tohmatsu**

Certified Public Accountants

Hong Kong

March 28, 2023

## Global Reporting Initiative Content Index

<b>Statement of use</b>	Swire Properties has reported in accordance with the GRI Standards for the period from 1st January 2022 to 31st December 2022.
<b>GRI used</b>	GRI 1: Foundation 2021

### GRI 2: General Disclosures 2021

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
<b>The organization and its reporting practices</b>		
2-1	Organizational details	Cover Page Profile of Swire Properties Limited Places Annual Report 2022 – Company Profile
2-2	Entities included in the organization's sustainability reporting	ESG Reporting Standards and Principles Annual Report 2022
2-3	Reporting period, frequency and contact point	About this Report ESG Reporting Standards and Principles Table of Contents
2-4	Restatements of information	Performance Data Summary
2-5	External assurance	ESG Reporting Standards and Principles Assurance Report
<b>Activities and workers</b>		
2-6	Activities, value chain and other business relationships	Profile of Swire Properties Limited Places Partners ESG Reporting Standards and Principles Annual Report 2022 – Company Profile Annual Report 2022 – Management Discussion & Analysis – Review of Operations – Portfolio Overview Corporate website – <a href="#">About Us</a> Corporate website – <a href="#">Partners</a> Corporate website – <a href="#">Supplier Code of Conduct</a>  There were no significant changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.
2-7	Employees	People Performance Data Summary

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
2-8	Workers who are not employees	People Partners Performance Data Summary
<b>Governance</b>		
2-9	Governance structure and composition	SD Governance People Performance (Economic) Annual Report 2022 – Corporate Governance
2-10	Nomination and selection of the highest governance body	Annual Report 2022 – Corporate Governance – Appointment and Re-election
2-11	Chair of the highest governance body	SD Governance Performance (Economic) Annual Report 2022 – Corporate Governance – The Board of Directors
2-12	Role of the highest governance body in overseeing the management of impacts	SD Governance Performance (Economic) Annual Report 2022 – Corporate Governance
2-13	Delegation of responsibility for managing impacts	SD Governance Performance (Economic) Annual Report 2022 – Corporate Governance – Delegation by the Board
2-14	Role of the highest governance body in sustainability reporting	SD Governance
2-15	Conflicts of interest	Performance (Economic) Annual Report 2022 – Corporate Governance – Conflicts of Interest
2-16	Communication of critical concerns	SD Governance Performance (Economic) Annual Report 2022 – Corporate Governance – Conflicts of Interest
2-17	Collective knowledge of the highest governance body	SD Governance Annual Report 2022 – Corporate Governance Annual Report 2022 – Corporate Governance – Board Processes and Continuous Professional Development
2-18	Evaluation of the performance of the highest governance body	Annual Report 2022 – Corporate Governance
2-19	Remuneration policies	Performance (Economic)
2-20	Process to determine remuneration	Corporate website – <a href="#">Remuneration Policy</a> Annual Report 2022 – Corporate Governance – Remuneration Committee Annual Report 2022 – Notes to the Financial Statements – Note 9 Directors’ and Executive Officers’ Emoluments
2-21	Annual total compensation ratio	People Annual Report 2022 – Notes to the Financial Statement – Note 9 Directors’ and Executive Officers’ Emoluments

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
<b>Strategy, policies and practices</b>		
2-22	Statement on sustainable development strategy	Chief Executive's Message SD 2030 Strategy
2-23	Policy commitments	SD Governance Performance (Economic) Annual Report 2022 – Risk Management Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Supplier Code of Conduct</a> Corporate website – <a href="#">Sustainable Development Policy</a> Corporate website – <a href="#">Human Rights Policy</a> Corporate website – <a href="#">Respect in the Workplace Policy</a> Corporate website – <a href="#">Staff Grievance Policy</a>
2-24	Embedding policy commitments	SD Governance Performance (Economics) Performance Data Summary Corporate website – <a href="#">Anti-bribery and Corruption Policy</a> Corporate website – <a href="#">Board Diversity Policy</a> Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Shareholders' Communication Policy</a> Corporate website – <a href="#">Whistleblowing Policy</a> Corporate website – <a href="#">Sustainable Development Policies</a>
2-25	Processes to remediate negative impacts	Materiality Corporate website – <a href="#">Whistleblowing Policy</a> Corporate website – <a href="#">Staff Grievance Policy</a>
2-26	Mechanisms for seeking advice and raising concerns	Materiality Performance (Economic) Corporate website – <a href="#">Whistleblowing Policy</a> Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Staff Grievance Policy</a>
2-27	Compliance with laws and regulations	In 2022, we were not subject to significant fines or nonmonetary sanctions for non-compliance with laws or regulations.
2-28	Membership associations	External Charters and Memberships
<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	Materiality Corporate website – <a href="#">Shareholders' Communication Policy</a>
2-30	Collective bargaining agreements	Corporate website – <a href="#">Human Rights Policy</a>  There are no formal collective bargaining agreements in place within our Company.  In Chinese Mainland, 44% of our employees are represented by trade unions. In Hong Kong, all of our employees have the right and freedom to form and join trade unions.

## GRI 3: Material Topics 2021

GRI Standard	Disclosure	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
3-1	Process to determine material topics	Materiality
3-2	List of material topics	ESG Reporting Standards and Principles

## Material Topics (Economic) & Management Approach

GRI Standard	Disclosure	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<b>GRI 201: Economic Performance 2016</b>		
3-3	The management approach and its components	Performance (Economic) Annual Report 2022 – Key Business Strategies Annual Report 2022 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
201-1	Direct economic value generated and distributed	Performance (Economic) Annual Report 2022 – Management Discussion & Analysis – Review of Operations – Portfolio Overview Annual Report 2022 – Financial Review
201-2	Financial implications and other risks and opportunities due to climate change	Climate-related Financial Disclosures Performance (Economic)
201-4	Financial assistance received from government	In 2022, we did not receive significant financial assistance from any government.
<b>GRI 203: Indirect Economic Impacts 2016</b>		
3-3	The management approach and its components	Places Annual Report 2022 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
203-1	Infrastructure investments and services supported	Places
203-2	Significant indirect economic impacts	Places Annual Report 2022 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
<b>GRI 205: Anti-corruption 2016</b>		
3-3	The management approach and its components	Performance (Economic) Corporate website – <a href="#">Anti-bribery and Corruption Policy</a> Corporate website – <a href="#">Corporate Code of Conduct</a>
205-2	Communication and training on anti-corruption policies and procedures	Performance (Economic) Performance Data Summary Corporate website – <a href="#">Anti-bribery and Corruption Policy</a>
205-3	Confirmed incidents of corruption and actions taken	Performance (Economic) Performance Data Summary
<b>GRI 206: Anti-competitive Behavior 2016</b>		
3-3	The management approach and its components	Performance (Economic) Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Whistleblowing Policy</a>
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Performance (Economic)

## Material Topics (Environmental) & Management Approach

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
<b>GRI 301: Materials 2016</b>		
3-3	The management approach and its components	Partners Performance (Environment) Corporate website – <a href="#">Environmental Policy</a> Swire Group website – <a href="#">Swire Pacific Sustainable Procurement Policy</a> Swire Group website – <a href="#">Swire Pacific Sustainable Food Policy</a>
301-1	Materials used by weight or volume	Partners Performance (Environment) Performance Data Summary
<b>GRI 302: Energy 2016</b>		
3-3	The management approach and its components	Performance (Environment) Corporate website – <a href="#">Energy Policy</a>
302-1	Energy consumption within the organisation	Performance (Environment) Performance Data Summary
302-3	Energy intensity	Performance (Environment)
G4-CRE1	Building energy intensity	Performance Data Summary
302-4	Reduction of energy consumption	Performance (Environment) Performance Data Summary
<b>GRI 303: Water and Effluents 2018</b>		
3-3	The management approach and its components	Performance (Environment) Corporate website – <a href="#">Water Policy</a>
303-1	Interactions with water as a shared resource	Performance (Environment) Performance Data Summary
303-2	Management of water discharge-related impacts	Performance (Environment) Performance Data Summary
303-3	Water withdrawal	Performance Data Summary  In this Sustainable Development Report, this is referred to as water consumption. It is defined as the water drawn from municipal services for direct use in our operations. It can include water used for flushing, cleaning and freshwater cooling tower.  The majority of water consumed by our operations is from municipal water supplies provided by local water supply authorities.  We do not consume surface and ground water. Disclosure on the breakdown of water withdrawn by source e.g. surface water, ground water, etc. is considered to be not applicable.
303-4	Water discharge	Performance Data Summary  100% of water discharged from our operations was transported to municipal wastewater systems in the cities where we operate.

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
G4-CRE2	Building water intensity	Performance (Environment) Performance Data Summary
<b>GRI 304: Biodiversity 2016</b>		
3-3	The management approach and its components	Performance (Environment) Corporate website – <a href="#">Biodiversity Policy</a>
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Performance (Environment)
304-2	Significant impacts of activities, products and services on biodiversity	Performance (Environment)
<b>GRI 305: Emissions 2016</b>		
3-3	The management approach and its components	Performance (Environment) Climate-related Financial Disclosures Performance Data Summary Corporate website – <a href="#">Climate Change Policy</a>
305-1	Direct (Scope 1) GHG emissions	Performance (Environment) Performance Data Summary
305-2	Energy Indirect (Scope 2) GHG emissions	Performance (Environment) Performance Data Summary
305-3	Other indirect (Scope 3) GHG emissions	Performance (Environment) Performance Data Summary
305-4	GHG emissions intensity	Performance (Environment) Climate-related Financial Disclosures
G4-CRE3	GHG emissions intensity from buildings	Performance Data Summary
305-5	Reduction of GHG emissions	Performance (Environment) Performance Data Summary
<b>GRI 306: Waste 2020</b>		
3-3	The management approach and its components	Performance (Environment) Corporate website – <a href="#">Resource and Circularity Policy</a>
306-1	Waste generation and significant waste-related impacts	Performance (Environment)
306-2	Management of significant waste-related impacts	Performance (Environment) Corporate website – <a href="#">Resource and Circularity Policy</a>
306-3	Waste generated	Performance (Environment) Performance Data Summary
306-4	Waste diverted from disposal	Performance (Environment) Performance Data Summary
306-5	Waste directed to disposal	Performance (Environment) Performance Data Summary

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
3-3	The management approach and its components	Partners Corporate website – <a href="#">Partners</a> Corporate website – <a href="#">Supplier Code of Conduct</a> Swire Group website – <a href="#">Swire Pacific Sustainable Procurement Policy</a> Swire Group website – <a href="#">Swire Pacific Sustainable Food Policy</a>
308-1	New suppliers that were screened using environmental criteria	Partners

## Material Topics (Social) & Management Approach

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
<b>GRI 401: Employment 2016</b>		
3-3	The management approach and its components	People Corporate website – <a href="#">People</a> Corporate website – <a href="#">Working with us</a> Corporate website – <a href="#">Human Rights Policy</a> Corporate website – <a href="#">Diversity and Inclusion Policy</a> Corporate website – <a href="#">Respect in the Workplace Policy</a> Corporate website – <a href="#">Parental Leave Policy and Guidelines</a>
401-1	New employee hires and employee turnover	People Performance Data Summary
401-3	Parental leave	Performance Data Summary
<b>GRI 403: Occupational Health and Safety 2018</b>		
3-3	The management approach and its components	People Partners Corporate website – <a href="#">Health and Safety Policy</a>
403-1	Occupational health and safety management system	People Performance Data Summary
403-2	Hazard identification, risk assessment, and incident investigation	People Partners Performance (Economic)
403-3	Occupational health services	People
403-4	Worker participation, consultation, and communication on occupational health and safety	People Partners
403-5	Worker training on occupational health and safety	People Performance Data Summary
403-6	Promotion of worker health	People Partners
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People Partners

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
403-8	Workers covered by an occupational health and safety management system	People Performance Data Summary
G4-CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised occupational health and safety management system (ISO 45001 or OHSAS 18001)	
403-9	Work-related injuries	People Partners Performance Data Summary
403-10	Work-related ill health	Performance Data Summary
<b>GRI 404: Training and Education 2016</b>		
3-3	The management approach and its components	People
404-1	Average hours of training per year per employee	People Performance Data Summary
404-2	Programs for upgrading employee skills and transition assistance programs	People
404-3	Percentage of employees receiving regular performance and career development reviews	Performance Data Summary
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
3-3	The management approach and its components	People Corporate Website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Human Rights Policy</a> Corporate Website – <a href="#">Diversity and Inclusion Policy</a> Corporate website – <a href="#">Respect in the Workplace Policy</a> Corporate website – <a href="#">Staff Grievance Policy</a> Corporate Website – <a href="#">Board Diversity Policy</a>
405-1	Diversity of governance bodies and employees	People Performance Data Summary Annual Report 2022 – Corporate Governance & Sustainability – Directors and Officers Corporate website – <a href="#">Directors and Officers</a>
405-2	Ratio of basic salary and remuneration of women to men	People Performance Data Summary Corporate website – <a href="#">Remuneration Policy</a>
<b>GRI 406: Non-discrimination 2016</b>		
3-3	The management approach and its components	People Performance (Economic) Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Human Rights Policy</a> Corporate Website – <a href="#">Diversity and Inclusion Policy</a> Corporate website – <a href="#">Respect in the Workplace Policy</a> Corporate website – <a href="#">Whistleblowing Policy</a> Corporate website – <a href="#">Staff Grievance Policy</a>
406	Incidents of discrimination and corrective actions taken	Performance (Economic)

GRI Standard	Disclosure	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
<b>GRI 413: Local Communities 2016</b>		
3-3	The management approach and its components	Places People
413-1	Operations with local community engagement, impact assessments, and development programmes	Places People
<b>GRI 414: Supplier Social Assessment 2016</b>		
3-3	The management approach and its components	Partners Corporate website – <a href="#">Partners</a> Corporate website – <a href="#">Supplier Code of Conduct</a>
414-1	New suppliers that were screened using social criteria	Partners
<b>GRI 416: Customer Health and Safety 2016</b>		
3-3	The management approach and its components	Partners Performance (Environment)
416-1	Assessment of the health and safety impacts of product and service categories	Partners Performance (Environment)
<b>GRI 417: Marketing and Labelling 2016</b>		
3-3	The management approach and its components	Performance (Environment)
417-1	Requirements for product and service information and labelling	Performance (Environment)  This disclosure has been made with respect to certification for our buildings under relevant environmental building assessment schemes.
G4-CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	Performance (Environment) Awards and Certification
<b>GRI 418: Customer Privacy 2016</b>		
3-3	The management approach and its components	Partners Performance (Economic) Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Privacy Policy</a> Corporate website – <a href="#">Whistleblowing Policy</a>
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Partners Performance (Economic)

# HKEX ESG Reporting Guide Content Index

Mandatory Disclosure Requirements	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
Governance Structure	SD 2030 Strategy SD Governance
Reporting Principles	Materiality ESG Reporting Standards and Principles Performance Data Summary
Reporting Boundary	ESG Reporting Standards and Principles

Aspects, General Disclosure, KPIs	Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<b>A. Environmental</b>		
<b>Aspect A1</b>	<b>Emissions</b>	
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Performance (Environment) Corporate website – <a href="#">Environmental Policy</a> Corporate website – <a href="#">Climate Change Policy</a> Corporate website – <a href="#">Resource and Circularity Policy</a> Corporate website – <a href="#">Water Policy</a>  In 2022, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
<b>KPI A1.1</b>	The types of emissions and respective emissions data	Emissions of NOx, SOx and other pollutants are considered not significant in our operations.
<b>KPI A1.2</b>	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Performance (Environment) - Profile of Environmental Impacts Performance Data Summary
<b>KPI A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Performance Data Summary  We do not consider Swire Properties to be a major producer of hazardous waste.  The total amount of hazardous waste disclosed in the Performance Data Summary represents the total amount of hazardous waste produced by both Swire Properties and our building occupants.
<b>KPI A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Performance Data Summary  The total amount of non-hazardous waste disclosed in the Performance Data Summary represents the total amount of non-hazardous waste produced by both Swire Properties and our building occupants.

Aspects, General Disclosure, KPIs	Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<b>Aspect A1</b>		
<b>Emissions</b>		
<b>KPI A1.5</b>	Description of emissions target(s) set and steps taken to achieve them	2025 and 2030 Targets Performance (Environment) – Profile of Environmental Impacts Performance (Environment) – Climate Change Performance (Environment) – Energy
<b>KPI A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	2025 and 2030 Targets Performance (Environment) – Resource and Circularity
<b>Aspect A2</b>		
<b>Use of Resources</b>		
<b>General Disclosure</b>	Policies on the efficient use of resources, including energy, water and other raw materials	Partners Performance (Environment) Climate-related Financial Disclosures Corporate website – <a href="#">Sustainable Development Policy</a> Corporate website – <a href="#">Environmental Policy</a> Corporate website – <a href="#">Energy Policy</a> Corporate website – <a href="#">Resource and Circularity Policy</a> Corporate website – <a href="#">Water Policy</a> Swire Group website – <a href="#">Swire Pacific Sustainable Procurement Policy</a>
<b>KPI A2.1</b>	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Performance (Environment) – Profile of Environmental Impacts Performance Data Summary
<b>KPI A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Performance (Environment) – Profile of Environmental Impacts Performance Data Summary
<b>KPI A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them	2025 and 2030 Targets Performance (Environment) – Energy
<b>KPI A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	2025 and 2030 Targets Performance (Environment) – Profile of Environmental Impacts Performance (Environment) – Water  In 2022, we did not encounter any problems in sourcing water for daily operations.
<b>KPI A2.5</b>	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced	In 2022, the total amount of packaging material used by Swire Properties, mainly by Swire Hotels for food packaging is 14 tonnes.

Aspects, General Disclosure, KPIs	Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<b>Aspect A3</b>	<b>The Environment and Natural Resources</b>	
<b>General Disclosure</b>	Policies on minimising the issuer's significant impacts on the environment and natural resources	Partners Performance (Environment) Climate-related Financial Disclosures Corporate website – <a href="#">Sustainable Development Policy</a> Corporate website – <a href="#">Environmental Policy</a> Corporate website – <a href="#">Climate Change Policy</a> Corporate website – <a href="#">Energy Policy</a> Corporate website – <a href="#">Resource and Circularity Policy</a> Corporate website – <a href="#">Water Policy</a> Corporate website – <a href="#">Supplier Code of Conduct</a>
<b>KPI A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	2025 and 2030 Targets Partners Performance (Environment) Climate-related Financial Disclosures
<b>Aspect A4</b>	<b>Climate Change</b>	
<b>General Disclosure</b>	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Performance (Environment) – Climate Change Performance (Environment) – Energy Climate-related Financial Disclosures Corporate website – <a href="#">Climate Change Policy</a> Corporate website – <a href="#">Energy Policy</a>
<b>KPI A4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	2025 and 2030 Targets Performance (Environment) – Climate Change Climate-related Financial Disclosures
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
<b>Aspect B1</b>	<b>Employment</b>	
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	People Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Diversity and Inclusion Policy</a> Corporate website – <a href="#">Human Rights Policy</a> Corporate website – <a href="#">Remuneration Policy</a> Corporate website – <a href="#">Board Diversity Policy</a> Corporate website – <a href="#">Parental Leave Policy and Guidelines</a> Corporate website – <a href="#">Respect in the Workplace Policy</a> Corporate website – <a href="#">Staff Grievance Policy</a>  In 2022, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
<b>KPI B1.1</b>	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	People - Employment Profile Performance Data Summary
<b>KPI B1.2</b>	Employee turnover rate by gender, age group and geographical region	Performance Data Summary

Aspects, General Disclosure, KPIs	Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<b>Aspect B2</b>	<b>Health and Safety</b>	
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	People – Occupational Health and Safety Corporate website – <a href="#">Health &amp; Safety Policy</a>  In 2022, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
<b>KPI B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	People - Occupational Health and Safety Performance Data Summary
<b>KPI B2.2</b>	Lost days due to work injury	People - Occupational Health and Safety Performance Data Summary
<b>KPI B2.3</b>	Description of occupational health and safety measures adopted, and how they are implemented and monitored	People - Occupational Health and Safety
<b>Aspect B3</b>	<b>Development and Training</b>	
<b>General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	People - Talent Management
<b>KPI B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Performance Data Summary
<b>KPI B3.2</b>	The average training hours completed per employee by gender and employee category	People - Talent Management Performance Data Summary
<b>Aspect B4</b>	<b>Labour Standards</b>	
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Partners – Suppliers Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Human Rights Policy</a> Corporate website – <a href="#">Supplier Code of Conduct</a>  In 2022, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
<b>KPI B4.1</b>	Description of measures to review employment practices to avoid child and forced labour	Partners – Suppliers Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Human Rights Policy</a> Corporate website – <a href="#">Supplier Code of Conduct</a> Corporate website – <a href="#">Staff Grievance Policy</a> Corporate website – <a href="#">Whistleblowing Policy</a>

Aspects, General Disclosure, KPIs	Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
KPI B4.2	Description of steps taken to eliminate such practices when discovered	<p>Partners – Suppliers</p> <p>Corporate website – <a href="#">Corporate Code of Conduct</a></p> <p>Corporate website – <a href="#">Human Rights Policy</a></p> <p>Corporate website – <a href="#">Supplier Code of Conduct</a></p> <p>Corporate website – <a href="#">Staff Grievance Policy</a></p> <p>Corporate website – <a href="#">Whistleblowing Policy</a></p> <p>In 2022, we did not discover any such practices in our operations.</p>

Operating Practices

Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain	<p>Partners – Suppliers</p> <p>Corporate website – <a href="#">Supplier Code of Conduct</a></p>
KPI B5.1	Number of suppliers by geographical region	Partners – Suppliers
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	<p>Partners – Suppliers</p> <p>Corporate website – <a href="#">Supplier Code of Conduct</a></p> <p>Corporate website – <a href="#">Human Rights Policy</a></p> <p>Corporate website – <a href="#">Whistleblowing Policy</a></p>
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	<p>Partners – Suppliers</p> <p>Corporate website – <a href="#">Supplier Code of Conduct</a></p>
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Partners – Suppliers
Aspect B6	Product Responsibility	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	<p>Partners</p> <p>Performance (Environment)</p> <p>Performance (Economic)</p> <p>Corporate website – <a href="#">Corporate Code of Conduct</a></p> <p>Corporate website – <a href="#">Privacy Policy</a></p> <p>Corporate website – <a href="#">Whistleblowing Policy</a></p> <p>In 2022, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.</p>
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	In 2022, we were not aware of any recall concerning the provision and use of products and services for safety and health reasons that have a significant impact on Swire Properties.
KPI B6.2	Number of products and service related complaints received and how they are dealt with	In 2022, there were no substantiated complaints received relating to the provision and use of products and services that have a significant impact on Swire Properties.

Aspects, General Disclosure, KPIs	Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<b>KPI B6.3</b>	Description of practices relating to observing and protecting intellectual property rights	Performance (Economic) Corporate website – <a href="#">Corporate Code of Conduct</a>
<b>KPI B6.4</b>	Description of quality assurance process and recall procedures	Performance (Environment) People – Occupational Health and Safety We did not consider that recall procedures are material to our operations.
<b>KPI B6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Partners – Customers Performance (Economic) – Corporate Governance Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Privacy Policy</a> Corporate website – <a href="#">Whistleblowing Policy</a>
<b>Aspect B7</b>	<b>Anti-corruption</b>	
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Performance (Economic) – Corporate Governance Corporate website – <a href="#">Anti-Bribery and Corruption Policy</a> Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Whistleblowing Policy</a>  In 2022, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
<b>KPI B7.1</b>	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Performance (Economic) – Corporate Governance Performance Data Summary  In 2022, there were no concluded legal cases regarding corrupt practices brought against Swire Properties or its employees.
<b>KPI B7.2</b>	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Performance (Economic) Corporate website – <a href="#">Corporate Code of Conduct</a> Corporate website – <a href="#">Whistleblowing Policy</a>
<b>KPI B7.3</b>	Description of anti-corruption training provided to directors and staff	Performance (Economic) – Corporate Governance
<b>Community</b>		
<b>Aspect B8</b>	<b>Community Investment</b>	
<b>General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Materiality Places People – Volunteering Corporate website – <a href="#">Community Ambassador Programme</a> Corporate website – <a href="#">Community Caring Fund</a> Corporate website – <a href="#">Community Programmes</a>
<b>KPI B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Places People – Volunteering
<b>KPI B8.2</b>	Resources contributed (e.g. money or time) to the focus area	Places People – Volunteering

# ISSB Exposure Draft IFRS S2 Climate-related Disclosures Content Index

We support the latest international reporting standard to provide consistent, timely and comparable information related to climate-related issues. In 2022, we began mapping our climate disclosures to the recommendations of the International Sustainability Standards Board's (ISSB) Exposure Draft IFRS S2 Climate-related Disclosures.

Disclosure Description	References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small>
<b>Governance</b>	
(4) The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reporting to understand the governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities.	
(5) To achieve this objective, an entity shall disclose information about the governance body or bodies (which can include a board, committee or equivalent body charged with governance) with oversight of climate-related risks and opportunities, and information about management's role in those processes.	
5(a) The identity of the body or individual within a body responsible for oversight of climate-related risks and opportunities;	SD Governance Climate-related Financial Disclosures Annual Report 2022 – Corporate Governance
5(b) how the body's responsibilities for climate-related risks and opportunities are reflected in the entity's terms of reference, board mandates and other related policies;	SD Governance Climate-related Financial Disclosures Performance (Economic) Annual Report 2022 – Corporate Governance Annual Report 2022 – Risk Management Corporate Website – <a href="#">Terms of Reference for Environmental, Social and Governance Steering Committee</a> Corporate Website – <a href="#">Climate Change Policy</a>
5(c) how the body ensures that the appropriate skills and competencies are available to oversee strategies designed to respond to climate-related risks and opportunities;	Climate-related Financial Disclosures Annual Report 2022 – Corporate Governance
5(d) how and how often the body and its committees (audit, risk or other committees) are informed about climate-related risks and opportunities;	SD Governance Climate-related Financial Disclosures
5(e) how the body and its committees consider climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions, and its risk management policies, including any assessment of trade-offs and analysis of sensitivity to uncertainty that may be required;	SD Governance Climate-related Financial Disclosures Performance (Economic)
5(f) how the body and its committees oversee the setting of targets related to significant climate-related risks and opportunities, and monitor progress towards them, including whether and how related performance metrics are included in remuneration policies; and	SD Governance Performance (Environment) Climate-related Financial Disclosures Performance (Economic) 2025 and 2030 Targets Corporate Website – <a href="#">Terms of Reference for Environmental, Social and Governance Steering Committee</a> Corporate Website – <a href="#">Terms of Reference for Remuneration Committee</a> Corporate website – <a href="#">Remuneration Policy</a>
5(g) a description of management's role in assessing and managing climate-related risks and opportunities, including whether that role is delegated to a specific management-level position or committee and how oversight is exercised over that position or committee. The description shall include information about whether dedicated controls and procedures are applied to management of climate-related risks and opportunities and, if so, how they are integrated with other internal functions.	SD Governance Climate-related Financial Disclosures Performance (Economic) Annual Report 2022 – Risk Management

Disclosure Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<b>Strategy</b>	
(7) The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reporting to understand an entity's strategy for addressing significant climate-related risks and opportunities.	
8(a) the significant climate-related risks and opportunities that it reasonably expects could affect its business model, strategy and cash flows, its access to finance and its cost of capital, over the short, medium or long term;	See the reference for paragraph 9
8(b) the effects of significant climate-related risks and opportunities on its business model and value chain;	See the reference for paragraph 12
8(c) the effects of significant climate-related risks and opportunities on its strategy and decision-making, including its transition plans;	See the reference for paragraph 13
8(d) the effects of significant climate-related risks and opportunities on its financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term — including how climate-related risks and opportunities are included in the entity's financial planning; and	See the reference for paragraph 14
8(e) the climate resilience of its strategy (including its business model) to significant physical risks and significant transition risks.	See the reference for paragraph 15
<b>Climate-related risks and opportunities</b>	
(9) An entity shall disclose information that enables users of general purpose financial reporting to understand the significant climate-related risks and opportunities that could reasonably be expected to affect the entity's business model, strategy and cash flows, its access to finance and its cost of capital, over the short, medium or long term.	
9(a) a description of significant climate-related risks and opportunities and the time horizon over which each could reasonably be expected to affect its business model, strategy and cash flows, its access to finance and its cost of capital, over the short, medium or long term.	Performance (Environment) Climate-related Financial Disclosures Performance (Economic) Annual Report 2022 – Risk Management
9(b) how it defines short, medium and long term and how these definitions are linked to the entity's strategic planning horizons and capital allocation plans.	
9(c) whether the risks identified are physical risks or transition risks.	
<b>Climate-related risks and opportunities</b>	
(10) In identifying the significant climate-related risks and opportunities described in paragraph 9(a), an entity shall refer to the disclosure topics defined in the industry disclosure requirements.	
(11) In preparing disclosures to fulfil the requirements in paragraphs 12–15, an entity shall refer to and consider the applicability of cross-industry metric categories and the industry-based metrics associated with disclosure topics, as described in paragraph 20.	
12(a) a description of the current and anticipated effects of significant climate-related risks and opportunities on its value chain; and	Partners Performance (Environment) Climate-related Financial Disclosures Performance (Economic)
12(b) a description of where in its value chain significant climate-related risks and opportunities are concentrated.	
<b>Strategy and decision-making</b>	
(13) An entity shall disclose information that enables users of general purpose financial reporting to understand the effects of significant climate-related risks and opportunities on its strategy and decision-making, including its transition plans.	
13(a) how it is responding to significant climate-related risks and opportunities including how it plans to achieve any climate-related targets it has set.	
(i) information about current and anticipated changes to its business model, including:	
(1) about changes the entity is making in strategy and resource allocation to address the risks and opportunities identified in paragraph 12. This information includes plans and critical assumptions for legacy assets, including strategies to manage carbon-energy- and water-intensive operations, and to decommission carbon-energy- and water-intensive assets.	Partners Performance (Environment) Climate-related Financial Disclosures Performance (Economic) Annual Report 2022 – Key Business Strategies
(2) information about direct adaptation and mitigation efforts it is undertaking.	
(3) information about indirect adaptation and mitigation efforts it is undertaking.	Partners Performance (Environment)

Disclosure Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
(ii) how these plans will be resourced.	SD Governance Partners Performance (Environment) Climate-related Financial Disclosures Performance (Economic)
13(b) information regarding climate-related targets for these plans including:	
(i) the processes in place for review of the targets;	SD Governance Performance (Environment) Climate-related Financial Disclosures 2025 and 2030 Targets
(ii) the amount of the entity's emission target to be achieved through emission reductions within the entity's value chain;	Performance (Environment) Climate-related Financial Disclosures 2025 and 2030 Targets
(iii) the intended use of carbon offsets in achieving emissions targets. In explaining the intended use of carbon offsets the entity shall disclose information including: (1) the extent to which the targets rely on the use of carbon offsets; (2) whether the offsets will be subject to a third-party offset verification or certification scheme (certified carbon offset), and if so, which scheme, or schemes; (3) the type of carbon offset, including whether the offset will be nature-based or based on technological carbon removals and whether the amount intended to be achieved is through carbon removal or emission avoidance; and (4) any other significant factors necessary for users to understand the credibility and integrity of offsets intended to be used by the entity.	SD Governance Performance (Environment) Climate-related Financial Disclosures Corporate Website – <a href="#">Climate Change Policy</a>
13(c) quantitative and qualitative information about the progress of plans disclosed in prior reporting periods in accordance with paragraph 13(a)–(b).	Partners Performance (Environment)
<b>Financial position, financial performance and cash flows</b>	
(14) An entity shall disclose information that enables users of general purpose financial reporting to understand the effects of significant climate-related risks and opportunities on its financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term — including how climate-related risks and opportunities are included in the entity's financial planning. An entity shall disclose quantitative information unless it is unable to do so. If an entity is unable to provide quantitative information, it shall provide qualitative information. When providing quantitative information, an entity can disclose single amounts or a range.	
14(a) how significant climate-related risks and opportunities have affected its most recently reported financial position, financial performance and cash flows;	Climate-related Financial Disclosures Performance (Economic)
14(b) information about the climate-related risks and opportunities identified in paragraph 14(a) for which there is a significant risk that there will be a material adjustment to the carrying amounts of assets and liabilities reported in the financial statements within the next financial year;	Climate-related Financial Disclosures Performance (Economic)
14(c) how it expects its financial position to change over time, given its strategy to address significant climate-related risks and opportunities, reflecting: (i) its current and committed investment plans and their anticipated effects on its financial position; (ii) its planned sources of funding to implement its strategy;	Climate-related Financial Disclosures Performance (Economic) Annual Report 2022 – Key Business Strategies Annual Report 2022 – Management Discussion & Analysis
14(d) how it expects its financial performance to change over time, given its strategy to address significant climate-related risks and opportunities.	Climate-related Financial Disclosures

Disclosure Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<p><b>Climate resilience</b></p> <p>(15) An entity shall disclose information that enables users of general purpose financial reporting to understand the resilience of the entity's strategy (including its business model) to climate-related changes, developments or uncertainties — taking into consideration an entity's identified significant climate-related risks and opportunities and related uncertainties. The entity shall use climate-related scenario analysis to assess its climate resilience unless it is unable to do so. If an entity is unable to use climate-related scenario analysis, it shall use an alternative method or technique to assess its climate resilience. When providing quantitative information, an entity can disclose single amounts or a range.</p>	
<p>15(a) the results of the analysis of climate resilience, which shall enable users to understand:</p>	
<p>(i) the implications, if any, of the entity's findings for its strategy, including how it would need to respond to the effects identified in paragraph 15(b)(i)(8) or 15(b)(ii)(6);</p>	<p>Performance (Environment) Climate-related Financial Disclosures</p>
<p>(ii) the significant areas of uncertainty considered in the analysis of climate resilience;</p>	<p>Climate-related Financial Disclosures</p>
<p>(iii) the entity's capacity to adjust or adapt its strategy and business model over the short, medium and long term to climate developments in terms of:                      (1) the availability of, and flexibility in, existing financial resources, including capital, to address climate-related risks, and/or to be redirected to take advantage of climate-related opportunities;                      (2) the ability to redeploy, repurpose, upgrade or decommission existing assets; and                      (3) the effect of current or planned investments in climate-related mitigation, adaptation or opportunities for climate resilience.</p>	<p>SD Governance Performance (Environment) Climate-related Financial Disclosures Annual Report 2022 – Management Discussion &amp; Analysis</p>
<p>15(b) how the analysis has been conducted, including:                      (i) when climate-related scenario analysis is used:                      (1) which scenarios were used for the assessment and the sources of the scenarios used;                      (2) whether the analysis has been conducted by comparing a diverse range of climate-related scenarios;                      (3) whether the scenarios used are associated with transition risks or increased physical risks;                      (4) whether the entity has used, among its scenarios, a scenario aligned with the latest international agreement on climate change;                      (5) an explanation of why the entity has decided that its chosen scenarios are relevant to assessing its resilience to climate-related risks and opportunities;                      (6) the time horizons used in the analysis;                      (7) the inputs used in the analysis, including — but not limited to — the scope of risks, the scope of operations covered, and details of the assumptions; and                      (8) assumptions about the way the transition to a lower-carbon economy will affect the entity, including policy assumptions for the jurisdictions in which the entity operates; assumptions about macroeconomic trends; energy usage and mix; and technology.</p>	<p>Climate-related Financial Disclosures</p>

Disclosure Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
<p><b>Risk management</b></p> <p>(16) The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reporting to understand the process, or processes, by which climate-related risks and opportunities are identified, assessed and managed.</p>	
<p>17(a) The process, or processes, it uses to identify climate-related: (i) risks; and (ii) opportunities;</p>	<p>SD Governance Climate-related Financial Disclosures Performance (Economic) Annual Report 2022 – Risk Management</p>
<p>17(b) the process, or processes, it uses to identify climate-related risks for risk management purposes, including when applicable: (i) how it assesses the likelihood and effects associated with such risks (such as the qualitative factors, quantitative thresholds and other criteria used); (ii) how it prioritises climate-related risks relative to other types of risks, including its use of risk-assessment tools; (iii) the input parameters it uses; and (iv) whether it has changed the processes used compared to the prior reporting period;</p>	
<p>17(c) the process, or processes, it uses to identify, assess and prioritise climate-related opportunities;</p>	
<p>17(d) the process, or processes, it uses to monitor and manage the climate-related: (i) risks, including related policies; and (ii) opportunities, including related policies;</p>	
<p>17(e) the extent to which and how the climate-related risk identification, assessment and management process, or processes, are integrated into the entity's overall risk management process; and</p>	
<p>17(f) the extent to which and how the climate-related opportunity identification, assessment and management process, or processes, are integrated into the entity's overall management process.</p>	
<p><b>Metrics and targets</b></p> <p>(19) The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reporting to understand how an entity measures, monitors and manages its significant climate-related risks and opportunities. These disclosures shall enable users to understand how the entity assesses its performance, including progress towards the targets it has set.</p>	
<p>20(a) information relevant to the cross-industry metric categories, which are relevant to entities regardless of industry and business model;</p>	<p>See the reference for paragraph 21</p>
<p>20(b) industry-based metrics which are associated with disclosure topics and relevant to entities that participate within an industry, or whose business models and underlying activities share common features with those of the industry;</p>	<p>See the reference for paragraph 21</p>
<p>20(c) other metrics used by the board or management to measure progress towards the targets identified in paragraph 9(d); and</p>	<p>See the reference for paragraph 21</p>
<p>20(d) targets set by the entity to mitigate or adapt to climate-related risks or maximise climate-related opportunities.</p>	<p>See the reference for paragraph 23</p>

Disclosure Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
(21) An entity shall disclose information relevant to the cross-industry metric categories of:	
21(a) greenhouse gas emissions - the entity shall disclose:	
(i) its absolute gross greenhouse gas emissions generated during the reporting period, measured in accordance with the Greenhouse Gas Protocol Corporate Standard, expressed as metric tonnes of CO <sub>2</sub> equivalent, classified as: (1) Scope 1 emissions; (2) Scope 2 emissions; (3) Scope 3 emissions;	Performance (Environment) ESG Reporting Standards and Principles Performance Data Summary
(ii) its greenhouse gas emissions intensity for each scope in paragraph 21(a)(i) (1)–(3), expressed as metric tonnes of CO <sub>2</sub> equivalent per unit of physical or economic output;	
(iii) for Scope 1 and Scope 2 emissions disclosed in accordance with paragraph 21(a)(i) (1)–(2), the entity shall disclose emissions separately for: (1) the consolidated accounting group (the parent and its subsidiaries); (2) associates, joint ventures, unconsolidated subsidiaries or affiliates not included in paragraph 21(a)(iii)(1);	
(iv) the approach it used to include emissions for the entities included in paragraph 21(a)(iii)(2);	
(v) the reason, or reasons, for the entity's choice of approach in paragraph 21(a)(iv) and how that relates to the disclosure objective in paragraph 19;	
(vi) for Scope 3 emissions disclosed in accordance with paragraph 21(a)(i) (3): (1) an entity shall include upstream and downstream emissions in its measure of Scope 3 emissions; (2) an entity shall disclose the categories included within its measure of Scope 3 emissions, to enable users of general purpose financial reporting to understand which Scope 3 emissions have been included in, or excluded from, those reported; (3) when the entity's measure of Scope 3 emissions includes information provided by entities in its value chain, it shall explain the basis for that measurement; (4) if the entity excludes those greenhouse gas emissions in paragraph 21(a)(vi)(3), it shall state the reason for omitting them;	
21(b) transition risks — the amount and percentage of assets or business activities vulnerable to transition risks;	Climate-related Financial Disclosures
21(c) physical risks — the amount and percentage of assets or business activities vulnerable to physical risks;	Climate-related Financial Disclosures
21(d) climate-related opportunities — the amount and percentage of assets or business activities aligned with climate-related opportunities;	Climate-related Financial Disclosures
21(e) capital deployment — the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	SD Governance Climate-related Financial Disclosures Performance (Economic)
21(f) internal carbon prices: (i) the price for each metric tonne of greenhouse gas emissions that the entity uses to assess the costs of its emissions; (ii) an explanation of how the entity is applying the carbon price in decision-making;	SD Governance Climate-related Financial Disclosures
21(g) remuneration: (i) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations; and (ii) a description of how climate-related considerations are factored into executive remuneration.	SD Governance Performance (Economic) Annual Report 2022 – Corporate Governance – Remuneration Committee Corporate Website – <a href="#">Terms of Reference for Remuneration Committee</a> Corporate website – <a href="#">Remuneration Policy</a>

Disclosure Description	References and Remarks (Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)
(23) An entity shall disclose its climate-related targets.	
23(a) metrics used to assess progress towards reaching the target and achieving its strategic goals;	Partners
23(b) the specific target the entity has set for addressing climate-related risks and opportunities;	Performance (Environment) Climate-related Financial Disclosures
23(c) whether this target is an absolute target or an intensity target;	Performance (Economic)
23(d) the objective of the target;	2025 and 2030 Targets
23(e) how the target compares with those created in the latest international agreement on climate change and whether it has been validated by a third party;	Performance Data Summary
23(f) whether the target was derived using a sectoral decarbonisation approach;	Assurance Report
23(g) the period over which the target applies;	
23(h) the base period from which progress is measured; and	
23(i) any milestones or interim targets.	