

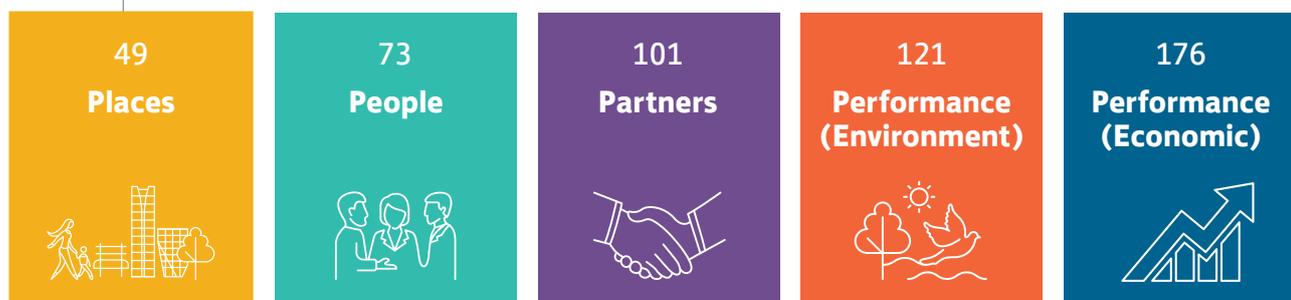
 SWIRE PROPERTIES

Sustainable Development Report 2020



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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 or fill in the **Feedback Form**.

Chief Executive’s Message

The antidote to disruption and uncertainty is action, and this is the context through which we intend to advance to 2030.



Advancing to 2030

2020 has been a year like no other.

As I reflect on this remarkably challenging year, my thoughts immediately go to our employees. All through 2020, our teams worked in extremely difficult conditions to ensure that we continued to provide safe and reliable places for our tenants and communities. I am particularly grateful to our customer-facing staff for the selfless dedication they displayed, day after difficult day. They went above and beyond to keep our properties safe and hygienic, and provided support for our tenants, visitors and local communities.

Throughout the year, we utilised the Swire Properties Community Caring Fund and worked closely with our NGO partners and employees to hold volunteering sessions and donation matching programmes in support of healthcare workers, cleaning contractors and people in need throughout society. To me, these were truly inspiring actions.

My thoughts are then drawn to the idea of “resilience”. The year 2020 exposed many vulnerabilities within our cities, businesses and communities. I believe that we will have to work even harder in the years ahead to build economic, social and environmental resilience in all our places. I also firmly believe that our SD 2030 Strategy is more important today than at any point in the past. If, over the next ten critical years, we continue to prioritise SD, we will develop more resilient places regardless of the challenges to come.

This year was particularly important to us in terms of SD, as our teams worked to deliver on our 2020 targets, set in 2016 when we launched the strategy; while also expending much time and effort on formulating our future goals. This resulted in even more ambitious SD targets being set for 2025 and 2030. Given the current global disruptions and uncertainties, it is critical for us to invest further in our SD agenda – this is reflected in our new five and ten-year targets.

The antidote to disruption and uncertainty is action, and this is the context through which we intend to “advance to 2030”.

Climate change continues to be a central focus for our business, and it is encouraging to see governments around the world stepping up to show leadership with clear net-zero carbon targets. In December 2020,

GRI
102-6, 102-49,
102-50, 102-52

Swire Properties also committed to the Science Based Targets initiative’s Business Ambition for 1.5°C campaign, and we are working to ramp up our science-based targets to align with the 1.5°C trajectory, in order to contribute to the transition to a net-zero emissions economy.

Through these science-based targets, we will do our part over the coming decade to support these goals and help decarbonise our economy. We are already well on our way – one example is the progress we made on energy and carbon reduction in the Chinese mainland in 2020; I am proud to share that this year, Sino-Ocean Taikoo Li Chengdu became our first development to be powered by 100% renewable electricity, thereby achieving net-zero carbon in annual electricity consumption for both landlord and tenant operations. This is a significant milestone on our decarbonisation journey, and we will continue to explore opportunities to expand our renewables footprint as the market develops.

In order to strengthen our economic resilience, we must also support the development of green capital markets. Approximately 30% of our current bond and loan facilities are from green financing through green bonds, sustainability-linked loans, and in 2020, our first green loan – a five-year HK\$1 billion facility. The proceeds from this loan will fund on-going green building developments and technologies that will save energy and water and enable us to invest further in renewables. As you can see from our 2025 targets, in the years ahead, we intend to increase green financing even further. We hope to see more companies follow suit to accelerate this transition to greener capital markets.

Retaining our high rankings on several leading global sustainability indices this year has been a source of great pride for our employees. This extraordinary year also showed me, again and again, the pride that our people take in creating and caring for our places. Back in 2016, we felt it was important that “Places” sit at the heart of our SD 2030 Strategy; this year has proven that this was a wise choice.

In April, we published our first Places Impact Report, which, together with economists and academic experts, took us over a year to research and write. The objective was simple: to gain understanding on “what makes a great place” in order that we may continue to raise the bar in each of our developments, every single year. The report identified four key determinants of a great place – vibrancy, livelihood, wellbeing, and resilience – which will inform our future development decisions.

For me, these four dimensions capture why we must continue to drive our SD agenda over the coming decade. 2020 was a challenging year for all of us and 2021 will continue to be a test. By focusing on our new targets, we believe we will successfully advance to 2030, supporting livelihoods and wellbeing, and ultimately creating more vibrant and resilient places.



Guy Bradley
Chief Executive

About this Report



This report is the 13th sustainable development (“SD”) report of Swire Properties Limited (“Swire Properties”, “SPL” or “Company”). The report covers the period from 1st January 2020 to 31st December 2020 and focuses on Swire Properties’ businesses, joint ventures, and subsidiaries in property investment, property trading and hotel investment, where the Company has management control. The report includes details of our SD vision and progress on the implementation of our SD 2030 Strategy during the past year.

Profile of Swire Properties Limited

Year of establishment 1972	Ownership and legal form 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														
Property Investment	Core businesses Property Trading		Number of employees* 5,800+												
Aggregate gross floor area (“GFA”) attributable to the Group* 27.3 million sq ft		Underlying profit/(loss) by segment <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th></th> <th>Total</th> <th>Total</th> </tr> <tr> <th></th> <th>12,679</th> <th>24,130</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">2020</td> <td style="font-size: 1.2em;">13,290</td> <td style="font-size: 1.2em;">24,218</td> </tr> <tr> <td style="text-align: left;">2019</td> <td style="font-size: 1.2em;">(87) (524)</td> <td style="font-size: 1.2em;">(18) (70)</td> </tr> </tbody> </table> <div style="display: flex; justify-content: center; margin-top: 5px;"> ■ Property trading ■ Property investment ■ Hotels </div>			Total	Total		12,679	24,130	2020	13,290	24,218	2019	(87) (524)	(18) (70)
	Total	Total													
	12,679	24,130													
2020	13,290	24,218													
2019	(87) (524)	(18) (70)													
Underlying profit attributable to shareholders in 2020 HK\$12,679 million 2019 HK\$24,130 million															

*Data is valid as at 31st December 2020 and has been reproduced from the [Swire Properties Annual Report 2020](#).

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. We also have established offices in Singapore, Indonesia and Vietnam.

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.

For further information on our key business strategies, operations, and financial performance, please refer to the [Swire Properties Annual Report 2020](#).

SD Awards

Continued Global SD Leadership on Sustainability Benchmarks and Indices

Our commitment to SD received further global recognition in 2020. We were ranked highly on several major SD-related benchmarks and indices.

Dow Jones Sustainability World Index (“DJSI World”)

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

2015 2016 2017* 2018* 2019 2020****

*Member of the Dow Jones Sustainability World Index (“DJSI World”), Sole constituent from Hong Kong

#Top 5% Globally

For the fourth year in a row, we were the only constituent company from Hong Kong to be listed on the DJSI World. We ranked in the top 5% of 248 leading real estate developers from around the world.

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



2017 2018 2019 2020

For the fourth year in a row, we retained our Global Sector Leader title in the Mixed Use developments category and were also recognised as the Global Development Sector Leader in the new Mixed Use developments category. In addition to our five-star rating, we were one of the top performers in the Resilience Module, scoring 100 out of 100.



Hang Seng Corporate Sustainability Index – Top Company



Hang Seng Corporate Sustainability Index Series Member 2020-2021



2015 2016 2017 2018* 2019* 2020*

* Highest total score among constituent companies; “AAA” rating

In Hong Kong, we topped the Hang Seng Corporate Sustainability Index for the third consecutive year, receiving the highest total score among all index constituents, while also maintaining an “AAA” sustainability rating, which is the highest possible grading. We were one of only two companies to receive this rating among more than 530 assessed stocks.



MSCI ESG Leaders Indexes

2014 2015 2016
2017 2018* 2019*
2020*

*Environmental, Social and Governance rating of “AAA” — the highest possible rating

Sustainability Yearbook

Member 2021



Top 15% of real estate companies globally

2017 2018 2019
2020 2021



FTSE4Good

MSCI ESG Leaders Indexes

2016 2017 2018
2019 2020

¹ Disclaimer: www.swireproperties.com/sd/awards/mscidisclaimer.html

ASHRAE Technology Awards

The ASHRAE Technology Awards recognise, on an international scale, successful applications of innovative design, which incorporate effective energy management, indoor air quality, and good mechanical design. For this award, Swire Properties was named the First Place Winner in the Commercial Buildings – Existing Building Commissioning (EBCx) category.



HKICPA Best Corporate Governance Awards



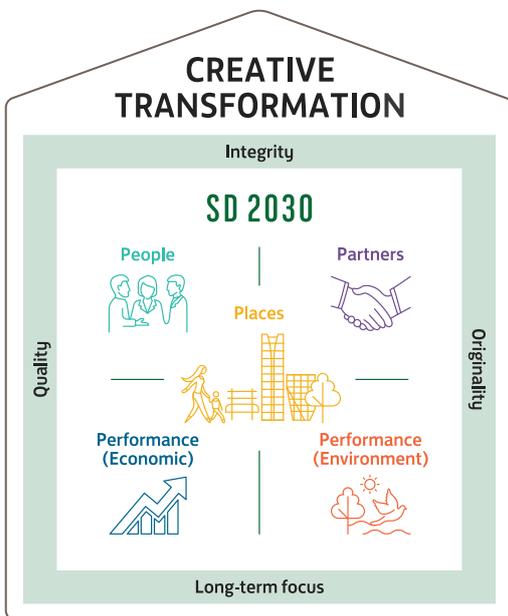
For the second consecutive year, our SD Report was named Winner in the Sustainability and Social Responsibility Reporting Award category, which is part of the Hong Kong Institute of Certified Public Accountants' (HKICPA) Best Corporate Governance Awards.



SD 2030 Strategy

For almost 50 years, we have adopted, advocated and adhered to a philosophy of responsible development.

SD 2030 Strategy



For almost 50 years, we have 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.

We introduced our SD vision in 2016 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 our SD vision. This strategy helps us build our SD capability and ensures that SD considerations are part of all of our operations and business decisions.

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

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

HKEX
Mandatory Disclosure Requirement



Places

Places are at the heart of, and central to, the achievement of 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



People

The contributions of our employees are critical to our success.

We aim to create an environment where our employees will be healthier, happier and more productive, 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 Retention



Safety, Health and Wellbeing



Diversity and Inclusion



Volunteering



Partners

Our business partners play a critical part in the success 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 communities in which we operate and the environment.

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 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 Reporting



Investor Relations

SUSTAINABLE DEVELOPMENT (SD) 2030 STRATEGY: 2020 HIGHLIGHTS



Performance (Economic)

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



People

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.



Partners

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.



Performance (Environment)

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.

Our SD Vision:

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

To achieve this vision, we have formulated our SD 2030 Strategy, which is built on five strategic pillars and embraces the spirit of Creative Transformation. It is underpinned by our creative mindset of innovation and experimentation, and promoted through communication and engagement.

Future Targets

We have achieved most of the 80 targets set for 2020. As we advance to 2030, we have set new targets for 2025 and 2030. Please refer to our [Sustainable Development Report 2020](#) for further details.



Places

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.

Impact Reporting

Published our first [Places Impact Report](#) on Island Esat and TaiKoo Place
Developed a methodology for assessing, measuring and reporting on the impacts of our developments

Financial Performance	
2020 KPI Long-term sustainable growth in shareholder value	2020 Progress HK\$12,679 million underlying profit attributable to shareholders
Green Financing	
2020 KPI Review, develop and issue green bond	2020 Progress Issued four green bonds totalling HK\$1,934 million and secured a five-year HK\$1 billion green loan facility ~30% of current bond and loan facilities are from green financing
Disclosure and Reporting	
2020 KPI Disclose SD information in accordance with the requirements of relevant major global sustainability benchmarks	2020 Progress Swire Properties is listed on these major global and local sustainability indices
 Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA Top 5% globally in real estate industry; Member of the World Index	 GRESB REAL ESTATE Sector Leader 2020 Global Sector Leader
 Hang Seng Corporate Sustainability Index Series Member 2020-2021 No.1 for 3rd consecutive year; "AAA" rating	 MSCI ESG RATINGS AAA "AAA" rating
 Sustainability Yearbook Member 2021 S&P Global	 FTSE4Good

Talent Attraction	
2020 Progress Named Most Attractive Employer in Hong Kong by Randstad Employer Brand Research 2020	
Talent Retention	
2020 Progress >126,000 training hours delivered 20 training hours/employee/year	
Safety, Health and Wellbeing	
2020 KPI Maintain Lost Time Injury Rate ("LTIR") below 2.0	2020 Progress LTIR: 1.25
Diversity and Inclusion ("D&I")	
2020 KPI Public disclosure of data on gender, age, job level, pay, and ethnicity	2020 Progress Gender pay ratio (female to male): 1 to 1.05 Women hold 51% of management positions
Volunteering	
2020 Progress Community Ambassador Programme contributed >2,000 volunteer service hours, supporting 43 activities	

Suppliers	
2020 KPI Develop programmes for supply chain improvements	2020 Progress Organised our first sustainability engagement events for suppliers and business partners in Hong Kong and the Chinese mainland
HK\$1,196 million of Sustainable Procurement spent ²	
Developed low carbon specifications for building materials for Hong Kong projects under development	
Tenants	
Recognised 27 F&B tenants in Hong Kong and the Chinese mainland with Green Kitchen Awards	
9 million kWh potential annual energy savings from free energy audits for Hong Kong and Chinese mainland tenants (since 2008)	
Updated the Green Pledge , renaming it the Green Performance Pledge , to continue working with tenants to jointly improve environmental performance	

Climate Change	
2020 KPI Carbon intensity ³	2020 Progress
Hong Kong Portfolio⁴ ↓27%	Hong Kong Portfolio⁴ ↓44.1%
Chinese Mainland Portfolio⁴ ↓21%	Chinese Mainland Portfolio⁴ ↓42.2%
Achieved procurement of 100% renewable electricity at Sino-Ocean Taikoo Li Chengdu	
Continued to publish climate-related financial disclosures as per TCFD ⁵ recommendations	
Energy	
2020 KPI Energy consumption ⁶	2020 Progress
Hong Kong Portfolio⁷ ↓64 million kWh/year ↓26%	Hong Kong Portfolio⁷ ↓77.8 million kWh/year ↓31.3%
Chinese Mainland Portfolio⁴ ↓23 million kWh/year ↓20%	Chinese Mainland Portfolio⁴ ↓28.1 million kWh/year ↓23.4%
Resource and Circularity	
2020 KPI Commercial waste diversion rate ⁸	2020 Progress
25%	Hong Kong Portfolio⁹ 25.0% Chinese Mainland Portfolio⁹ 34.6%
Building/Asset Investment	
2020 KPI Target the highest environmental building assessment scheme ¹⁰ rating for all projects under development ¹¹	2020 Progress 100% of projects under development achieved the highest ratings 97% of all existing buildings ¹² are certified green buildings, of which 85% achieved the highest ratings

1 Disclaimer: www.swireproperties.com/sd/awards/mscidisclaimer.html
 2 Products that meet specific sustainability criteria such as green certification or accreditation by reputable, independent third parties.
 3 Carbon intensity reduction targets reference the business-as-usual ("BAU") baseline year of 2008 for our Hong Kong portfolio and the first BAU baseline year for which a complete calendar year of data was available for projects in our Chinese mainland portfolio.
 4 Hong Kong portfolio and Chinese mainland portfolio refer to our office and retail portfolios in Hong Kong and the Chinese mainland respectively, excluding hotels.
 5 Task Force on Climate-related Financial Disclosures.
 6 Energy consumption refers to purchased electricity for the provision of shared services for and in the common parts of our buildings, with reference to the BAU baseline year of 2008 for our Hong Kong portfolio and the first BAU baseline year for which a complete calendar year of data was available for projects in our Chinese mainland portfolio.
 7 Hong Kong portfolio refers to our office and retail portfolios and hotels in Hong Kong.
 8 For Chinese mainland portfolio, this figure refers to the commercial waste recycling rate.
 9 Hong Kong portfolio and Chinese mainland portfolio refer to our office and retail portfolios and hotels in Hong Kong and Chinese mainland respectively.
 10 BEAM Plus/LEED/China Green Building Design Label/WELL certification.
 11 Projects under development refers to projects that are under construction or at the pre-certification stage. This includes non-joint venture projects only.
 12 Measured as the percentage of total gross floor area.

UN SDGs

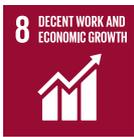
We support the [United Nations Sustainable Development Goals](#) (“SDGs”), which aim to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.



We believe that ten SDGs connect closely with our SD vision and SD 2030 Strategy. These ten SDGs are relevant to the focus areas under one or more of the Pillars listed below. Our progress made against these SDGs in 2020 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.

Partners

Our business partners play a critical part in 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.

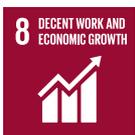


SDG 13

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

Our 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.

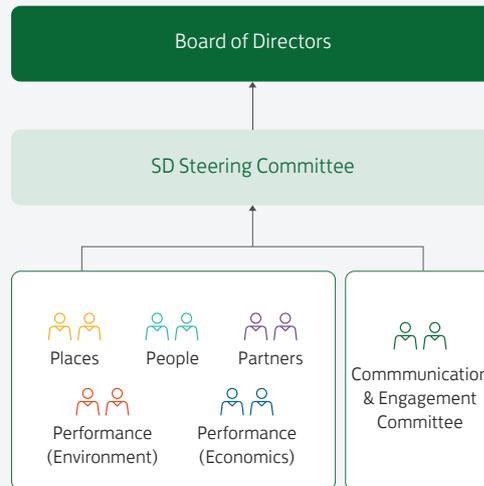
GRI
102-18, 102-19,
102-20, 102-32

HKEX
Mandatory
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 issues, with material SD issues and the progress of the 2020 key performance indicators (“KPIs”) reported to it by the Sustainable Development Steering Committee (“SD Steering Committee”) and discussed at our quarterly board meetings.

The Board provides oversight of our risk management framework and our SD risks, including climate-related risks. Material SD issues are reported and discussed at quarterly board meetings. We also conduct regular risk identification, analysis and review management processes throughout the year through the Audit Committee and our Enterprise Risk Management (“ERM”) System, including our Corporate Risk Register.



SD Steering Committee

Our SD Steering Committee is chaired by the Chief Executive. Other members are the Finance Director and five members of our senior management from the development and valuations, human resources and administration, portfolio management, and technical services and sustainable development departments.

The Chairman of the SD Steering Committee reports relevant SD matters to the Board, as appropriate.

In accordance with its [terms of reference](#), the SD Steering Committee is responsible for reviewing the Company’s SD 2030 Strategy and ensuring that the Company’s operations and practices are carried out in line with the strategy.

The SD Steering Committee reviews the Company’s performance in terms of KPIs and SD initiatives that have been recommended by the SD working groups which report to the SD Steering Committee on a regular basis.

SD Working Groups

Each Pillar is supported by a working group. In 2020, these SD working groups delivered on KPIs for 2020 (“2020 KPIs”) for each Pillar and set KPIs for 2025 and 2030. Read more about our 2025 and 2030 KPIs [here](#).

The members of each SD working group are carefully selected to ensure that employees with different backgrounds, types of expertise and varying levels of seniority and work experience are included.

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 our Director, Marketing, Communications and Digital. This Committee also includes representatives from different functions within the Company. Read more about what this Committee accomplished in 2020 [here](#).

Sustainable Development Policy

GRI
102-11

Our [Sustainable Development Policy](#) (“SD Policy”) was first published in 2008 and has guided the Company’s operations for more than a decade. It 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 always 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 principle² 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 safeguards 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 so that they can realise their full potential.

² 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 related policies that focus on specific environmental and social impacts:



Biodiversity Policy



Board Diversity Policy



Climate Change Policy



Corporate Code of Conduct



Diversity and Inclusion Policy



Energy Policy



Environmental Policy



Health and Safety Policy



Supplier Code of Conduct



Waste Management Policy



Water Policy



Whistleblowing Policy

Integrating SD into our Business Operations

Employee Engagement

Support from our employees is vital to the success of our SD 2030 Strategy. In 2018, we modified our performance development review system to further engage our employees in our SD Strategy. As a result, our office employees now align their annual performance goals with each Pillar, further engaging them in our SD 2030 Strategy.

Business Integration and Budgeting

In 2020, 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 also incorporated SD considerations into their annual budgets and shared proposed budget allocations with the relevant SD working groups.

Corporate Risk Management

Our Corporate Risk Register (“CRR”) incorporates SD-related risks, such as climate-related risks, to ensure SD factors are considered when conducting our corporate risk analysis.

In 2020, to validate the findings of the top-down risk identification exercise we completed in 2019, we conducted a risk dimensioning workshop and two virtual risk identification workshops with business unit leaders and department heads in Hong Kong and the Chinese mainland respectively. The major risks of the company were reviewed, validated and ranked during these workshops. A new dashboard format for the Corporate Risk Register was also adopted, facilitating a clearer and more precise presentation of our risk profile.

Green Financing

Swire Properties has launched various green financing mechanisms to fund our green building development and other projects. These include our first green bond, issued in January 2018 and our first sustainability-linked loan, which was obtained in July 2019, the interest rate of which is indexed against improvement in the Company’s year-on-year environmental, social and governance (“ESG”) performance.

In 2020, our commitment to green financing deepened further, with the issuance of four more green bonds totalling HK\$1,934 million. We also converted two existing loans into sustainability-linked loans, secured a HK\$1 billion sustainability-linked loan with DBS and our first green loan, a five-year HK\$1 billion facility with OCBC Bank.

We also issued our [Green Finance Report](#) in 2020, which provides information on projects funded by the green bonds and their estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts.

Communication and Engagement

The successful implementation of our SD 2030 Strategy requires the support of our employees. In light of the restrictions on travel and gatherings caused by the COVID-19 pandemic, this year our communication and engagement efforts were focused on virtual meetings and online communication platforms.

Sustainability We All Count



In July 2020, Swire Properties launched the “Sustainability We All Count” SD-themed communication campaign to raise awareness about our SD efforts and encourage stakeholders to work together to achieve our SD 2030 vision.

The campaign, conducted both offline and on social media channels, highlighted how our SD accomplishments are a collective result of the contributions of all our employees and stakeholders. It encourages our tenants, residents, customers, and the general public to do their part to make our communities more sustainable, and inspires our staff to become SD ambassadors.

One highlight of the campaign was the introduction of characters that personify our SD values and initiatives – over 20 characters which showcase the idea that the concept of “we” also includes a broad range of ideas and actions, not just individual people – these include recycling, the arts, green buildings, and green innovations, to name a few. This on-going campaign also includes animations, offline activations and a [mini-website](#) featuring more than 50 SD-related stories.

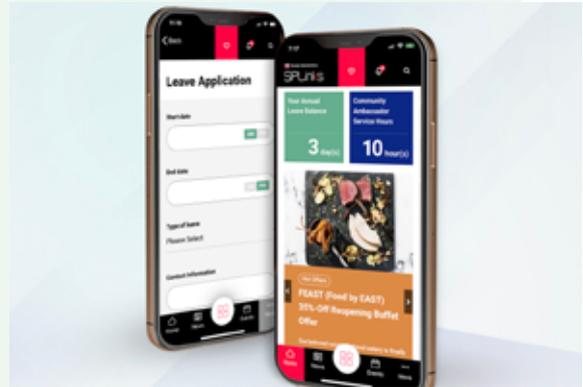
The initiative kicked off with outdoor large-scale posters put up in Taikoo Place and Three Pacific Place, and the launch of new Swire Properties social media channels to create awareness amongst our stakeholders, including tenants, business partners and contractors. The internal launch saw inanimate objects like photocopiers, refrigerators, lifts, and more being “brought to life” as a light-hearted way to encourage employees to join the campaign.

SPL Rolls Out New Updates to SPLinks Intranet Portal

As part of Swire Properties' efforts to offer a more flexible and modern workplace and encourage communication and collaboration, we launched a new and improved version of SPLinks, our staff intranet portal, in the summer of 2019.

Following the official launch, the Company rolled out updates to the site in 2020, which included user-centric HR leave pages, a new digital site for our *CornerStone* newsletter, a learning and development hub, and other features such as "like" functions. The 2020 launch also featured the distribution of SPLinks-branded Bluetooth earphones to all office staff.

As part of the phased roll out, in autumn 2020, Swire Properties launched the SPLinks mobile application ("app"), offering a convenient and personalised mobile experience to office staff and frontline colleagues. In addition to information updates, the app offers access to HR functions, staff offers and Company event listings.



Innovation and Experimentation

A creative mindset of innovation and experimentation is crucial to the successful execution of our SD 2030 Strategy. In 2020, we demonstrated our commitment to innovation and experimentation in several ways.

New Ventures Makes New Investments in Technology

Our new ventures department focuses on technology and innovation. It aims to add strategic value to the Company’s operations in two distinct ways – by accelerating technology trials and adoption at Swire Properties; and through actively engaging with and investing in technology companies. The new ventures department works closely with global venture capital firms, technology companies, accelerators, incubators, and other organisations to achieve these goals.

In 2020, the department established a US\$50 million corporate venture capital fund to invest in relevant and innovative technology companies. The fund’s first investment was made in June 2020 with US\$3 million invested in a global property technology accelerator and venture capital fund. These investments will not only produce financial returns but will also connect the Company with best-in-class technology companies and industry partners across the world.

Creating a Cultural Shift with the Innovation Accelerator



The Innovation Accelerator is a new initiative designed to foster a culture of innovation at Swire Properties. The programme has identified 150 Change Agents to help drive change across the Company, and will provide them with training to empower them, platforms to motivate them, and opportunities to collaborate with them. These Change Agents will then become leaders who influence their colleagues in their respective departments, helping to create a Company-wide cultural shift towards innovation.

After identifying the 150 Change Agents earlier in 2020, we launched several training workshops for them beginning in Q4 2020, including a design thinking workshop and a workshop focused on artificial intelligence (“AI”), big data and machine learning, which looked at how to develop AI strategies and eventually create an AI roadmap for the Company.

In 2021, we plan to have these Change Agents complete more training activities and begin working to promote a collaborative culture of innovation within Swire Properties.

Awarding Great Ideas Through ideas@work

ideas@work is an annual programme that promotes and stimulates innovation within the Company. Employees are invited to share their ideas on how to improve operations and productivity, and are rewarded by seeing their ideas come to life.

In 2020, ideas@work received nearly 1,000 entries – the highest since 2014 and more than double the number of ideas received in 2019. Of these, 439 were approved for implementation across our business units.

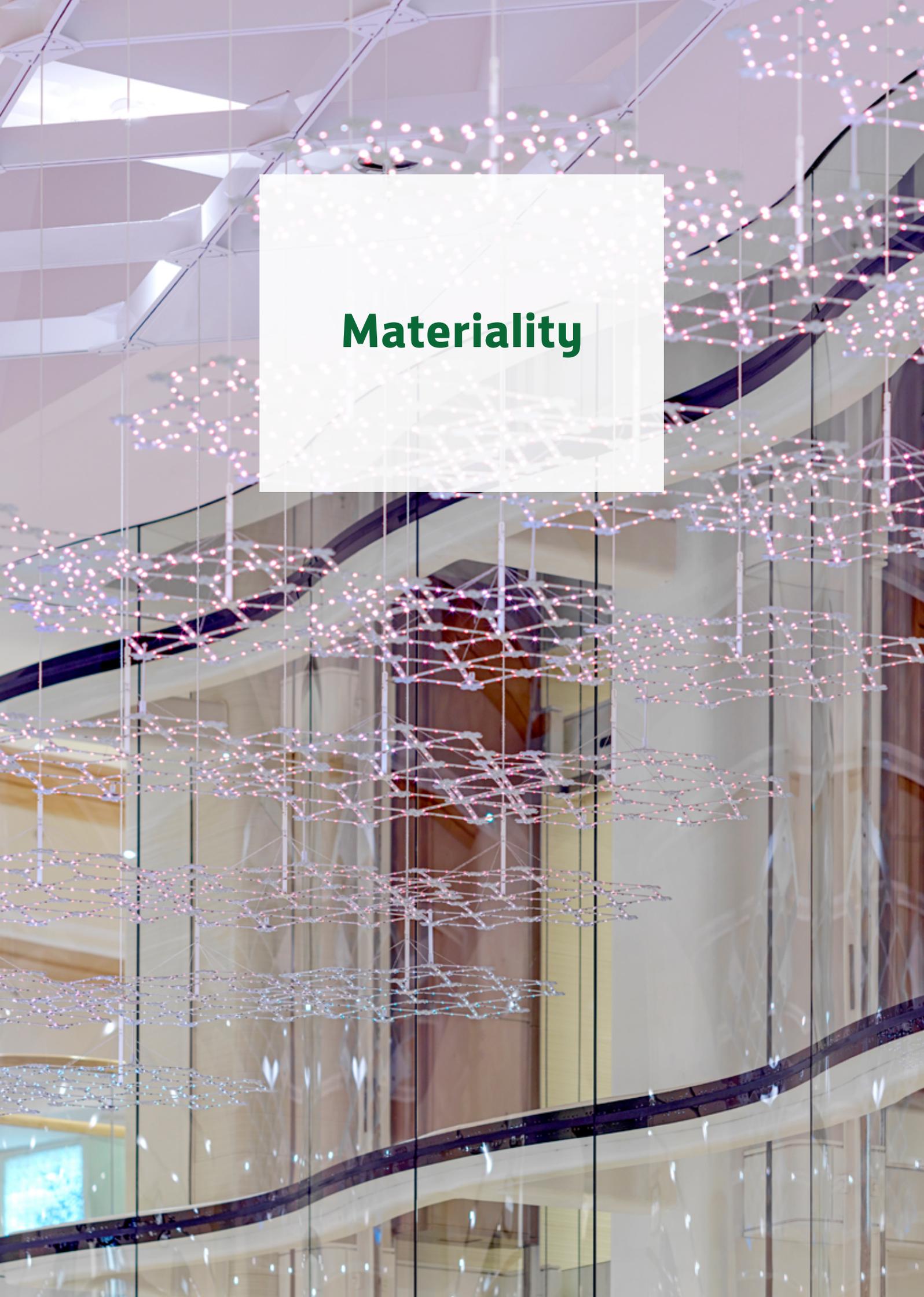


The theme of this year’s ideas@work was “Smarter Process, Better Experience” – aiming to collect ideas that create better value for the Company, place a greater emphasis on efficiency enhancement, and improve the customer experience.

This year’s winners were:

- Top prize: “AI Forecasting by Machine Learning” – a proposal to build an artificial intelligence prediction model which uses machine learning to produce budgets in a more systematic and scientific manner, hoping to increase accuracy and thereby better support management’s strategic decision making;
- First runner-up: “Digital Interactive Development Model” – using digital solutions to create a concept gallery and virtual show flats using virtual reality technology to provide a more engaging customer journey; and
- Second runner-up: “Tenant Fit-Out Submission Portal” – jointly supported by three retail portfolios in Hong Kong, the project aims to streamline the current tenant fit-out process and provide instant updates and feedback to tenants.

The winners of the two ideas@work Special Mention Awards focused on the shift towards omnichannel retail, with malls having become places for social interaction, rather than solely making transactions. Both of the winning ideas proposed alternative rental models, one being charging rent based on footfall, a new outcome-based metric to capture additional revenue; and the other being providing a reduction in rent in exchange for a percentage of online sales within a specific region.

The background image shows a multi-level interior space, likely a shopping mall or a modern office building. A prominent feature is a curved glass railing with a dark, possibly black or dark wood, handrail. The ceiling is high and features a complex arrangement of white, geometric, lattice-like structures. These structures are densely packed with small, warm-white LED lights, creating a shimmering, starry effect. The overall atmosphere is bright and contemporary. A white rectangular box is superimposed over the upper-middle part of the image, containing the word 'Materiality' in a bold, green, sans-serif font.

Materiality

Materiality

For the purposes of our 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.

HKEX
Mandatory
Disclosure
Requirement
Aspect B8

Our Stakeholder Engagement Approach

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

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 our business and also consulted external sustainability experts. Today, our SD Communication and Engagement Committee continues to gather the support of our employees and other stakeholders so as to further integrate our SD 2030 Strategy across our business.

Our Stakeholders

Our stakeholders are both internal and external interest groups which have a significant impact on our business, or which experience significant impacts from our operations. We regularly engage with these stakeholders in appropriate ways.

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

Stakeholder Groups and Methods of Engagement



Employee Groups

- Surveys and interviews
- *SPLinks* intranet and the staff newsletter *CornerStone*
- Training sessions
- Competitions and team-building activities
- Virtual and in-person forums
- Staff townhalls
- WeChat Work mobile application



Tenants

- SD-themed tenant engagement programmes
- 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



Suppliers

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



Regulators/Government

- Joint projects
- Working committees and consultations
- Interviews



Industry Experts/Academia

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



Joint Venture Partners

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



Shareholders & Investors

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



Media

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

Stakeholder-driven Materiality

In 2020, we initiated a materiality review with the support by an independent consultant, to understand our stakeholders’ perceptions of the progress of our SD 2030 Strategy and their evolving expectations and priorities for the future. These perceptions will help us further align our business practices, improve our decision making and accountability, and guide the refinement of our strategy and focus areas in response to the latest local, regional and global developments, as well as the global COVID-19 pandemic.

We also gathered stakeholders’ feedback about the pandemic’s effects on their businesses, the real estate industry and Swire Properties; this feedback allowed us to develop a proactive, targeted and responsive plan to meet stakeholders’ expectations.

We adopted a combined qualitative and quantitative approach to assess materiality, which is outlined below.

Step 1 – Global landscape review and identification of key sustainability megatrends

- Action: Conduct research to identify sustainability and real estate-relevant megatrends based on their impact and relevance to Swire Properties.
- Outcome: 7 key sustainability megatrends identified as being relevant to Swire Properties.

GRI
102-42, 102-44,
102-46, 102-47,
103-1

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Mandatory
Disclosure
Requirement

Step 2 – SD issue identification

- Action: Identify new and emerging SD issues relevant to the key megatrends against existing materiality issues.
- Action: Consolidate analysis of issues and definitions.
- Outcome: Identify and defined 28 issues.

Step 3a – Qualitative interview

- Action: Interview 23 stakeholders to understand their perceptions of the identified issues and our SD 2030 Strategy.
- Outcome: Identify new challenges and opportunities seen as important to stakeholders and Swire Properties.

Step 3b – Quantitative survey

- Action: Survey 547 stakeholders.
- Action: External stakeholders rank the 28 issues in order of perceived importance to the environment and society.
- Action: Employees rank the issues in order of perceived impact on our business.
- Outcome: Collate answers and feedback from interview and survey responses which represent the views of our tenants, investors, other external stakeholders, and our employees.

Step 4 – Materiality Matrix

- Action: Plot the survey data on a matrix which represents internal and external stakeholder views.

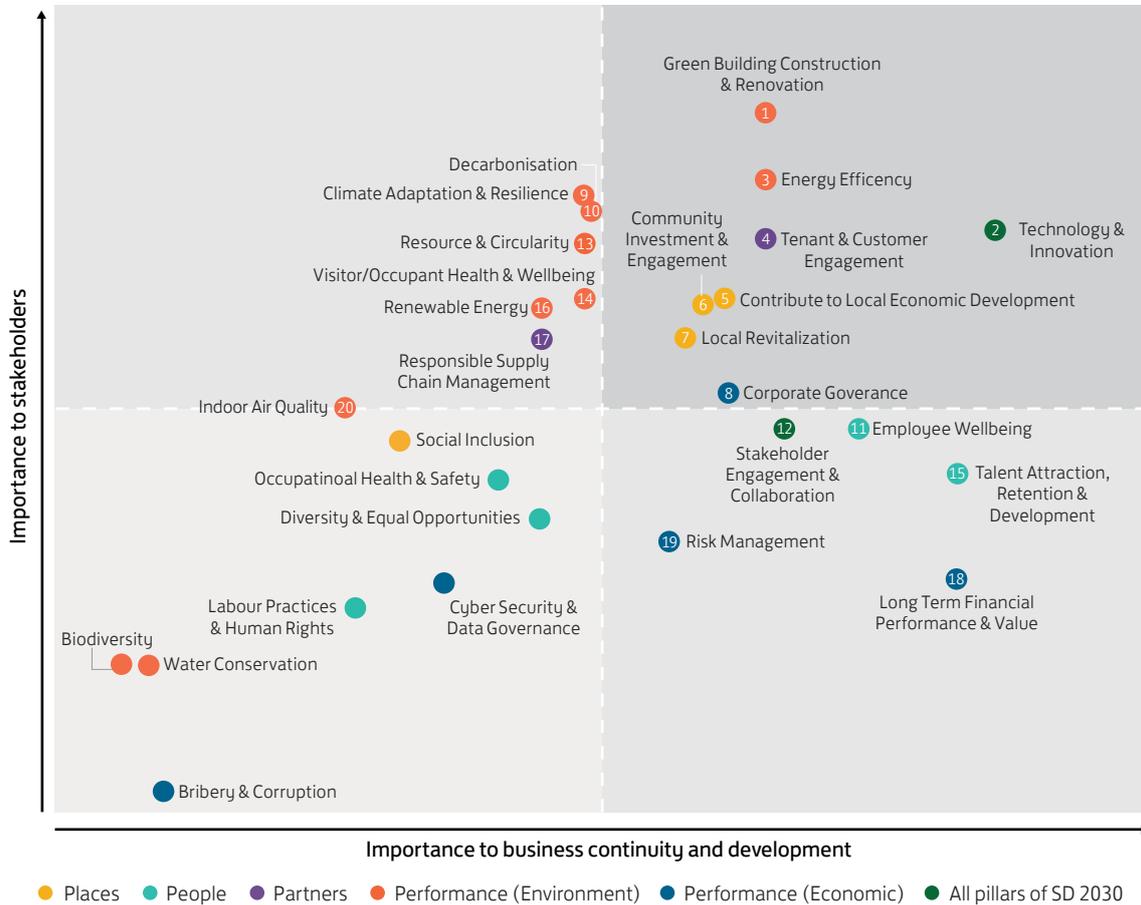
Step 5 – Review and report

The outcome of the materiality review, which comprises the updated list of material SD issues and the materiality matrix, was reported, discussed and endorsed at both the SD Steering Committee meeting and the Board meeting.

The materiality matrix maps 28 SD issues, with their importance to external stakeholders plotted on the y-axis and their importance to our business continuity and development plotted on the x-axis. Overall materiality was determined by the aggregate score assigned to each SD issue by our internal and external stakeholders.

Materiality Matrix

- Tier 1 issues
(most critical material issues with highest potential impact on business success)
- Tier 2 issues
(important material issues with high potential impact on business success)
- Tier 3 issues
(relatively less important material issues, perceived by stakeholders, that can impact business success)



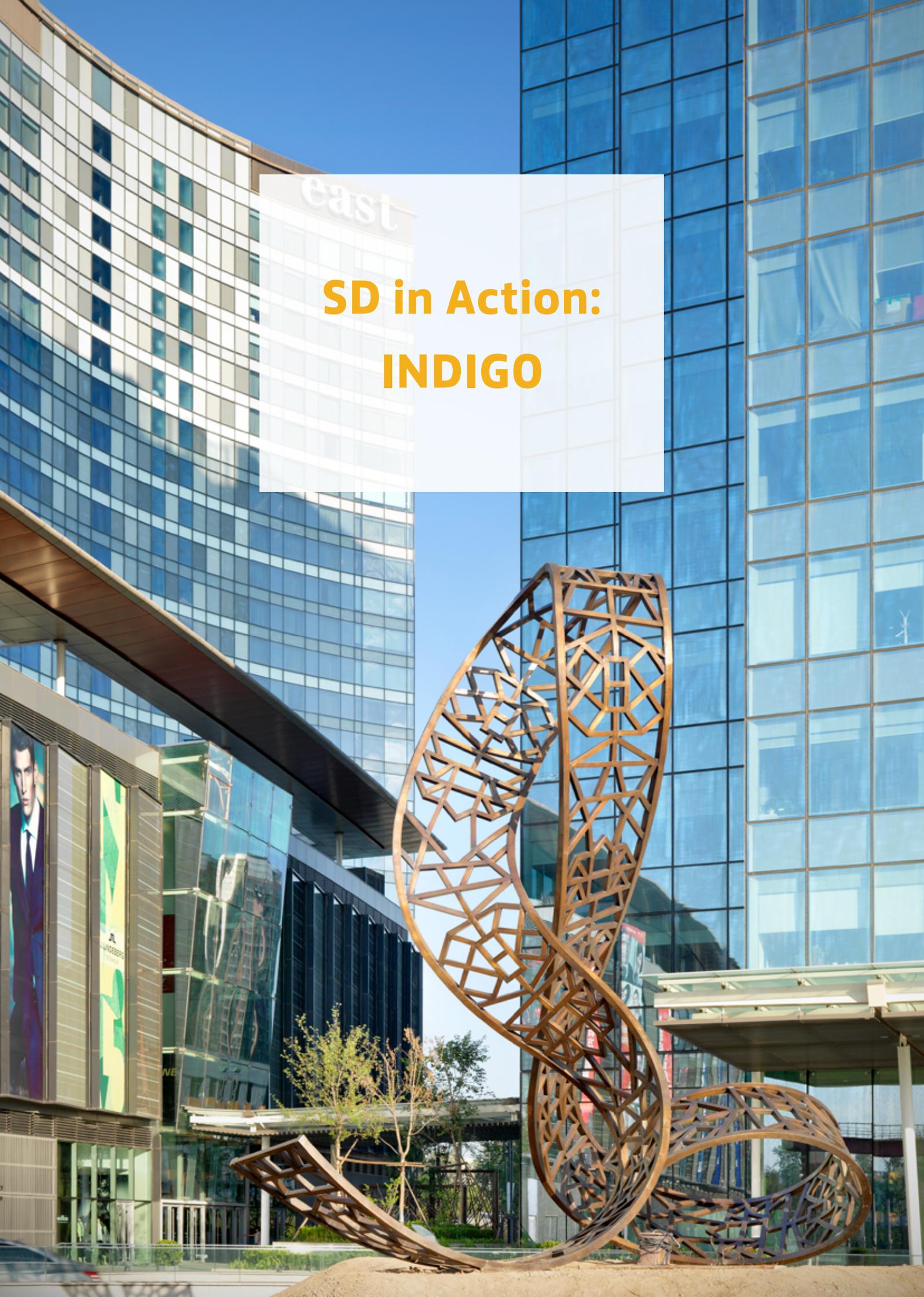
Remarks: Tier 1 and Tier 2 issues are numbered in this matrix

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 (“GRI Standards”).

Top Material Issues

Material Issues	SD 2030 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)	✓		✓				✓				✓	
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>Safety, Health and Wellbeing</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 Retention</u>	GRI 401 Employment (2016) GRI 404 Training and Education (2016) GRI 405 Diversity and Equal Opportunity (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



east

SD in Action: INDIGO

SD in Action: INDIGO



The first mixed-use development in the world to receive Final Platinum LEED Existing Buildings: Operations and Maintenance Version 4.1 certification, INDIGO is a 1.89 million sq ft retail-led complex located in Beijing’s Chaoyang District. Opened in 2012, INDIGO was a joint venture between Swire Properties Limited and Sino-Ocean Group Holding Limited.

Comprised of a shopping mall with over 170 shops, a 25-storey Grade-A office tower called ONE INDIGO and a 369-room business hotel — EAST Beijing, INDIGO has a sustainable management ethos, and features contemporary architecture, innovative green features and quality public spaces.

In December 2020, Swire Properties announced that we will collaborate with our long-term partner, Sino-Ocean Group, to develop Phase Two of INDIGO. To be located adjacent to the existing complex, Phase Two will be an office-led, mixed-use extension comprised of a shopping mall, office towers and a hotel with an expected total GFA of approximately 393,550 sqm.

Portfolio Highlights:



Low-carbon operations

- Over 11,000 sq ft of solar panels generate 200,000 kWh of renewable energy annually
- 52m long LED mesh video display, capable of high definition video and holographic projection with a low energy footprint



Liveability

- Over 53,000 sq ft of green space surrounding the complex
- Comprehensive measures to improve indoor air quality – from the selection of building materials to continuous air quality measurements during day-to-day operations



Green mobility

- Connected to Line 14 of the Beijing Subway and more than 20 bus routes
- More than 1,000 bicycle parking spaces
- Priority parking for electric vehicles and carpool vehicles

INDIGO Highlight Stories

Click to explore INDIGO's global-leading SD features



The Winter Garden: A Stunning Space Between Indoors and Outdoors

Rooftop Farming and Gardening

Sustainability Leads at Swire Properties' New INDIGO Office

Engaging Food and Beverage Tenants in Green Initiatives

Solar Panels Generate Power for the Complex

Recycling Reigns in the Renovated Refuse Room

The Winter Garden: A Stunning Space Between Indoors and Outdoors



INDIGO's 26,000 sq ft Winter Garden features an organically styled sweeping glass rooftop that floods the interior with natural light, providing a gradual transition between the mall and the open park beyond. Home to a wide variety of restaurants and frequent exhibits and events, the Winter Garden is a popular lifestyle destination.

Highlights

- Fine porous glass panels on the roof and skylight provide thermal insulation and create unique shading patterns
- 52m x 9m LED mesh video display that is highly transparent to preserve natural lighting and views, but that also provides video effects, including holographic projection
- Space for events like 2018's award-winning "Neighbourhood Earth" space-themed exhibit and this year's "A Magic Harry Potter Holiday", which saw experts create artistic interpretations of several locations from the iconic film series



INDIGO Highlight Stories

Click to explore INDIGO's global-leading SD features



Rooftop Farming and Gardening

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Rooftop Farming and Gardening



Opened in 2018, the INDIGO Roof Garden is a place where staff and office tenants can plant and harvest vegetables and flowers. The 3,200 sq ft garden has 30 separate plots and incorporates numerous eco-friendly elements, like a composting box and automatic irrigation system as well as an "insect hotel" in the vegetable garden, which has become an important part of the garden's ecology.

The Domain Restaurant at EAST Beijing composts fruit and vegetable peel and pulp to create fertilizers. Management hopes that the garden will become an ecological community where people can re-establish their connection with the land and create a lively community.



INDIGO Highlight Stories

Click to explore INDIGO's global-leading SD features



The Winter Garden: A Stunning Space Between Indoors and Outdoors

Rooftop Farming and Gardening

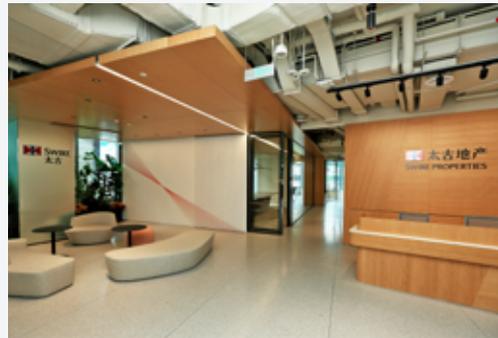
Sustainability Leads at Swire Properties' New INDIGO Office

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Solar Panels Generate Power for the Complex

Recycling Reigns in the Renovated Refuse Room

Sustainability Leads at Swire Properties' New INDIGO Office



This year, Swire Properties' Beijing office at INDIGO re-opened in a new space. This is our most sustainable office to date, and we are aiming for WELL and LEED certifications. The 20,000 sq ft space was designed and built after obtaining extensive feedback from colleagues at all levels, with the design based on five pillars: wellness, collaboration and innovation, openness and equity, sustainability, and technology. Using Internet of Things-driven occupancy sensors, data was collected on office usage in our previous office, which was then used to optimise the utilisation of space and determine the layout and design of the new office. The goals were to improve efficiency and productivity while keeping staff wellbeing as a top priority.

Highlights

- Activity-based working allows staff to choose from multiple in-office work stations instead of having a fixed desk
- Shared private offices and desks drive overall efficiency, with total area and total monthly utility charges reduced by 20%
- Meeting rooms were built to match typical meeting sizes and can easily be converted from a brainstorming space into an exercise area or yoga studio
- Focus booths allow for private or small-scale videoconferences



INDIGO Highlight Stories

Click to explore INDIGO's global-leading SD features

The Winter Garden: A Stunning Space Between Indoors and Outdoors

Rooftop Farming and Gardening

Sustainability Leads at Swire Properties' New INDIGO Office

Engaging Food and Beverage Tenants in Green Initiatives

Solar Panels Generate Power for the Complex

Recycling Reigns in the Renovated Refuse Room

Engaging Food and Beverage Tenants in Green Initiatives



Our [Green Kitchen Initiative](#) allows portfolio management teams and tenants to discuss sustainability before fit-out and renovation projects. We give tenants technical guidelines to help design green kitchens and then run them in a resource efficient way. This initiative is flourishing at INDIGO, with 10 restaurants having received the Green Kitchen Award to date. Our food and beverage tenants also benefit from our free energy audit programme, which helps them identify energy-saving opportunities.



INDIGO Highlight Stories

Click to explore INDIGO's global-leading SD features



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Solar Panels Generate Power for the Complex

Recycling Reigns in the Renovated Refuse Room

Solar Panels Generate Power for the Complex

In 2016, solar PV panels were installed on the roof of both INDIGO and ONE INDIGO, with additional high-efficiency panels installed in 2019. These panels also have material on their undersides that absorbs energy from scattered and reflected sunlight, resulting in higher power generation efficiency. In 2020, 200,000 kWh of renewable energy was generated from these panels. Read more about [INDIGO's energy saving strategies](#).



INDIGO Highlight Stories

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Recycling Reigns in the Renovated Refuse Room

Recycling Reigns in the Renovated Refuse Room

To comply with new Beijing city trash separation rules which came into effect on 1 May 2020, INDIGO's newly renovated smart refuse room now sorts waste into four categories: kitchen, recyclable, hazardous and other waste, allowing us to collect valuable resources for recycling or further waste treatment.



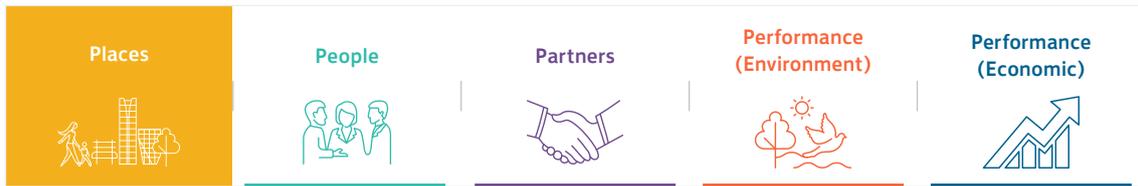
Highlights

- Smart refuse room captures tenant-level waste data
- Automatic weighing and data recording (including the time, type of waste and weight) for individual tenants
- Rotary drum compresses waste to less than two-thirds of its original volume
- INDIGO Management Office and each tenant can access an app to view waste data and patterns
- EAST Beijing ran a "sorting competition" to prepare staff and test their knowledge of how to separate different kinds of garbage
- INDIGO's recycling performance rate is now at 19.6%



Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Places

INDIGO connects and engages those who shop, stay and work there, while also supporting and creating real value for the surrounding community.

INDIGO Blooms for its Eighth Anniversary

2020 marked INDIGO's eight-year anniversary, and the celebrations focused on thanking and rewarding our loyal tenants and customers through entertainment, art installations and the opening of several new stores. The "Keep Blooming" campaign saw a "magical garden" installed in the mall, along with a colourful flower-inspired art installation by illustrator and designer Kim Sielbeck.

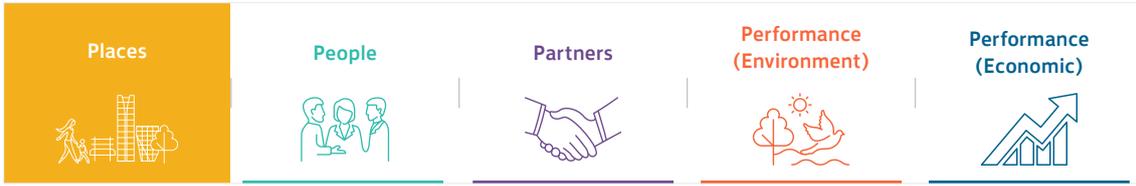
The mall's live streaming events and the INDIGO Online Mall, a mini-programme hosted on a social media platform, helped boost digital interaction with shoppers by promoting new products or offering a range of rewards.

During the campaign, restaurants also teamed up to fight food waste. Diners who wasted no food at restaurants recognised by our Green Kitchen Awards saved RMB50 off their meals. This campaign also included a charity bazaar, a concert for office workers during their lunch break, and a harvest festival held at the rooftop farm.



Five Pillars

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Celebrating Culture and the Arts with the Beijing Music Festival



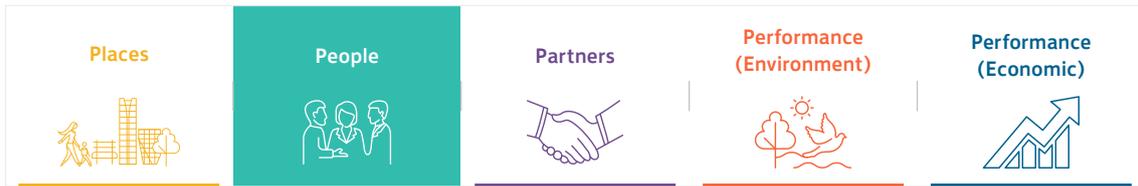
For years, INDIGO has partnered with the Beijing Music Festival to bring the delights of classical music and opera to the public. From performances by international orchestras, to operas performed entirely by children, to partnerships between professional musicians and budding young musicians, the BMF has helped the sound of music resonate throughout INDIGO for years.

- 2020: The “Music at Noon” BMF Lunch Time Concert Series hosted two lunchtime piano concerts by young pianist Sun Jaya. Held in the ONE INDIGO lobby, the concerts were broadcast live on the Internet and in a radio programme.
- 2019: Presented Tales of Hoffmann by Jacques Offenbach, a re-imagined opera created and performed entirely by children, staged in the Winter Garden.
- 2018: Three “Hello! Mozart” concerts presented in partnership with artists from the Magic Circle Mime company and the Beijing Musical College’s Middle School Orchestra.
- 2017: INDIGO hosted the BMF’s Weekend Family Day, featuring a performance by the Hong Kong Philharmonic Orchestra Brass Ensemble at the Winter Garden, along with student musicians from Jiuxianqiao Second Primary School.



Five Pillars

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People

Our people enable us to grow and succeed. By investing in their learning and development as well as their health and wellbeing, we ensure they are best placed to help INDIGO thrive.

New Office Prioritises Staff Health and Wellness

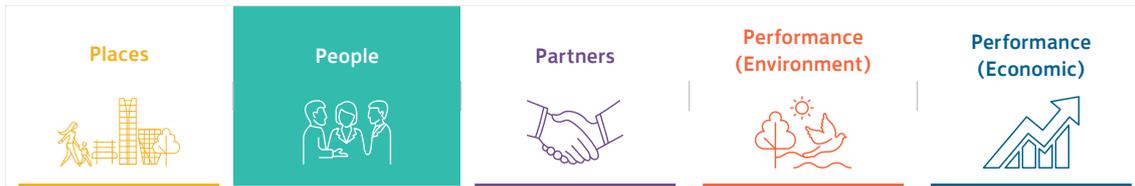


The new Swire Properties office at ONE INDIGO was designed specifically to nurture the health, wellness and comfort of our staff, while also optimising sustainability and efficiency. Extensive consultations were conducted with staff, along with analysis of data from the old office, to ensure an optimal space. Features of the office include:

- The selection of locally-sourced, low-volatile organic compound (“VOC”) materials that were matched with natural, biophilic colours – scientifically proven to improve performance;
- Improving work flexibility by moving to laptops instead of desktop computers;
- A meditation and mothering room;
- Smart lighting that adapts to daylight hours and human circadian rhythms;
- Air purification devices that ensure minimal levels of pollution; and
- Height-adjustable desks and monitor arms and ergonomic furniture to enable comfortable working.

Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Sustaining our Community Ambassador Activities

The Swire Properties Community Ambassador Programme is thriving at INDIGO. For the past eight years, there have always been plenty of community outreach activities between INDIGO staff and the surrounding community, and this goodwill has continued until the present. From working with NGOs, schools and community organisations on environmental awareness campaigns, to collaborating with social welfare organisations, INDIGO's Community Ambassadors have been very active.



Though the 2020 pandemic curtailed many in-person activities, INDIGO staff still made positive contributions through:

- As part of [Sustainability We All Count](#), children from the community participated in Zero Waste Day in August 2020. The activities included learning about waste management and designing a reusable tote bag, hoping to spread the message of mindful consumption among more people.
- Continuing the Little Flower Project, which benefits premature infant orphans and orphans with complex medical needs. Since 2018, INDIGO volunteers have visited these children, kept them company and donated items that they needed. While face-to-face visits were not possible in 2020 due to the COVID-19 pandemic, we hope to resume these important in-person visits soon.
- Launching the “Sustain the Beauty of Life” campaign, aiming to involve more people in community service. Several events were carried out, including releasing an “empty plate” coupon to reduce food waste, the Roundabout charity bazaar, Beijing Music Festival concerts, and senior care events.

Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



A Tenacious Focus on Safety



INDIGO views occupational safety as a cornerstone of SD, meaning safety has always been paramount at INDIGO. Regular safety training sessions are conducted, along with a monthly staff safety meeting and tenant safety training programmes.

Highlights

- 2020 was the third consecutive year that we promoted the “INDIGO Safety Management Award” among our retail tenants.
- In 2019, INDIGO was recognised for workplace safety with the Swire Properties internal Zero Lost-Time Injury Silver Award, marking 500 days straight with no loss of work time due to injuries.
- Also in 2019, INDIGO received the “Advanced Unit of Fire Fighting Work” award for Chaoyang District.
- In 2017, INDIGO was recognised as a “Company Advanced in Safety Operation and Management” by the Chaoyang District Association of Work Safety.

Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Partners

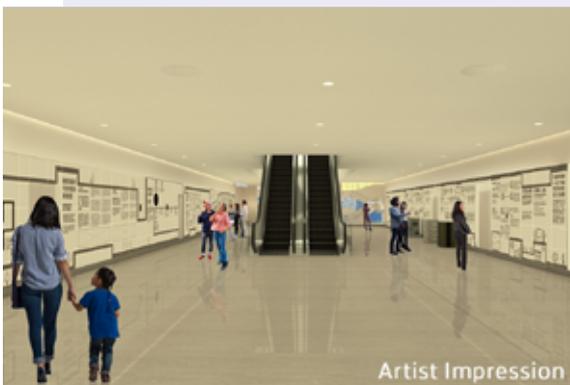
Swire Properties believes in cultivating trust and long-term, mutually beneficial relationships with all our stakeholders. INDIGO's many partners form a strong and tightly-knit community within the development and the wider local community.

INDIGO X Roundabout Craft Bazaar

In 2020, INDIGO once again cooperated with Roundabout, a Beijing-based social enterprise that connects donors with people in need. The mall hosted their annual two-day charity bazaar to raise funds for children with leukaemia. More than 40 artisans participated, while children from the community were invited to take part in arts and craft classes. Employees from the ONE INDIGO office building also joined in by donating goods to the bazaar to be sold. The event was a success, with over 2,000 people visiting the bazaar and raising nearly RMB20,000 for children with leukaemia.



Launch of the INDIGO Sustainable Development Centre



Artist Impression

This year INDIGO developed an innovative SD Centre within the mall – a space devoted to increasing environmental awareness among all our partners: tenants, office staff and the wider community. The Centre is comprised of three parts: a history wall showcasing INDIGO's SD history and initiatives, a material wall with detailed information on waste sorting and the recycling process, and co-create wall, which contains an art piece made from repurposed waste.

Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Performance (Environment)

INDIGO's environmental monitoring system uses smart technology and data analysis to continuously enhance building performance, increase energy savings and work towards continuous improvements.

Enhancing our Energy Saving Strategies

Since its opening, INDIGO has been a leading light for energy efficiency – locally, regionally and globally. We have a long-term partnership with Tsinghua University through the Joint Research Centre for Building Energy Efficiency and Sustainability, where we develop and test new methods for increasing energy efficiency and improving environmental performance in our projects. Between 2013 and 2018, consumption of natural gas at this property decreased by nearly 50%, from 1.54 million m³ during the winter of 2012/13 to 0.77 million m³ during the winter of 2017/18.



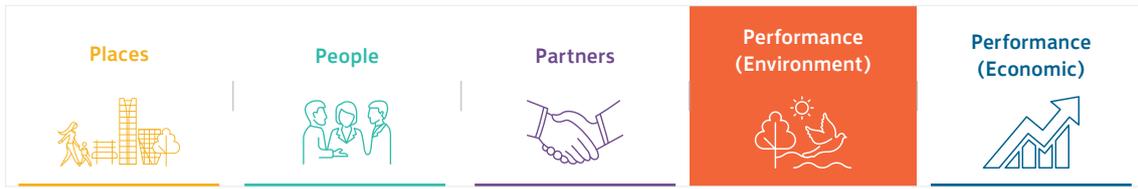
In 2018, our work with Tsinghua University to improve the environmental performance of INDIGO was featured in the 2018 Annual Report on China Building Energy Efficiency. INDIGO was the only commercial complex to be identified as one of the six “best practice” case studies in the report for its continuous adoption of energy efficiency improvements and low consumption of energy for heating.

Today, from energy efficient lighting to insulation, to optimised lifts and escalators, INDIGO's management team continues to create efficiencies and energy savings at every level, including:

- A pilot cloud-based smart energy management platform which monitors and optimises energy efficiency using artificial intelligence;
- Retrofit of chiller plant pumping system and water heating system with high efficiency equipment;
- Retro-commissioning of HVAC systems to improve heating and cooling efficiency;
- The use of low-e glazing and insulated glass units to reduce heat loss and optimise thermal insulation;
- Solar PV panels on both retail and office roof; and
- Solar-powered landscape lighting fixtures and streetlamps.

Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Continuously Improving Indoor Air Quality



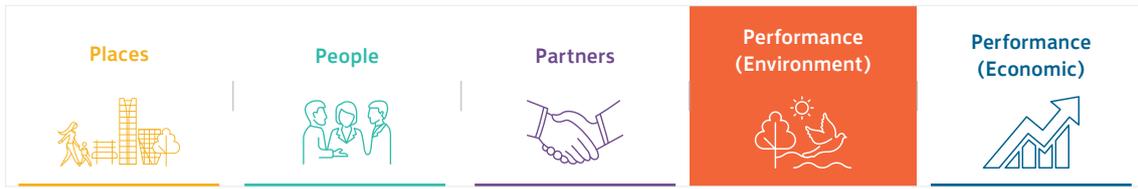
In 2017, INDIGO was rated one of the two best performing shopping malls in Beijing with respect to indoor air quality. INDIGO's management team prides itself on having achieved consistently excellent indoor air quality performance, and on the team's motivation to continuously improve.

Some of the many air quality-related measures we have taken include:

- Installing electrostatic filters and enhancing the HVAC system to improve purification efficiency;
- Photoplasma purification devices installed in the office and mall air conditioning systems;
- A cloud-based system that provides continuous indoor air quality monitoring;
- Filtering and flushing of the central air conditioning system during construction and before occupancy;
- Use of low-VOC or VOC-free paints; and
- Monitoring and mitigating indoor PM 2.5 levels.

Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Reducing, Recovering and Recycling Water

INDIGO has installed a rainwater and wastewater recovery and recycling system to capture water from multiple places around the complex. This creates grey water for toilet flushing and landscape irrigation. Water consumption reduction measures include:

- Use of dual flush and auto flush systems for water closets, and infrared sensors for faucets and urinals; and
- The installation of 500 high-efficiency water flow restrictors on bathroom faucets, lowering the flow rate of each faucet by approximately 60%.



Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Performance (Economic)

INDIGO consistently sets benchmarks for success. The complex continuously works to attract shoppers, visitors and diners through high-quality experiences.

Stimulating Economic Growth in the Surrounding Community



Evolving in step with the development of INDIGO has been the growth of businesses in the surrounding community. Over the past eight years, the growth and development of INDIGO has been an important part of the transformation of the area, helping to bring prosperity to the neighbourhood.

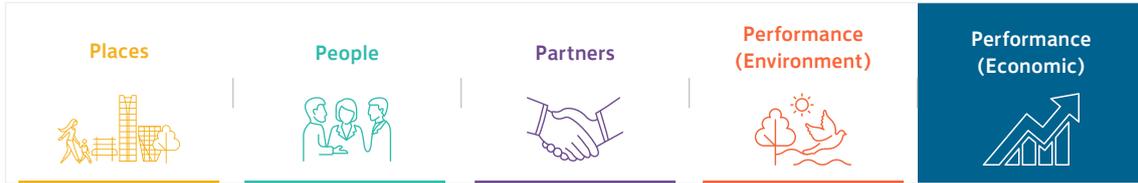
As the first mixed-use complex in the area, INDIGO has brought new shopping choices to customers, new spaces to companies and

retailers, and new opportunities for workers and entrepreneurs. In short, INDIGO has become a new driving force for the local economy.

In 2018, INDIGO launched a new brand slogan “LIVE THE LIFE”, concurrently placing emphasis on its entertainment, fashion and food and beverage options to boost enjoyment and satisfaction among mall customers, and rolling out schemes to build closer links with them so as to keep track of people’s changing tastes and needs.

Five Pillars

INDIGO is an excellent example of how each of the five pillars of Swire Properties' SD 2030 Strategy work in harmony to create sustainable places.



Diversifying Revenue Streams Through Digital Transformation

This year, 47 live streaming events were held to promote the mall's quality brands and provide a contactless method of entertaining and engaging with customers during a time when most people were shopping from their homes. As of 31 December, more than 80 mall tenants participated in these events, which included fashion, cosmetics, food and beverage, lifestyle brands, EAST Beijing, and ONE INDIGO. The events attracted in excess of 16.7 million views and more than 1.5 million interactions, which directly and indirectly drove offline and online sales.



Taking on a Local Energy Conservation Challenge



In early 2018, to encourage clean, low-carbon, safe and efficient built environments, the local Chaoyang District Government announced that subsidies would be given to companies that employ energy conservation and carbon reduction measures in their projects. INDIGO rose to the challenge and implemented extensive green measures, which also aligned with our SD 2030 Strategy.

These efforts resulted in INDIGO Mall, ONE INDIGO and EAST Beijing being awarded LEED EBOM v4.1 Platinum in May 2019. This milestone was a crucial factor in INDIGO's receipt of a RMB5 million subsidy, the single largest amount given to a project in the Chinese mainland for energy conservation and emissions reduction achievements.

Places

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





Places

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We recognise 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.

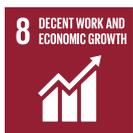
At the same time, through long-term placekeeping, which involves continuously evolving, maintaining and managing our assets, we aim to enhance the lives of the people who live and work within our developments and the surrounding communities.

Top Material Issues

 <p>Local economic development</p>	 <p>Community investment/engagement</p>	 <p>Local revitalisation</p>
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Sustainable Development Goals

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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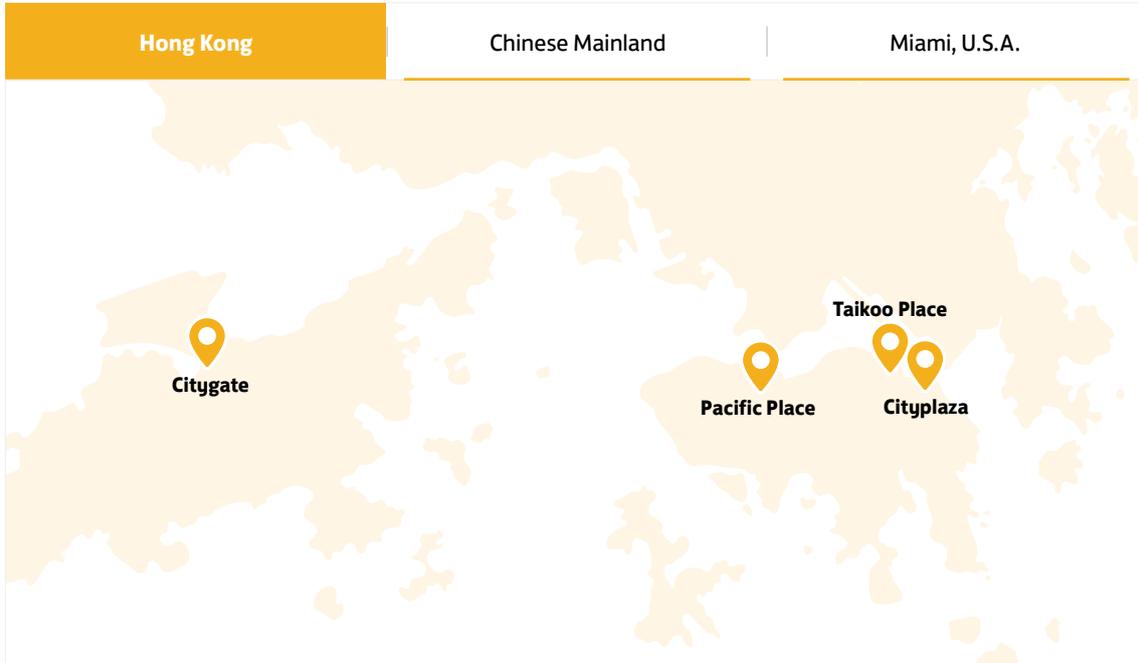
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GRI 102-2, 102-4, 102-6



Hong Kong

📍 Taikoo Place

Home to Swire for over 100 years, the Taikoo Place area has been transformed from an industrial area – the Taikoo dockyard and sugar refinery – into a vibrant commercial centre.

The ongoing redevelopment of Taikoo Place is now in its final phase. Phase I was completed in 2018 with the completion of One Taikoo Place, a 48-storey high-performance office tower. Phase II, which includes the construction of Two Taikoo Place and 70,000 sq ft of green and open space, is well underway and is expected to be completed in 2022.

Taikoo Place was a winner of the Urban Land Institute 2020 Asia Pacific Awards for Excellence. According to the jury, Taikoo Place was recognised for being a model of a long-term urban regeneration project and for its outstanding contributions to sustainable development, resilience and improving the local community.





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📍 Pacific Place

Located in Admiralty, Hong Kong, the Pacific Place complex is comprised of three Grade-A office towers with a total GFA of 2.2 million sq ft, 270 exclusive serviced apartments, and four five-star hotels, among them Swire Hotels' 117-room The Upper House, as well as 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. Citygate Outlets was expanded in August 2019 to include a 474,000 sq ft complex. Directly connected to Tung Chung MTR Station and close to Hong Kong International Airport and the Hong Kong-Zhuhai-Macao Bridge, this development offers both excellent connectivity to transportation and is situated in a strategic location to explore Hong Kong tourist sites.



📍 Cityplaza

Cityplaza is the largest shopping mall on Hong Kong Island, spanning a total floor area of approximately 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. Enhancements to the tenant mix together with captivating mall promotions and activities continue to make Cityplaza a hub for leisure and happiness, embodying the spirit of its "LIVE HAPPY" slogan.



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



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Chinese Mainland

📍 Taikoo Li Sanlitun, Beijing

Taikoo Li Sanlitun was our first project in the Chinese mainland. Located in the heart of Beijing’s Chaoyang District, the development played a crucial role in the transformation of Sanlitun into a centre of culture, retail, dining and hospitality.





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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. The complex has implemented extensive SD features and programmes, including high-powered solar panels, optimised skylights, city-leading recycling procedures, and our Green Kitchen Initiative. In 2019, it was also the first complex in the world to be awarded LEED EBOM (Existing Buildings: Operations and Maintenance) v4.1 Platinum Certification. In 2020, Swire Properties announced that we will

collaborate with our long-term partner Sino-Ocean Group to develop an extension to INDIGO, on a site adjacent to the existing development.

Read more about how SD is integrated into every facet of the design and operation at INDIGO in this report's [SD in Action](#) section.

Taikoo Hui, Guangzhou

Taikoo Hui in Guangzhou is a lifestyle destination located in the city's Tianhe District. The development's shopping mall was the first enclosed mall in the world to earn a Platinum Certification in the LEED EBOM category. In January 2020, the complex opened its "garden washrooms" – extended and revamped facilities which include a variety of green elements including copious amounts of greenery and water-saving toilets.



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 16-century-old Buddhist Daci Temple, a heritage site and a focal point for the city. Sino-Ocean Taikoo Li Chengdu was the first open-plan lane-driven commercial complex in the world to gain LEED EBOM v4.1 Platinum Certification status, as well as the first project in Sichuan province and the first shopping mall



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in the Chinese mainland to achieve this certification. In 2020, the development became the first in our portfolio to be 100% powered by renewable electricity. These “four firsts” are a symbol of the hard work put into making the complex as sustainable as possible.

2020 marked the fifth year of operations at Sino-Ocean Taikoo Li Chengdu. The anniversary was celebrated with large-scale open-air exhibitions highlighting memorable experiences of visitors to the mall, and through product-related partnerships with popular brands.

📍 Taikoo Li Qiantan, Shanghai

Located in the heart of Shanghai’s Pudong Qiantan International Business District, Taikoo Li Qiantan will offer a GFA of approximately 1.3 million sq ft. The open plan development is being built using a “naturalism” design concept, blending elements found in nature with contemporary architecture, and includes numerous occupant wellness features like double-deck open space, an 86,000 sq ft central park at ground level and the Sky Loop, a 450m rooftop running track with greenery and leisure spaces that adds to the positive lifestyle experience at the complex. Having already obtained WELL Core and Shell Platinum Precertification and LEED Gold Precertification, the first phase is expected to open in 2021.



📍 HKRI Taikoo Hui, Shanghai



Located on Nanjing West Road, one of Shanghai’s major shopping venues, with access to three Shanghai Metro lines, HKRI Taikoo Hui comprises two Grade-A office towers (with LEED Final Platinum Certification), a shopping mall (with LEED Final Gold Certification), and two hotels, namely The Middle House and The Sukhothai Shanghai. The development was designed to transform the area into a new business, shopping and entertainment hub.



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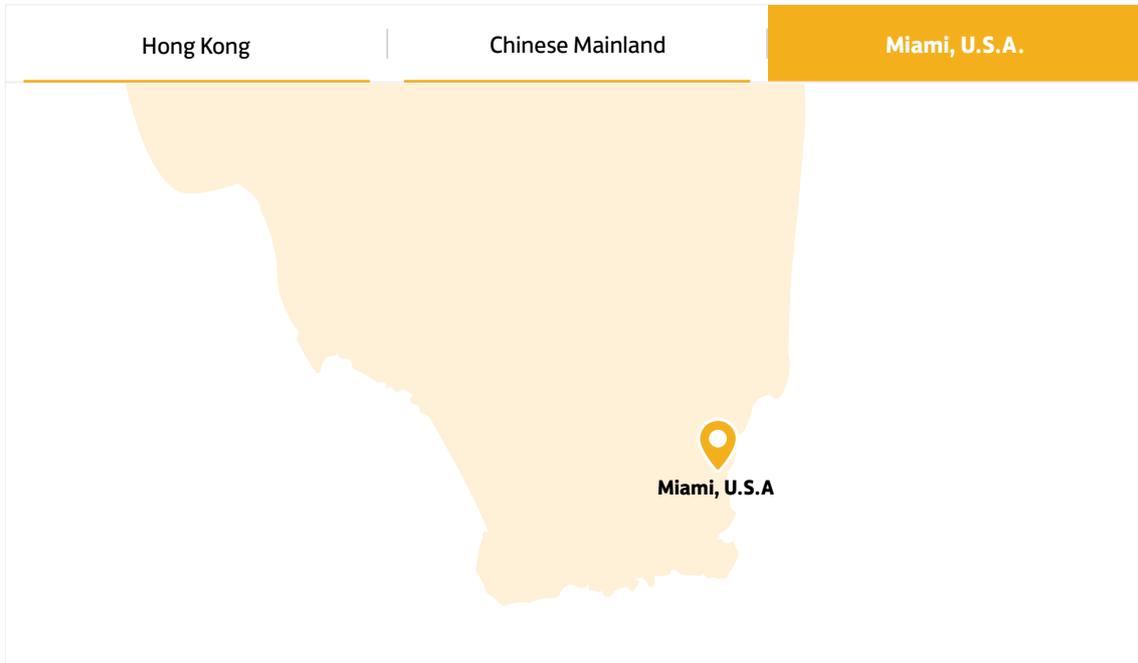
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Miami, U.S.A.

📍 Brickell City Centre, Miami

Brickell City Centre is our landmark mixed-use 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 its state-of-the-art 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 underneath it.





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Places Impact Report



Understanding the ultimate impact of the places we develop and manage have on society and the environment is crucial to our long-term decision making. In March 2020, we released our first [Places Impact Report](#), focusing on Hong Kong’s Island East – an area in which Swire has been invested for over 135 years – and addressing the question “What makes a great place?”.

Examining both the tangible and intangible attributes of Taikoo Place and other developments, the report assessed how our placemaking and placekeeping efforts have shaped the Island East community. This innovative approach to assessing our developments has broadened how we define success and will inform and enhance our work in the future.

We are currently working on our second Places Impact Report which will focus on the area around Taikoo Li Sanlitun in Beijing’s Chaoyang District.



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Throughout 2020, to counter the negative effects of the pandemic, we worked to bring healing and hopeful art and other cultural activities to our communities.

Tong Chong Street Market

Tong Chong Street Market (TCSM) was created in 2015 in partnership with a local social enterprise. Partnering green lifestyle aspects with food to promote healthy living and sustainability, the market features everything from fresh farmers' produce to creative dishes, cooking tips, and the latest food and beverage trends. Operating from November 2019 to January 2020, and again in November 2020, the market offered coffee, gourmet choices, packaged food and a variety of sustainable products.



Supporting Culture and the Arts

Artistic expression is vital to the health of communities and society at large. Swire Properties is committed to supporting artists and performers by showcasing artistic and cultural works throughout our portfolio.

Conversations with Nature at Brickell City Centre



As part of Miami Art Week 2019, this exhibition, curated by Albie Alexander, examined humanity's deep connection with the natural world through introspective experiences. This four-day-long series of installations and events invited visitors to experience their interconnectedness with each other and with the Earth as a pathway to inspire positive action in the fight against climate change.



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Love Brings Hope Exhibition at Taikoo Hui

To help communities reopen and recover effectively as the Chinese mainland COVID-19 lockdown eased, Taikoo Hui in Guangzhou hosted an exhibition to honour heroes of the pandemic response. The one-month exhibition ran in June and July 2020 and showcased drawings by popular cartoonist Lin Dihuan and others created by students from Zhixin High School during the lockdown period. With a core message of “Love Brings Hope”, the initiative also included an art show and a philanthropic auction that amplified efforts to help communities deal with the fallout from the public health crisis.



Uplifting Art at Sino-Ocean Taikoo Li Chengdu



Sino-Ocean Taikoo Li Chengdu hosted several exhibitions this year to uplift the local community. Teaming up with a men’s lifestyle magazine to use illustration as a vehicle for hope and healing during the pandemic, one exhibition displayed illustrations on light boxes which underscored our care for the community – health care workers in particular.

We also partnered with a British design firm, Paul Cockledge Studio, to present “Please Be Seated”, a public art installation that explores the busy nature of urban life and how local audiences interact with space and the community. The 15.2-metre-long installation features “waves of wood” rising up to form arches for people to walk through, and curves under to create space for people to sit, lie and relax. Echoing our strong focus on sustainable development, the piece is fabricated from 1,440 planks of sustainably sourced timber. This touring piece will move to other Swire Properties developments before settling into a permanent home at Taikoo Li Sanlitun in Beijing.



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Seeds of Life

The House Collective’s “Encounters Across Cultures: Seeds of Life” mobile art installation travelled from The Opposite House to The Upper House, then The Middle House and finally The Temple House between the months of March 2019 and January 2020. Created by Swiss-born artist Katja Loher, the installation merged creative art and modern fashion with ancient Chinese philosophy.



Launching “Home Grown” in Miami

In November 2020, we launched a new community-focused corporate initiative called “Home Grown,” aiming to unify and inspire our stakeholders to provide support to underserved neighbourhoods and groups of people in need. Three programmes were part of the initiative’s launch:

- Home Grown at the Village, which provided kitchen training and meal-making workshops for residents of a local women’s and children’s homeless services facility in partnership with celebrity chefs;
- A Holiday Tech Drive, designed to ensure that students in a local Youth Centre have access to fast, reliable internet at home; and
- A Christmas tree recycling drive which encouraged tenants and residents of the Brickell City Centre community to bring in their festive trees and have them transformed into mulch, compost and woodchips for future use.





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Youth Empowerment: Giving Back to Hong Kong



The Swire Properties Placemaking Academy is a significant part of our work to empower and foster the ambitions of Hong Kong’s youth, ultimately helping to build vibrant local communities.

The second edition of the Academy saw 21 students from four Hong Kong universities take up an apprenticeship (from July to December 2020) to design, plan and execute the Company’s year-end community celebration – the White Christmas Street Fair.

COVID-19 presented them with a unique challenge: how to produce a CSR event amid turbulent times while faced with many restrictions and disruptions. In the end, they came up with a creative and effective way to reconnect with the community, give back to those in need and lift people’s spirits.

The students received a combination of thorough training and support, access to the Company’s resources and creative freedom to bring their ideas to life. These factors, along with the experience of directly helping people in need, allowed them the rare opportunity to see first-hand how their work changed people’s lives for the better.

This metamorphic group experience, in which empathy played a huge role, gave them the confidence, resilience and knowledge that they’re capable of bringing positive change to society – truly an empowering experience.

“ We spent hours and hours searching for inspirational stories from local communities, ones that spark hope, but more importantly, ones that showcase humanity’s will to persevere. These tales were of people impacted by but unwilling to be shaken by the pandemic. ”

– Crystal Lam, Participant



21
participants



46
masterclasses



288 hours
of practical training



HK\$525,000
in employment support



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Student Feedback on Developing New Skill Sets

85%

Acquired new skill sets and knowledge

87%

Felt better prepared for their future careers

Top 3 Learning Areas

Communication Skills

Resilience

Teamwork

Student Feedback on Giving Back to Society

100%

Improved their understanding of societal challenges in Hong Kong

100%

Are confident they can bring positive change to society in times of adversity

As the students worked, they were mentored by the Company’s senior management, sustainability and event planning experts, and thought leaders from the design and community planning industries. They took part in 46 masterclasses, including one by KS Wong, Secretary for the Environment, on green event planning and sustainable development, during which they received a number of practical tips.



After months of work, the event took on its final form: a travelling performance truck called the “White Christmas Express”. The truck made stops at Taikoo Place, the Starstreet Precinct and Citygate Outlets. Its six programmes were inspired by stories of everyday Hong Kong citizens and embodied the qualities of hope, perseverance and kindness – brought to life through storytelling, musical performances by artists and local musicians and wellness activities.



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The White Christmas Express performances were also broadcasted across various online channels, creatively reconnecting and engaging with the greater Hong Kong community during these times of change and adversity. In the spirit of the holidays, the students also hand-picked over HK\$400,000 worth of gifts which were distributed to six community groups.



“ *Despite the challenges of 2020, we were thrilled to be able to still host the White Christmas Street Fair, thanks to the resilience and creativity of our 21 Placemaking Academy university students. Now, more than ever, we want to do our part and give back to the community, empower younger generations to make a difference, and instil in them a strong sense of compassion and contribution to the community.* ”

– Guy Bradley, Chief Executive



5

NGO partners



18

Beneficiaries



HK\$825,000

Total value of funds raised and items donated to groups



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We worked to provide a strong foundation for people during 2020 – driving employment and supporting NGOs and social enterprises as they carried out vital anti-pandemic activities.

Providing Rental Concessions in Times of Trouble

Swire Properties was one of the first major property developers in Hong Kong to offer rental concessions amid the social unrest of 2019 and the COVID-19 pandemic. In keeping with our long-term perspective, Swire Properties’ top priority during these challenging times was to help our tenants keep their operations afloat and sustain their businesses. In this spirit of partnership, we continued to offer these concessions to our retail tenants throughout 2020, offering tailored support to tenants on a case-by-case basis. This strategy allowed us to maintain a robust occupancy rate at our malls in Hong Kong during an exceptionally difficult year for businesses across the city.



Meanwhile, at Sino-Ocean Taikoo Li Chengdu, we provided a three-part solution for our tenants, which consisted of:

1. Promoting discounts and cash rebate events involving over 100 tenants;
2. Promoting the purchase of pre-paid cards to boost sales; and
3. Investing in VIP-targeted promotional programmes to capture more customers.

This solution helped relieve financial pressures on tenants, create a positive business atmosphere in the mall, and brought more business to our partner banks: a “win-win-win” scenario for all participants.



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Cityplaza Maker House Continues

Building on the success of the previous Maker House programme, we continued to provide business development support for young entrepreneurs, specifically local artists seeking online to offline retail opportunities through this community engagement initiative at Cityplaza. From design advice on fit-out matters to customer engagement, the Cityplaza retail portfolio team shared their experiences on how best to capture the attention of shoppers. Throughout 2020, various workshops were held on weekends to create interactive and experiential shopping experiences for customers.



Taikoo Li Sanlitun Night Economy

In 2019, with the launch of Beijing’s new policy to stimulate the night economy, Chaoyang District became the first district in the city to issue a District Consumer Stimulus Work Plan (2019-2021). This plan encouraged the business community to find new and innovative ways of building an evening consumer ecosystem.

As a landmark commercial development for the district, Taikoo Li Sanlitun continued to drive Chaoyang’s night-time economy in 2020. In mid-2020, Chaoyang’s Commerce Bureau announced a plan to ramp up night-time consumption in Beijing to help the district recover from the pandemic. Events at Taikoo Li Sanlitun included August’s “Bite of Summer”, offering discounts at various restaurants, and a night market held in late August.





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Blueprint

Blueprint offers flexible solutions for workspace and event space needs across two floors in Dorset House in Taikoo Place. On one floor, the open-plan co-working area houses 90 desks, suitable for nurturing start-up companies and small businesses, while 15 private offices of various sizes are available to other clients. The second floor holds 10,000 sq ft of event venues including an auditorium, a town hall and several training rooms, all equipped with sophisticated audio-visual equipment.



In 2020, as more companies implemented work-from-home policies, the flexibility offered by Blueprint’s various memberships – which includes lounge passes, day passes, and meeting room bookings – became more attractive, with the all-inclusive facilities offering helpful alternatives to home offices and those seeking a more professional working environment.



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Wellbeing

We focused on the health and hygiene aspects of wellbeing in 2020, taking care of the health of our visitors, tenants and workers.

COVID-19 Cleaning and Protection Measures

With the scale of the human cost and global economic impacts of the COVID-19 pandemic continuing to unfold throughout the year, Swire Properties worked hard to find ways to support our employees, tenants, customers, guests, and surrounding communities as we fought the virus.

Cleaning Robots



Swire Properties has embraced new technologies to maintain hygiene and reduce direct human contact amid the COVID-19 pandemic. At HKRI Taikoo Hui mall and its office towers and the ONE INDIGO office tower, the Company deployed automated robotic cleaning machines, which ran on programmed orders and cleaned within pre-programmed areas.

At Pacific Place, we deployed a cleaning robot, which enhances cleaning efficiency while simultaneously freeing up cleaning staff for other tasks. After being programmed with a cleaning map, the robot automatically starts the cleaning process. Being equipped with sensors, it avoids objects and people, and can generate a report after completion, analysing the time spent cleaning, the coverage area and cleaning efficiency.

Robust Temperature Screening Procedures

From the early days of the COVID-19 outbreak, all our properties were equipped with temperature-scanning technology to measure visitors' temperature and ensure that no one with a fever was given access. Many of our properties employed infrared monitors at the entrances of malls and office buildings, making temperature scanning more efficient and automatic.





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Use of Germicidal Technology



Our properties in Hong Kong and the Chinese mainland began using a germicidal technology, applying it to common building facilities, including the handrails of entrance doors, escalator handrails, lift cars, and lift buttons in the complex's office towers. The technology involves a long-lasting antimicrobial gel that kills almost 100% of viruses and bacteria and remains effective for up to 90 days.

Fun Farming at Taikoo Hui in Guangzhou

In April and May, Taikoo Hui in Guangzhou ran a farming programme that gave members of the mall's Elite Club and their families hands-on, direct involvement with farming activities like sowing seeds, crop fertilisation and harvesting fruits and vegetables.

Participants ran a small plot in the mall's open-air garden, while a professor from South China Agricultural University guided them through the steps of plant cultivation. At the end of the programme, the participants made fresh, healthy salads with their harvest under the mentorship of the head chef from a vegan-friendly restaurant.





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Promoting Health and Fitness in our Communities

In 2020, health and wellness concerns were top of mind for people around the world. Swire Properties emphasised these aspects through several initiatives.

“The Mag Mixer: Let’s Get Fit”

During the fall, we worked with four wellness partners at Taikoo Place on the “Let’s Get Fit” challenge, a six-week initiative which inspired forty Taikoo Place executives to train together. They visited gym facilities, completed an online nutrition coaching session and meditation classes and inspired one another to design wellness routines using tips from trainers, nutritionists and mindfulness coaches. Upon completion of the programme, the three participants who lost the highest percentage of body fat were awarded complimentary gym memberships and other prizes.



The Underline at Brickell City Centre

In 2016, Swire Properties became a founding sponsor of The Underline, the ten-mile-long linear park which will transform underutilised land below Miami’s Metrorail. In 2020, to mark the opening of the park’s first mile to the public, we pledged to contribute an additional US\$500,000 over the next five years to this important community project. As a major sponsor, Swire Properties will continue to advocate funding, design and future maintenance of the project.



Once completed, The Underline will be an urban trail and a living art destination which will encourage Miami residents to embrace a new urban lifestyle by walking, biking or taking mass transit as an alternative to driving.

“March Month of Wellness”

At The Upper House, we ran a “March Month of Wellness” campaign for guests and staff. We collaborated with various health-focused organisations to provide wellness experiences. The sessions included yoga, mindfulness practices, dynamic workouts, and nourishing cuisine offered throughout the month.





Places

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Places Impact Report
Wellbeing

Resilience

Resilience

Throughout Hong Kong and the Chinese mainland, we worked to negate the effects of the pandemic by building social cohesion, boosting community investment and raising adaptive capacity.

GRI
203, 413

HKEX
Aspect B8
KPI B8.1, B8.2

COVID-19 Programmes and Donations to Local Communities

At all our properties, we enacted measures to prevent the spread of COVID-19 and to mitigate its physical and emotional toll on essential workers.

Unattended “Love and Care Stations”

To thank the “silent heroes” of the pandemic – the hardworking individuals who deliver food, disinfect buildings and streets and many other service staff – several Swire Properties malls in the Chinese mainland launched “Unattended Love and Care Stations” campaigns in early 2020. In Shanghai, over 30 brands from HKRI Taikoo Hui offered free products at a special unmanned station in the corridor of the MetroLink as gifts for service personnel. Elsewhere in the Chinese mainland, similar donation stations were set up at INDIGO, Taikoo Li Sanlitun and Taikoo Hui to honour these heroes.



Thanking Frontline Workers



Taikoo Li Sanlitun held a range of activities in the run-up to International Labour Day, 1 May, to honour frontline workers fighting the COVID-19 pandemic. On 30 April, Taikoo Li Sanlitun gave medical supplies and gifts to a pandemic response taskforce at the Sanlitun Street Office and the Office’s media centre. Our employees at the complex reached out several times to express their heartfelt gratitude and appreciation for the taskforce’s dedication and unwavering efforts to contain the unprecedented health crisis.

In Hong Kong, we delivered thank you cards signed by our Community Ambassadors along with 5,900 soup packs to doctors, nurses and staff at Pamela Youde Nethersole Eastern Hospital to send medical workers a simple message: “we are all in this together”.



Places

Highlights of Our Developments
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Wellbeing **Resilience**

Assisting the Zubin Foundation Initiative

Cityplaza hosted a group of 30 volunteers from The Zubin Foundation, a charity dedicated to providing opportunities to and reducing the suffering of Hong Kong’s marginalised ethnic minority communities – many of whom had lost their jobs during the pandemic. The volunteers packed care boxes full of food, face masks and children’s craft kits. Cityplaza helped by providing office space, packing volunteers and logistics support.



Together, the volunteers:

- Packed and delivered care boxes to 730 families
- Enrolled 46 drivers to drop off boxes at 488 pick-up locations
- Extended aid to more than 3,400 individuals, including 1,270 children

Matching Donations to Alleviate Hardship

To support less fortunate members of our communities, Swire Properties’ Community Ambassador team ran a number of donation matching programmes throughout 2020 that engaged the community to contribute monetary donations as well as donations of food and other goods. These included:



- The “e-Buddy” matching donation scheme which raised over HK\$57,000 to purchase laptops and provide learning support to 19 students identified by our NGO partner, Society for Community Organization;
- The “A Spoonful of Love” campaign, where our Community Ambassadors partnered with EAST Hong Kong to prepare and sell nourishing soup packs to our staff members – every purchase was matched by a donation from Swire Properties, with a total of 2,216 soup packs sent to low-income families;
- “Noodles for Love”, which sold charity noodle packs for HK\$50. Each purchase was matched by a donation by the [Swire Trust](#) to provide people in need with noodles and a [SEWomen](#) reusable mask; and
- “Rice Dumplings for Sharing”, in which our Community Ambassadors and The Refinery Club at Taikoo Place teamed up to raise money and shared more than 250 rice dumplings with the Direction Association for the Handicapped during the Dragon Boat Festival.



Places

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Community Caring Fund Battles COVID-19



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

This year the CCF provided pandemic-related support to the community via various channels, including working with NGOs and professional bodies to provide supplies to groups of people in need. Swire Properties launched a series of measures to safeguard the health of our staff and tenants during the COVID-19 outbreak.

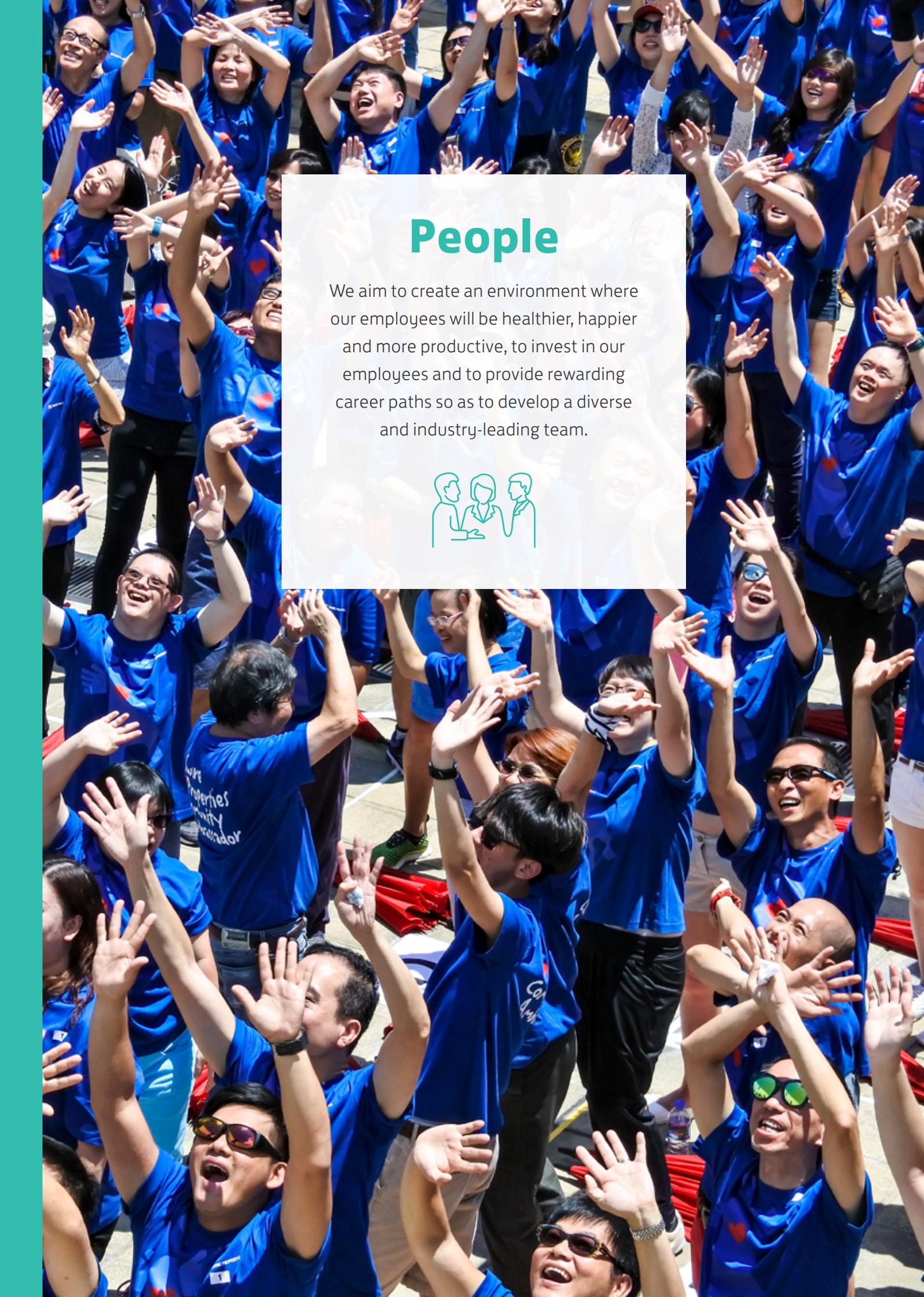
One of the programmes funded by the CCF was called “Caring Starts from Home”, which targeted high-risk workers at our properties and their families – such as cleaners, building management, security, and technical staff – all of whom received a special “safety care pack” filled with disinfectant products and a pamphlet highlighting 16 health tips. Over 2,800 packs were distributed in total.

Along with distributing hand disinfectant to our frontline staff and contractors to maintain their safety at work, an awareness campaign was launched to remind these staff members to stay safe and practice good personal hygiene, providing 16 easy-to-remember health tips. A series of digital stickers was also created to help increase the impact of the campaign.

The Zhuchuang Community Centre

Since 2018, the Zhuchuang Community Centre in Sichuan has been a base for Swire Properties volunteers, who regularly hold charity events aimed at young people and seniors living in nearby communities. During the pandemic, the Zhuchuang Community Centre joined forces with several social work organisations to enrich the online studying experience of students. The Centre launched online classes, with themes including computer programming, English lessons, as well as sessions on psychotherapy and COVID-19 protection. The Centre also collaborated with a number of social work organisations and volunteers to deliver essential protection gear and other materials to workers on the front line.



A large group of people, mostly men and women, are wearing blue t-shirts and cheering enthusiastically with their hands raised in the air. They are outdoors, and the scene is filled with energy and excitement. The background is slightly blurred, focusing attention on the people in the foreground.

People

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.





People

- Progress
- Employment Profile
- Talent Attraction
- Talent Retention
- Safety, Health and Wellbeing
- Diversity and Inclusion
- Volunteering



We believe that the contributions of our employees are critical to the implementation of our SD 2030 Strategy and to our overall success. 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 so as to develop a diverse, industry-leading team.

Top Material Issues



Talent attraction/retention



Occupational health and safety



Employee wellbeing



People

Progress	Employment Profile	Talent Attraction	Talent Retention
	Safety, Health and Wellbeing	Diversity and Inclusion	Volunteering

Progress

Our People Working Group is comprised of 19 representatives from different functions within the Company. Its primary responsibility is to achieve progress in the five focus areas of the People Pillar: Talent Attraction; Talent Retention; Safety, Health and Wellbeing; Diversity and Inclusion; and Volunteering.

In 2020, we achieved almost all of our 2020 KPIs, except for the number of volunteering hours. This KPI and others were impacted by event cancellations and restrictions placed on face-to-face meetings and gatherings, due to the COVID-19 pandemic. However, a clear upwards trend is evident in our performance in previous years. We are now working towards our [2025 and 2030 targets](#) as we pursue our ultimate goal: to be the leading sustainable development performer in our industry globally by 2030.

Our progress towards our 2020 KPIs is summarised in the table below.

Progress Summary Table



Talent Attraction

Employer Branding

2020 KPI	Progress Updates in 2020
<ul style="list-style-type: none"> Refine communication strategy for employer branding 	<ul style="list-style-type: none"> A new online communication strategy for employer branding has been rolled out and is being used for recruitment in Hong Kong and the Chinese mainland.

Compensation and Benefits

2020 KPI	Progress Updates in 2020
<ul style="list-style-type: none"> Conduct compensation and benefits review 	<ul style="list-style-type: none"> A job evaluation platform has been identified which will aid in the development of a Swire Properties Rewards Philosophy. The compensation and benefits review exercise will start in Hong Kong and then be expanded to our Chinese mainland and Hotels portfolio.

Recruitment Process

2020 KPI	Progress Updates in 2020
<ul style="list-style-type: none"> Introduce new digitalised recruitment platform 	<ul style="list-style-type: none"> Digitalised career application websites have been developed for Swire Hotels.



People

Progress

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Talent Retention

Learning and Development

2020 KPI

- **25%** increase in training hours per employee per year³

Progress Updates in 2020

- Delivered more than **126,000** training hours in 2020, an average of **20** training hours per employee⁴.
- In 2019, we delivered more than 169,000 training hours, which represented an increase of **112%** compared to the 2016 baseline.

Performance Development Review (“PDR”)

2020 KPI

- Incorporate elements of the SD 2030 Strategy into annual performance goals and PDR for all employees

Progress Updates in 2020

- Since 2019, our office employees have been asked to set their annual performance goals to align with each Pillar.

Incentive Structure

2020 KPI

- Conduct incentive structure review

Progress Updates in 2020

- A job evaluation platform has been identified to develop a Swire Properties Rewards Philosophy. The compensation and benefits review exercise will start in Hong Kong and then be expanded to our Chinese mainland and Hotels portfolio.

³ Compared to the baseline year of 2016.

⁴ This figure was lower than previous years due to COVID-19 restrictions.



People

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Safety, Health & Wellbeing

Safety

2020 KPI

- Increase total occupational health and safety (“OHS”) training hours by **5%**⁵
- Conduct compulsory OHS training via an e-learning platform for all of our employees
- Maintain Lost Time Injury Rate (“LTIR”)⁶ below **2.0**
- Maintain record of zero work-related fatalities
- Migrate OHSAS 18001 to ISO 45001 standard in Hong Kong and Chinese mainland⁷ portfolios

Progress Updates in 2020

- Delivered approximately **23,870** OHS training hours. In 2019, we delivered more than 28,600 hours, representing an increase of **21%**.
- Launched an e-learning platform for senior management to receive compulsory OHS training, with a completion rate of **100%**. We expanded this digital platform to frontline and office employees in phases throughout 2020.
- LTIR of **1.25**.
- Maintained zero work-related fatalities.
- We migrated our safety management systems in Hong Kong to the ISO 45001:2018 standard several years ago. Four properties in our Chinese mainland portfolio completed this migration in 2020.



⁵ Compared to the baseline year of 2015.

⁶ LTIR represents the number of injuries per 100 employees per year. It is calculated by multiplying the total number of injuries by 200,000 and then dividing the product by the total number of hours worked. The factor 200,000 is the annual number of hours worked by 100 employees, based on 40 hours per week for 50 weeks per year.

⁷ Non-joint venture centres (i.e. Taikoo Hui and Taikoo Li Sanlitun) only.



People

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- Volunteering



Safety, Health & Wellbeing

Satisfaction

2020 KPI

- Conduct employee engagement survey for all employees
- Implement employee assistance programme in all Chinese mainland⁸ offices

Progress Updates in 2020

- This survey was launched and completed for all employees in our Hong Kong and Chinese mainland portfolios in 2020, with an overall response rate of **97%**.
- Maintained our previously implemented employee assistance programme for office and frontline employees.

Health and Wellbeing

2020 KPI

- Develop a health and wellbeing policy framework

Progress Updates in 2020

- Maintained a wellness programme for employees in our Hong Kong and Chinese mainland portfolios, including a sponsorship fund in Hong Kong providing financial support for employees to organise internal sports clubs and other interest clubs. During the COVID-19 pandemic, our interest club activities were incorporated into the wellness programme.



⁸ Non-joint venture centres (i.e. Taikoo Hui and Taikoo Li Sanlitun) only.



People

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Diversity and Inclusion

Policy, Strategy and Governance

2020 KPI

- Adopt a diversity and inclusion (“D&I”) Policy
- Establish a D&I committee
- Introduce a formal employee grievance policy

Progress Updates in 2020

- Our [D&I Policy](#) has been adopted.
- A D&I Committee has been established and continues to work on implementing the D&I Policy and related initiatives.
- Grievance and reporting procedures are outlined in our Company Code of Conduct.



Culture

2020 KPI

- Conduct D&I awareness training for senior management

Progress Updates in 2020

- D&I awareness training was conducted for senior management.

Disclosure

2020 KPI

- Public disclosure of data on gender, age, job level, pay and ethnicity

Progress Updates in 2020

- Data on gender, age, job level, and pay for 2020 is disclosed in the [Performance Data Summary](#) of this report.

Working Environment

2020 KPI

- Develop a Flexible Working Policy and associated guidelines

Progress Updates in 2020

- Continued to roll out our Flexible Working Policy, adding a Sabbatical Leave Policy in addition to the Staggered Working Hours initiative.



People

Progress

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- Volunteering



Volunteering

Community Ambassador Programme Community Ambassador Programme

2020 KPI

- **20%** increase in volunteer service hours (>**9,300** hours)⁹
- Introduce Community Ambassador programme in employee induction

Progress Updates in 2020

- This year, our Community Ambassadors in Hong Kong, the Chinese mainland and Miami, U.S.A. contributed more than **2,000** volunteer service hours¹⁰. In 2019, our Community Ambassadors contributed more than **7,000** hours.
- Since 2017, our basic induction training for new hires in Beijing and Hong Kong includes an introduction to the Community Ambassador programme.

Community Caring Fund

2020 KPI

- Increase the number of nominated programmes from employees by **20%**¹¹

Progress Updates in 2020

- This year's fund supported two projects related to COVID-19 prevention and protection. See [Resilience](#) for more details.

^{9/11} Compared to the baseline year of 2016.

¹⁰ This figure was lower than previous years due to COVID-19 restrictions.



People

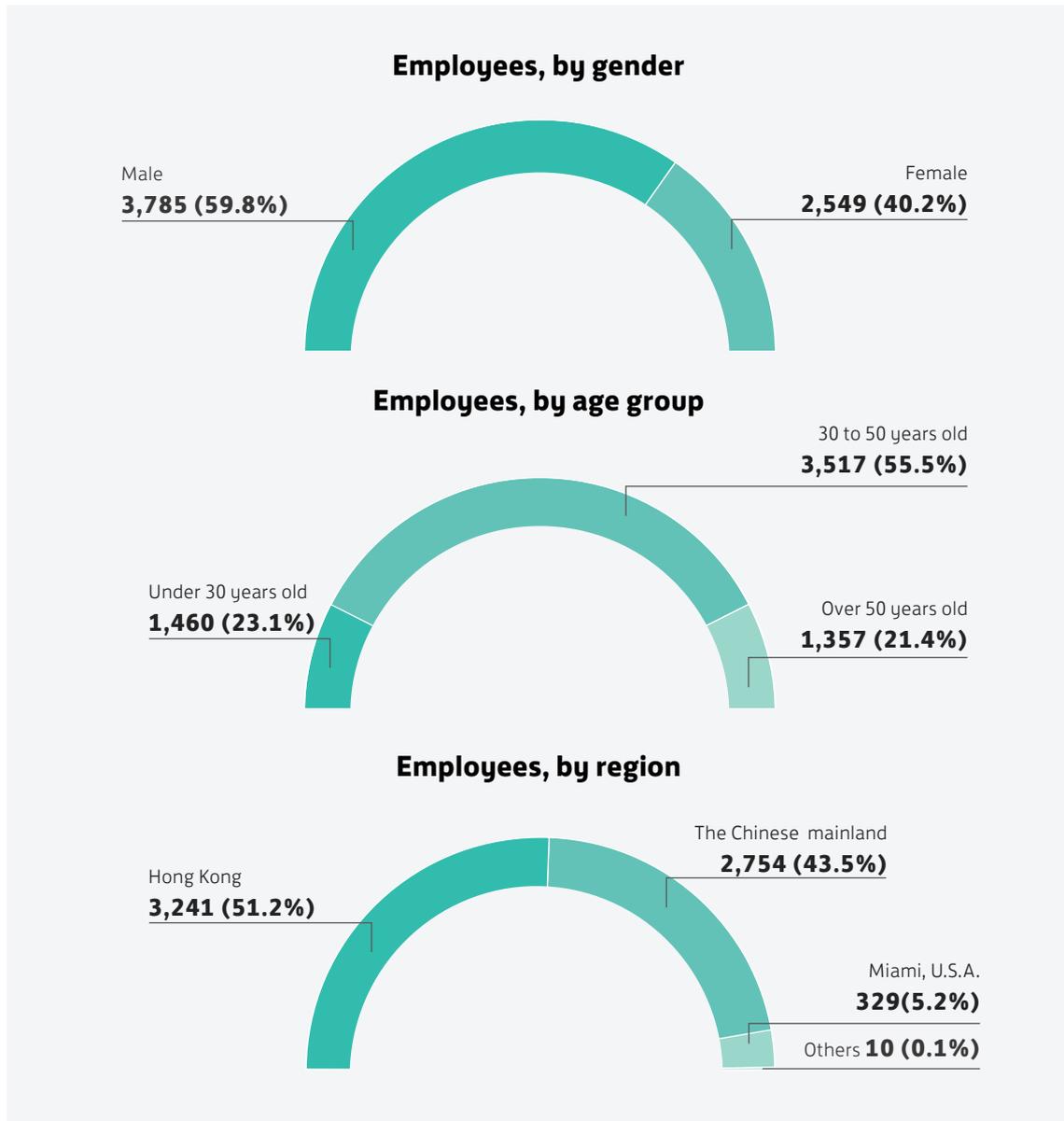
- Progress
- Employment Profile**
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Employment Profile

We employ 6,330 people¹², of which approximately 3,200 are located in Hong Kong, 2,700 in the Chinese mainland, and 300 in Miami, U.S.A.

GRI
102-8, 102-41, 401

HKEX
KPI B1.1



¹² 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

Continuing to Deliver Excellence for our Employees

We believe that our employees receive competitive remuneration packages with a variety of benefits. In Hong Kong, these include medical care, retirement schemes and discretionary bonuses, while in the Chinese mainland, in addition to social insurance and housing funds, they 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.

We have asked our office employees to align their annual performance goals with each SD Pillar. This year, we identified a job evaluation platform which will aid in the development of a Swire Properties Rewards Philosophy – ensuring that our employees continue to receive fair pay internally and a competitive salary within the industry. Next, we will conduct a compensation and benefits review exercise. This will start in Hong Kong and then be expanded to our Chinese mainland and Hotels portfolios.

In 2020, we launched a new employer branding communication strategy to ensure that we continue to attract and retain talent, and introduced new targets relating to employer branding, which will support our long-term plan of being identified as a “preferred employer” by 2030.

In 2020, we also introduced a blended learning approach to onboarding interns and trainees. While traditional in-person visits to our portfolios took place, half of the orientation was conducted online via our internal platform. New joiners could 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 approach cut down the manpower involved in the orientation process, and also serves as a blueprint for future recruits regardless of their onboarding date or location.

Total New Hires, by region		
	Number	Percentage
Hong Kong	415	38.5%
Chinese mainland	556	51.6%
Miami, U.S.A.	106	9.9%
	Total	
	1,077	



People

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- Safety, Health and Wellbeing
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- Volunteering

Swire Properties Named Most Attractive Employer in Hong Kong

We were named the Most Attractive Employer in the Randstad Hong Kong Employer Brand Research 2020. We have either won or placed in the top three of the [Randstad Employer Brand Awards](#) for five consecutive years. This year, 75 of Hong Kong’s largest companies, based on workforce size, competed in these awards, the results of which were determined by the opinions of thousands of locally based employees and job seekers. We were rated positively by the voters on several aspects, including corporate financial health, corporate reputation and job security.



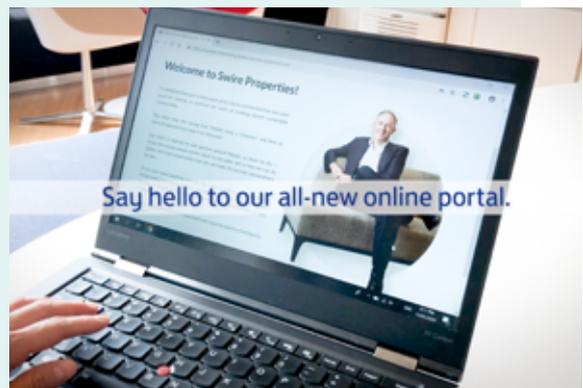
Anna Thompson, Director, Human Resources at Swire Properties, expressed the Company’s gratitude, saying, “Ultimately, it’s our people who will help bring our vision of building vibrant communities to life...flexibility, agility, understanding and solidarity, these concepts have inspired our policies and allowed us to meet challenges such as COVID-19 head on and come out stronger and more united than ever.”

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New Online Onboarding Platform

This year, we launched an online onboarding platform to enhance the existing onboarding process by giving new joiners access to important company information and learn about our core values and culture before commencing work. New joiners can access the platform at any time, including from their mobile phones, creating the added benefit of bringing greater convenience to the employees. The platform was launched in March for office workers and in September for frontline new joiners.



Say hello to our all-new online portal.



People

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Talent Retention

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

In August 2020, we conducted a People Engagement Survey involving over 4,000 employees across Hong Kong and the Chinese mainland, which received an impressive overall response rate of 97%. The survey questions covered 21 categories including Company core values, communication, sustainable engagement, diversity and inclusion and digital transformation, amongst many others. The results are providing valuable insights that will allow us to understand employees' needs and ultimately create a better place for them to work.

Key results:

- Overall, we have outperformed the global real estate and property and asset management norm
- Our top five areas of strength are: retention; accountability and empowerment; performance management; recognition and benefits; customer centricity
- 88% of our employees feel engaged, with the top drivers of engagement being accountability and empowerment; senior leadership; and working environment
- In terms of employee engagement, we excelled in 18 categories benchmarked against industry peers around the world
- 91% of our employees believe in our corporate vision and values, a figure that significantly outperforms the norm and provides valuable reassurance that Swire Properties is “on the right track”.

The next steps in this engagement process include focus group discussions and regular “pulse surveys” taken for on-going monitoring and action planning purposes.

Learning and Development Programmes

Our multi-year trainee programmes help develop talent in building surveying, engineering and general management. In one example, 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.

Other learning and development programmes across the Company include:

- On-the-job training;
- Internal job rotations;
- Mentoring opportunities;
- Secondments in other markets where we operate; and
- Management and leadership training programmes.

GRI
401, 404

HKEX
Aspect B3



People

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- Safety, Health and Wellbeing
- Diversity and Inclusion
- Volunteering

New Evaluation Framework for Learning and Development Programmes

We have developed a learning evaluation framework, with reference to the Kirkpatrick Evaluation Model, to help us analyse and evaluate the impact of our different learning and development programmes.

We are also reviewing selected leadership training programmes such as the Achieving Excellence Programme. This is a two-year leadership programme that aims to help our managers discover their leadership potential through workshops and other interventions focused on developing leadership and communication skills, coaching leadership, strategic thinking, fostering teamwork, and performance management.

We have started to adopt a multidimensional evaluation system including a 360-degree feedback mechanism, among other elements, so that we can gather feedback from individual employees on how our learning and development programmes have helped them in their career development and how these programmes have contributed to employee retention and work efficiency improvements.

HKEX
KPI B3.2

Total Training Hours and Spending

>126,000 hours Total training hours	20 hours Average training hours per employee	HK\$4.8 million Total training spend
--	--	--

Average Hours of Training, by gender

2020



Male

18.1



Female

22.8

Average Hours of Training, by employment category

2020



Management

20.5



Non-management

19.8



People

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Training Needs Analysis

In April 2020, we conducted a comprehensive learning and development survey of our office staff to identify the gaps between our existing training offerings and actual and future training needs. The online survey covered such areas as technical knowledge, individual effectiveness and capabilities, leadership skills, learning approach preferences, and others.

Based on the survey findings, we will formulate a new learning roadmap and curriculum which will provide more engaging learning experiences and improved learning effectiveness. After this, the next step will be to continuously gather feedback from end-users to fine-tune our training offerings according to evolving staff development and business needs.

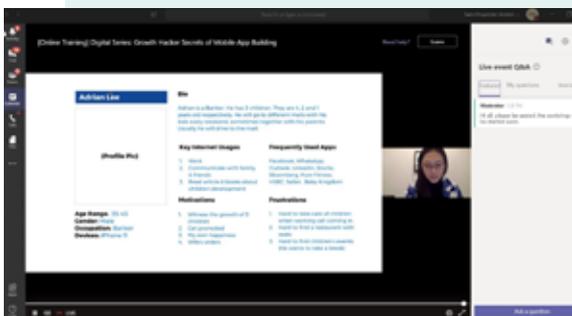
eLearning Hub Development

Embracing the concept that “learning is not limited to the classroom”, our recently launched e-Learning Hub is a digital library that encourages knowledge sharing and promotes a culture of “self-learning” among staff. The hub features:

- Paper book borrowing;
- An e-Learning Hub Kindle account;
- Exclusive e-books and videos; and
- Book recommendations from senior managers, fellow colleagues and subject matter experts.

A pilot version of the e-Learning Hub was established in late 2020 in partnership with our Innovation Accelerator and will be officially launched in early 2021.

Keeping Up with the Latest Trends: our Digital Series Continues



This year, we continued to host workshops that help our marketing teams address current and upcoming marketing challenges – identifying the latest digital marketing trends and strengthening our digital marketing capabilities. In March, our Digital Marketing Team hosted the inaugural 2020 Digital Series online workshop called “Growth Hacker Secrets to Mobile App Development”. This was followed by online

workshops delivered by expert coaches on topics including “Search Engine Marketing and Optimization Bootcamp”, “Growth Marketing Essentials”, and “A Quick Lesson on Agile Project Management”.



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Building Management Team Leadership Excellence Programme



2020 saw the kick-off of a new Leadership Excellence Programme designed to develop stronger building management team (“BMT”) leaders and create a more structured approach to staff 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 which addressed the top identified leadership

needs. Modules One and Two were launched in late September and early November 2020 respectively. We aim to have all targeted BMT leaders complete the programme within four years.



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Safety, Health and Wellbeing

We regard health and safety as an indispensable part of our business. The scope of our Health and Safety Policy covers our employees, contractors, tenants, and visitors, including any person whose work or workplace is controlled by the Company. The policy specifies our commitment to achieve zero harm through demonstrating solid leadership and effective management of occupational health and safety in the design, planning and conduct of all business activities.

Safety, Health and Wellbeing is an integral part of our business and our SD 2030 Strategy. The relevant SDG is:



SDG 3

Ensuring healthy lives and promoting wellbeing.

GRI
403

HKEX
Aspect B2
KPI B2.3

Safety Management Systems

The Safety Steering Committee in Hong Kong, which is chaired by our Health and Safety Manager and our Safety Working Groups, meets periodically to monitor and evaluate the Company's safety performance. In the Chinese mainland, the Safety Working Group, chaired by the Director of Technical Services and Sustainable Development, holds regular meetings to monitor and evaluate the Company's safety performance. Our Safety Working Groups in Hong Kong and the Chinese mainland include employee representatives from our technical and building management teams in each portfolio.

In accordance with the Safety Management Systems ("SMS"), all our employees are required to immediately report any workplace hazards to their supervisors. We regularly conduct inspections to identify potential workplace hazards and assess risks. Follow-up actions are then carried out to prevent accidents and maintain safe workplace conditions in our buildings, equipment and facilities. The results of our inspections are reported to the Safety Steering Committee and we monitor the progress of any follow-up actions.

We have also implemented accident investigation programmes to identify the causes of accidents so that we can adopt preventive measures to avoid reoccurrence. Managers of our business units at a supervisory level or above issue accident reports once formal investigations are completed.

As at 31st December 2020, the SMS in six of our properties in Hong Kong portfolio and four properties in our Chinese mainland portfolio comply with the new and more stringent ISO 45001:2018 standard.



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2020 Health and Safety Performance

HKEX
KPI B2.1, B2.2

Since we began to disclose health and safety information in 2003, we have maintained a record of zero workplace fatalities of 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 which have a significant impact on Swire Properties.

One of our 2020 KPIs is to maintain a LTIR below 2.0 for our employees. As part of our management approach to prevent workplace accidents, we conducted education and awareness talks for our employees tailored for different areas of our business, such as managing deliveries that involve a truck-mounted crane for frontline employees in our Hong Kong portfolio, slip, trip, and fall (“STF”) prevention in our Chinese mainland portfolio and construction safety, working at height and prevention of heat stroke for workers at our construction sites.

In 2020, our LTIR decreased by 23.3% compared to 2019 and our lost day rate (“LDR”)¹³ increased by 12.8% compared to 2020. In response, we have carried out corrective measures and reviewed the compulsory induction safety training for our Chinese mainland frontline staff.

	2018	2019	2020
LTIR	1.47 ↑ 2.8% Change year-on-year	1.63 ↑ 10.9% Change year-on-year	1.25 ↓ 23.3% Change year-on-year
LDR	54.47 ↑ 12.6% Change year-on-year	43.28 ↓ 20.5% Change year-on-year	48.80 ↑ 12.8% Change year-on-year

	LTIR	LDR
Hong Kong	1.0	55.63
Chinese mainland	0.62	25.05
Miami, U.S.A.	0	0
Hotel	2.07	59.80

¹³ Number of lost scheduled working days per 100 employees per year.



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Internal Health and Safety Performance Awards

In January 2019, we launched an internal awards scheme in Hong Kong and the Chinese mainland to commend our management offices for outstanding health and safety performance, hoping that the scheme will further strengthen our safety-oriented culture.

This scheme gives out several awards, including:

1. The Zero Lost Time Injury Award ("Zero LTI Award"), which is based on a management office's health and safety performance. There are three categories for this award: zero lost time injury for 180 days, 500 days and 1,000 days. This year, Sino-Ocean Taikoo Li Chengdu, INDIGO and Taikoo Li Sanlitun in the Chinese mainland and Pacific Place and Citygate in Hong Kong received the 180 days Zero LTI Award, while Taikoo Hui in Guangzhou and Island Place in Hong Kong received the 500 days Zero LTI Award.
2. The Outstanding Health and Safety Performance Award, which is given to the management office with the best health and safety management at work for that year. The 2019 award was presented to both Taikoo Li Sanlitun in Beijing and Cityplaza in Hong Kong.
3. The annual Emergency Drill Video Contest, organised for the past three years, documents emergency responses in different situations, ranging from fire control and helping passengers trapped inside an elevator, to a rescue mission in a confined space. This year's contest was won by Taikoo Hui in Guangzhou.





People

- Progress
- Employment Profile
- Talent Attraction
- Talent Retention
- Safety, Health and Wellbeing**
- Diversity and Inclusion
- Volunteering

Safety Training

Our 2020 KPI of increasing total occupational health and safety (“OHS”) training hours by 5% when compared to the baseline year of 2015 has been achieved and exceeded. In 2020, we delivered approximately 23,870 OHS training hours. The training covered a range of OHS topics, including STF prevention, managing deliveries that involve a truck-mounted crane, working at heights and the safe use of cutting devices.

Looking beyond this target, we designed an e-learning platform for senior management to receive compulsory OHS training. This platform was launched in March 2019 and has now achieved a 100% completion rate. In 2020, we expanded this e-learning platform to include all frontline and office employees. We aim to have 100% of our employees receive this training in the near future. This compulsory programme was designed for all our employees across all business units, aiming to enhance health and safety knowledge, promote greater understanding of the Company’s existing health and safety practices, and foster a strong health and safety culture.

In the Chinese mainland, we provided training for our senior management and line managers focusing on communicating safety priorities and demonstrating leadership on OHS issues. We conducted emergency response drills covering security management, crowd management and facilities management, which aimed to improve our emergency response capabilities across our Chinese mainland portfolio. We also organised a fire safety video competition, a safety sport event and safety quiz activities to reinforce this training and boost engagement.

Electric Working Platform at Cityplaza Mall

To reduce the inherent risks involved in using heavy ladders and manual working platforms, an electric working platform was purchased by Cityplaza to make daily maintenance work safer and easier. The new platform can be used in most areas of the mall due to its compact size and extensive reach. Strong and sturdy, the platform can accommodate two workers at a time – boosting efficiency as well as safety.





People

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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 both in and out of the office. These events not only contribute to employee health and wellbeing, but also help build rapport between employees and increase the level of employee engagement.

Supporting the Mental and Physical Health of our Employees

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, workstation 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.

Maintaining employee health and wellbeing is an unvarying priority for us. During the COVID-19 pandemic, running our wellness programme in the usual fashion was a challenge. Despite this situation, it was important for our employees to continue to access and participate in the programme. Thus, we moved from conducting face-to-face workshops and sharing sessions to virtual sessions and activities. Interest club activities were incorporated into a wider wellness programme, making these activities accessible to all staff, not solely club members.



People

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Highlights of Employee Wellness Programme 2020

The mental and physical health of our employees is always a top priority for us; and was particularly so during the pandemic. Throughout the year, we organised various virtual activities and sharing sessions to keep staff spirits up.

In Hong Kong, we ran a series of “Let’s Stay Fit@ Home” one-minute exercise sessions; a “DIY Mask and Mask Keeper” workshop; and a “Mindful Mandala Coaster Making Workshop” where participants shared mental healing tips with each other.



At EAST Hong Kong, we ran a Global Wellness Month campaign between June and September 2020. Kicking off on Global Wellness Day, 13 June, the campaign featured various wellness-related events like a wellness social photo campaign, Health Food Month in July, and a number of wellness workshops designed to strengthen the physical and mental wellness of employees.

At The Upper House, we used the Global Wellness Day date to hold the “613 Challenge” for our employees. The 6-day long challenge asked our employees to walk 10,000 steps per day, go vegetarian for 3 meals or hold a plank for one minute on any 3 days, with those completing the challenge receiving a wellness pack. On Global Wellness Day itself, the team was given a wellness drink and several wellness tips.

In the Chinese mainland, at The Middle House, 12 employees representing every department joined the hotel’s Green Team. A “green wall” was set up in the staff corridor which listed numerous sustainability ideas and initiatives as well as a leaf painting created by employees.

New Staff Amenity Room at Taikoo Hui in Guangzhou



In June 2020, a new staff amenity room was launched at Taikoo Hui in Guangzhou, aiming to keep employees healthier, happier and more productive. The elaborately designed, smart tech-powered centre, called “SWITCH”, is equipped with various facilities for exercise and relaxation, including a gym, a self-serve bar, massage chair, video games and a darts board.

Employees can use a mobile app-based mini-programme to book a timeslot to use the gym, with access provided by scanning a QR code – reducing management costs and improving hygiene.



People

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Welcoming New SPL Offices

In 2020, we opened two new Swire Properties offices in the Chinese mainland, at INDIGO in Beijing and Sino-Ocean Taikoo Li Chengdu.

INDIGO

Swire Properties’ new Beijing office in ONE INDIGO, spread over more than 21,500 sq ft, embraces and embodies the Company’s SD philosophy:

- The office materials and furnishings are as environmentally-friendly as possible – the carpet, for example, is woven from recycled fishing nets.
- Old office furniture was donated to Baihe Town Middle School in Hebei Province.
- An advanced intelligent lighting system automatically adjusts ambient light according to the time of day and amount of natural daylight.
- All waste disposal receptacles require recyclables to be sorted.



Sino-Ocean Taikoo Li Chengdu

The new office, opened at the end of 2020, operates on a “community concept” and includes collaborative areas that enable enhanced communication and engagement – for example staff workspaces with lower partitions and a cafeteria designed as a casual outdoor café. Other features include a nursery and a gym to enhance wellness and increase convenience. The new office is applying for a WELL Gold certification to solidify its environmental and people-friendly credentials.



People

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Diversity and Inclusion

Diversity and Inclusion is a focus area in which we aspire to provide leadership. The relevant SDG is:



SDG 5

Achieving gender equality and empowering women and girls.

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 [Equal Opportunities and Diversity Council](#) of John Swire & Sons (H.K.) Limited, a wholly-owned subsidiary of John Swire & Sons Limited which is the parent company of the Swire Group, encourages and advocates equal opportunities and diversity across the Swire Group.

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.

Percentage of Management Positions Held by Women

(as at 31st December 2020)



51%

of management positions held by women



39%

of EXCOM members are women

2020 Gender Pay Ratio



1 to 1.05

(female to male)

GRI
405

HKEX
Aspect B1



People

- Progress
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- Safety, Health and Wellbeing
- Diversity and Inclusion**
- Volunteering

Flexible Working Policy Initiative

Seeking to develop a truly flexible working environment, our Flexible Working Policy was launched on 1st July 2019. We introduced a 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 on 1 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 skill sets in various areas. Although this is unpaid leave, employees on sabbatical still enjoy selected staff benefits such as medical, training and recreation facilities.

During the COVID-19 pandemic, we initiated several other working alternatives across our offices, including distributed work, work-from-home, and telecommuting arrangements. These were designed to minimise large gatherings of people and avoid cross-infection situations. Additionally, any staff members who travelled outside of their home city in the Chinese mainland could only resume work after completing a 14-day quarantine upon their return.

Women’s Inspire Networks

Our Women’s Inspire Networks, initiated by members of our Diversity and Inclusion Committee, are business networks that aim to connect people and create a community in support of women working for professional firms and companies based in a local area. Through purposeful events and stakeholder engagement, these networks encourage collaboration in a supportive and positive environment to create a network of people who support, enrich and inspire each other in the pursuit of gender equality.



The first network, the Taikoo Women’s Inspire Network (“Taikoo WIN”), was established in 2019 by the Company and two of our Taikoo Place tenants. Taikoo WIN currently has over 300 individual members and 30 corporate members based in Taikoo Place. The Pacific Place Women’s Inspire Network (“PP WIN”) was formed in May 2020 to support women working in the Pacific Place area. PP WIN aims to hold its official launch in early 2021.



People

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- Volunteering

Pink Friday

On 20 November, Swire Properties joined over 60 companies in Hong Kong to celebrate the LGBT+ community and the Company’s collective drive for inclusion in the Pink Friday event. Our staff members participated by wearing pink to show their support for this often-invisible community. A virtual “Best Dressed Show” was held, with prizes awarded for the best dressed individual and best dressed team. We celebrated Pink Friday with Taikoo Place office tenants at Tong Chong Street Market. Themed delicacies were also sold from 16 to 20 November at several Tong Chong Street Market stalls, with people wearing pink being given a discount on these items on 20 November.





People

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- Volunteering

Board Diversity Policy

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.

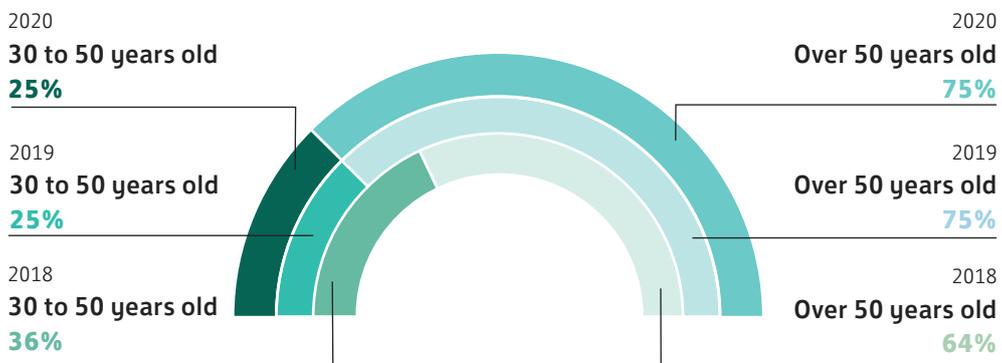
Board Diversity

(as at 31st December 2020)

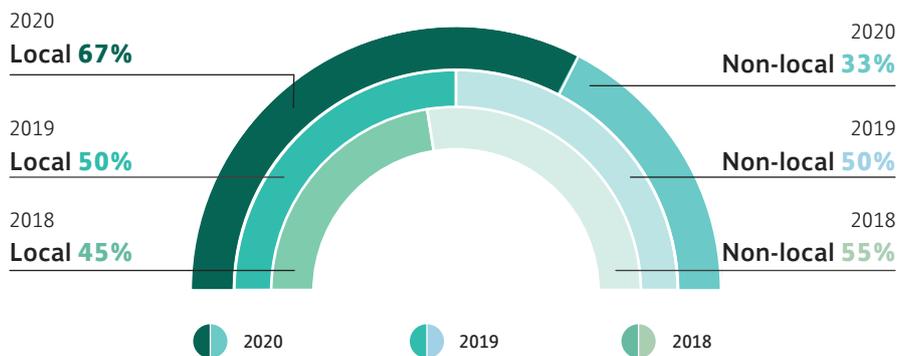
By gender



By age group



By local/non-local



Additional information about the diversity of our Board members is available in the [Swire Properties Annual Report 2020](#)



People

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- Volunteering**

Volunteering

Our Community Ambassador Programme is a channel for our employees to contribute their time and skills to various social and environmental causes. To encourage active participation, our employees can nominate less well-known Hong Kong-based community organisations for us to support through the [Community Caring Fund](#). Our employees are eligible to receive one extra day of leave for every ten hours of voluntary service completed, capped at two days per year.

GRI
413

HKEX
Aspect B8
KPI B8.1, B8.2

A Growing Community of Ambassadors

Since its establishment in 2001, our Community Ambassador Team has grown from 40 members to more than 4,000 and continues to attract support from our employees’ families and friends, as well as our business partners, tenants, customers and other Swire Group companies.

Our Community Ambassador activities in Hong Kong focus on youth development, social inclusion, community-building, and supporting the elderly. As our Chinese mainland portfolio continues to grow, we plan to organise more cross-city volunteer initiatives to strengthen the connections between our Hong Kong and Chinese mainland Community Ambassadors and our joint volunteering efforts. However, necessary restrictions placed on travel and gatherings during the pandemic curtailed these actions across our portfolio during 2020. We look forward with hope and excitement to the time when we can resume such initiatives.

Community Ambassador Programme Volunteer Hours

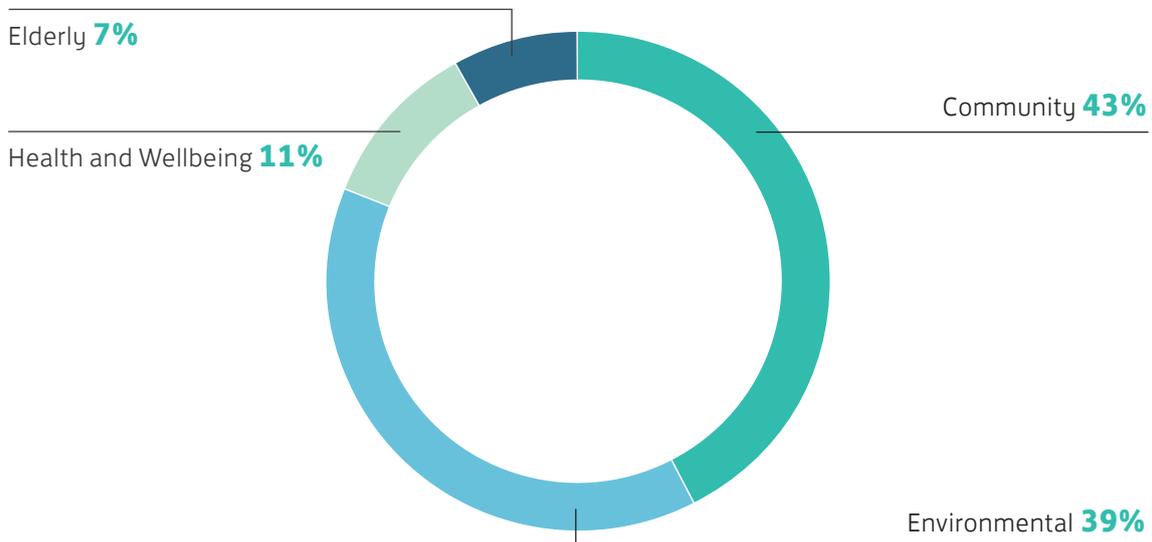


43
Activities supported



>2,000
Total volunteer hours

Community Ambassador Programme Volunteer Hours, by focus area





People

- Progress
- Employment Profile
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- Safety, Health and Wellbeing
- Diversity and Inclusion
- Volunteering**

SEWomen “Reusable Mask + Holder” Initiative

Since the start of 2020, wearing a face mask has become an essential part of daily life for everyone. Embracing this new reality, the Swire Properties Community Caring Fund partnered with seven Hong Kong-based social welfare organisations to create the “Reusable Mask + Holder” initiative, which reduces waste by offering people a sustainable choice: using reusable masks for non-high-risk locations.



SEWomen, a social initiative founded in 2020, gathered more than 80 local women who sewed approximately 30,000 reusable masks that were sold online and given away to people in need. The programme also provided the people who sewed with opportunities to earn income from the masks they produced. After the success of this initiative, SEWomen will continue to empower more local women by offering job opportunities and showcasing their expertise and talents, in partnership with our long-term NGO partner, the Hong Kong Young Women's Christian Association.

“Dial a Lo Yau Gei” Programme



As Swire Properties colleagues began to work from home following the COVID-19 outbreak, our Community Ambassadors took the opportunity to contact elderly people in the local community to provide reassurance and help them stay healthy. The “Dial a Lo Yau Gei Programme”, organised in conjunction with the Hong Kong Young Women's Christian Association, involved phoning senior citizens – “lo yau gei” in Cantonese – to pass on advice about how to deal with the outbreak, such as the importance

of good hygiene and when to seek medical help. Over three sessions, held in February, March and August, a total of 121 volunteers spoke to 242 senior citizens.

Partners

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





Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents



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

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

Top Material Issues



Tenant and customer engagement



Responsible supply chain management



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Progress

With 33 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 2020, we achieved all of our 2020 KPIs, and we plan to continue or augment SD engagement with our partners as we work towards our [2025 and 2030 KPIs](#). Our progress this year is summarised in the table below.

Progress Summary Table



Suppliers

Supply Chain Policy

2020 KPI

- Full implementation of our Supplier Code of Conduct (“SCoC”) in Hong Kong and the Chinese mainland
- Implement green procurement systems across all business operations in Hong Kong and the Chinese mainland

Progress Updates in 2020

- It is now standard practice to promote the SCoC to all suppliers in Hong Kong and the Chinese mainland.
- Sustainable procurement training was completed for our offices and portfolios in Hong Kong and the Chinese mainland.



Monitoring (Compliance)

2020 KPI

- Ensure key high-risk suppliers demonstrate compliance with the SCoC

Progress Updates in 2020

- In 2020, we conducted an annual supply chain risk assessment of over 300 of our Tier-1 suppliers.

Supply Chain Improvement

2020 KPI

- Develop programmes for supply chain improvements

Progress Updates in 2020

- We hosted a sustainability engagement forum attended by 80 of our suppliers and business partners in Hong Kong, and a separate event focusing on the application of green construction materials in Beijing with key suppliers.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents



Tenants

Tenant Engagement

2020 KPI

- Introduce sustainability guidelines for commercial tenants undertaking new fit-outs and renovations

Progress Updates in 2020

- We created and updated communication material to improve tenant engagement regarding SD.
- Recognised 27 food and beverage tenants in Hong Kong and the Chinese mainland with the Green Kitchen Award since launching the Green Kitchen Initiative in 2017.
- Updated the Green Pledge framework, renaming it the Green Performance Pledge, to continue working with tenants to jointly improve environmental performance.

Tenant Satisfaction

2020 KPI

- Conduct tenant satisfaction surveys in Hong Kong and develop appropriate KPIs for improvement

Progress Updates in 2020

- Completed tenant satisfaction surveys on office tenants in Taikoo Place.



Customers

Retail

2020 KPI

- Conduct surveys to collect customer feedback

Progress Updates in 2020

- Continued to conduct customer surveys in our major retail properties in Hong Kong and the Chinese mainland. These included sentiment research, annual shopper research and a mystery shopper programme.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents



Customers

Office Workers

2020 KPI

- Conduct surveys to collect office tenant feedback

Progress Updates in 2020

- Completed a survey of office workers at Taikoo Place.

Hotel Guests

2020 KPI

- Conduct hotel guest surveys

Progress Updates in 2020

- Continued to conduct guest satisfaction surveys at EAST Hong Kong.



Residential

Engagement (Owners, Occupiers and Serviced Apartment Residents)

2020 KPI

- Complete a pilot survey in Hong Kong to establish baseline level of satisfaction and establish an appropriate KPI for improvement
- Develop a Green Pledge Programme for serviced apartment residents

Progress Updates in 2020

- Completed in-person and online satisfaction surveys with owners and residents of ALASSIO and AREZZO, the results of which will influence the design of future residential projects.
- The Green Pledge Programme for residents of STAR STUDIOS was rolled out in 2020.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents



Government

Government Engagement

2020 KPI

- Identify key government bodies for engagement and design bespoke government engagement plans for all portfolios

Progress Updates in 2020

- Continued to explore cooperation and engagement opportunities with local governments.
- Taikoo Li Sanlitun continued to be a pilot site for the night economy trial by the Beijing government.



NGOs

NGO Engagement

2020 KPI

- Identify and prioritise NGOs for engagement in all operations and expand NGO engagement in the Chinese mainland and the U.S.A.

Progress Updates in 2020

- Most of our partnerships with NGOs in 2020 focused on combatting COVID-19 in the communities around our properties.
- For more information about our work this year, please refer to the [Resilience](#) and [Volunteering](#) sections of this report.



Joint Venture Partners

Joint Venture Partners Engagement

2020 KPI

- Engage **100%** of our joint venture partners with our SD 2030 Strategy
- Promote and support the efforts of joint venture companies to provide their employees with SD training

Progress Updates in 2020

- Continued to engage our joint venture partners on SD initiatives throughout the year.

Partner Selection and Company Formation

2020 KPI

- Integrate SD considerations into joint venture partner selection and joint venture company formation processes

Progress Updates in 2020

- Continued to engage our joint venture partners on SD initiatives throughout the year.



Partners

Progress

Suppliers

Tenants

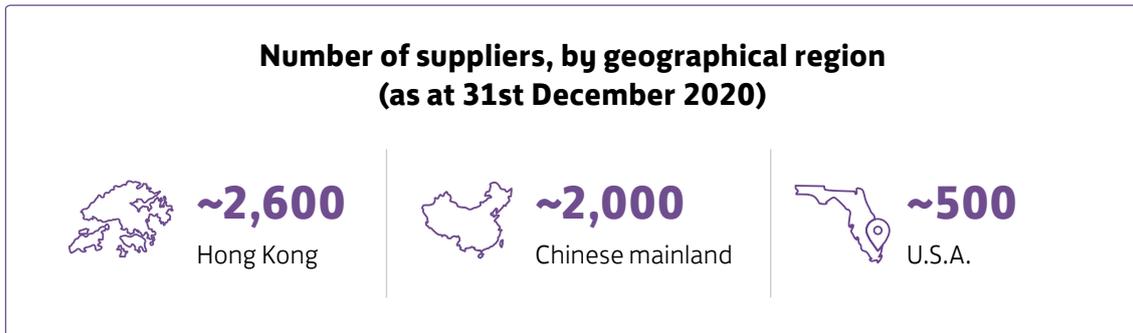
Customers

Residential Owners, Occupiers and Serviced Apartment Residents

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



GRI
102-9, 102-10

HKEX
KPI B5.1

Supplier Code of Conduct

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

To ensure proper respect for human rights throughout our business, including our supply chain, we require that all our suppliers do not use any form of forced, coerced, or bonded labour and that legal minimum age requirements for employment are strictly observed. Our policy is that no person who works for Swire Properties can be below 16 years of age unless they are part of a recognised professional apprenticeship programme. This policy extends to suppliers working on projects for Swire Properties.

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.

In 2020, we introduced a new 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

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

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.

In order 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.

Since 2019, we have worked to refine our performance management system for technical services providers. Any non-compliance or malpractice in the areas of health and safety, environment, procurement, quality and site management will be recorded, and the technical provider will be subject to disciplinary action.

In 2020, we conducted a risk assessment of over 300 Tier-1 suppliers, identified as either critical suppliers, high-volume, high-spending suppliers or non-substitutable suppliers, to confirm their compliance with our SCoC. 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 2020.

According to our findings, none of these suppliers were considered “high risk” under our Enterprise Risk Management System (“ERM System”).

GRI
308, 403, 414

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



Partners

Progress

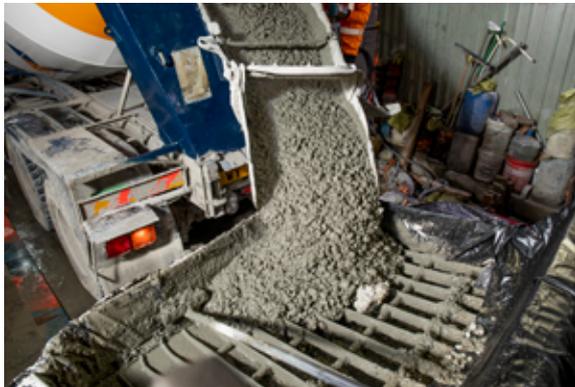
Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Sustainable Procurement



As part of our sustainable procurement strategy, since 2015, we have been implementing our guidelines on environmental procurement 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.

In addition, we also track our consumption of specific construction materials such as timber, concrete and reinforcement bar, which allows us to benchmark our consumption of these materials during the construction of new developments.

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

In 2020, we expanded our procurement from green products and services to include sustainability-related products and services, including expenditures on promoting safety, health and wellbeing in our properties and projects under development.

Also during the year, we are the first real estate developer in Hong Kong to introduce low-carbon specifications for building materials used in new developments such as concrete, reinforcement bar and structural steel, which we included in our main contract for a new development in Hong Kong.

GRI
301

HKEX
Aspect A2
KPI B5.4

Sustainable Procurement for Hong Kong and the Chinese mainland in 2020



HK\$1,196 million

Total value



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Hosting a Supplier Engagement Event



In early January 2020, before the COVID-19 pandemic began curtailing in-person events, we held our first-ever Sustainability Engagement Forum in Hong Kong. It took place at Blueprint with 80 of our suppliers and business partners in attendance. These stakeholders received an update on our SD 2030 Strategy, followed by presentations and a panel discussion to identify further opportunities for collaboration on low-carbon and sustainable building lifecycle initiatives.

The event:

- Introduced new green materials adopted in concrete, reinforcement bar and formwork;
- discussed methods of recycling construction materials;
- informed participants about the current status and latest trends in government policy; and
- informed suppliers about reduction targets to which we have committed under the Science Based Targets initiative.

Since that event, we have communicated regularly with our main contractors, material suppliers and industry associations in order to understand any new sustainable products and services they offer and determine which of these can be adopted in our new developments.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Further Expanding our Sustainable Sourcing

We are committed to expanding our sourcing of sustainable materials across all areas of our business. In 2020, we continued to make significant achievements in this regard, including:

Portfolio Management Offices and Facilities:

- Office and toilet paper certified by the Forest Stewardship Council (“FSC”);
- Office paper made from 100% recycled content; and
- Biodegradable tea bags with certified organic tea.



In particular, our Two Taikoo Place development includes:

- The use of FSC and Program for the Endorsement of Forest Certification (“PEFC”) certified timber;
- Concrete, chillers and gypsum blocks with CIC Green Product Certification (Platinum rating);
- Reinforcement bar and structural steel with recycled content;
- The use of a battery storage system and biodiesel to reduce the use of traditional diesel oil at the construction site; and
- Wellness-related provisions for onsite workers such as a full-time nurse, regular site office sterilisation, thermographic body temperature camera at site entrance, touch-free hand wash dispenser and free masks to workers.

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;
- Toilet paper rolls replaced with 90-100% recycled fibre certified by FSC; and
- Simplified packaging for room amenities such as removing paper boxes.



Partners

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

Tenants

HKEX
 Aspect A3
 KPI A3.1

We work closely with our commercial tenants to help them integrate sustainability practices into their operations. In 2020, we continued to implement our latest fit-out and renovation guidelines, which have been updated and customised for our office and retail tenants to help them incorporate sustainability considerations into their office and shop designs. We also introduced other initiatives to help our tenants fulfil their environmental, social and employee wellbeing objectives.

Since 2015, we have been working with some of our office tenants in Taikoo Hui, Guangzhou to implement a variety of sustainability initiatives under our Green Pledge Programme. We are now updating the Green Pledge framework to create an enhanced and more robust Green Performance Pledge that will allow us to work closely with our tenants to measure and jointly improve environmental performance.

On the management side, we revamped our working team structure to focus on three main areas: tenant communications, fit-out process, and data and feedback. We also conducted an SD engagement briefing with general managers and colleagues from the management offices of our Hong Kong and Chinese mainland portfolios to further engage all teams with our SD goals.

Tenant Portal Digitalisation

2020 saw the roll-out of new features for our Tenant Portal, a website where our tenants can make facility management requests, view e-debit notes and circulars, and reach administration and other important contacts. This portal removes the need to print and mail debit notes – saving significant quantities of paper and time – and makes the tenant request process more efficient and convenient.

In August 2020, we launched the e-debit note function for all office buildings in Pacific Place. The full tenant portal was launched for selected retail tenants in the fourth quarter of 2020.

Digitalisation of Payments and Receipts

In 2020, we began the digital transformation of our payments and receipts processes. Digitalising these processes has saved time, money and resources. By migrating payments and bill settlements to electronic platforms like telegraphic transfers, direct deposits and autopay, we have mostly eliminated manual cheque payments, which has reduced the manual handling of paper, creating a safer environment for staff and tenants; and eliminated payment delays associated with cheque deliveries. Looking forward, in 2021, we will explore other electronic payment methods and work towards integrating our systems with the systems of our partner banks.

Tenant Surveys Focus on Future Needs

Taikoo Place conducted a tenant survey in December 2019 and early 2020 which formed the first part of a three-phase customer mapping plan. In 2020, we began Phase 2 of this plan, focusing on understanding our customers’ physical usage across our whole portfolio. This will allow us to make more informed decisions on maximising the use of our space and what technology can and should be implemented to streamline user experience.

The customer mapping plan will continue through 2021 with Phase 3, which will focus on 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.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Environment

The Green Kitchen Initiative Keeps Growing



For the past three years, we have encouraged tenants to make their daily operations “greener” through tailored, practical SD initiatives. One of these is our Green Kitchen Initiative, which provides a platform for our portfolio management teams and our tenants to have sustainability conversations before fit-out and renovation projects. Both sides can collaborate to reduce energy and water usage and improve air quality and waste management to enhance the sustainability performance of food and beverage outlets in our malls.

The Green Kitchen Award programme applauds tenants who actively adopt recommendations in our Green Kitchen Technical Guidelines. In 2020, 19 restaurants received this recognition. In total, 27 food and beverage outlets in Hong Kong and the Chinese mainland have been recognised with our Green Kitchen Award.

This year’s winning tenants adopted green measures such as:

- Setting up food waste recycling and recycling for other items like glass bottles, metal cans, and coffee grounds;
- Installing water flow regulators and dishwashers with water recycling and heat recovery functions;
- Putting in place demand controlled or variable speed exhaust systems to conserve energy use by kitchen exhaust fans and associated cooling and heating costs; and
- Selecting energy efficient cooking and kitchen appliances.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Focusing on Urban Farming at The Loop

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



In 2020, our tenant engagement efforts at The Loop were significantly impacted by the COVID-19 pandemic, but there was a renewed focus on urban farming. In collaboration with a local farming group, we engaged 76 office workers in urban farming programmes which produced five harvests that resulted in donations to local NGO Feeding Hong Kong totalling approximately 45kg of produce. The Loop also collected 446 tonnes of recyclables this year.

Looking ahead, The Loop intends to engage the wider office community by getting more tenants on board with both regular farming programmes and workshops using crops harvested from The Loop.



76

Office workers



446 tonnes

Recyclables at The Loop



45kg

Total harvest



Partners

Progress

Suppliers

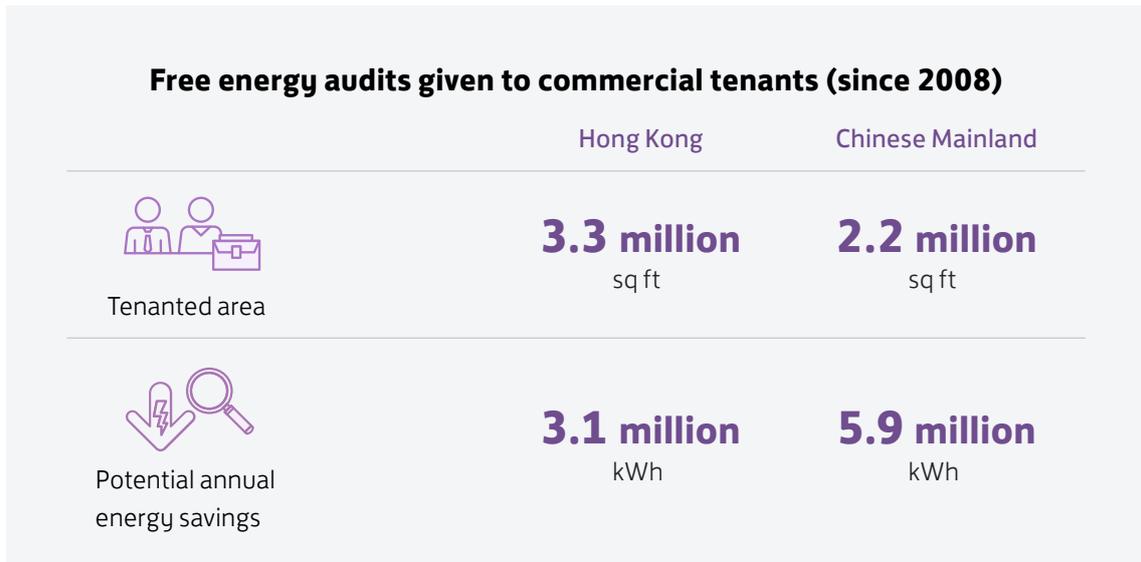
Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Offering More Free Energy Audits

In 2020, we continued to conduct free energy audits for our tenants to help them identify energy saving opportunities.



Helping our Tenants Get Even Greener

In 2020, we launched a new campaign which encourages our tenants to start or expand their waste reduction and recycling efforts. An e-newsletter sent to all tenants highlighted what can and cannot be recycled, gave simple steps on how they can start recycling food waste, and offered practical tips on reducing the use of single-use plastics. Reader-friendly posters also promoted how to properly recycle paper, plastic, metal, glass bottles and food waste.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Social

Discover Taikoo Place

Supported by local and international creative talent as well as Taikoo Place tenants, Taikoo Place’s annual engagement programme, “Discover Taikoo Place,” returned in 2020 with a wellbeing theme and featured events that promoted a balanced lifestyle.

PROJECT AFTER 6

Since its launch in 2014, PROJECT AFTER 6 has been connecting the Taikoo Place community through a variety of arts, cultural, sport and leisure programmes.

We believe that music has the power to improve both mental and physical wellbeing for our tenants and the wider community. This year’s edition, PROJECT AFTER 6: THE PITCH 2020, introduced music to the Taikoo Place work community by creating an opportunity for office workers with a passion for music to “unleash their hidden music talent”. The COVID-19 pandemic altered the usual format, with eight virtual concerts broadcast live in mid-October through social media platforms that featured PROJECT AFTER 6 musicians and several celebrity singers

In addition, a wellness booth was set up in the office lobby of Lincoln House in Taikoo Place in partnership with a tenant, a healthcare insurance company. Their healthcare provision arm offered traditional Chinese medicine consultations to keep tenants healthy, as well as a free stress test with an in-house psychologist.



PROJECT AFTER 6 THE PITCH 2020 facts:

129

Total applications

24

Tenant companies enrolled

38

Total groups performing

11

Celebrity guest singers

~400,000

Potential audience reach



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Better Living Pop-ups



The Discover Taikoo Place pop-up sustainable grocery store was hosted at ArtisTree from November 2020 to January 2021. Designed to inspire healthy living through vegan products such as plant-based meats, the pop-up store provided the office community with a new food and lifestyle experience. The Discover Taikoo Place initiative also teamed up with wellbeing and fitness tenant partners to introduce wellbeing-focused workshops, helping office workers find a healthy balance between work and play.

Art Unchained

Featuring a live media art installation and a set of online forums, the Art Unchained pop-up was curated by art and technology specialists Lisa Botos, Jean-Luc Gustave and Joanne Ooi and ran between 11 and 22 November 2020. Live-streamed on the Taikoo Place website during the exhibition period, the centrepiece was a robotics installation, Human Study #1, 5RNP, by Patrick Tresset, featuring five robots that sketch a human subject during a twenty-minute session. The installation resembles a life drawing class, except in this case, the robots observe and draw. The exhibition also included two lunchtime talks on the impact of new technologies on the art industry and how blockchain is reshaping the consumer world.



18,618

Online viewers

156

Participants in online forums



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Customers

HKEX
KPI B6.5

Customer feedback is vital to understanding our customers' needs so that we can continue to improve our services and offerings. In 2020, our research programmes engaged more customers than ever before, providing us with invaluable data which will be analysed and used to further refine the customer experience and our market positioning.

Data Management and Protection Policy (Customer Data)

We are committed to protecting the privacy of our customers. Our Data Management and Protection Policy (Customer Data) covers our operations in Hong Kong and the Chinese mainland. This policy provides guidance on the handling of customer data throughout the data life cycle and ensuring compliance with the relevant laws and regulations, including the Personal Data (Privacy) Ordinance in Hong Kong, the Cyber Security Law in the Chinese mainland and the European Union General Data Protection Regulation.

Under this policy, our employees are required to comply with internal guidelines covering the collection, processing, transfer, retention, and disposal of customers' personal data. We also include data protection obligations in contracts with third-party data processors.

Retail Customers

We obtain feedback from customers visiting our major retail properties through annual customer surveys and through mystery shopper programmes.

We conducted three types of marketing research in 2020.

Shopper Sentiment Research

Conducted in our Chinese mainland properties, we collected and analysed customer comments and suggestions from an online source. Nine areas were investigated: parking lots, toilets, supporting facilities, guide systems, shopping mall services, member services, overall shopping environment, brands, and marketing activities. Most of the participants were either shoppers at our properties who posted their comments online or public-facing mall staff.

The survey was robust, with 13,173 opinions analysed, 95% of which were positive. The malls' management teams will make improvements based on the analysed results.

Mystery Shopper Programme

Our annual Mystery Shopper Programme (MSP) is usually conducted twice a year. This year's MSP evaluated the performance of customer service officers in our malls, identifying their strengths and weaknesses and providing actionable recommendations for better customer service and experience. The mystery shoppers themselves were trained and arranged by our partner agency, and the results were presented as scores in different evaluation areas along with written reports from the mystery shoppers.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Annual Shopper Research

As usual, this year’s programme was conducted at all eight Swire Properties malls. The research programme consisted of two components: an exit interview and an online branding study, aiming to identify shopper profiles, determine the presence and predisposition of mall brands, and understand customer needs at individual malls in order to create actionable insights from both marketing and leasing perspectives. Shoppers from competing malls were also interviewed, establishing comparisons with our performance. Participants included real shoppers in the malls and also interviewers from an agency. The findings from this research will help us gauge the performance of malls and provide actionable insights for both marketing and leasing.

Over 9,000

Shoppers

100%

Coverage of our major retail properties in Hong Kong and the Chinese mainland and a number of their competitors

96%

Response ratings were between “excellent” and “good”

Virtual Comment Box

In April 2020, we launched a virtual comment box at our Pacific Place Three office tower. Involving a series of QR code stickers that invited visitors to provide feedback and suggestions, the virtual comment box gathered suggestions that allowed us to act immediately on such issues as heating, air conditioning and turnstile malfunctions. In February 2021, an upgraded system with location-tracked QR codes was launched in Three Pacific Place, 28 Hennessy Road, Pacific Place Mall, and Cambridge House.

Hotel Guests

In our hotel operations, we collect hotel guest feedback through our specifically designed mobile application to ensure high levels of customer satisfaction with our hotel facilities and services.

EAST Hong Kong has established a hotel guest survey platform which asks hotel guests to answer short questions when they sign into the hotel wireless internet service. This survey provides valuable data that will help us continuously improve our hotel guest experience.



Partners

Progress

Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents

Residential Owners, Occupiers and Serviced Apartment Residents

We continue to develop residential projects in Hong Kong and 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.

The Swire Pay Fintech Initiative



This year, we launched our “Swire Pay” initiative, which allows our residential tenants in Hong Kong to use their credit card to make rental payments. Executed by a fintech company, Swire Pay was the result of a collaboration between participants in the Achieving Excellence Programme, who developed the idea and submitted it through our 2019 [ideas@work](#) campaign, where it was named one of the winning entries.

Performance (Environment)

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.





Performance (Environment)

- Policies
- Energy
- Building/Asset Investments
- Progress
- Resource and Circularity
- Profile of Environmental Impacts
- Water
- Biodiversity
- Climate Change
- Occupant Wellbeing



We aim to continue to design, construct and manage high quality developments that contribute positively to the environment and to the communities in which we operate. We are committed to strengthening our policies and management approaches to environmental protection by expanding the focus of our initiatives beyond the direct impacts of our business to address environmental concerns that are crucial to the communities in which we operate, including climate change, energy management, resource and circularity and water conservation. We also seek to provide thought leadership on environmental and other issues to stakeholders in our industry – locally, regionally and globally.

Top Material Issues

 Green building construction/renovation	 Energy efficiency	 Climate adaptation and resilience	 Decarbonisation
 Resource and circularity	 Visitor/occupant health and wellbeing	 Renewable energy	 Indoor air quality



Performance (Environment)

Policies

Progress	Profile of Environmental Impacts	Climate Change
Energy	Resource and Circularity	Water
Building/Asset Investments	Biodiversity	Occupant Wellbeing

Policies

Our policies clearly set out our environmental principles, approaches and commitments.

GRI
301-3, 305-7

HKEX
Aspect A1, A2, A3, A4
KPI A3.1

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 life cycle of our developments by adopting appropriate technologies and influencing the behaviour of our tenants, employees, and other people with whom we work.

Waste Management 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.

Water Policy

This policy sets out our commitment to reducing water consumption intensity by designing and implementing efficient water management measures, ensuring the availability of water consumption data, complying with all water-related legal requirements, and other measures.

Biodiversity Policy

This policy sets out how we incorporate biodiversity considerations in 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. We believe these systems create a robust framework for managing our environmental and energy performance.



Performance (Environment)

Policies

Energy
Building/Asset Investments

Progress

Resource and Circularity

Profile of Environmental Impacts

Water Biodiversity

Climate Change

Occupant Wellbeing

Thought Leadership

We strive to provide guidance and leadership for the property sector in Hong Kong, throughout Asia Pacific and on a global level by sharing our experience and expertise at several conferences and seminars, including:

1. “Developing a Carbon Reduction Plan”, organised by The Hong Kong General Chamber of Commerce;
2. A carbon audit seminar for listed companies organised by the Environmental Protection Department and HKEX;
3. The Demystifying Science-based Targets webinar, organised by the SBTi;
4. The Translating Scope 1, 2 and 3 for Commercial Real Estate webinar, organised by the World Green Building Council;
5. The World Sustainable Built Environment Online Conference organised by the World Green Building Council;
6. The Business Environment Council Enviro-series Conference, where we presented on the topic of “Investing in a Resilient Built Environment and Resilience Strategy”; and
7. The Hong Kong Sustainability Award 2020/21 Seminar organised by the Hong Kong Management Association.



In 2020, the World Green Building Council’s Project Taskforce, of which we are a member, developed and launched the [Asia Pacific Embodied Carbon Primer](#). The document discusses how, in order to achieve net-zero emissions by 2050, the global building and construction sectors must work together to decarbonise the entire life cycle of built assets and reduce embodied carbon from new developments. Our case study in the report explores how Swire Properties’ science-based targets are addressing the issue of embodied carbon, and how we are working with our supply chain partners to adopt low-carbon construction materials for One Taikoo Place and establish specifications to source low-carbon materials for future developments.

[The Business Environment Council’s Low Carbon Charter Progress Report](#) also contains a comprehensive case study on our various decarbonisation actions.



Performance (Environment)

- Policies
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Progress

Our Performance (Environment) Working Group, which comprises 33 members from different functions within the Company, has developed key performance indicators for seven environmental and resource management focus areas.

In 2020, we achieved all of our 2020 KPIs for this Pillar, except for our water reduction targets for portfolios in Hong Kong and the Chinese mainland. Our progress is summarised in the table below.

Progress Summary Table



Climate Change

Climate Change

2020 KPI	Progress Updates in 2020
<ul style="list-style-type: none"> Establish a climate change policy Conduct climate risk assessments for all portfolios 	<ul style="list-style-type: none"> Our Climate Change Policy has been established. Our science-based targets (“SBTs”) were officially approved in 2019, making us the first real estate developer from Hong Kong and the Chinese mainland to establish long-term decarbonisation goals in line with the Paris Agreement. Completed detailed risk and resilience assessments at the asset level to evaluate the potential effects of the identified climate risks and identified enhancement measures to mitigate risks and build resilience across our portfolios. Continued to publish climate-related financial disclosures with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”).





Performance (Environment)

Policies **Progress** Profile of Environmental Impacts Climate Change
 Energy Resource and Circularity Water Biodiversity Occupant Wellbeing
 Building/Asset Investments

Carbon Management and Accounting

2020 KPI

- Establish a comprehensive carbon accounting framework for reporting and management purposes
- Complete pilot study to measure carbon emission from construction activities and embodied carbon from major buildings and construction

Progress Updates in 2020

- Completed the assessment of our Scope 3 emissions¹⁴ and established SBTs to manage the most significant sources of our Scope 3 emissions.
- The pilot study has been completed, and the results have been used to develop SBTs to manage embodied carbon for new development projects. A carbon accounting tool has also been developed and is being adopted by new development projects, where appropriate.

Decarbonisation

2020 KPI

- Reduction of carbon intensity¹⁵ (tonnes of CO₂e/m²):

↓ 27%

Hong Kong portfolio

↓ 21%

Chinese mainland portfolio

Progress Updates in 2020

- Reduction of carbon intensity (tonnes of CO₂e/m²):

↓ 44.1%

Hong Kong portfolio

↓ 42.2%

Chinese mainland portfolio

¹⁴ The GHG Protocol defines emissions as Scope 1, 2 or 3. Scope 1 emissions are direct greenhouse gas (“GHG”) emissions from sources that are owned or controlled by Swire Properties, such as emissions from natural gas, diesel and town gas burned onsite.

Scope 2 emissions are indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by Swire Properties.

Scope 3 emissions are indirect emissions that occur along Swire Properties’ value chains including both upstream and downstream emissions. Source: https://ghgprotocol.org/sites/default/files/standards_supporting/FAQ.pdf

¹⁵ Compared to the business-as-usual (“BAU”) baseline year of 2008 for our Hong Kong portfolio and the first BAU baseline year for which a complete calendar year of data was available for projects in our Chinese mainland portfolio.



Performance (Environment)

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Energy

Energy Reduction

2020 KPI	Progress Updates in 2020
<ul style="list-style-type: none"> Reduction of energy consumption¹⁶ (kWh/year): <p>↓ 26% <i>Hong Kong portfolio</i>¹⁷ ↓64 million kWh/year</p> <p>↓ 20% <i>Chinese mainland portfolio</i> ↓23 million kWh/year</p>	<ul style="list-style-type: none"> Reduction of energy consumption (kWh/year) <p>↓ 31.3% <i>Hong Kong portfolio</i> ↓77.8 million kWh/year</p> <p>↓ 23.4% <i>Chinese mainland portfolio</i> ↓28.1 million kWh/year</p>
<ul style="list-style-type: none"> Reduction of natural gas consumption¹⁸ (m³/year): <p>↓ 32% <i>Chinese mainland portfolio</i> ↓1.5 million m³/year</p>	<ul style="list-style-type: none"> Reduction of natural gas consumption (m³/year): <p>↓ 46.5% <i>Chinese mainland portfolio</i> ↓2.1 million m³/year</p> <ul style="list-style-type: none"> Continued to implement energy-saving measures throughout our Hong Kong and Chinese mainland portfolios and hotels.



¹⁶ Energy consumption refers to purchased electricity for the provision of shared services for and in the common parts of our buildings when compared to the BAU baseline year of 2008 for our Hong Kong portfolio.

¹⁷ Our Hong Kong portfolio refers to our office and retail portfolios and hotels in Hong Kong. The electricity consumption reduction target for our Hong Kong portfolio has been increased (i.e. made more stringent) on several occasions: from 40 million kWh in 2012 to 54 million kWh in 2013 and to 64 million kWh in 2015.

¹⁸ Compared to the first BAU baseline year for which a complete calendar year of data was available for each project.



Performance (Environment)

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Renewable Energy

2020 KPI

- Generate 2 to 4% of landlord’s building energy from renewable energy sources in selected new office developments

Progress Updates in 2020

- Approximately 2% of landlord’s building energy is supplied from renewable sources at One Taikoo Place.
- The renewable electricity generated by One Taikoo Place’s solar PV system is supplied back to the electricity grid in accordance with the feed-in tariff scheme approved by Hong Kong Electric Company (“HK Electric”).
- 100% of electricity at Sino-Ocean Taikoo Li Chengdu is now procured from [renewable sources](#).

Smart Energy System

2020 KPI

- Implement pilot energy management automation projects at four properties (two in Hong Kong, two in the Chinese mainland)
- Adopt facility management electronic databases in all investment portfolios

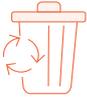
Progress Updates in 2020

- We implemented a cloud-based smart energy management platform at Cityplaza and Pacific Place in Hong Kong, INDIGO in Beijing and Taikoo Hui in Guangzhou.
- We plan to roll out a facility management platform for fit-out projects at Cityplaza mall. Upon getting the results of this pilot, we will evaluate its adoption for other retail portfolios.



Performance (Environment)

Policies **Progress** Profile of Environmental Impacts Climate Change
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Resource and Circularity

Policy

2020 KPI

- Establish a waste management policy

Progress Updates in 2020

- To complement our [Waste Management Policy](#) adopted in 2017, we are developing communication packages to enhance tenant awareness, as well as providing support through tenant meetings and training sessions.

Waste Diversion

2020 KPI

Waste diversion rates from landfills:

- Hong Kong portfolio (including hotels) **25%** of commercial waste
- Hong Kong (projects under development) **80%** of demolition waste and **60%** of construction waste
- Chinese mainland (projects under development) **50%** of total waste¹⁹
- Waste recycling rate: Chinese mainland portfolio (including hotels) **25%** of commercial waste

Progress Updates in 2020

Waste diversion rates from landfills:

- Hong Kong portfolio (including hotels) **25.0%** of commercial waste
- Hong Kong (projects under development) **84%** of demolition waste at Two Taikoo Place; **98%** of demolition waste at 21-31 Wing Fung Street, Wan Chai; **90%** of demolition waste at the Commercial Building Development at 46-56 Queen's Road East; **68%** of construction waste at One Taikoo Place; **66%** of construction waste at South Island Place
- Chinese mainland (projects under development) To be reported in 2021 after the expected completion of Taikoo Li Qiantan, a joint venture commercial project.
- Waste recycling rate: Chinese mainland portfolio (including hotels) **34.6%** of commercial waste



¹⁹ 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.



Performance (Environment)

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Water

Policy

2020 KPI

- Establish a water management policy

Progress Updates in 2020

- Adopted the [Water Policy](#) in 2019.

Risk Assessment

2020 KPI

- Complete water risk assessment

Progress Updates in 2020

- Assessments for all operations in Hong Kong, the Chinese mainland and Miami, U.S.A. have been completed.

Water Reduction

2020 KPI

- Reduction of water intensity²⁰:

↓ 20%

Hong Kong portfolio (m³/m²)

↓ 20%

Chinese mainland portfolio (m³/m²)

↓ 20%

Hotels (m³/guest night)

Progress Updates in 2020

- Reduction of water intensity:

↑ 33.1%

Hong Kong portfolio (m³/m²)

↓ 18.5%

Chinese mainland portfolio (m³/m²)

↓ 32.4%

Hotels (m³/guest night)



²⁰ Compared to the baseline year of 2016.



Performance (Environment)

Policies **Progress** Profile of Environmental Impacts Climate Change
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 Building/Asset Investments



Biodiversity

Policy

2020 KPI

- Establish a biodiversity policy

Progress Updates in 2020

- Adopted our [Biodiversity Policy](#) in 2019.

Integration

2020 KPI

- Establish guidelines to integrate biodiversity considerations into new developments

Progress Updates in 2020

- Completed an urban biodiversity study of our Taikoo Place redevelopment project. The results will help establish guidelines for new development projects.



Occupant Wellbeing

Indoor Air Quality (“IAQ”)

2020 KPI

- For common areas, **80%** of buildings in our Hong Kong portfolio achieve IAQ Excellent Class
- **80%** of buildings in our Chinese mainland portfolio fulfil local IAQ standard
- Conduct research to reduce indoor PM2.5 concentrations
- Conduct occupant wellbeing surveys for office, retail and hotels

Progress Updates in 2020

- For common areas, approximately **81%** 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.
- Completed measurements of indoor PM2.5 concentrations in selected hot spots and consolidated air filtration system information in our Hong Kong and Chinese mainland portfolios.
- A survey was conducted for Taikoo Place in 2020.





Performance (Environment)

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Building/Asset Investments

Environmental Building Assessment Schemes²¹

2020 KPI

- Target the highest environmental building assessment scheme rating for all projects under development²²

Progress Updates in 2020

- **100%** of projects under development achieved the highest ratings.

Hong Kong portfolio

- One Taikoo Place achieved Final Platinum under LEED Building Design and Construction: Core and Shell Development Version 2009 and Final Platinum under BEAM Plus New Buildings Version 1.2.
- The Commercial Building Development at 46-56 Queen’s Road East achieved Precertification Platinum under LEED Building Design and Construction: Core and Shell Development Version 4, Provisional Platinum for BEAM Plus New Buildings Version 2, and Platinum Precertification under WELL Core and Shell Version 1.
- EIGHT STAR STREET achieved Precertification Platinum for BEAM Plus New Buildings Version 2.

Chinese mainland portfolio

- INDIGO mall, ONE INDIGO and EAST Beijing achieved Final Platinum under LEED Operations and Maintenance Version 4.1, the first mixed-use development in the world to do so.
- Sino-Ocean Taikoo Li Chengdu achieved Final Platinum under LEED Operations and Maintenance Version 4.1.
- Taikoo Li Qiantan achieved Precertification Platinum under WELL Core and Shell Version 1, Precertification Gold under LEED for Building Design and Construction: Core and Shell Development Version 2009 and achieved China Green Building Design Label 2-star.

²¹ BEAM Plus/LEED/China Green Building Design Label/WELL Certification.

²² Projects under development refers to projects that are under construction or in the precertification stage. It does not include joint venture projects.



Performance (Environment)

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Profile of Environmental Impacts

HKEX
KPI A3.1

Carbon Emissions

In 2020, our total carbon emissions decreased by 11.7% compared to 2019. The carbon intensity in our Hong Kong portfolio, Chinese mainland portfolio and U.S.A. portfolio decreased compared to 2019.

GRI
305

HKEX
KPI A1.2, A1.5

The Company's largest source of carbon emissions under our control is Scope 2 emissions arising from purchased electricity. In our Hong Kong portfolio, this category of emissions increased by 3.5% compared to 2019 due to the inclusion of One Taikoo Place and South Island Place.

Carbon Emissions of Portfolio 2016-2020



Remarks:

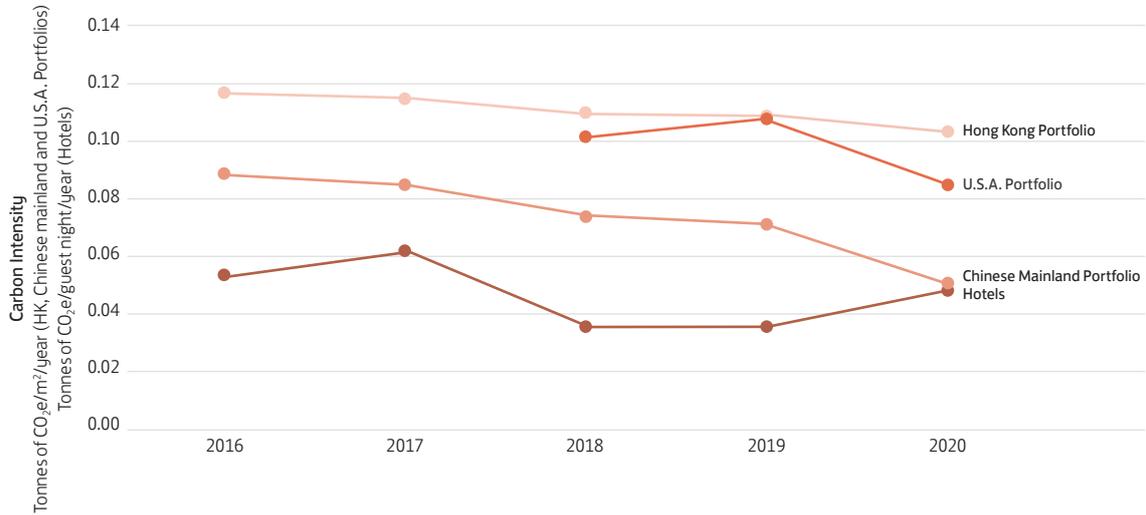
- Scope 2 emissions were quantified by the market-based method as defined by GHG Protocol.



Performance (Environment)

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- Occupant Wellbeing
- Building/Asset Investments

Carbon Intensity of Portfolio 2016-2020



Carbon Intensity

2020 Progress

2020 Target



Hong Kong Portfolio

↓ 44.1%

↓ 27%



Chinese Mainland Portfolio

↓ 42.2%

↓ 21%

Remarks:

- Carbon intensity reduction target references the BAU baseline year of 2008 for our Hong Kong portfolio. In our Chinese mainland portfolio, the BAU baseline is the first year for which a complete calendar year of data was available for the project.



Performance (Environment)

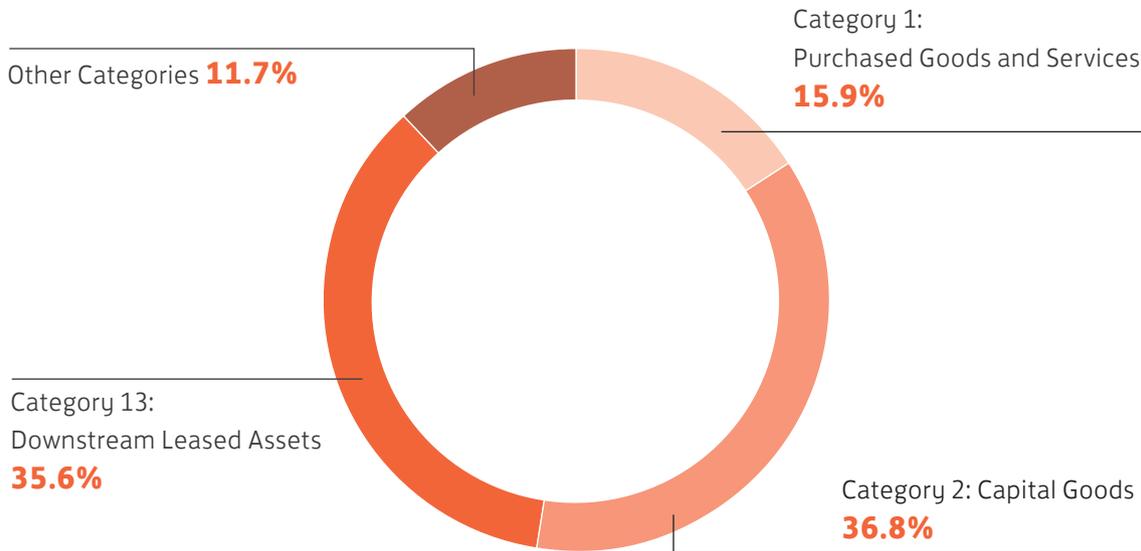
- Policies
- Progress
- Profile of Environmental Impacts**
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Carbon Emissions — Scope 3

Swire Properties is conscious of our direct and indirect emissions at various stages along the value chain. Besides measuring Scope 1 (i.e. direct carbon emissions from energy combustion onsite) and Scope 2 carbon emissions (i.e. indirect carbon emissions from electricity purchased and used), we conducted a comprehensive review of Scope 3 emissions (i.e. indirect emissions that occur along the value chain) to understand our sources of emissions and identify the material categories for management and reporting.

From our review, we have identified that the most significant sources of our Scope 3 emissions are Category 2 – Capital Goods and Category 13 – Downstream Leased Assets, as categorised by the GHG Protocol:

Scope 3 Emissions by Category



To address the two most significant categories of Scope 3 emissions, we have established [science-based reduction targets](#) to reduce emissions generated by capital goods and downstream leased assets by 25% and 28% per square metre respectively by 2030.

To present a more holistic view of the Company’s carbon footprint along the value chain, the disclosure of our Scope 3 emissions is included in this report and will be reported from 2020 onwards. 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, particularly if they represent an increasing portion of our total carbon footprint.



Performance (Environment)

Policies Progress **Profile of Environmental Impacts** Climate Change
 Energy Resource and Circularity Water Biodiversity Occupant Wellbeing
 Building/Asset Investments

Energy Consumption

In line with the reduction of energy consumption²³ in our Hong Kong portfolio between 2008 and 2020, energy use intensity decreased by 34% from 199 kWh per square metre (“kWh/m²”) per year to 131 kWh/m² per year over the same period.

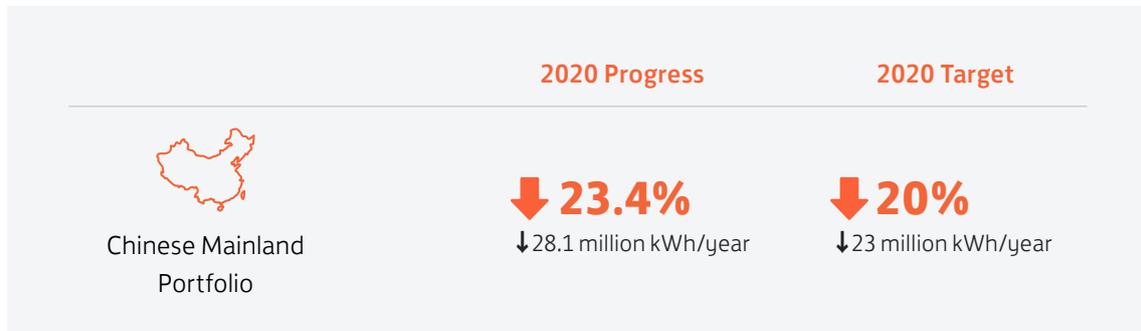
By 31st December 2020, we had reduced annual energy consumption in our Hong Kong portfolio by 77.8 million kWh compared with 2008, meeting our 2020 reduction target.

GRI
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HKEX
KPI A2.1, A2.3



We also met our 2020 energy reduction target in the Chinese mainland. Between 2010 and 2020, energy intensity in our Chinese mainland portfolio decreased by 38% from 156 kWh/m² per year to 96 kWh/m² per year. By 31st December 2020, we had reduced our annual energy consumption in our Chinese mainland portfolio by 28.1 million kWh compared with the business-as-usual (“BAU”) scenario²⁴.



²³ Energy consumption refers to electricity consumption for the provision of shared services for and in the common parts of our buildings.

²⁴ Refers to the amount in the first complete calendar year in which energy consumption data are collected from each project.



Performance (Environment)

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Water Use

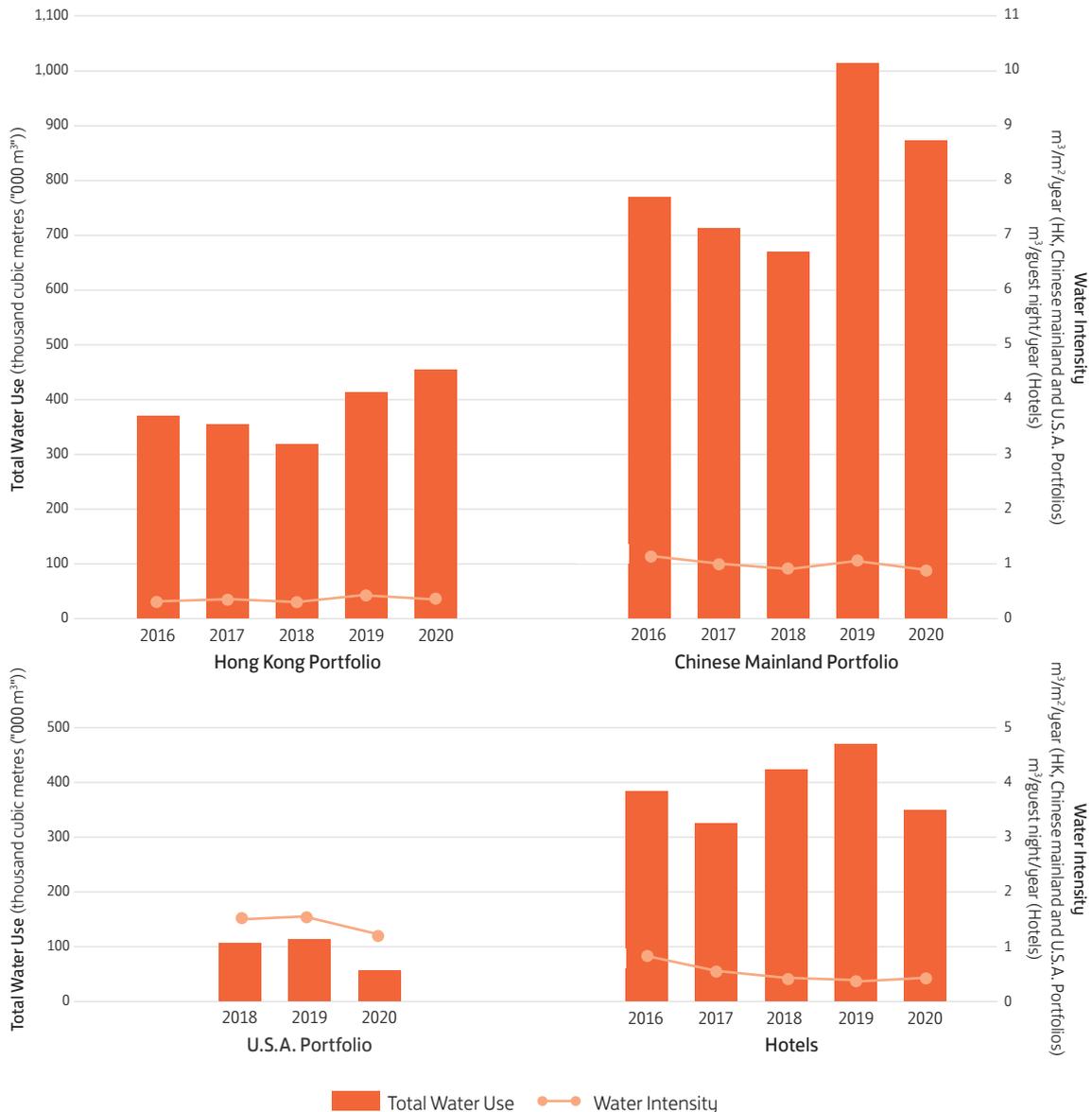
In 2020, total water use in our Hong Kong portfolio increased due to the inclusion of One Taikoo Place and South Island Place. We also attribute the increase in part to fresh water being used to replenish flushing water due to leakage of an underground flushing water pipe. Replacement work was completed in March 2021 after liaison with multiple government departments, district councillors and an estate management company representing 12,000 residential units.

Total water use in our Chinese mainland portfolio, U.S.A. portfolio and hotel operations decreased in 2020. We attribute this decrease, in part, to COVID-19.

GRI
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HKEX
KPI A2.2, A2.4

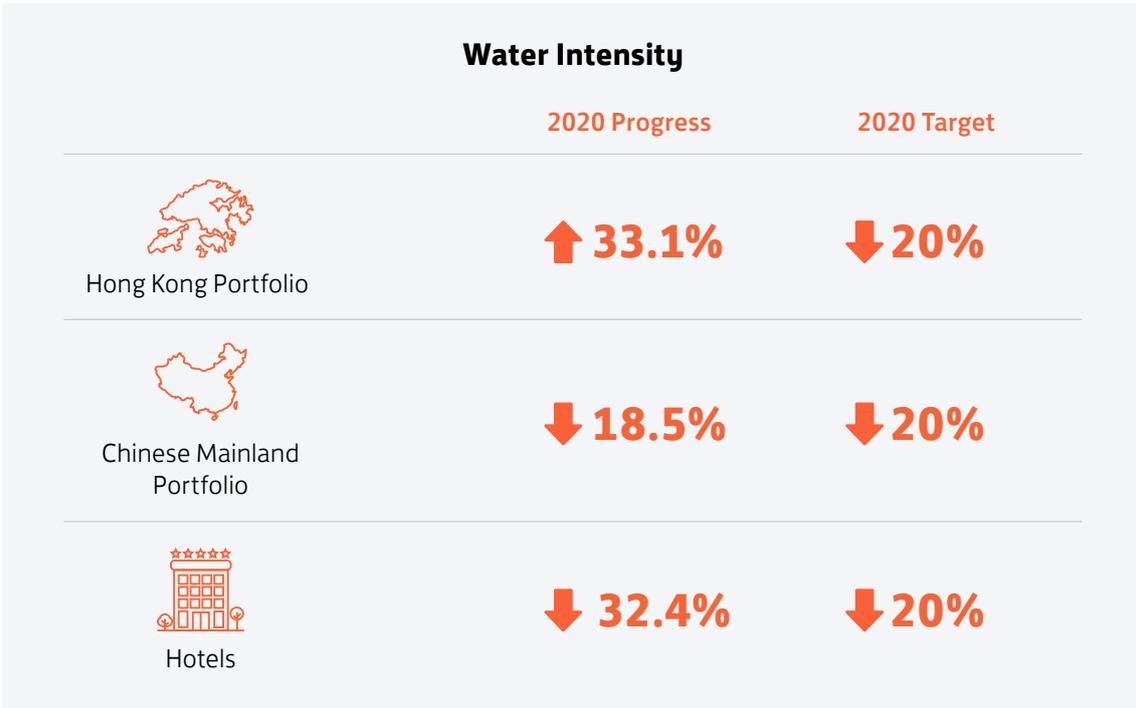
Total Water Use and Water Intensity of Portfolio 2016-2020





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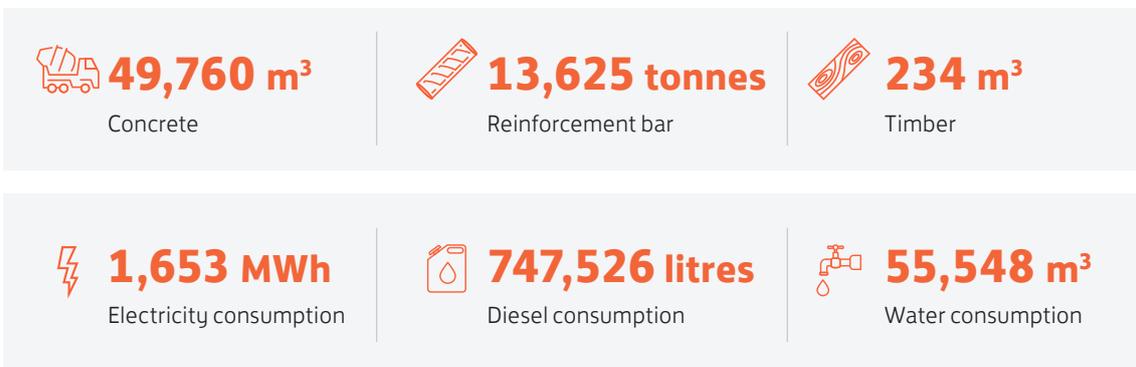


Remarks:

- 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; our U.S.A. portfolio refers to our office and retail portfolios in the U.S.A., excluding hotels.
- Water intensity reduction targets reference the water consumption baseline year of 2016.
- The 2018 total water use and water intensity of U.S.A. portfolio has been adjusted to exclude tenants' water use.
- The 2019 total water use and water intensity of Hong Kong portfolio and Hotels have been adjusted to reflect the actual water consumption in November and December 2019. The Water Supplies Department delayed the issuance of these water bills due to the outbreak of COVID-19 in early 2020.

Materials Used By Projects Under Development in 2020

GRI
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Remarks:

- Projects under development refers to projects that are under construction or in the precertification 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

We recognise 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.

GRI 305

HKEX Aspect A1, A2, A3, A4 KPI A1.5, A3.1, A4.1

Committed to Business Ambition for 1.5°C



In December 2020, Swire Properties signed on to the Business Ambition for 1.5°C campaign, the first real estate company in Hong Kong and the Chinese mainland to pledge support to the campaign. Led by the Science Based Targets initiative in partnership with the United Nations

Global Compact, this commitment requires us to ramp up our previously set science-based targets (“SBT”) to align with the 1.5°C pathway and will be critical to supporting the delivery of a “net-zero emissions” economy by 2050. This also echoes the recent pledges of the Hong Kong Government and the Chinese mainland Central Government to achieve carbon neutrality.

Climate Change Policy

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.

As the largest source of carbon emissions under our control is Scope 2 emissions arising from purchased electricity, our management approaches to climate mitigation and energy are closely aligned. In addition to improving the energy efficiency of our buildings, we strive to adopt renewable energy, both onsite and offsite, where feasible, particularly in our Chinese mainland portfolio.



Performance (Environment)

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Making Progress Towards our Science-Based Targets

We are the first real estate developer in Hong Kong and the Chinese mainland to commit to the Science Based Targets initiative (“SBTi”). Our SBTs were approved in November 2019, establishing a long-term decarbonisation trajectory for our portfolios around the world that are in line with the Paris Agreement.

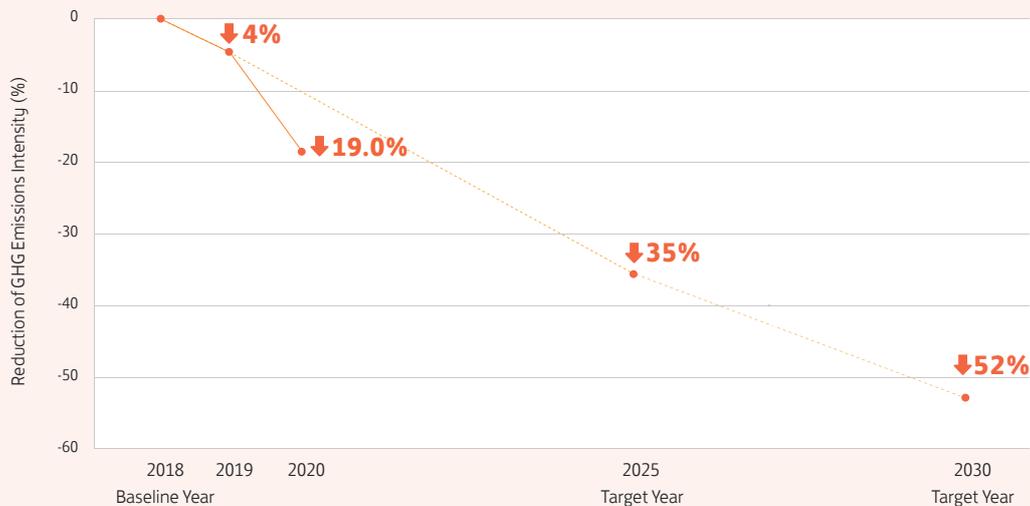


These approved SBTs are:

Scope 1 and 2 GHG Emissions Intensity	Scope 3 GHG Emissions Intensity	Scope 3 GHG Emissions Intensity
<p>↓ 35% per sqm, by 2025</p>	<p>Downstream Leased Assets</p>	<p>Capital Goods</p>
<p>↓ 52% per sqm, by 2030</p>	<p>↓ 28% per sqm, by 2030</p>	<p>↓ 25% per sqm, by 2030</p>
<p>from a 2018 baseline</p>	<p>from a 2018 baseline</p>	<p>from a 2016-2018 baseline</p>

In 2020, we continued to make progress towards meeting these SBTs:

2020 progress against SBT Scope 1 and 2 targets for 2025 and 2030





Performance (Environment)

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Scope 1 and 2 Emissions

In 2020, we reviewed and defined [energy reduction targets and strategies](#) for individual portfolios to support our SBTs. The respective financial requirements have also been incorporated into the annual budgeting process.

This year, our Sino-Ocean Taikoo Li Chengdu development became [100% powered by renewable electricity](#), reaching net-zero carbon in annual electricity consumption for both landlord and tenant operations.

Meanwhile, we are continuing to adopt innovative low-carbon technologies and management practices and investing in energy research and development through our ongoing partnership with [Tsinghua University](#).

Scope 3 Emissions – Downstream Leased Assets

A 27.8% reduction was observed in 2020, which was attributed to:

- Tenant operations in Sino-Ocean Taikoo Li Chengdu became powered by 100% renewable electricity in 2020;
- Improvement in tenants' energy use intensity; and
- Remote working of some tenants due to COVID-19.

Scope 3 Emissions – Capital Goods

We completed a pioneer study of the cradle-to-site carbon footprint data of One Taikoo Place during its construction. This was completed with technical support from a research team from the Hong Kong University of Science and Technology's Department of Civil and Environmental Engineering and the experience supplied us with knowledge to establish a carbon accounting tool for measuring embodied carbon in future new development projects. Our experience with embodied carbon accounting has been shared with the industry practitioners in an [academic paper](#) published at the 8th International Conference on Innovative Production and Construction.

In 2020, we established performance-based targets on embodied carbon for concrete, rebar and structural steel for future projects in Hong Kong. The targets were informed by comprehensive market research and liaison with industry associations such as the Construction Industry Council.

We also started to include low-carbon procurement specifications, which were developed in accordance with international standards such as ISO 14067²⁵ for construction materials such as concrete with pulverised fuel ash ("PFA") or ground granulated blastfurnace slag ("GGBS"), rebar and structural steel with recycled content. At the Two Taikoo Place construction site,

²⁵ ISO 14067 Greenhouse gases — Carbon footprint of products — Requirements and guidelines for quantification



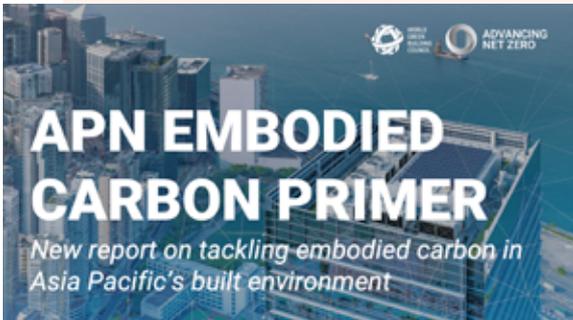
Performance (Environment)

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our main contractor introduced a battery storage system to power the tower cranes, reducing carbon emissions and air pollution. At the same time, the concrete used in Two Taikoo Place is Platinum-certified under the Construction Industry Council Green Product Certification.

Our progress against the SBT Scope 3 – Capital Goods target will be reported upon the completion of Two Taikoo Place in 2022.

SPL Participates in the Launch of the Asia Pacific Embodied Carbon Report



We believe that in order to achieve net-zero emissions by 2050, the global building and construction sector must work together to decarbonise the entire lifecycle of built assets and reduce the embodied carbon of new developments.

In 2020, Swire Properties participated in the World Green Building Council's Project Taskforce to develop and launch the [Asia Pacific Embodied](#)

[Carbon Primer](#). This report features a case study on how our science-based targets address the issue of embodied carbon and how we are working with our supply chain partners to adopt low-carbon construction materials for One Taikoo Place and establish specifications to source low-carbon materials for future developments.



Performance (Environment)

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Completion of our Climate Risk Assessment

In 2020, we completed our comprehensive climate risk assessment to identify the key risks posed by climate change to our business operations as well as the business opportunities arising from new climatic conditions.



Physical Risks

We conducted asset-level modelling of both the acute and chronic physical risks associated with various climate scenarios, in selected timeframes from the immediate term to the distant future – 2025, 2030, 2050, and 2100. We also undertook 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.

Our 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; and
- Installing smart monitoring systems.

Some of these resilience measures will also be incorporated into the planning and design stage of new developments in order to ensure our assets will continue to be resilient under different future climate scenarios.

Transition Risks and Opportunities

We comprehensively reviewed global, national and local government policies, 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 the 2°C climate scenario. These include tightened building energy codes and guidelines, increased market demand for green and energy efficient properties and climate resilient properties.



Performance (Environment)

Policies	Progress	Profile of Environmental Impacts		Climate Change
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Building/Asset Investments				

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:

- 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; and
- Engaging our supply chain, tenants and other relevant stakeholders in climate resilience and sustainability initiatives.

We are also initiating a quantitative assessment of the potential financial impacts of our key identified transition risks and opportunities which will inform our risk management and strategic planning. For more information, please refer to our [Climate-related Financial Disclosures](#).



Performance (Environment)

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Energy

We strive to continually reduce the consumption of energy in our Hong Kong and Chinese mainland portfolios and in our hotel operations. In 2020, we adopted a variety of technologies and strategies to achieve this objective.

Some of our properties generate renewable energy onsite, using it for operations and in one case, feeding power back into the electricity grid. The relevant SDG is:



SDG 7

Ensuring access to reliable and sustainable energy.

GRI 302

HKEX KPI A1.5, A2.3, A3.1

Renewable Energy

Onsite Renewable Energy Generation

One of our 2020 KPIs is to generate 2 to 4% of landlord’s building energy from renewable energy sources in selected new office developments. At One Taikoo Place, we installed solar PV panels and a waste-to-energy tri-generation system, which is estimated to supply renewable energy equivalent to approximately 2% of landlord’s building energy.



Following the introduction of a new feed-in tariff scheme by HK Electric in 2019, starting from October 2019, the renewable energy generated by One Taikoo Place’s solar PV system is being supplied back to the electricity grid in accordance with the feed-in tariff scheme.

We continue to explore other ways of increasing onsite renewable energy generation across our portfolio, such as installing solar PV panels on the roofs of INDIGO, Taikoo Hui and Taikoo Li Sanlitun. We also installed additional high efficiency solar PV panels at INDIGO in 2019.

Renewable Energy Generated in 2020

200,000 kWh INDIGO	32,700 kWh Taikoo Hui	4,000 kWh Taikoo Li Sanlitun	135,500 kWh One Taikoo Place
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Performance (Environment)

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Offsite Renewable Energy

In 2020, our Sino-Ocean Taikoo Li Chengdu development became powered by 100% renewable electricity, making Swire Properties one of the first companies in Sichuan Province to achieve “net-zero carbon” in its annual electricity consumption for landlord and tenant operations.

Sino-Ocean Taikoo Li Chengdu progressively increased the use of renewable energy sources in its procured electricity mix and has obtained 70% of its electricity from renewable sources since 2018. Earlier this year, the Sichuan Provincial Government implemented a new policy that allows enterprises to procure renewable electricity generated by hydro power, solar and wind power through contracting with a registered power retailer. The new policy enabled Sino-Ocean Taikoo Li Chengdu to obtain the remaining 30% of its electricity from renewable sources to achieve net-zero carbon.

Besides enabling the reduction of Sino-Ocean Taikoo Li Chengdu’s overall CO₂e emissions by approximately 7,000 tonnes each year, this transition has also increased the renewable electricity mix in our Chinese mainland developments to over 36%.

Smart Energy Management Platform



Co-developed with Schneider Electric, our cloud-based smart energy management platform was launched in 2019 and is being rolled out in phases. The platform will ultimately be used in all our Hong Kong and Chinese mainland properties.

Utilising the Internet of Things, big data analysis, artificial intelligence and cloud computing, the platform leverages building operations data to generate energy management and energy saving insights.

Collecting data primarily from the building management system of existing buildings, the platform securely connects data to the cloud-based system in real time, processing it and visualising it in various formats – charts, dashboards, reports, and more to deliver various benefits, including:

- Continuing our digital transformation of energy management systems;
- Working towards energy saving and decarbonisation;
- Enhancing operational efficiency and reducing costs; and
- Delivering smart operations.



Performance (Environment)

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Energy-saving Strategies

Monitoring-based Commissioning of Heating, Ventilating and Air Conditioning (“HVAC”) Systems to Optimise Building Operation

- One Island East
- 28 Hennessy Road
- Three Pacific Place

Implementation of Cloud-based Smart Energy Management Platforms to Track and Optimise Energy Consumption

- Pacific Place
- Cityplaza
- Taikoo Hui
- INDIGO

Retro-commissioning of HVAC Systems and Energy Audits to Improve Heating and Cooling Efficiency

- Cityplaza
- EAST Beijing
- HKRI Taikoo Hui
- The Temple House

Upgrading of HVAC Air Handling Units; Replacement of Conventional Fans with Electronically-commutated Motor Plug Fans to Increase Efficiency and Reliability

- Pacific Place Mall – Completed a retrofit of 7 conventional fans (estimated annual energy savings: 50,000 kWh)
- Taikoo Place – Devon House, Dorset House and PCCW Tower – completed a retrofit of 39 conventional fans (estimated annual energy savings: 460,000 kWh)
- Taikoo Hui (estimated annual energy savings: 120,000 kWh)
- INDIGO (estimated annual energy savings: 650,000kWh)

Carpark Ventilation Upgrade to Electronically Commutated Motor Plug Fans to Increase Efficiency and Reliability

- Pacific Place Carpark (estimated annual energy savings: 500,000 kWh, to be realised in the next two years)



Performance (Environment)

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Installation of High-efficiency Oil-free Magnetic Bearing Chillers that Use Less Energy and Eliminate Handling and Disposal of Lubricating Oil and Oil Filters

- Taikoo Li Sanlitun (estimated annual energy savings: 3,000,000 kWh to be realised in the next four years)

Installation of Automatic Tube Cleaning System to Ensure Efficient Heat Transfer in Chillers

- Devon House and Cambridge House (estimated annual energy savings: 106,000 kWh)

Installation of High-efficiency Chillers Containing Non-ozone-depleting Refrigerants

- Cityplaza (estimated annual energy savings: 210,000 kWh)

Installation of Variable Speed Drive Condensing Water Pumps

- Two Pacific Place and Pacific Place Mall (estimated annual energy savings: 524,000 kWh)
- HKRI Taikoo Hui (estimated annual energy savings: 740,000 kWh)
- INDIGO (estimated annual energy savings: 990,000 kWh)

Replacement of Lighting with Energy-efficient Light Emitting Diodes to Improve Efficiency and Reduce Cooling Loads

- Cityplaza Mall (estimated annual energy savings: 14,000 kWh)
- Sino-Ocean Taikoo Li Chengdu (estimated annual energy savings: 220,000 kWh)
- EAST Hong Kong (estimated annual energy savings: 63,000 kWh)
- The Temple House (estimated annual energy savings: 47,000 kWh)

Replacement of Split-type Air-conditioning Units with New Models Containing Non-ozone-depleting Refrigerants

- Cityplaza – replacements are ongoing

Lift Modernization

- One Pacific Place and Two Pacific Place (estimated annual energy savings: 292,000 kWh)

Our tenants' electricity consumption accounts for approximately 50 to 60% of our total building energy consumption. We work closely and continuously with our tenants to help them reduce their electricity use, for example, by conducting [free energy audits](#) to identify opportunities for improvement.



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Continuing our Collaboration with Tsinghua University

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 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 extended this partnership for another three years in May 2019. Together, both teams are working to push the boundaries of traditional building management by developing new artificial intelligence (“AI”) technologies, improving IAQ control measures, increasing the generation and use of renewable energy, and other measures to make our portfolios even more energy efficient and sustainable.

In 2020, highlights of our partnership included:

- Retro-commissioning of HVAC systems at Cityplaza and HKRI Taikoo Hui;
- Energy audits and identification of energy management opportunities at The Temple House and EAST Beijing;
- Development of AI technologies for plant optimisation and smart facility management; and
- Development of water saving strategies for condensing water systems.



Transforming Building Operations through the Neuron Platform



This collaboration between Swire Properties and engineering firm Arup aiming to transform building operations at One Taikoo Place was awarded Silver at the 2019 Hong Kong Green Innovations Awards. The smart platform, called “Neuron”, was developed by Arup and tested and implemented for the first time at One Taikoo Place. Employing artificial intelligence and the Internet of Things, Neuron serves as the “digital brain” of the building. The system can analyse and learn from large historical data sets to discover trends, perform energy forecasts, optimise building systems, detect faults and allow predictive maintenance.



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Resource and Circularity

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

Our [Waste Management 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.

This year, we began to review the policy to highlight the value of rethinking resource use and promoting circularity, 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 well before resources are used; thus supporting our transition to a circular economy.

Concurrently, 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 – continue to meet regularly to evaluate our resource management strategies, analyse waste data 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.

25.0%

Commercial waste diversion rate in our Hong Kong portfolio

34.6%

Commercial waste recycling rate in our Chinese mainland portfolio

Total Amount of Waste Recycled

3,049 tonnes

Hong Kong portfolio

7,596 tonnes

Chinese mainland portfolio



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Deepening Tenant Participation in Food Waste Recycling Initiatives



Food waste is a significant component of the waste sent to landfill in Hong Kong. Since 2005, when we 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 2020, we collected more than 7,000 tonnes of food waste from our Hong Kong and Chinese mainland portfolios and hotels.

In Hong Kong, we introduced food waste recycling to South Island Place and the new Citygate Outlets extension. At Citygate, Cityplaza, Taikoo Place, Pacific Place, and Island Place, over 70% of food and beverage tenants participated in food waste recycling. Most of the food waste collected goes to the Hong Kong government’s O-Park for conversion into compost and biogas.

We are also promoting the recycling of food waste and coffee grounds to our office tenants. This year, the number of tenanted floors participating in these programmes quadrupled.

Communication is key to raising awareness and getting more tenants involved. In 2020, we issued an informative waste e-newsletter to office and retail tenants in Hong Kong, suggesting practical actions that tenants can adopt to “greenify” their workplace. In parallel, new eye-catching posters were created to help tenants properly recycle paper, plastics, metals, glass bottles, and food waste.

In the Chinese mainland, we worked closely with tenants to prepare for the introduction of compulsory garbage sorting in Beijing in such ways as advising on the placement of new recycling bins.



Performance (Environment)

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Upgrading Refuse Rooms with Smart Technology

Over 90% of the waste generated in our office and retail portfolio comes from building users like our tenants. In 2020, we introduced a number of initiatives on tenant premises that use smart technology to better understand waste generation behaviours and find ways to reduce it.

Both Taikoo Li Sanlitun and INDIGO in Beijing introduced a smart bin system in their refuse rooms. The system at Taikoo Li Sanlitun was made contactless to maintain hygiene, with the bins opened via an access card.



At both properties, smart scales are embedded in the systems to capture the disposal time, type of waste and weight. Data is then collated and made available through a mobile application.

Meanwhile, between May and September 2020, Taikoo Place ran a Smart Waste Pilot Programme in collaboration with tenants to measure tenant recycling rates and seek improvement opportunities. Around 90% of office tenants in Lincoln House participated in this five-month pilot, where waste and recyclables generated by tenants were monitored via a smart scale, QR code scanner and cloud-based web platform.

With support from the [Swire Pacific Sustainable Development Fund](#), we will continue to explore the use of smart technologies to monitor tenant waste generation and tailor our tenant-facing circularity initiatives.



Performance (Environment)

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Making our “Waste Less” Philosophy More Visible

In addition to ongoing efforts to reduce and recycle waste, this year we encouraged our portfolios and hotels to develop new initiatives to raise environmental awareness among our employees, guests and the public. These included:

At EAST Hong Kong,

- Reduction of waste generated by guestroom renovation, with unwanted furniture and other items donated to NGOs;
- Guests can now order food from a digital menu accessible with QR code – a contactless solution which also reduces paper wastage;
- We began upcycling glass bottles into toothpick and napkin holders, table lights and holiday decorations.



At The Upper House,

- Donated soap to an NGO that recycles soap;
- Introduced electronic press readers to reduce daily newspaper waste; and
- Began collecting and recycling food waste at staff canteens and food preparation kitchens.

At Taikoo Place, Christmas decorations – including Christmas trees – were made out of natural wool this year. After the holidays, the decorations were dismantled and the wool was collected and will be used in upcycled knit projects, with our NGO partners, Taikoo Place tenants and Community Ambassadors in 2021.



Performance (Environment)

- Policies
- Energy
- Building/Asset Investments
- Progress
- Resource and Circularity**
- Profile of Environmental Impacts
- Water
- Biodiversity
- Climate Change
- Occupant Wellbeing

Initiatives to Reduce and Recycle Single-use Items



To reduce reliance on single-use items at our properties and promote reuse, in 2020, we launched a smart reusable cup system at Taikoo Place in partnership with a start-up company.

This mobile-enabled system allows users to borrow a reusable cup at participating café partners and return the used cups to any of five locations across Taikoo Place. The returned cups are professionally washed and sanitised and restocked at the cafés daily. Over November and December, we avoided the disposal of more than 2,000 disposable coffee cups.

Also this year, Swire Hotels implemented a wide range of initiatives to reduce their consumption of single-use plastics, including:

- Retrofitting over 500 rooms at EAST Hong Kong, EAST Beijing and EAST Miami hotels with a water filtration system to phase out plastic water bottles;
- Replacing plastic water bottles with glass bottles in rooms at The Middle House;
- Changing to wooden key cards and amenities made from bamboo at EAST Beijing;
- Offering single-use toiletries on request only at The Opposite House; and
- Installing a filtered water dispenser at the gym at The Upper House.

Apart from reducing and reusing, we also promote circularity by supporting the recovery of single-use plastics. In 2020, we continued to support the “Tap, Return, Earn” campaign. The campaign’s smart plastic beverage bottle deposit machines set up at The Loop at Taikoo Place and near the Town Square at Citygate Outlets have collected more than 792,000 plastic bottles for recycling since September 2019.





Performance (Environment)

- Policies
- Progress
- Profile of Environmental Impacts
- Climate Change
- Energy
- Resource and Circularity
- Water**
- Biodiversity
- Occupant Wellbeing
- Building/Asset Investments

Water

We monitor water consumption in our buildings and utilise water saving mechanisms such as water meters, water flow regulators, automatic taps and automatic flush toilets and urinals. We encourage our employees and tenants to save water. Our tenants are also encouraged to have in place internal guidelines on fresh and flushing water to 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

In 2019, we established our [Water Policy](#) which focuses on reducing our water consumption intensity. Pursuant to this policy, we aim to design and implement efficient water management measures across our operations and encourage our employees and tenants to consume water responsibly, among other action items.

Water Recycling

Several of our properties have grey water treatment and recycling systems in place.

The system at Oxford House, Taikoo Place collects, treats and reuses pantry wastewater from office tenants for cleaning purposes, at an annual recycling volume of 300m³. Several Chinese mainland properties including Taikoo Hui, 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 and One Island East also have rainwater collection systems that collect rainwater which is then recycled and used to irrigate the gardens and green spaces.



Performance (Environment)

Policies Progress Profile of Environmental Impacts Climate Change
 Energy Resource and Circularity **Water** Biodiversity Occupant Wellbeing
 Building/Asset Investments

Water Saving Pilot Scheme



To promote water efficiency and raise awareness about the importance of conserving water, we launched a Water Saving Pilot Scheme in June 2020. We have 14 office tenants currently participating in the scheme, which involves installing water efficient fittings and smart water sub-meters to monitor water consumption on their premises to help us understand water consumption behaviour and explore opportunities to reduce water consumption. The scheme received a positive response, and the data collected from the meters will be used to inform future water saving strategies.

Sustainable Bathrooms at Taikoo Hui

Taikoo Hui in Guangzhou redesigns and renovates one set of bathrooms each year. This year, the mall’s M floor bathrooms were redesigned using a garden theme. As with previous bathroom retrofits, this redesign included a variety of features that reduce water consumption:

- Waterless urinals equipped with special filtration systems to eliminate odour;
- New low-flush toilets that reduce the volume of flushing water from 7 litres per flush to 4.8 litres per flush;
- Bathroom faucets are equipped with integrated, energy efficient hand dryers, eliminating paper use;
- Projected overall water savings: around 1,969 m³ per year.





Performance (Environment)

- Policies
- Progress
- Profile of Environmental Impacts
- Climate Change
- Energy
- Resource and Circularity
- Water
- Biodiversity**
- Occupant Wellbeing
- Building/Asset Investments

Biodiversity

Anchored by our [Biodiversity Policy](#), we integrate biodiversity considerations into our operations by undertaking relevant biodiversity assessments, minimising any adverse impacts of our operations on biodiversity and ecosystems.

Taikoo Place Biodiversity Study

Completed in June 2020, our biodiversity study of the Taikoo Place redevelopment project aimed to evaluate the state of urban biodiversity after the completion of the redevelopment.

Conducted in partnership with a professor from the University of Hong Kong, the study’s objectives were to:

- Develop a baseline of the biodiversity of the current Taikoo Place;
- Evaluate the urban biodiversity after the completion of the Taikoo Place redevelopment project; and
- Propose measures in the master landscape plan to further enhance urban biodiversity in the future.



The study involved an extensive literature review and a baseline survey of the biodiversity in the Taikoo Place area.

The initial results of the study revealed that:

- The Taikoo Place redevelopment project allowed the creation of a substantial landscaped area, amounting to 35% of Taikoo Place, which is highly beneficial from an urban forestry perspective; and
- The inclusion of large-sized native tree species has made Taikoo Place more attractive to urban biodiversity.

We plan to integrate these study results into our future planning and operations by evaluating and improving the planting schedule and landscape plan for Taikoo Square and Taikoo Garden.



Performance (Environment)

- Policies
- Energy
- Building/Asset Investments
- Progress
- Resource and Circularity
- Profile of Environmental Impacts
- Water
- Biodiversity**
- Climate Change
- Occupant Wellbeing

Biodiversity Preservation at Rocky Bank



Rocky Bank is a residential redevelopment project which will see six existing semi-detached houses turned into two luxury detached houses.

Occupying about one-third of the site area is a natural slope with lush vegetation. Before the commencement of the redevelopment, a biodiversity study was carried out on the site to preserve biodiversity and minimise the ecological impacts of the work.

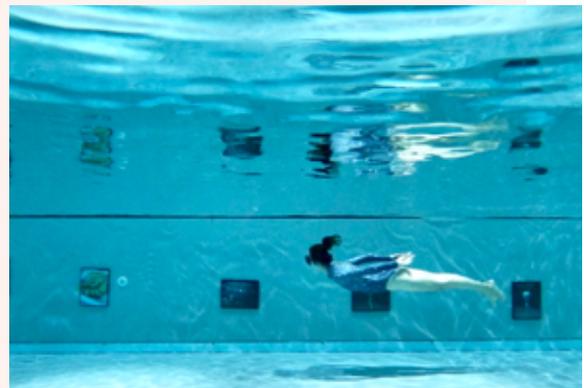
A professor from the University of Hong Kong was appointed to conduct a baseline biodiversity study, including a plant and animal survey of the site, and a design review focusing on assessing the project’s ecological impacts.

Some study suggestions include:

- Endeavouring to keep the site’s back slope undisturbed; and
- Transplanting two small plant species of high biodiversity value to another location onsite that will not be disturbed by construction work.

Participating in Shark Week

At The Middle House, as part of International Shark Week, the hotel organised an underwater exhibition called “Honour The Fins”, inviting nine famous chefs to speak out against eating shark fin products. The event also featured a collection of sustainable swimwear engineered from reclaimed fishing nets and consumer plastics. All proceeds were dedicated to shark and ocean conservation.





Performance (Environment)

- Policies
- Progress
- Profile of Environmental Impacts
- Climate Change
- Energy
- Resource and Circularity
- Water
- Biodiversity
- Occupant Wellbeing
- Building/Asset Investments

Occupant Wellbeing

We aim to operate and maintain our buildings and workspaces in a way that promotes occupant health and wellbeing. The relevant SDG is:



SDG 3

Ensuring healthy lives and promoting wellbeing.

GRI 416

HKEX Aspect B6 KPI B6.4

Continuously Monitoring Indoor Air Quality



This year, we extended the footprint of our smart real-time IAQ monitoring system to include main lift lobbies in our office buildings (One Pacific Place, Two Pacific Place, Three Pacific Place, 28 Hennessy Road and One Taikoo Place), which monitor temperature, relative humidity, CO, CO₂, PM2.5 and PM10 particulates, total volatile organic compounds (“TVOC”) and ozone levels. This indoor air quality system was installed and implemented with reference to the WELL standard. We plan to install a similar system to

other buildings in our Hong Kong portfolio in the near future.

At HKRI Taikoo Hui, we conducted a three-month trial of a real-time IAQ monitoring network that measured parameters such as temperature, humidity, CO₂, PM2.5 and PM10 particulates, TVOC, formaldehyde, and ozone. The sensors for the trial were installed in passenger lift cars, passenger lift lobbies, supply air ducts and in tenant premises on the trial floors. Data from the network is being collected, stored and analysed.



Performance (Environment)

Policies Progress Profile of Environmental Impacts
 Energy Resource and Circularity Water Biodiversity
 Building/Asset Investments

Climate Change
Occupant Wellbeing

Building Design for Occupant Wellbeing

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 and minimise 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.

Apart from monitoring occupant wellbeing in existing buildings, we are also introducing enhanced wellness initiatives in several of our new projects.

Commercial Building Development at 46-56 Queen’s Road East

- IAQ sensors in all passenger lift lobbies to provide real-time IAQ readings;
- Exercises space provided in the semi-open Sky Garden and Landscape Garden to promote an active and healthy lifestyle;
- Touchless lift access for passenger lifts to reduce the risk of infection;
- UVC lamps in all AHUs and escalators to sterilise handrail belts;
- Internal window blinds in tenant areas to mitigate sunlight glare;
- Ionisation sterilisers in all lift cars to suppress odours, VOCs and viruses; and
- Filtered drinking water dispensers on each office floor.



Artist’s impression

Two Taikoo Place

Our newest Hong Kong development, Two Taikoo Place was planned to be not only a sustainable building but also to consider occupant health and community sustainability aspects. Specific features will include:

- Air filtration using MERV-13 filters, active carbon filters, and UVC lamps for all AHUs to eliminate PM2.5, VOCs and viruses;
- Ionisation sterilisers in all lift cars to suppress odours, VOCs and viruses;
- IAQ sensors on all floors to provide real-time IAQ readings to occupants;
- Automated building entrance doors, automated office toilet entry doors and automated cubicle doors in podium toilets to enhance hygiene through a hands-free experience;
- “Air buttons” to enable touch-free lift calling;
- Panoramic 3m wide façade to optimise natural daylight;
- High performance office light panels to optimise light quality at desk level; and
- Interior sky gardens and exterior landscaped gardens to improve the work environment and allow deeper connections to nature.



Performance (Environment)

- Policies
- Energy
- Building/Asset Investments
- Progress
- Resource and Circularity
- Profile of Environmental Impacts
- Water
- Biodiversity
- Climate Change
- Occupant Wellbeing**

Utilising Technology to Purify Office Air Supply



In May 2020, photoplasma air purification devices were installed in the AHUs of the ONE INDIGO office building. The devices produce photoplasma in the air conditioning ducts, kill bacteria and biological pollutants in the air on indoor surfaces – including desktops, buttons, door handles, and others – and at the same time degrade harmful chemicals in the air. This provides tenants with extra protection during a time when health and sanitation concerns are high, reducing the chance of infection and

providing a high-quality and safe indoor environment for building occupants. In August 2020, the use of the devices was expanded and installed in all the AHUs of INDIGO Mall as well.

Testing after installation resulted in formaldehyde values being reduced by 2-8%, total VOCs values being reduced by 15-40%, and bacteria count being reduced by 8-66%.

This new type of photoplasma air purification technology was also trialled at HKRI Taikoo Hui. The devices were installed in passenger lift cars and in the AHUs of two office floors in HKRI Centre Two. The trial lasted from October to December 2020, and third-party field sampling tests will be conducted to further verify the results and effectiveness.

UVC lamps were installed in the AHUs at One Taikoo Place to sterilise indoor air and keep the cooling coils and drain pans in AHUs free from germs and contamination. These installations were a springboard for a feasibility study on incorporating UVC lamps into the AHUs of all our existing buildings. In early 2020, the first trial was carried out on one floor of One Island East in Taikoo Place, producing positive results showing that these lamps reduced airborne bacteria levels by 59%. Subsequently, in part to proactively address tenant concerns over the COVID-19 pandemic, this initiative was expanded to all buildings in Taikoo Place.



Performance (Environment)

- Policies
- Progress
- Profile of Environmental Impacts
- Climate Change
- Energy
- Resource and Circularity
- Water
- Biodiversity
- Occupant Wellbeing
- Building/Asset Investments

New Experience Lounge at Taikoo Li Qiantan

Late in 2020, we revealed the design of the Experience Lounge for Taikoo Li Qiantan. The 4,600 sq ft open-plan lounge showcases the planning and design of the complex and takes visitors on a “wellness journey” that demonstrates Taikoo Li Qiantan’s commitment to providing a quality lifestyle experience for visitors.

At the opening, Alan Lo, Portfolio General Manager at Taikoo Li Qiantan said,



“ *The concept of wellness has been infused throughout every feature - from planning and design to the meticulous curation of trade-mix, arts and culture - creating an unparalleled experience for visitors. Our vision for Taikoo Li Qiantan is to respond to people’s desire for a high-quality, healthy and sustainable lifestyle, with a wellness-focused destination; a space for people to relax, recharge, refresh and re-imagine.* ”

Taikoo Li Qiantan will feature a double-deck open space on both the ground level and the rooftop. The ground level features an 86,000 sq ft central green axis, spanned by an 80-metre-long scenic bridge with a view of Qiantan Park and the Huangpu River. The rooftop features a 450m running track with greenery and leisure spaces that connect to the surrounding retail shops.



Performance (Environment)

Policies Progress Profile of Environmental Impacts Climate Change
 Energy Resource and Circularity Water Biodiversity Occupant Wellbeing
Building/Asset Investments

Building/Asset Investments

As part of our management approach to identify and manage 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.

We support green building development as part of the Building/Asset Investments focus area. 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

We employ an integrated design approach to our projects in accordance with the requirements of several internationally-recognised standards and rating schemes, requiring members of our projects and operations teams to work together in areas ranging from building design to construction and operation.

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 to achieve the relevant certifications.

These schemes include:

- **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
- **China Green Building Design Label**, issued by the Ministry of Construction in the Chinese mainland
- **WELL**, a certification scheme developed by the International WELL Building Institute

Green Buildings as a Percentage of our Portfolio

100%

of projects under development²⁶ achieved the highest ratings of green building certification

97%

all existing buildings²⁷ are certified green buildings, of which **85%** have achieved the highest ratings

²⁶ “Projects under development” refers to projects that are under construction or in the precertification stage. It does not include joint-venture projects.

²⁷ Measured as the percentage of total GFA.



Performance (Environment)

- Policies
 - Progress
 - Profile of Environmental Impacts
 - Climate Change
 - Energy
 - Resource and Circularity
 - Water
 - Biodiversity
 - Occupant Wellbeing
- Building/Asset Investments**

Type and Number of Green Building Certification, Rating and Labelling Schemes, as at 31st December 2020

<p>37</p> <p>buildings²⁸ earned BEAM or BEAM Plus certification, with 30 of those achieving the highest ratings (Excellent or Platinum)</p>	<p>38</p> <p>buildings earned LEED certification, achieving either Platinum or Gold ratings</p>	<p>2</p> <p>mixed-use developments achieved Gold ratings under the LEED for Neighbourhood Development</p>
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²⁸ Refers to buildings that were built after BEAM was established in 1996 and that are either managed or at least 50% owned by Swire Properties. Small-scale, low-rise buildings in the same development are counted as one building and not as individual buildings.

Green Buildings Certified in 2020



BEAM Plus

One Taikoo Place

- Final Platinum (New Buildings Version 1.2)

Commercial Building Development at 46-56 Queen’s Road East

- Provisional Platinum (New Buildings Version 2.0)

EIGHT STAR STREET

- Provisional Platinum (New Buildings Version 2.0)



LEED

One Taikoo Place

- Final Platinum (Building Design and Construction: Core and Shell Development Version 2009)

Commercial Building Development at 46-56 Queen’s Road East

- Precertification Platinum (Building Design and Construction: Core and Shell Development Version 4)



China Green Building Design Label

Taikoo Li Qiantan

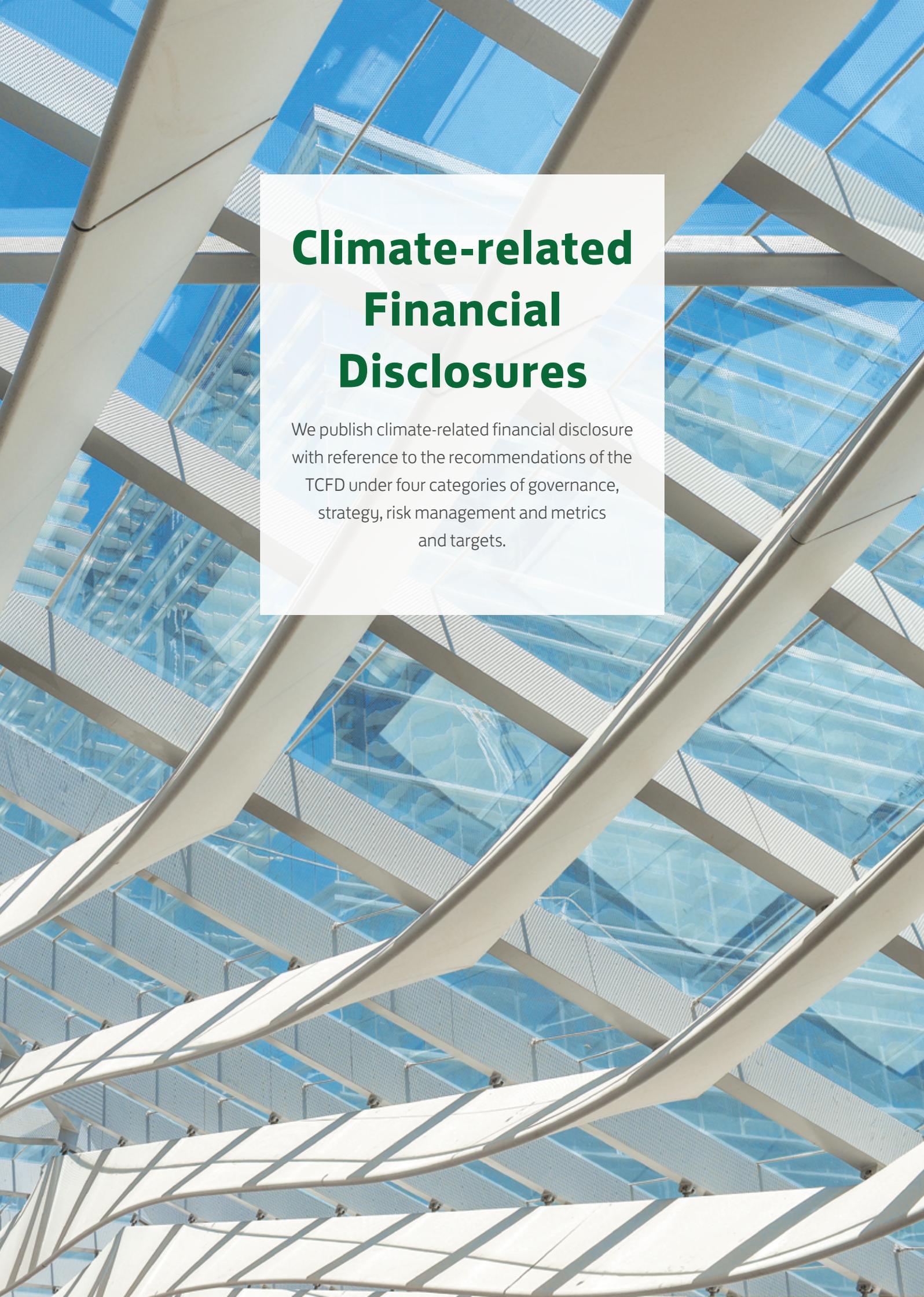
- 2-star



WELL

Commercial Building Development at 46-56 Queen’s Road East

- Platinum Precertification (Core and Shell) v1



Climate-related Financial Disclosures

We publish climate-related financial disclosure with reference to the recommendations of the TCFD under four categories of governance, strategy, risk management and metrics and targets.

Climate-related Financial Disclosures

In 2015, the Financial Stability Board (“FSB”)²⁹ 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. Our disclosures are set forth in the following pages.

Governance	Strategy	Risk Management	Metrics and Targets
SPL's Governance around climate-related risks and opportunities	Addressing the actual and potential impacts of climate-related risks and opportunities related to the Company's businesses, strategy, and financial planning	How we identify, assess and manage climate-related risks	The metrics and targets used to assess and manage relevant climate-related risks and opportunities material to SPL

²⁹ The FSB is an international body that monitors and makes recommendations about the global financial system.

Governance

Strategy

Risk Management

Metrics and Targets

Governance

SPL's Governance around climate-related risks and opportunities

Our SD Steering Committee is chaired by our Chief Executive. Other members are the Finance Director and five members of our senior management from the development and valuations, human resources and administration, portfolio management and technical services and sustainable development departments. The Chairman of the SD Steering Committee reports relevant SD matters, including climate-related issues, to the Board on a quarterly basis.

The SD Steering Committee meets quarterly and, in accordance with its [terms of reference](#), has the following overall responsibilities related to climate change:

- Review the Company's SD 2030 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 or energy/carbon management; and
- Review on an annual basis the performance of the Company in achieving our energy/carbon intensity reduction targets and other climate change- and energy-related KPIs.

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 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.

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 interview and 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 in the [Performance \(Environment\) Pillar](#) of our SD 2030 Strategy.

Governance

Strategy

Risk Management

Metrics and Targets

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 2020, 100% of new projects under development achieved the highest green building rating, 97% of all existing buildings were certified green buildings and over 98% of our 2020 gross rental income came from certified green buildings.

Under our SD 2030 Strategy, one of our 2020 KPIs is to generate 2 to 4% of landlord's energy from onsite [renewable energy sources](#) in selected new office developments. We are also committed to exploring new procurement options for offsite renewable energy for our portfolio, where feasible. In 2020, our Sino-Ocean Taikoo Li Chengdu development became powered by 100% renewable electricity, achieving net-zero carbon in its annual electricity consumption for both landlord and tenant operations.

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. In 2019, our science-based targets ("SBTs") were officially approved, making us the first real estate developer from Hong Kong and the Chinese mainland to establish long-term decarbonisation goals in line with the Paris Agreement for our global portfolio.

These approved [SBTs](#) are:

- Reduce Scope 1 and 2 greenhouse gas ("GHG") emissions by 35% per sqm by 2025 and by 52% per sqm by 2030 (compared to the 2018 baseline).
- Reduce Scope 3 GHG emissions from downstream leased assets by 28% per sqm by 2030 (compared to the 2018 baseline).

Governance

Strategy

Risk Management

Metrics and Targets

- Reduce Scope 3 GHG emissions from capital goods by 25% per sqm by 2030 (compared to the 2016-2018 baseline).

In December 2020, Swire Properties also committed to the Science Based Targets initiative’s Business Ambition for 1.5°C campaign, and we are working to ramp up our science-based targets to align with the 1.5°C trajectory, in order to contribute to the transition to a net-zero emissions economy.

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. In May 2019, we extended our partnership for another three years.

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 (“PFA”) or ground granulated blast-furnace slag (“GGBS”), 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. 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](#) that provides information on projects funded by the green bonds and their estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts. In 2020, approximately 30% of the bond and loan facilities arranged by the Company’s Hong Kong head office were in a green format.

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 property technology, to foster application of innovative technology solutions relevant to the real estate sector. In 2020, we established a new US\$50 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.

Governance

Strategy

Risk Management

Metrics and Targets

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 to 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 associated with the four Representative Concentration Pathways (RCP 2.6, 4.5, 6 & 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 4°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, e.g. existing flood prevention systems and façade conditions; system redundancy, e.g. 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 of 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.

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.

Governance

Strategy

Risk Management

Metrics and Targets

Transition Risks and Opportunities

Regarding the global transition to a low-carbon economy, in accordance with the TCFD’s recommendations, we have reviewed global and local government policies, and regulatory, market and technological trends based on different climate scenarios such as the International Energy Agency’s 2°C Scenario (“IEA 2DS”). We have identified a number of risk and opportunity drivers that may have financial impact on our business under the IEA 2DS which are outlined in the table below.

Policies and Regulations

Risk and Opportunity Drivers	Potential Financial Impacts
1. Tightened building energy codes and guidelines	<ul style="list-style-type: none"> Increased capital investment and expenditures to meet these requirements
2. Increased ambition of national decarbonisation strategies and road maps	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Increased expenditures for compliance
4. More stringent public disclosure requirements	<ul style="list-style-type: none"> Increased expenditures for meeting these new requirements Need to attract green investment and diversify financing sources

Governance

Strategy

Risk Management

Metrics and Targets

Market, Reputation and Liability

Risk and Opportunity Drivers	Potential Financial Impacts
1. Increased market demand for climate resilient properties	<ul style="list-style-type: none"> Increased revenue due to shift in market preference
2. Increased market demand for green and energy efficient properties	<ul style="list-style-type: none"> Increased revenue due to potentially higher rental premiums for green buildings
3. Increased tenant demand for energy efficiency and data transparency	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Attract green investment and diversify financing sources
5. Potential increase in insurance premiums	<ul style="list-style-type: none"> Increased expenditures due to increased insurance premiums
6. Increased exposure to reputation and litigation risks	<ul style="list-style-type: none"> Decreased revenue due to shifts in market preferences

Supply Chain

Risk and Opportunity Drivers	Potential Financial Impacts
1. Greater adoption of low-carbon construction materials	<ul style="list-style-type: none"> Increased material procurement expenditures
2. Limited resource availability and higher pricing	<ul style="list-style-type: none"> Increased expenditures due to higher energy costs

Governance

Strategy

Risk Management

Metrics and Targets

Technology and Innovation

Risk and Opportunity Drivers	Potential Financial Impacts
1. Increased adoption of green and low-carbon technology	<ul style="list-style-type: none"> Increased capital investments in technology Decreased operating costs due to improved energy efficiency
2. Increased adoption of renewable energy	<ul style="list-style-type: none"> Increased capital investment in renewable energy systems Increased revenue from selling generated renewable energy to power companies

Analysis shows that our current business and sustainability strategies will allow us to effectively manage these identified transition risks and capture the opportunities from the transition to a net-zero economy. These strategies include:

- Science-based Targets to drive long-term decarbonisation;
- Investment in and development of certified green buildings with best-in-class energy efficiency and climate resilience;
- Investment in renewable energy throughout our portfolio;
- Wide application of innovative green technologies;
- Commitment to green financing; and
- Engaging our supply chain, tenants and relevant stakeholders in climate resilience and sustainability.

In 2020, we initiated a quantitative assessment of the potential financial impacts of our key identified transition risks and opportunities that will inform our risk management and strategic planning.

We are also assessing our 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.

Governance

Strategy

Risk Management

Metrics and Targets

Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities material to SPL

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.

Financial category	Climate-related category	Metric	Unit of measure	2018	2019	2020
Revenues	Risk Adaptation and Mitigation	Proportion of total attributable gross rental income by certified green building (office and retail properties)	%	>95%	>95%	>98%
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%
Expenditures	Risk Adaptation and Mitigation	Sustainable procurement spend	HK\$	217 million	48 million	1,196 million
Expenditures	Risk Adaptation and Mitigation	Expenditures on energy efficiency / low-carbon projects supported by green bond proceeds	HK\$	116 million	31 million	19 million
Expenditures	Risk Adaptation and Mitigation	Expenditures on renewable energy supported by green bond proceeds	HK\$	11 million	2 million	1 million
Expenditures	Risk Adaptation and Mitigation	Expenditures on sustainable water and wastewater management supported by green bond proceeds	HK\$	8 million	3 million	/
Expenditures	Energy/Fuel	Total electricity consumption	MWh	287,365	307,948	291,977

Governance Strategy Risk Management **Metrics and Targets**

Financial category	Climate-related category	Metric	Unit of measure	2018	2019	2020
Expenditures	Energy/Fuel	Proportion of electricity consumption from renewable sources	%	10.6%	13.2%	14.3%
Expenditures	Energy/Fuel	Building energy intensity by gross floor area	kWh/m ² /year	142 HK Portfolio	139 HK Portfolio	127 HK Portfolio
				101 Chinese mainland Portfolio	101 Chinese mainland Portfolio	96 Chinese mainland Portfolio
				221 U.S.A. Portfolio	237 U.S.A. Portfolio	204 U.S.A. Portfolio
Expenditures	Energy/Fuel	Building carbon intensity by gross floor area	Tonnes of CO ₂ e/m ² /year	0.111 HK Portfolio	0.109 HK Portfolio	0.103 HK Portfolio
				0.074 Chinese mainland Portfolio	0.073 Chinese mainland Portfolio	0.053 Chinese mainland Portfolio
				0.102 U.S.A. Portfolio	0.109 U.S.A. Portfolio	0.085 U.S.A. Portfolio
Assets	Risk Adaptation and Mitigation	Percentage of existing buildings which are certified green buildings	%	92%	97%	97%
Assets	Risk Adaptation and Mitigation	Percentage of projects under development which are certified green buildings	%	100%	100%	100%
Assets	Risk Adaptation and Mitigation	Expenditures for green building development supported by green bond proceeds	HK\$	2,987 million	733 million	669 million

Performance (Economic)

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





Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations



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

Top Material Issues



Corporate governance



Long-term financial performance/value



Risk management



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

Progress

This year, our Performance (Economic) Working Group, made up of 12 representatives from different functions within the Company, worked to achieve our 2020 KPIs in the focus areas under this Pillar: Financial Performance, Green Financing, Corporate Governance, Risk Management, Disclosure and Reporting, and Investor Relations.

In 2020, we achieved all of our 2020 KPIs. We plan to augment our SD-related economic policies, particularly those relating to green financing, as we work towards our [2025 and 2030 KPIs](#). Our progress this year is summarised in the table below.

Progress Summary Table

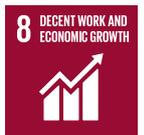


Financial Performance

Underlying Profit | Dividends | Gearing Ratio and Credit Rating

Progress Update in 2020

- Details of our financial performance for the year ended 31st December 2020 are available in the [Swire Properties Annual Report 2020](#)



Green Financing

Green Bonds

2020 KPI

- Review, develop and issue Swire Properties' first green bond

Progress Updates in 2020

- As at the end of 2020, approximately 30% of our current bond and loan facilities came from green financing. Our first green bond was issued in January 2018 and raised US\$500 million for green projects. We launched four more green bonds in 2020. Our [Green Finance Report](#) was published in December 2020.



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

Green Bonds

2020 KPI

- Review, develop and issue Swire Properties' first green bond

Progress Updates in 2020

- In 2020, we converted two existing loans into sustainability-linked loans and secured another HK\$1 billion sustainability-linked loan. These loans have interest rates indexed against improvements in the Company's year-on-year ESG performance.
- In August 2020, we secured a five-year HK\$1 billion green loan facility which will fund ongoing green building developments and allow us to adopt technologies that will save energy and water and reduce waste.

Internal Fund

2020 KPI

- Participate in the Swire Pacific SD Fund

Progress Updates in 2020

- Two innovative pilot projects related to waste management and energy efficiency have received funding approval and are currently being implemented.



Corporate Governance

Whistleblowing Policy

2020 KPI

- Follow best practice whistleblowing policy

Progress Updates in 2020

- SPL's [Whistleblowing Policy](#) came into effect in November 2018.

Anti-bribery and Anti-corruption

2020 KPI

- Annual bribery and corruption risk review by the Executive Committee ("EXCOM")

Progress Updates in 2020

- An anti-bribery questionnaire covering the 2020 reporting period has been submitted to EXCOM for review.



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

Responsible Investment

2020 KPI

- Incorporate SD criteria into our investment assessment process

Progress Updates in 2020

- In Hong Kong, we developed and adopted a new due diligence checklist with SD criteria to underpin more structured and systematic processes for responsible investment.

Executive Compensation

2020 KPI

- Continually review executive compensation through the Remuneration Committee

Progress Updates in 2020

- The Remuneration Committee continually reviews executive compensation.
- We have established corporate SD performance metrics that are linked to the Chief Executive's variable compensation for 2021. The metrics include performance targets for health and safety, and energy management.



Risk Management

ERM System

2020 KPI

- Review ERM System, including corporate risk identification, review and mitigation processes
- Integrate SD factors into corporate risk analysis

Progress Updates in 2020

- We completed the update of our Corporate Risk Register to incorporate additional SD-related risks and integrate SD factors into our corporate risk analysis.
- Any SD-related risks identified in future materiality assessments will be considered and integrated into our Corporate Risk Register, if deemed appropriate.



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

Business Recovery Plan (“BRP”)

2020 KPI

- Conduct a BRP drill exercise once every two years or on an as-needed basis
- Ensure all portfolios have local crisis response plans in place

Progress Updates in 2020

- A BRP drill was conducted in 2019 and a business recovery team training workshop for alternate team members was conducted in 2020.
- A cyber incident simulation exercise was conducted for members of our incident response team.
- Local crisis response plans are in place for all portfolios.



Disclosure and Reporting

Disclosure Benchmarks and SD Indices

2020 KPI

- Disclose SD information in accordance with requirements of relevant major global sustainability benchmarks

Progress Updates in 2020

- We continued to participate in various [sustainability benchmarks and indices](#)



Investor Relations

Direct

2020 KPI

- Meet regularly with investors specialising in Environmental, Social and Governance (“ESG”) investments

Progress Updates in 2020

- With in-person events being cancelled for much of 2020, we instead arranged a webinar in June 2020 for more than 60 investors and analysts. Senior management provided updates on SD 2030 and sustainability-related achievements.



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

Indirect

2020 KPI

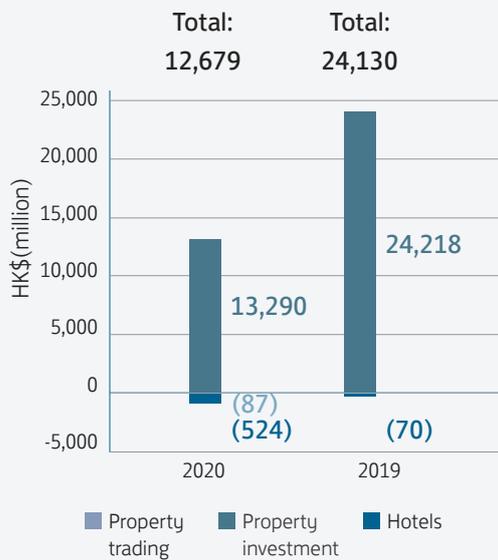
- Actively participate in investor-led ESG platforms

Progress Updates in 2020

- We continued to participate in investor-led platforms, such as GRESB, from which we received a five-star rating.

Financial Highlights for 2020

Underlying profit/(loss) by segment



Aggregate GFA attributable to the Group*

~27.3 million sq ft

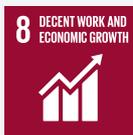
Gearing ratio*

2.3%

Credit rating*

A
Fitch

A2
Moody's



Our focus area on Financial Performance aligns with:

SDG 8

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

*At 31st December 2020



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

Corporate Governance

GRI
102-18, 102-23

We are 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.

The 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; and
- 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 EXCOM, which is chaired by the Chief Executive and comprises two Executive Directors and ten 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 2020](#)



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

Ethics

Corporate Code of Conduct

GRI
102-16, 102-17

HKEX
KPI B7.2

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

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 2020, there were no reported cases regarding breaches of the Code.

Whistleblowing Policy

HKEX
KPI B7.2

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 are to contact either our human resources and administration department, their immediate supervisor, the Swire Group Internal Audit Department (“GIAD”) or make a report through our whistleblowing platform hosted by a third-party service provider, which includes a 24-hour hotline service. Third parties who 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.

In 2020, we received a total of six whistleblowing reports. All cases were related to operational issues and they 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.



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

Anti-Corruption Practices

We have a strict policy of compliance with anti-bribery laws in every applicable jurisdiction. Our employees are not permitted to offer or accept advantages for the purpose of influencing business decisions, to make any form of payment to officials, or to grant, guarantee or accept loans from any person or organisation with whom we have business dealings.

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 2020, there were no concluded legal cases regarding corrupt practices brought against the Company or its employees.

Our employees in Hong Kong, the Chinese mainland, Singapore and Jakarta 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 an anti-bribery refresher training at least once every two years.

In 2020, approximately 5,300 hours of anti-bribery related training were conducted for employees across the Company. Additionally, 100% of our directors completed anti-bribery and anti-corruption training in 2020.

GRI
205

HKEX
Aspect B7
KPI B7.1, B7.2, B7.3

Product Responsibility

We are committed to ensuring that our marketing and communications materials comply with 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 business.

Please refer to the [Partners](#) section of this report for information about our Data Management and Protection Policy (Customer Data).

HKEX
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 dealings with competitors and third parties, avoiding 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 the relevant Hong Kong employees.

In 2020, there were no legal actions related to anti-competitive behaviour brought against Swire Properties.



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

Information and Cyber Security

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 Data Privacy and Security Policy. We have adopted a cyber security framework that 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. In 2020, a cyber incident simulation exercise was conducted with our incident response team members. To further mitigate these risks, we also include data protection obligations in contracts with third-party data processors.

Finally, we regularly implement comprehensive trainings for our employees related to information security and cyber security. In 2020, we offered 4,680 hours of such training.



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

Risk Management and Internal Controls

GRI
102-11, 102-30,
201, 403

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take to achieve the Company’s strategic objectives and for ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems.

Risk Governance Framework

Under our risk management framework, 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.

As summarised in the following diagram, the Board oversees management of the design, implementation and monitoring of risk management and internal control systems. Management provides confirmation to the Board, through its Audit Committee, on the effectiveness of these systems.



The management of risks is subject to audit by GIAD with support from specialist external consultants, where necessary.



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

Completing the Review of 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 incorporates SD-related risks, such as climate-related risks. We have also integrated SD factors into our corporate risk analysis.

In 2019, we held a workshop to identify new risks and evaluated their potential impacts on the business. To validate the findings, in 2020 we conducted a risk dimensioning workshop and two virtual risk identification workshops with business unit leaders and department heads in Hong Kong and the Chinese mainland respectively. The major risks of the company were reviewed, validated and ranked in the workshops. A new dashboard format for the Corporate Risk Register was also adopted, facilitating a clearer and more precise presentation of our risk profile.

Risk Profile

The following table provides an overview of our risk profile, including what we consider to be Swire Properties’ principal existing and emerging risks, possible associated impacts, and mitigation measures that are in place or under development. Many of these mitigation measures refer to activities discussed in more detail elsewhere in this report.

Existing Risks and Possible Impacts	Mitigation Measures
<p>Business Disruption</p> <p>Severe disruption to the business caused by acts of humans or acts of nature may lead to adverse financial impacts.</p>	<ul style="list-style-type: none"> • The Business Recovery Plan (“BRP”) for major incidents and other business compliance measures for specific scenarios, operational emergencies, health and safety is in place. • Ensure properties in earthquake and hurricane zones are built to meet the relevant building codes and safety standards. • Purchase insurance to the extent practicable to cover financial losses due to property damages, business interruption and third-party liability.
<p>Political Risks</p> <p>Changes in global and local political landscape and priorities may lead to significant impacts on the business environment.</p>	<ul style="list-style-type: none"> • Closely monitor social media and government public affairs. • Ensure compliance with applicable laws and regulations, including internal guidelines and policies.



Performance (Economic)

Progress
Green Financing

Corporate Governance
Investor Relations

Risk Management and Internal Controls

- Maintain robust corporate governance practices through various oversight functions, including audits, risk management, company secretaries, legal counsel, independent non-executive directors and SD 2030 working groups.

Business Risks

The lack of compelling development projects and any business disruption may lead to a slowdown in business pipeline affecting financial performance.

- Continue to obtain suitable land reserves, reinforce existing portfolios and actively explore opportunities in emerging markets.
- Closely monitor the market development of disruptive business models and embed these into our operations as appropriate.
- Maintain competitiveness by enhancing efficiency and automation with the appropriate technology for customer-related and operational procedures.

Brand and Image

The failure to maintain brand position and brand perception may lead to a reduced business profile and less competitive proposition.

- Ensure consistent, responsible and responsive communication in handling major incidents to safeguard the Company's reputation, drawing reference from the BRP.
- Closely monitor social media to evaluate and provide responses to any negative social media content as appropriate.
- Conduct regular materiality analyses to identify and anticipate current and future economic, political, social or environmental issues that may lead to group-wide negative reputational impacts.

Development Risks

Delays in the completion of developments may cause substantial financial impacts on property sales and leasing.

- Closely monitor and manage construction progress and contractors in order to avoid delays in project development.
- Implement stringent prequalification assessments of contractors and approval mechanisms for design changes.
- Build in additional time during development planning to obtain statutory approvals and communicate with government authorities on a timely basis.



Performance (Economic)

Progress
Green Financing

Corporate Governance
Investor Relations

Risk Management and Internal Controls

Climate Change

Extreme weather conditions and climate changes may increase the risks of physical damage to properties and adversely affect their valuations.

- A [Climate Change Policy](#) is in place.
- Conduct [climate risk assessments](#) for all portfolios.
- Science-based targets that aim to achieve long-term decarbonisation have been established.
- [Monitor and reduce carbon emissions](#) from construction activities and embodied carbon from major building and construction materials.



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

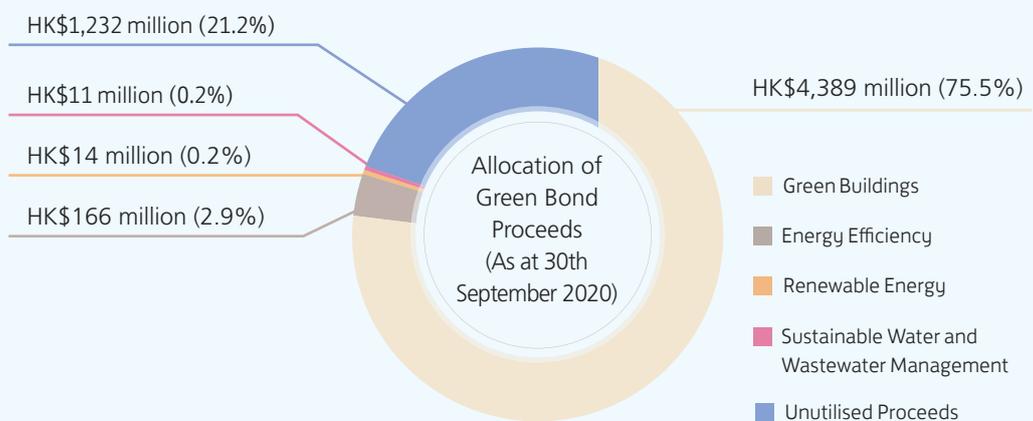
Green Financing

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 SD, and to designing and developing sustainable projects that improve the wellbeing of building occupants and local communities.

Allocation of Green Bond Proceeds

The issuance of our first green bond in January 2018 symbolised our deep and on-going commitment to SD. The bond raised US\$500 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 HK\$1,934 million.

As at 30th September 2020, 78.8% of the net proceeds from these green bonds had been allocated to the following green projects:



In 2020, we issued our [Green Finance Report](#) which provides information on the bonds' green projects and estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts, among others.



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

Extending our Sustainability-linked Loan Profile

In July 2019, we secured our first sustainability-linked loan, making Swire Properties the first company in Hong Kong to launch a financing mechanism where the interest rate is indexed against improvement in its year-on-year environmental, social and governance (“ESG”) performance.

The agreement with Crédit Agricole Corporate and Investment Bank converted an existing five-year revolving credit facility of HK\$500 million, dated August 2017, into a sustainability-linked loan, with the interest rate being indexed against improvement in the Company’s year-on-year ESG performance.

The bank will grant a reduction in the interest rate each year based on whether:

- We retain our listing on the DJSI World; and
- We achieve a target reduction in energy use intensity, measured in kWh/m² each year, for our Hong Kong portfolio.

In 2020, we made separate agreements with Standard Chartered Bank and DBS to convert a total of HK\$2 billion in conventional loans into sustainability-linked loans and secured another HK\$1 billion sustainability-linked loan with DBS. These loans will follow a similar structure, with the interest rates reduced if the Company meets the two criteria above.

These loans will be used to finance green projects, including advanced energy-saving technologies and green buildings, and also for investments that support SPL’s SD 2030 Strategy targets.

Green Loan Further Boosts Green Financing

In August 2020, Swire Properties secured a five-year HK\$1 billion green loan facility with OCBC Bank. Our first green loan will fund on-going green building developments and allow us to adopt technologies that can save energy and reduce waste and water usage.

One of the projects that will benefit from the loan is Two Taikoo Place – the companion triple Grade-A office tower to One Taikoo Place – which is set to open in 2022. The new tower is being built to the highest green building and wellness standards, incorporating many green features in its design, and has already earned triple Platinum pre-certifications in WELL, BEAM Plus and LEED.

Guy Bradley, our Chief Executive, commented that, “This newest green financing programme will expand our green capabilities and get us one step closer to reaching our SD 2030 Strategy goals and fulfilling our mission of building vibrant sustainable communities. Whether it’s green bonds or sustainability-linked loans, we continue to raise the bar in this new investment sector, and we’re delighted to work with a forward-looking partner such as OCBC to encourage green financing and do good for the environment”.



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls

First to Obtain Funding from the Swire Pacific SD Fund

Swire Properties is the first operating company within the Swire Group to receive financing from the Swire Pacific SD Fund, which was established to support and accelerate SD projects to improve sustainability performance through adoption of innovative technologies. We are currently implementing two trial projects under this scheme that will be executed at a larger scale if they are successful:

- Smart Tenant Waste Reduction and Engagement Solution – monitors tenant level waste disposal and recycling behaviours using smart scales and data-driven insights and engagement activities to gamify tenants’ waste reduction journey and drive behaviour change.
- Integrated Direct Current (“DC”) Microgrid Solution – involves the adoption of DC microgrid infrastructure that can reduce electricity conversion loss between systems and will support PV panels and low-carbon fuel cell applications.



Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations

Investor Relations

We believe in keeping our investors properly informed of our operations and our plans, and in being transparent and proactively communicating with them about all matters, both financial and those related to sustainability.

Keeping our Investors Updated and Informed



In November 2019, our inaugural ESG Investor Day was held at Blueprint at Taikoo Place and was attended by over 50 investors and analysts. We had hoped to continue such events this year, but with in-person events being cancelled for much of 2020, we instead arranged a webinar in June 2020 for our debt and equity investors. Senior management provided updates on the company’s latest developments

and sustainability-related achievements. This virtual event was attended by more than 60 investors and analysts and was well received.



Future Targets

Future Targets

Swire Properties launched our SD 2030 Strategy in 2016. Over the last four years, we have worked hard to achieve our initial set of 82 SD key performance indicators for 2020, seeking to make our business more sustainable and more resilient. We are pleased with our results: we achieved **96%** of our 2020 KPIs.

Building on this solid set of achievements, 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 effort as we strive to achieve our SD vision: to be the leading sustainable development performer in our industry globally by 2030.

The new KPIs are listed below.



People

Talent Attraction

Employer Branding

2025 KPIs

- Improve employee Net Promoter Score by 10%³⁰

Talent Management

Learning and Development

2025 KPIs

- 25% increase in training hours per employee per year³¹

Engagement

2025 KPIs

- Achieve an employee engagement index rating at 90% or above
- Improve turnover rate by 5.5%³²

30 Compared to the 2020 baseline.
31 Compared to the 2016 baseline.
32 Compared to the 2018 baseline.

Occupational Health and Safety

Safety

<p>2025 KPIs</p> <ul style="list-style-type: none"> Maintain a LTIR at or below 1.2 for non-hotels operations; and at or 2.0 for Hotels operations Maintain zero work-related fatalities and zero serious incidents³³ for employees 	<p>2030 KPIs</p> <ul style="list-style-type: none"> Maintain zero work-related fatalities and zero serious incidents³³ for employees and contractors
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Diversity and Inclusion

Policy, Strategy and Governance

<p>2025 KPIs</p> <ul style="list-style-type: none"> Maintain a gender balance in senior management Maintain gender pay ratio at 1:1 	<p>2030 KPIs</p> <ul style="list-style-type: none"> Maintain a gender balance in senior management Maintain gender pay ratio at 1:1
--	--



Partners

Suppliers

Monitoring (Compliance)

<p>2025 KPIs</p> <ul style="list-style-type: none"> Maintain 100% implementation of the Supplier Code of Conduct in all portfolios 	<p>2030 KPIs</p> <ul style="list-style-type: none"> 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

Tenants

Tenant Engagement

2025 KPIs

- 60% of new office leases and renewals in wholly owned portfolios³⁴ sign a Green Performance Pledge to jointly improve environmental performance

33 "Serious incident" is defined in the Swire Pacific Fatal and Serious Incident Reporting Policy.
34 Wholly owned portfolios refer to office buildings in Taikoo Place and Pacific Place in Hong Kong, and Taikoo Hui in Guangzhou.



**Performance
(Environment)**

Climate Change

Decarbonisation

<p>2025 KPIs</p> <ul style="list-style-type: none"> SPL's Operational Carbon Emissions (Scope 1 and 2 SBT): Reduce carbon intensity by 35% per square metre³² 	<p>2030 KPIs</p> <ul style="list-style-type: none"> SPL's Operational Carbon Emissions (Scope 1 and 2 SBT): Reduce carbon intensity by 52% per square metre³² 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 metre³² Value Chain Emissions (Scope 3 SBT – Capital Goods): Reduce embodied carbon intensity from new major developments by 25% per square metre (construction floor area)³⁵
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DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Energy

Energy Reduction

<p>2025 KPIs</p> <p><i>Hong Kong Portfolio</i>³⁶</p> <ul style="list-style-type: none"> Reduce electricity use intensity by 23.6%³¹ <p><i>Chinese Mainland Portfolio</i>³⁷</p> <ul style="list-style-type: none"> Reduce electricity use intensity by 13.5%³² 	<p>2030 KPIs</p> <p><i>Hong Kong Portfolio</i>³⁶</p> <ul style="list-style-type: none"> Reduce electricity use intensity by 42.5%³¹ <p><i>Chinese Mainland Portfolio</i>³⁷</p> <ul style="list-style-type: none"> Reduce electricity use intensity by 38.8%³²
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Renewable and Clean Energy

2025 KPIs

- Generate 4-6% of landlord's building energy from renewable or clean energy sources for selected newly completed office projects

35 Compared to the 2016-2018 baseline.
36 Our Hong Kong portfolio refers to our office and retail portfolio and hotels in Hong Kong.
37 Our Chinese mainland portfolio refers to our office and retail portfolio and hotels in Chinese mainland.

Resource and Circularity

Resource Recycling and Waste Diversion

Waste diversion rates

<p>2025 KPIs</p> <p><i>Hong Kong Portfolio</i>³⁶</p> <ul style="list-style-type: none"> 30% of commercial waste <p><i>Hong Kong (projects under development)</i></p> <ul style="list-style-type: none"> 85% of demolition waste 70% of construction waste <p><i>Chinese Mainland (projects under development)</i>³⁸</p> <ul style="list-style-type: none"> 50% of total waste 	<p>2030 KPIs</p> <p><i>Hong Kong Portfolio</i>³⁶</p> <ul style="list-style-type: none"> 50% of commercial waste <p><i>Hong Kong (projects under development)</i></p> <ul style="list-style-type: none"> 90% of demolition waste 75% of construction waste <p><i>Chinese Mainland (projects under development)</i>³⁸</p> <ul style="list-style-type: none"> 60% of total waste
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Waste recycling rates

<p>2025 KPIs</p> <p><i>Chinese Mainland Portfolio</i>³⁷</p> <ul style="list-style-type: none"> 40% of commercial waste 	<p>2030 KPIs</p> <p><i>Chinese Mainland Portfolio</i>³⁷</p> <ul style="list-style-type: none"> 45% of commercial waste
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Water

Water Reduction

2025 KPIs

Hong Kong Portfolio

- 10% reduction in water intensity (m³/m²)³⁹

Chinese Mainland Portfolio

- 20% reduction in water intensity (m³/m²)³⁹

Hotels

- 8% reduction in water intensity (m³/guest night)⁴⁰

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 area, 90% of buildings achieve IAQ Excellent Class in Hong Kong portfolio³⁶ or fulfill the local IAQ standard in the Chinese mainland portfolio³⁷

38 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.

Building/Asset Investment

Environmental Building Assessment Schemes

<p>2025 KPIs</p> <ul style="list-style-type: none"> 100% of wholly-owned new development projects to achieve the highest environmental building assessment scheme⁴¹ rating 90% of all wholly-owned existing developments to achieve the highest environmental building assessment scheme⁴¹ rating 	<p>2030 KPIs</p> <ul style="list-style-type: none"> 100% of all wholly-owned new and existing developments achieve the highest environmental building assessment scheme⁴¹ rating
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**Performance
(Economic)**

Sustainable and Green Financing

External Financing

<p>2025 KPIs</p> <ul style="list-style-type: none"> Achieve a minimum of 50% of bond and loan facilities⁴² from green financing 	<p>2030 KPIs</p> <ul style="list-style-type: none"> Achieve a minimum of 80% of bond and loan facilities⁴² from green financing
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Corporate Governance

Anti-bribery and 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

39 Compared to the 2016 BAU baseline.
40 Compared to the 2018/2019 baseline.
41 The most suitable environmental building assessment scheme is selected based on the project location.
42 Arranged by the Hong Kong head office.

An aerial photograph of a modern building's courtyard. The courtyard is paved with grey stone tiles and features a grid of square skylights, each divided into four smaller squares. Lush green plants and trees are planted in raised beds around the perimeter of the courtyard. Several people are visible walking on the paved area.

GRI and HKEX ESG Reporting

GRI and HKEX ESG Reporting

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 used GRI Standards to report our SD performance annually 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 31st December 2020.

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, including:

Materiality	<p>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.</p> <p>Please refer to Materiality for more information.</p>
Quantitative	<p>The notes accompanying our Performance Data Summary provide information about the standards and methodologies used to calculate data, where appropriate.</p>
Balance	<p>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.</p>
Consistency	<p>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 explanation to facilitate information interpretation when changes occur.</p>

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) and with respect to greenhouse gas emissions, the International Standard on Assurance Engagements 3410. The scope of work carried out by Deloitte is set out in their [assurance report](#).

GRI
102-51, 102-52,
102-54

HKEX
Mandatory
Disclosure
Requirement

GRI
102-56

Reporting Boundary

For the purposes of this report, our portfolio in Hong Kong comprises primarily Grade-A office, retail, hotel⁴³ and residential properties located in Pacific Place, Cityplaza, Taikoo Place and Citygate. Our Chinese mainland portfolio comprises major commercial mixed-use developments in prime locations in Beijing, Guangzhou, Chengdu, and Shanghai. Also within the reporting boundary of this report is the 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 see the summary table in the next page.

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 2020 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 2020](#).

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 management control, excluding certain business areas such as non-managed hotels and estate management services.

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, and our hotel operations. Notes accompanying our [Performance Data Summary](#) provide additional information about the calculation basis for specific KPIs. The reporting boundary of some KPIs, for example waste diversion, includes investment and trading properties that are under development, while other KPIs such as sustainable procurement cover all investment properties.

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.

Therefore, when compared to our SD Report 2019, the boundary of KPI reporting in this report has been expanded to include both One Taikoo Place and South Island Place. The Citygate Outlets extension has been excluded as it opened in mid-2019. The reporting boundary for KPIs also excludes completed developments for sale.

GRI
102-46, 102-49,
102-50, 103-1

HKEX
Mandatory
Disclosure
Requirement

⁴³ 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.

Reporting Boundaries of SD Data in 2020

Hong Kong portfolio

- Pacific Place (three office towers, shopping mall and STAR STUDIOS)
- Cityplaza (one office towers¹ and shopping mall)
- Taikoo Place (nine office towers, including One Island East and One Taikoo Place²)
- Citygate (office and outlets)
- Other offices and shopping malls (South Island Place², 8 Queen’s Road East, 28 Hennessy Road and Island Place)

Chinese mainland portfolio

- Taikoo Hui, Guangzhou
- Hui Fang, Guangzhou
- Taikoo Li Sanlitun, Beijing
- INDIGO, Beijing
- Sino-Ocean Taikoo Li Chengdu
- HKRI Taikoo Hui, Shanghai

U.S.A. portfolio

- Brickell City Centre, Miami³

Hotels

- Swire Hotels (The Upper House, EAST Hong Kong, The Opposite House, EAST Beijing, The Temple House, The Middle House, and EAST Miami)
- Serviced Apartments (Pacific Place Apartments and EAST Residences)
- Swire Restaurants (PUBLIC, Ground PUBLIC⁴, Mr & Mrs Fox, Plat du Jour and The Continental)

¹ The sale of Cityplaza One was completed on 30th December 2020 and therefore its data has still been included in the reporting boundary.

² Added to the reporting boundary of KPI data collection and reporting in 2020.

³ The sale of Two Brickell City Centre and Three Brickell City Centre were completed in July 2020, and the data has been removed from the reporting boundary since then.

⁴ Ground PUBLIC at 625 King’s Road was closed in August 2020, and the data has been removed from the reporting boundary since then.

External Charters and Memberships

External Charters and Initiatives

Name of Charter / Initiative	Sponsoring Organisation(s)
4Ts Charter	Environment Bureau and Electrical and Mechanical Services Department, Hong Kong Special Administrative Region (“SAR”) Government
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 and United Nations Global Compact
Carbon Reduction Charter	Environmental Protection Department, Hong Kong SAR Government
Charter on External Lighting	Environment Bureau, Hong Kong SAR Government
Clean Air Charter	Hong Kong General Chamber of Commerce and Hong Kong Business Coalition on the Environment
Energy Saving Charter	Environment Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
Energy Saving Charter on “No ILB”	Environment Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
FoodSmart Partnership Programme	Hong Kong Productivity Council
Food Wise Charter	Environment Bureau, Hong Kong SAR Government
Friends of EcoPark	Environmental Protection Department, Hong Kong SAR Government
Green Event Pledge	Environmental Protection Department, Hong Kong SAR Government
Low Carbon Charter	Business Environment Council
Manifesto for Energy Efficiency in Buildings	World Business Council for Sustainable Development
Sustainable Procurement Charter	Green Council

Memberships

Name of Association	Nature of Membership
BEAM Society	Founding Member
British Chamber of Commerce	Member, Real Estate Committee
Business Environment Council	Board of Directors and Council Member
China Green Building Council	Corporate Member and Committee Member
Chinese Society for Urban Studies	Corporate Member
Construction Industry Council	Member
Council on Tall Buildings and Urban Habitat	2020 CTBUH Organisational Membership
Green Cross - Occupational Safety & Health Council	Group Member
Harbour Business Forum	Patron Member (through the Swire Group)
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 General Committee & Chamber Council Member, Real Estate & Infrastructure Committee
Hong Kong Green Building Council	Platinum Patron Member
Hong Kong Public Relations Professionals Association Limited	Corporate Member
The Hong Kong Management Association	Executive Committee Member and Charter Member
The Lighthouse Club Hong Kong	Corporate Member
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 Member

Name of Association	Nature of Membership
U.S. Green Building Council	Gold Member
World Wide Fund For Nature Hong Kong	Pearl Member

Total contributions or membership fees to trade/industry associations in 2020: HK\$1.26 million

Trade / industry associations with largest amount of contributions or membership fees made in 2020: The Real Estate Developers Association of Hong Kong, Hong Kong Green Building Council, Urban Land Institute, Business Environment Council, Hong Kong Marketing Association and Hong Kong General Chamber of Commerce

Awards and Certifications

China Quality Certification Centre

ISO 14001:2015 Environmental Management System Certification

- INDIGO
- Taikoo Hui
- Taikoo Li Sanlitun
- Sino-Ocean Taikoo Li Sanlitun Chengdu

ISO 50001:2011 Energy Management System Certification

- INDIGO
- Taikoo Hui
- Taikoo Li Sanlitun
- Sino-Ocean Taikoo Li Sanlitun Chengdu

OHSAS 18001:2007 Occupational Health and Safety Management System Certification

- INDIGO
- Taikoo Hui
- Taikoo Li Sanlitun
- Sino-Ocean Taikoo Li Sanlitun Chengdu

China Green Building Design Label

2-star

- Taikoo Li Qiantan

China National Convention Center

The 16th International Conference on Green and Energy-Efficient Building & New Technologies and Products Expo

- Leadership in Green Building Group Award – Swire Properties Limited

Conde Nast Traveller

Top 10 Hotels in Hong Kong: Readers' Choice Awards 2020

- Rank #5 – The Upper House
- Rank #8 – EAST Hong Kong

Top 20 Hotels in China: Readers' Choice Awards 2020

- Rank #3 – The Temple House
- Rank #4 – The Opposite House
- Rank #17 – 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
- EAST Hong Kong

Environmental Campaign Committee

2019 Hong Kong Green Innovations Awards List

- Silver Award – Arup and Swire Properties

Hong Kong Green Organisation

- Citygate
- Cityplaza
- Pacific Place
- Taikoo Place

Environmental Protection Department (Hong Kong SAR Government)

Indoor Air Quality Certification Scheme (Hong Kong)

- Excellent Class (Public Areas from 1/F to 28/F) – 28 Hennessy Road
- Excellent Class (G/F Entrance Lift Lobby) – 8 Queen's Road East
- 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 (Whole Office Building) – One Citygate
- Excellent Class (Common Areas) – Citygate Outlets
- Excellent Class (Common Areas of Whole Office Tower) – Cityplaza One

- Excellent Class (Public Areas from 3/F to 28/F) – Berkshire House
- Excellent Class (Public Areas of Office Building) – Cambridge House
- Excellent Class (Public Areas of Whole Building) – Devon House
- Excellent Class (Public Areas of Whole Building) – Dorset House
- Excellent Class (Public Areas of Office Building) – Lincoln House
- Excellent Class (Public Areas of Whole Building) – One Island East
- Excellent Class (18/F to 19/F & 64/F to 65/F Office) – One Island East
- Excellent Class (Public Area of Office Building) – One Taikoo Place
- Excellent Class (Public Areas of Office Building) – Oxford House
- Excellent Class (Public Areas of Office Building) – PCCW Tower
- Excellent Class (G/F to 30/F Public Areas and 1/F Coffee Shop) – EAST Hong Kong
- Excellent Class (L49 Café Gray Deluxe and Public Areas of The Upper House) – The Upper House
- Excellent Class (Public Area of Office Building) – South Island Place
- Good Class (Public Areas of Shopping Mall) – Cityplaza
- Good Class (Public Areas of the Shopping Mall) – Pacific Place Mall
- Good Class (Public Areas of Shopping Mall) – Island Place Mall
- Good Glass (Common Area on 5/F – 30/F) – EAST Residences

Global Real Estate Sustainability Benchmark

Global Sector Leader – (Mixed Use development Category) – Swire Properties Limited

Global Development Sector Leader – (Mixed Use development Category) – Swire Properties Limited

Hong Kong Green Building Council

BEAM Plus New Buildings (Version 1.2) – Final Platinum

- One Taikoo Place

BEAM Plus New Buildings (Version 2.0) – Provisional Platinum

- Commercial Building Development at 46-56 Queen’s Road East

Hong Kong Green Organisation Certification

IAQwi\$e Certificate

- Excellence level – Public Areas from 1/F to 28/F – 28 Hennessy Road
- Excellence level – G/F Entrance Lift Lobby – 8 Queen’s Road East
- Excellence level – Public Areas from 4/F to 40/F – One Pacific Place
- Excellence level – Public Areas from 4/F to 36/F – Two Pacific Place

- Excellence level – Public Areas from LG/F to 38/F – Three Pacific Place
- Excellence level – Whole Office Building – One Citygate
- Excellence level – Common Areas – Citygate Outlets
- Excellence level – Common Areas of Whole Office Tower – Cityplaza One
- Excellence level – Public Areas from 3/F to 28/F – Berkshire House
- Excellence level – Public Areas of Office Building – Cambridge House
- Excellence level – Public Areas of Whole Building – Devon House
- Excellence level – Public Areas of Whole Building – Dorset House
- Excellence level – Public Areas of Office Building – Lincoln House
- Excellence level – Public Areas 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 Areas of Office Building – Oxford House
- Excellence level – Public Areas of Office Building – PCCW Tower

WasteWi\$e Certificate

- Class of Excellence – Citygate
- Class of Excellence – Cityplaza
- Class of Excellence – Pacific Place Complex
- Class of Excellence – Taikoo Place
- Class of Excellence – EAST Hong Kong

Hong Kong Institute of Certified Public Accountants

Best Corporate Governance Award 2020 – Sustainability and Social Responsibility Reporting Awards – Non-Hang Seng Index (Large Market Capitalisation) Category – Winner – Swire Properties

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

International WELL Building Institute

WELL Core & Shell Version 1.0 – Precertification Platinum

- Commercial Building Development at 46-56 Queen’s Road East

League of American Communication Professionals

2020 Vision Awards

- Silver – Online / Digital Report – Worldwide Category – Swire Properties Limited

Marketing Magazine

Marketing Events Awards 2020

- Gold Award – Best Event – Creative – Cityplaza x Coca-Cola® Lucky Red New Year
- Gold Award – Best Use of Multi-Channel – Cityplaza x LINE FRIENDS Merry Go Park
- Gold Award – Best Sustainability Event – Starstreet Precinct The Plastic Free Precinct
- Silver Award – Best Launch/Rebranding Event – Citygate Outlets Escape with Scents
- Silver Award – Best Sponsorship Activation – Citygate Outlets x LINE FRIENDS Jingle All the Way to the Island
- Bronze Award – Best Mall Event – Cityplaza x Coca-Cola® Lucky Red New Year
- Bronze Award – Best Event – Retail – Pacific Place Let’s Spend Christmas Together

PR Awards 2020

- Gold Award – Best Engagement – Targeted Community – Cityplaza x LINE FRIENDS Merry Go Park
- Bronze Award – Best Use of Social Media – Cityplaza x LINE FRIENDS: Merry Go Park
- Bronze Award – Best PR Campaign – Partnership/Sponsorship – Cityplaza x Coca-Cola® Lucky Red New Year

DigiZ Awards 2020

- Gold Award – Most Innovative Use of Data – Citygate Outlets Escape with Scents
- Silver Award – Best Technology Solution – Citygate Outlets Escape with Scents
- Bronze Award – Best AI Solution – Citygate Outlets Escape with Scents

Occupational Safety & Health Council

19th Hong Kong Occupational Safety & Health Award

- Silver Award – Occupational Safety and Health (OSH) Annual Report Award – Swire Properties Limited

Randstad

- Randstad Employer Brand Awards 2020 – Most Attractive Employer in Hong Kong – Swire Properties Limited

The American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)

ASHRAE Technology Award

- First Place Winner – Commercial Buildings – EBCx – Two Pacific Place

The Hong Kong Council of Social Service

15 Years Plus Caring Company – Swire Properties Limited

The Hong Kong Management Association

2020 Best Annual Reports Awards

- Silver – “General” Category – Swire Properties Limited

The Hong Kong Retail Management Association

2020 Quality Service Retailer of the Year in the Shopping Malls Category

- Gold Award – Cityplaza
- Silver Award – Citygate Outlets

The Royal Institution of Chartered Surveyors

RICS Awards China 2020

- Commercial Project of the Year – HKRI Taikoo Hui
- Excellence Award – Sustainability Achievement of the Year – Swire Properties’ Sichuan Community Centre at Shuanghong Village
- Finalist – Facility Management Team of the Year – Sino-Ocean Taikoo Li Chengdu’s Technical Team

RICS Awards Hong Kong 2020

- Winner – Facility Management Team of the Year – Swire Properties Limited

Travel + Leisure (T+L)

T+L’s 2020 World’s Best Awards – The Top 100 Hotels in the World

- Rank #69 – The Middle House
- Rank #83 – The Temple House

T+L’s 2020 World’s Best Awards – The Top 15 Asia City Hotels

- Rank #8 – The Middle House
- Rank #10 – The Temple House

TripAdvisor

2020 TripAdvisor Travellers’ Choice Award – No.1 in the Top 25 Hotels China Category; No.3 in the Top Hotels Asia Category; No.6 in the Top 25 Hotels World Category – The Upper House

2020 TripAdvisor Travellers’ Choice Award – No.4 in the Top 25 Hotels China Category – The Opposite House

2020 TripAdvisor Travellers’ Choice Award – No.9 in the Top 25 Hotels China Category – The Temple House

2020 TripAdvisor Travellers’ Choice Award – No.14 in the Top 25 Hotels China Category – EAST Beijing

Urban Land Institute

2020 ULI Asia Pacific Awards for Excellence – Winner – Taikoo Place

U.S. Green Building Council

LEED Building Design and Construction: Core and Shell Development Version 2009

- Final Platinum – One Taikoo Place

LEED Building Design and Construction: Core and Shell Development Version 4

- Precertification Platinum – Commercial Building Development at 46-56 Queen’s Road East

Water Supplies Department (Hong Kong SAR Government)

Quality Water Supply Scheme for Buildings – Flushing Water

- 28 Hennessy Road
- 8 Queen's Road East
- Pacific Place
- Three Pacific Place
- Citygate Outlets & One Citygate
- Cityplaza One
- Cityplaza North
- Cityplaza South
- Berkshire House
- Cambridge House
- Devon House
- Dorset House
- Lincoln House
- One Island East
- Oxford House
- PCCW Tower
- Pacific Place Apartments

Quality Water Supply Scheme for Buildings – Fresh Water (Management System) Certificate

- 28 Hennessy Road
- 8 Queen's Road East
- Pacific Place
- Three Pacific Place
- Citygate Outlets & One Citygate

- Cityplaza One
- Cityplaza North/South Mall
- Berkshire House
- Cambridge House
- Devon House
- Dorset House
- Lincoln House
- Oxford House
- One Island East
- PCCW Tower
- Island Place Mall
- Pacific Place Apartments
- STAR STUDIOS I (Residential)
- STAR STUDIOS II (Residential)

Performance Data Summary (Environmental)

	Unit	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio			Hotels					Total
		2020*	2019	2018	2017	2016	2020	2019	2018	2017	2016	2020	2019	2018	2020	2019	2018	2017	2016	2020
Energy consumption																				
Direct energy consumption	GJ	2,654	2,393	2,622	2,737	2,844	94,589	112,936	88,306	78,386	89,263	464	710	775	67,742	88,136	74,780	62,210	61,537	165,449
Industrial diesel	Litres	-	-	-	-	17,320	5,000	5,000	5,150	5,272	5,272	11,928	18,704	20,677	365	2,298	15	60	401	17,293
Ultra-low sulphur diesel (ULSD)	Litres	35,241	52,940	58,513	60,677	44,883	-	-	-	-	-	-	-	-	340	609	246	347	-	35,581
Biodiesel	Litres	33,607	60	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,607
Petrol	Litres	8,355	14,819	15,697	16,905	18,487	55,604	67,430	63,625	67,449	70,662	1,049	1,128	927	21,799	43,217	44,512	44,400	41,063	86,807
Town gas	Unit	-	-	-	-	-	-	-	-	-	-	-	-	-	143,957	219,549	236,138	198,192	210,208	143,957
Natural gas	GJ	-	-	-	-	-	92,591	110,551	86,040	75,991	86,762	-	-	-	60,094	76,080	61,842	50,431	49,790	152,685
Indirect energy consumption	GJ	514,578	511,039	568,654	594,360	652,249	334,331	351,107	252,248	254,002	266,273	42,941	60,310	56,129	158,135	186,136	157,486	121,882	101,425	1,049,985
Non-renewable electricity purchased	MWh	142,881	141,955	157,959	165,100	181,180	81,447	97,530	70,069	70,556	73,965	11,928	16,753	15,591	43,926	51,704	43,746	33,856	28,174	280,182
Renewable electricity purchased	MWh	57	15	-	-	-	11,423	-	-	-	-	-	-	-	-	-	-	-	-	11,480
Total energy consumption	GJ	517,232	513,432	571,276	597,097	655,093	428,920	464,043	340,554	332,388	355,536	43,405	61,020	56,904	225,877	274,272	232,266	184,092	162,962	1,215,434 ^R
Renewable electricity generated and consumed onsite	MWh	-	-	-	-	-	237	263	46	-	-	-	-	-	-	-	-	-	-	237
Carbon emissions⁽¹⁾																				
Direct carbon emissions (Scope 1)	Tonnes of CO ₂ e	3,630	1,461	1,679	2,778	4,894	4,865	6,057	4,550	4,585	5,074	33	51	56	3,599	4,675	3,984	3,430	3,497	12,127
Indirect carbon emissions (Scope 2) - market-based method	Tonnes of CO ₂ e	112,364	110,557	121,952	127,749	138,457	46,166	64,379	46,252	53,090	55,658	4,924	7,664	7,133	27,735	35,421	29,545	26,210	21,639	191,189
Total carbon emissions (Scopes 1 & 2) - market-based method	Tonnes of CO ₂ e	115,994	112,018	123,631	130,527	143,351	51,031	70,436	50,802	57,675	60,732	4,957	7,715	7,189	31,334	40,096	33,529	29,640	25,136	203,316 ^R
Indirect carbon emissions (Scope 2) - location-based method	Tonnes of CO ₂ e	112,410	110,557	121,952	127,749	138,457	57,282	64,379	46,252	53,090	55,658	4,924	7,664	7,133	29,274	35,421	29,545	26,210	21,639	203,890
Total carbon emissions (Scopes 1 & 2) - location-based method	Tonnes of CO ₂ e	116,040	112,018	123,631	130,527	143,351	62,147	70,436	50,802	57,675	60,732	4,957	7,715	7,189	32,873	40,096	33,529	29,640	25,136	216,017 ^R
Biogenic carbon emissions	Tonnes of CO ₂ e	79	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79
Materials used																				
Refrigerants containing HCFCs refilled	Kilograms	192	347	170	590	897	0	0	0	20	100	0	0	0	-	-	-	-	-	192
Refrigerants containing HFCs refilled	Kilograms	2,702	987	1,141	1,982	3,602	0	189	0	408	354	0	0	0	39	49	46	75	112	2,741
Paper products	Kilograms	24,870	27,078	29,612	30,905	32,876	19,746	17,925	10,275	7,602	7,365	-	-	-	10,862	19,722	19,272	18,677	20,863	55,478
Water consumption																				
Water consumption - municipal	000 m ³	454	416 ⁽²⁾	317	354	368	885	1,011	668	709	767	64	111	106	354	470 ⁽²⁾	431	327	386	1,757 ^R
Wastewater reuse and discharge																				
Wastewater discharged	000 m ³	38,607	40,097 ⁽²⁾	46,288	47,753	48,810	858	983	638	668	706	64	111	106	344	508 ⁽²⁾	414	260	349	39,873
Seawater reused for flushing	m ³	207,579	283,285	337,318	402,109	349,057	-	-	-	-	-	-	-	-	35,903	40,529	21,211	-	-	243,482
Waste potable water reused for flushing	m ³	6,527	7,296	8,936	6,663	7,039	46,174	75,020	121,432	112,408	112,605	-	-	-	-	-	0	0	0	52,701
Waste disposal (Hazardous)																				
Oils and lubricants	Litres	0	420	422	1,018	292	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Waste disposal (Non-hazardous)																				
Construction and demolition waste	Tonnes	1,890 ^R	1,396	2,171	2,489	3,107	6,210	6,525	5,387	8,371	4,720	-	-	-	-	-	-	-	3	8,100
Commercial waste	Tonnes	8,800 ^R	11,714	12,367	12,576	13,194	14,006	16,987	14,973	12,717	16,905	798	1,343	1,475	926	1,739	1,871	1,539	1,554	24,530
Residential/domestic waste	Tonnes	1	9	128	388	360	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Grease trap waste	Tonnes	5,766	4,683	4,854	5,004	4,743	-	-	-	-	-	-	-	-	181	119	133	18	235	5,947
Garden waste	Tonnes	211	184	-	38	365	-	-	-	-	-	-	-	-	-	-	-	-	-	211
Waste recycling (Hazardous)																				
Oils and liquids	Litres	160	0	530	0	750	-	-	-	-	-	-	-	-	-	-	-	-	-	160
Waste recycling (Non-hazardous)																				
Construction and demolition waste	Tonnes	44,225	100,726	149,470	106,390	441	-	-	-	-	-	-	-	-	-	-	-	-	-	44,225
Paper	Tonnes	2,274	2,610	2,865	2,837	2,750	515	615	333	302	278	-	-	-	49	83	65	54	65	2,838
Metal	Tonnes	4,087	1,901	3,012	12,188	4,230	40	33	26	22	4	-	-	-	4	5	4	7	7	4,131
Plastics	Tonnes	28	14	10	10	10	37	49	46	30	11	-	-	-	7	15	11	12	11	72
Glass	Tonnes	33	41	36	22	23	62	71	43	53	32	-	-	-	53	66	12	62	74	148
Food waste	Tonnes	498	507	403	433	352	6,560	7,109	3,702	3,052	639	-	-	-	331	66	429	320	55	7,389
Grease trap waste	Tonnes	-	-	-	-	-	133	323	244	241	242	-	-	-	7	6	0.1	0.1	-	140
Mixed recyclables	Tonnes	-	-	-	-	-	-	-	-	-	-	165	228	245	51	91	82	-	-	216

Performance Data Summary (Environmental)

	Unit	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio					Hotels				
		2020*	2019	2018	2017	2016	2020	2019	2018	2017	2016	2020	2019	2018	2020	2019	2018	2017	2016		
Carbon intensity - market-based method	Tonnes of CO ₂ e/m ² /year (for Hong Kong, Chinese mainland and U.S.A. Portfolios) Tonnes of CO ₂ e/guest night/year (for Hotels)	0.103	0.109	0.111	0.116	0.118	0.053	0.073	0.074	0.084	0.089	0.085	0.109	0.102	0.049	0.036	0.036	0.061	0.053		
Carbon intensity - location-based method	Tonnes of CO ₂ e/m ² /year (for Hong Kong, Chinese mainland and U.S.A. Portfolios) Tonnes of CO ₂ e/guest night/year (for Hotels)	0.103	0.109	0.111	0.116	0.118	0.064	0.073	0.074	0.084	0.089	0.085	0.109	0.102	0.051	0.036	0.036	0.061	0.053		
Direct energy intensity	GJ/m ² /year (for Hong Kong, Chinese mainland and U.S.A. Portfolios) GJ/guest night/year (for Hotels)	0.002	0.002	0.002	0.002	0.002	0.097	0.117	0.128	0.115	0.130	0.008	0.010	0.011	0.106	0.079	0.080	0.127	0.131		
Indirect energy intensity	kWh/m ² /year (for Hong Kong, Chinese mainland and U.S.A. Portfolios) kWh/guest night/year (for Hotels)	127	139	142	146	149	96	101	102 ⁽²⁾	103	108	204	237	221	69	46	47	69	60		
Water intensity	m ³ /m ² /year (for Hong Kong, Chinese mainland and U.S.A. Portfolios) m ³ /guest night/year (for Hotels)	0.402	0.407 ⁽²⁾	0.285	0.314	0.302	0.912	1.046	0.968	1.036	1.119	1.095	1.571	1.498	0.554	0.423 ⁽²⁾	0.459	0.668	0.819		

Reporting Boundary:

(a) Our Hong Kong portfolio, Chinese mainland portfolio and U.S.A. portfolio refers to office and retail portfolio in Hong Kong, Chinese mainland and Miami, U.S.A. respectively, excluding hotels.

(b) Hotels refer to Swire Hotels, serviced apartments and Swire Restaurants in Hong Kong, Chinese mainland and Miami, U.S.A.

* One Taikoo Place and South Island Place are newly included in 2020.

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 standards and methodologies for carbon emissions:

(i) Carbon emissions are calculated using:

- (a) "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.
- (b) GHG Protocol published by the WBCSD and the World Resources Institute.

(ii) Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and hydrofluorocarbons (HFCs) are included in greenhouse gas (GHG) calculations. Perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) are not applicable.

(iii) Direct carbon emissions included industrial diesel, ULSD, biodiesel (for CH₄ and N₂O emissions), petrol, town gas, natural gas and refrigerant containing HFCs refilled.

(iv) Indirect carbon emissions included non-renewable electricity purchased, renewable electricity purchased and town gas.

(v) 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.

(vi) 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.

(vii) Biogenic carbon emissions (as defined by GHG Protocol Scope 2 Guidance) refer to CO₂ emissions from the combustion or biodegradation of biomass.

(viii) The sources of emission factors for the reporting of carbon emissions are:

- (a) Sustainability reports of the local utility companies (for electricity and town gas in Hong Kong).
- (b) "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.
- (c) "Guidelines to Defra's Greenhouse Gas Conversion Factors for Company Reporting" by the Department for Environment, Food and Rural Affairs (Defra) of the UK.
- (d) For market-based indirect carbon emissions calculation (for Chinese mainland in 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.

(2) The data has been adjusted to reflect actual situation.

Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology

Scope 3 category	Description	Applicability	Methodology / Justification for exclusion	Source of activity data	Source of emission factor	2018 (Tonnes of CO ₂ e)	2019 (Tonnes of CO ₂ e)	2020 (Tonnes of CO ₂ e)
1	Purchased goods and services	Yes	Following the “WBCSD/WRI’s GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard”, emissions in this category are calculated using the economic input-output assessment. The primary data on consumption expenditure of the key inputs identified are multiplied by the appropriate country-specific CEDA factors to calculate emissions in this category.	Primary procurement spend data from Swire Properties	Country-specific emission factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5	75,229	113,849	90,124
2	Capital goods	Yes	New Developments: With technical support from a research team from 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.	New Developments: Primary consumption data of construction materials and construction activities from main contractor	New Developments: <ul style="list-style-type: none"> Swire Properties and HKUST jointly published academic paper 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 the EMSD of the Hong Kong Government. 	174,214	To be reported upon the completion of Two Taikoo Place in 2022.	
			Existing Portfolio Projects: Embodied carbon from refurbishment and replacement of existing portfolios are reported under category 1 purchased goods and services.	Existing Portfolio Projects: Primary procurement spend data from Swire Properties				
3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	Yes	Following the “WBCSD/WRI’s GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard”, 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 to calculate emissions in this category.	Primary energy data from properties managed by Swire Properties	<ul style="list-style-type: none"> 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 & fuel price data Country-specific transmission and distribution losses from the World Bank database library 	2,038	1,922	2,063
4	Upstream transportation and distribution	Yes	The primary data related to transportation and distribution of goods 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	6,161	5,953	5,571
5	Waste generated in operations	Yes	Following the “WBCSD/WRI’s GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard”, 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. to calculate emissions in this category.	Primary procurement spend data from Swire Properties	Factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5	30,748	36,969	38,698
6	Business travel	Yes	Air-travel: Flight distance is multiplied by corresponding emission factors to calculate emissions in this category.	Air-travel: Travel related data provided by travel providers	Air-travel: Cathay Pacific’s Fly Greener Programme	3,364	3,360	1,982
			Non air-travel: Emissions in this category are derived from the amount that Swire Properties spent on “automobile” and “hotel room”.	Non air-travel: Primary procurement spend data from Swire Properties	Non air-travel: GHG Protocol Scope 3 Evaluator			

Carbon Emissions - Scope 3 Emissions Inventory and Reporting Methodology

Scope 3 category	Description	Applicability	Methodology / Justification for exclusion	Source of activity data	Source of emission factor	2018 (Tonnes of CO ₂ e)	2019 (Tonnes of CO ₂ e)	2020 (Tonnes of CO ₂ e)
7	Employee commuting	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
8	Upstream leased assets	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
9	Downstream transportation and distribution	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
10	Processing of sold products	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
11	Use of sold products	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
12	End-of-life treatment of sold products	Yes	Following the "WBCSD/WRI's GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard", data on the landfilled waste is multiplied by the corresponding Scope 3 GHG emissions data to calculate emissions in this category.	Primary procurement spend data from Swire Properties	Process life cycle assessment (LCA) databases including U.S. Environmental Protection Agency's Waste Reduction Model database and Ecoinvent version 3	41	49	51
13	Downstream leased assets	Yes	Hong Kong Portfolio: Aggregate data of metered energy consumption from tenants are multiplied by local emission factors (market-based method) to calculate emissions in this category.	Hong Kong Portfolio: Primary energy data from Swire Properties	Hong Kong Portfolio: Sustainability reports of the local utility companies (for electricity and town gas in Hong Kong)	168,403	179,515	139,414
			Chinese Mainland Portfolio: Data of metered energy consumption at individual tenant level are multiplied by respective emission factors (market-based method) to calculate emissions in this category.	Chinese Mainland Portfolio: Primary energy data from Swire Properties	Chinese Mainland Portfolio: <ul style="list-style-type: none"> "Methodology for Carbon Emissions Reduction in Commercial Complex Buildings" (by Tsinghua University) published in Journal of Building Energy Efficiency (Nov 2020 Edition) 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 			
14	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
15	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

Performance Data Summary (Social)

	Hong Kong Portfolio										Chinese Mainland Portfolio										U.S.A. Portfolio						Hotels					Total						
	2020		2019		2018		2017 ⁽¹²⁾		2016 ⁽¹¹⁾		2020		2019		2018		2017		2016		2020		2019		2018		2017		2016		2020							
Workforce Profile																																						
Total workforce	2420		2,373		2,370		2,425		2,382		1671		1,657		1,300		1,227		1,274		75		85		97		2,168		2,350		2,113		1,667		1,758		6,334	
By gender																																						
Male	1,578	65.2%	1,558	65.7%	1,565	66.0%	1,564	64.5%	1,568	65.8%	1,068	63.9%	1,041	62.8%	804	61.8%	776	63.2%	812	63.7%	47	62.7%	51	60.0%	55	56.7%	1,092	50.4%	1,177	50.1%	1,066	50.4%	867	52.0%	929	52.8%	3,785	59.8%
Female	842	34.8%	815	34.3%	805	34.0%	861	35.5%	814	34.2%	603	36.1%	616	37.2%	496	38.2%	451	36.8%	462	36.3%	28	37.3%	34	40.0%	42	43.3%	1,076	49.6%	1,173	49.9%	1,047	49.6%	800	48.0%	829	47.2%	2,549	40.2%
By age group																																						
Under 30 years old	323	13.3%	334	14.1%	336	14.2%	365	15.1%	367	15.4%	362	21.7%	391	23.6%	335	25.8%	340	27.7%	379	29.7%	10	13.3%	16	18.8%	15	15.5%	765	35.3%	888	37.8%	774	36.6%	710	42.6%	795	45.2%	1,460	23.1%
30 to 50 years old	1,170	48.4%	1,130	47.6%	1,105	46.6%	1,154	47.6%	1,159	48.7%	1,154	69.1%	1,124	67.8%	886	68.2%	822	67.0%	830	65.1%	45	60.0%	47	55.3%	58	59.8%	1,148	53.0%	1,210	51.5%	1,088	51.5%	826	49.6%	809	46.0%	3,517	55.5%
Over 50 years old	927	38.3%	909	38.3%	929	39.2%	906	37.4%	856	35.9%	155	9.3%	142	8.6%	79	6.1%	65	5.3%	65	5.1%	20	26.7%	22	25.9%	24	24.7%	255	11.8%	252	10.7%	251	11.9%	131	7.9%	154	8.8%	1,357	21.4%
By employment contract ⁽¹⁾																																						
Permanent	2,164	89.4%	2,130	89.8%	2,135	90.1%	2,191	90.4%	2,162	90.8%	1,671	100%	1,656	99.9%	1,300	100%	1,226	99.9%	1,273	99.9%	75	100%	85	100%	97	100%	1,994	92.0%	2,176	92.6%	1,914	90.6%	1,577	94.6%	1,667	94.8%	5,904	93.2%
Fixed term/temporary	256	10.6%	243	10.2%	235	9.9%	234	9.6%	220	9.2%	0	0%	1	0.1%	0	0%	1	0.1%	1	0.1%	0	0%	0	0%	0	0%	174	8.0%	174	7.4%	199	9.4%	90	5.4%	30	1.7%	430	6.8%
Supervised worker	-	-	-	-	-	-	-	-	0	0%	-	-	-	-	-	-	-	-	0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	61	3.5%	-	-	
Permanent employees by employment type																																						
Full-time	2,109	97.5%	2,077	97.5%	2,082	97.5%	2,147	98.0%	2,127	98.4%	1,671	100%	1,656	100%	1,300	100%	1,226	100%	1,273	100%	75	100.0%	84	98.8%	96	99.0%	1,956	98.1%	2,135	98.1%	1,881	98.3%	1,572	99.7%	1,665	99.9%	5,811	98.4%
Part-time	55	2.5%	53	2.5%	53	2.5%	44	2.0%	35	1.6%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	1	1.2%	1	1.0%	38	1.9%	41	1.9%	33	1.7%	5	0.3%	2	0.1%	93	1.6%
By geographical region																																						
Hong Kong	2,410	99.6%	2,364	99.6%	2,362	99.7%	2,416	99.6%	2,376	99.7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	831	38.3%	866	36.9%	862	40.8%	801	48.1%	899	51.1%	3,241	51.2%
Chinese Mainland	-	-	-	-	-	-	-	-	-	-	1,671	100%	1,657	100%	1,300	100%	1,227	100%	1,274	100%	-	-	-	-	-	-	1,083	50.0%	1,080	46.0%	843	39.9%	866	51.9%	858	48.8%	2,754	43.5%
Beijing	-	-	-	-	-	-	-	-	-	-	553	33.1%	546	33.0%	528	40.6%	523	42.6%	535	42.0%	-	-	-	-	-	-	476	22.0%	476	20.3%	516	24.4%	542	32.5%	525	29.9%	1,029	16.2%
Shanghai	-	-	-	-	-	-	-	-	-	-	423	25.3%	436	26.3%	81	6.2%	21	1.7%	22	1.7%	-	-	-	-	-	-	296	13.7%	280	11.9%	0	0%	0	0%	1	0.1%	719	11.4%
Guangdong province	-	-	-	-	-	-	-	-	-	-	370	22.1%	359	21.7%	371	28.5%	354	28.9%	360	28.3%	-	-	-	-	-	-	0	0%	0	0%	0	0%	0	0%	0	0%	370	5.8%
Sichuan province	-	-	-	-	-	-	-	-	-	-	325	19.5%	316	19.1%	320	24.6%	329	26.8%	338	26.5%	-	-	-	-	-	-	311	14.3%	324	13.8%	327	15.5%	324	19.4%	332	18.9%	636	10.0%
Other provinces	-	-	-	-	-	-	-	-	-	-	0	0%	0	0%	0	0%	0	0%	19	1.5%	-	-	-	-	-	-	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Miami, U.S.A.	-	-	-	-	-	-	2	0.1%	0	0%	-	-	-	-	-	-	-	-	-	-	75	100%	85	100%	97	100%	254	11.7%	404	17.2%	408	19.3%	0	0%	1	0.1%	329	5.2%
Others	10 ⁽¹¹⁾	0.4%	9	0.4%	8	0.3%	7	0.3%	6	0.3%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	10	0.1%
New Hires																																						
Total number and rate of new hires ⁽²⁾	354	16.4%	500	23.5%	401	18.8%	507	23.1%	503	23.3%	361	15.6%	323	19.5%	341	26.2%	229	18.7%	291	22.9%	8	10.7%	10	11.8%	36	37.1%	454	22.8%	843	38.7%	776	40.5%	481	30.5%	496	29.8%	1,077	18.2%
By gender																																						
Male	215	15.6%	293	21.4%	255	18.5%	301	21.7%	318	22.7%	185	17.3%	179	17.2%	191	23.8%	132	17.0%	162	20.0%	8	17.0%	6	11.8%	19	34.5%	223	21.7%	417	37.3%	341	34.4%	233	27.9%	264	29.9%	631	17.9%
Female	139	17.8%	207	27.2%	146	19.4%	206	25.6%	185	24.3%	76	12.6%	144	23.4%	150	30.2%	97	21.5%	129	27.9%	0	0%	4	11.8%	17	40.5%	231	23.9%	426	40.2%	435	47.1%	248	33.4%	232	29.6%	446	18.7%
By age group																																						
Under 30 years old	126	41.7%	158	49.5%	169	52.6%	189	54.9%	200	58.7%	114	31.5%	131	33.5%	147	43.9%	132	38.8%	126	33.2%	0	0.0%	7	43.8%	10	66.7%	240	36.7%	496	61.2%	402	58.3%	309	48.1%	322	41.7%	480	36.1%
30 to 50 years old	173	15.1%	226	20.4%	150	13.8%	215	19.0%	209	18.3%	139	12.0%	181	16.1%	186	21.0%	95	11.6%	156	18.8%	5	11.1%	3	6.4%	24	41.4%	177	15.8%	305	26.5%	300	28.8%	162	19.6%	147	18.8%	494	14.3%
Over 50 years old	55	7.7%	116	16.5%	82	11.2%	103	14.4%	94	13.8%	8	5.2%	11	7.8%	8	10.1%	2	3.1%	9	14.1%	3	15.0%	0	0%	2	8.3%	37	16.8%	42	19.5%	74	40.2%	10	9.2%	27	23.5%	103	9.3%
By geographical region																																						
Hong Kong	354	16.4%	500	23.5%	400	18.8%	507	23.2%	503	23.3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61	7.6%	221	26.4%	341	40.6%	215	27.4%	237	28.7%	415	14.0%
Chinese Mainland	-	-	-	-	-	-	-	-	-	-	261	15.6%	323	19.5%	341	26.2%	229	18.7%	291	22.9%	-	-	-	-	-	-	295	30.6%	439	44.3%	253	35.5%	266	33.5%	258	30.6%	556	21.1%
Miami, U.S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	10.7%	10	11.8%	36	37.1%	98	43.8%	183	52.7%	182	50.1%	0	0%	1	100%	106	35.5%
Others	0	0%	0	0%	1	20.0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
By management level																																						
Management	55	9.6%	-	-	-	-	-	-	-	46	82%	-	-	-	-	-	-	-	-	-	5	15.6%	-	-	-	-	59	13%	-	-	-	-	-	-	-	-	165	10.1%
Non-management	299	18.8%	-	-	-	-	-	-	-	215	19.4%	-	-	-	-	-	-	-	-	-	3	7.0%	-	-	-	-	395	25.9%	-	-	-	-	-	-	-	-	912	21.4%
Percentage of open positions filled by internal candidates	28.9%	-	-	-	-	-	-	-	-	35.0%	-	-	-	-	-	-	-	-	-	-	75.0%	-	-	-	-	-	26.9%	-	-	-	-	-	-	-	-	-	29.7%	
Turnover																																						
Total number and rate of voluntary turnover ⁽³⁾	215	9.9%	369	17.3%	380	17.8%	411	18.8%	357	16.5%	176	10.5%	240	14.5%	228	17.5%	195	15.9%	208	16.3%	1	1.3%	17	20.0%	18	18.6%	417	20.9%	636	29.2%	658	34.4%	508	32.2%	505	30.3%	809	13.7%
By gender																																						
Male	126	9.1%	214	15.6%	204	14.8%	252	18.3%	225	16.1%	105	9.8%	132																									

Performance Data Summary (Social)

	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio			Hotels					Total
	2020	2019	2018	2017 ⁽¹²⁾	2016 ⁽¹¹⁾	2020	2019	2018	2017	2016	2020	2019	2018	2020	2019	2018	2017	2016	2020
Parental Leave																			
Total number of employees entitled to parental leave	2,343	2,302	2,302	2,356	2,314	1,671	1,656	1,300	1,200	1,260	75	84	96	1,938	1,642	1,937	1,621	1,697	6,027
By gender																			
Male	1,552	1,532	1,537	1,548	1,550	1,068	1,040	804	764	804	47	51	55	1,001	809	986	853	900	3,668
Female	791	770	765	808	764	603	616	496	436	456	28	33	41	937	833	951	768	797	2,359
Total number of employees took parental leave																			
By gender																			
Male	16	13	15	21	27	24	29	25	22	20	2	1	2	26	28	23	37	36	68
Female	19	21	28	23	23	28	29	30	30	34	1	2	0	21	41	29	46	31	69
Return to work rate (%) ⁽⁴⁾																			
By gender																			
Male	100%	84.6%	93.3%	100%	100%	95.8%	93.1%	100%	100%	100%	100%	100%	100%	100%	96.4%	100%	100%	100%	98.5%
Female	100%	100%	96.4%	100%	100%	96.4%	96.6%	93.3%	96.7%	94.1%	100%	100%	-	90.5%	85.4%	93.1%	91.3%	87.1%	95.7%
Performance Review																			
Total number and percentage of employees receiving regular performance review	2,343 96.8%	2,302 97.0%	2,302 97.1%	2,356 97.2%	2,314 97.1%	1,671 100%	1,656 99.9%	1,262 97.1%	1,227 100%	1,264 99.2%	75 100%	84 98.8%	97 100%	1,830 84.4%	2,053 87.4%	1,807 85.5%	1,596 95.7%	1,697 100%	5,919 93.4%
By gender																			
Male	1,552 98.4%	1,532 98.3%	1,537 98.2%	1,548 99.0%	1,550 98.9%	1,068 100%	1,040 99.9%	791 98.4%	776 100%	804 99.0%	47 100%	51 100%	55 100%	944 86.4%	1,057 89.8%	943 88.5%	847 97.7%	900 100%	3,611 95.4%
Female	791 93.9%	770 94.5%	765 95.0%	808 93.8%	764 93.9%	603 100%	616 100%	471 95.0%	451 100%	460 99.6%	28 100%	33 97.1%	42 100%	886 82.3%	996 84.9%	864 82.5%	749 93.6%	797 100%	2,308 90.5%
By management role																			
Management	598 100%	572 100%	570 99.3%	551 99.5%	469 100%	564 100%	535 99.8%	426 93.0%	408 100%	406 98.1%	32 100%	29 100%	42 100%	471 98.9%	474 97.1%	399 98.5%	332 100%	330 100%	1,665 99.7%
Non-management	1,745 95.8%	1,730 96.1%	1,732 96.4%	1,805 96.5%	1,845 96.4%	1,107 100%	1,121 100%	836 99.3%	819 100%	858 99.8%	43 100%	55 98.2%	55 100%	1,359 80.3%	1,579 84.8%	1,408 82.4%	1,264 94.7%	1,367 100%	4,254 91.2%
Diversity																			
Females in management positions (as % of total management workforce)	52.8%	53.1%	50.0%	53.1%	52.4%	52.0%	51.1%	46.8%	44.5%	39.7%	31.6%	41.2%	42.9%	48.1%	47.0%	49.2%	45.2%	39.6%	50.8%
Females in junior management positions (as % of total junior management workforce)	51.4%	50.5%	51.2%	51.1%	-	61.1%	62.6%	64.1%	62.0%	61.2%	53.8%	41.7%	42.9%	46.1%	45.5%	46.6%	44.8%	44.0%	53.1%
Females in management positions in revenue-generating functions (as % of total revenue-generating management workforce)	50.2%	49.5%	49.4%	50.7%	-	64.7%	50.0%	41.3%	49.3%	-	100%	55.6%	44.4%	45.5%	48.4%	48.9%	29.7%	-	52.2%
Females in top management positions (as % of Executive Committee members)	38.5%	41.7%	45.5%	45.5%	50.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	38.5%
Gender Pay Ratio (Female to Male)																			
Total workforce	1:1.05	1:1.05	1:1.01	-	-	1:0.94	1:1.00	1:1.18	-	-	1:0.90	1:1.01	1:0.99	1:1.04	1:1.05	1:1.07	-	-	1:1.05
By management role																			
Management	1:1.10	1:1.09	1:1.14	-	-	1:1.20	1:1.21	1:1.48	-	-	1:0.93	1:1.23	1:1.18	1:1.11	1:1.08	1:1.12	-	-	1:1.15
Non-management	1:1.03	1:1.04	1:0.97	-	-	1:0.81	1:0.89	1:1.02	-	-	1:0.87	1:0.90	1:0.85	1:1.02	1:1.04	1:1.05	-	-	1:1.01
	2020	2019	2018	2017 ⁽¹²⁾	2016 ⁽¹¹⁾	2020	2019	2018	2017	2016	2020	2019	2018	2020	2019	2018	2017	2016	2020
Occupational Health and Safety																			
Number of lost time injuries (sick leave > 0 days)	27	47	47	38	43	10	10	3	6	6	0	1	0	45	54	41	39	56	82
Number of reportable injuries (sick leave > 3 days)	23	31	34	25	31	9	9	2	5	5	0	1	0	27	38	32	23	33	59
Number of high-consequence injuries (sick leave > 6 months)	2	3	7	-	-	0	1	0	-	-	0	0	0	1	0	2	-	-	3
Thousand hours worked	5,414.3	5,477.5	5,434.7	5,447.8	5,348.0	3,221.1	3,248.1	2,475.5	2,485.1	2,502.5	168.4	153.2	185.4	4,340.8	4,878.6	4,309.9	3,680.1	3,823.6	13,144.6
Lost time injury rate (LTIR) ⁽⁵⁾	1.00	1.72	1.73	1.40	1.61	0.62	0.62	0.24	0.48	0.48	0.00	1.31	0.00	2.07	2.21	1.90	2.12	2.93	1.25 ⁸
Rate of high-consequence injuries ⁽⁶⁾	0.07	0.11	0.26	-	-	0.00	0.06	0.00	-	-	0.00	0.00	0.00	0.05	0.00	0.09	-	-	0.05
Lost days due to injuries	1,506	1,460	2,602.5	1,753	1,144	403.5	412	77	335	222	0	22	0	1,298	1,083	699	720	746	3,207.5
Lost day rate (LDR) ⁽⁷⁾	55.63	53.31	95.77	64.38	42.78	25.05	25.37	6.22	26.69	17.74	0.00	28.72	0.00	59.80	44.40	32.44	39.13	39.02	48.80 ⁸
Absentee rate ⁽⁸⁾	2.14%	2.76%	2.49%	2.15%	2.40%	1.13%	1.17%	1.05%	0.85%	1.15%	0.31%	0.07%	4.51%	0.92%	1.01%	0.09% ⁽¹³⁾	1.59%	0.61%	1.47%
Number of work-related ill health	0	0	0	0	-	0	0	0	0	-	0	0	0	0	0	0	0	-	0
Number of fatalities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 ⁸
Rate of fatalities ⁽⁹⁾	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 or OHSAS 18001) ⁽¹⁰⁾	100%	100%	100%	100%	100%	73.0%	73.7%	65.8%	48.0%	48.0%	0%	0%	0%	/	/	/	/	/	-

Performance Data Summary (Social)

	Hong Kong Portfolio										Chinese Mainland Portfolio										U.S.A. Portfolio						Hotels						Total					
	2020		2019		2018		2017 ⁽¹²⁾		2016 ⁽¹¹⁾		2020		2019		2018		2017		2016		2020		2019		2018		2017		2016		2020							
Training																																						
Total number and percentage of employees received training	2,229	92.1%	2,147	90.5%	1,830	77.2%	1,663	68.6%	2,224	93.4%	1,647	98.6%	1,570	94.7%	1,232	94.8%	1,212	98.8%	1,251	98.2%	75	100%	85	100%	97	100%	2,124	98.0%	2,350	100%	2,113	100%	1,667	100%	1,697	100%	6,075	95.9%
By gender																																						
Male	1,464	92.8%	1,408	90.4%	1,208	77.2%	1,006	64.3%	1,509	96.2%	1,050	98.3%	997	95.8%	763	94.9%	771	99.4%	798	98.3%	47	100%	51	100%	55	100%	1,077	98.6%	1,177	100%	1,066	100%	867	100%	900	100%	3,638	96.1%
Female	765	90.9%	739	90.7%	622	77.3%	657	76.3%	715	87.8%	597	99.0%	573	93.0%	469	94.6%	441	97.8%	453	98.1%	28	100%	34	100%	42	100%	1,047	97.3%	1,173	100%	1,047	100%	800	100%	797	100%	2,437	95.6%
By management role																																						
Management	579	96.8%	562	98.3%	543	94.6%	471	85.0%	453	96.6%	546	96.8%	475	88.6%	407	88.9%	396	97.1%	395	95.4%	32	100%	29	100%	42	100%	474	99.6%	488	100%	405	100%	332	100%	330	100%	1,631	97.7%
Non-management	1,650	90.6%	1,585	88.0%	1,287	71.7%	1,192	63.7%	1,771	92.6%	1,101	99.5%	1,095	97.7%	825	98.0%	816	99.6%	856	99.5%	43	100%	56	100%	55	100%	1,650	97.5%	1,862	100%	1,708	100%	1,335	100%	1,367	100%	4,444	95.3%
Total training hours	24,293		41,865		34,251		26,339		24,434		23,711		33,120		26,190		27,403		25,597		832		597		867		77,804		93,958		67,479		21,197		15,024		126,640	
Total training hours by type of training																																						
Mandatory	7,533.5	31.0%	-	-	-	-	-	-	-	-	16,332.4	68.9%	-	-	-	-	-	-	-	-	720.0	86.5%	-	-	-	-	12,361.4	15.9%	-	-	-	-	-	-	-	-	36,947.3	29.2%
Non-mandatory	16,759.5	69.0%	-	-	-	-	-	-	-	-	7,378.7	31.1%	-	-	-	-	-	-	-	-	112.0	13.5%	-	-	-	-	65,442.9	84.1%	-	-	-	-	-	-	-	-	89,693.1	70.8%
Average training hours																																						
By employee	10.0		17.6		14.5		10.9		10.3		14.2		20.0		20.1		22.3		20.1		11.1		7.0		8.9		35.9		40.0		31.9		12.7		8.9		20.0	
By gender																																						
Male	9.4		15.9		13.2		9.6		9.5		14.8		18.9		20.2		22.8		20.8		12.3		2.9		8.9		34.2		37.5		29.3		12.1		8.8		18.1	
Female	11.3		21.0		16.9		13.2		11.8		13.1		21.8		20.1		21.5		18.8		9.0		13.2		8.9		37.6		42.5		34.6		13.3		8.9		22.8	
By age group																																						
Under 30 years old	21.1		-		-		-		-		14.3		-		-		-		-		8.8		-		-		41.6		-		-		-		-		30.1	
30 to 50 years old	11.1		-		-		-		-		14.5		-		-		-		-		11.7		-		-		35.0		-		-		-		-		20.1	
Over 50 years old	4.8		-		-		-		-		11.5		-		-		-		-		10.8		-		-		22.6		-		-		-		-		9.0	
By management role																																						
Management	20.7		32.6		34.8		25.8		19.7		12.5		22.0		20.0		22.7		18.7		12.8		14.9		8.9		30.3		34.0		34.7		19.6		10.5		20.5	
Non-management	6.5		12.9		7.9		6.4		7.9		15.0		19.0		20.2		22.1		20.9		9.9		2.9		8.9		37.5		41.6		31.3		11.0		8.4		19.8	
Total training spend (million HK\$)	2.9		3.8		4.0		4.3		3.1		1.1		2.7		2.3		2.5		2.0		0.1		-		1.2		0.7		1.5		1.6		2.6		1.5		4.8	
Training by related-topics																																						
Information and cyber security related training																																						
Total training hours for employees	958.8		-		-		-		-		1,190.3		-		-		-		-		75.0		-		-		2,462.9		-		-		-		-		4,687.0	
Corporate social responsibility related training																																						
Total training hours for employees	515.5		3,570.0		5,548.0		1,364.0		382.3		1,645.2		4,127.3		2,433.9		1,998.5		3,111.5		75.0		15.0		122.0		2,073.8		3,394.0		3,170.8		1,768.2		266.0		4,309.5	
Total training hours for new hires (SD training in induction programme)	118.0		606.0		257.0		277.0		333.5		614.2		717.0		483.0		529.7		247.0		8.0		9.0		72.0		1,276.3		1,875.0		119.3		632.5		138.0		740.2	
Health and safety related training																																						
Total training hours on health and safety	5,719.8		11,595.5		4,342.3		5,475.0		5,445.3		13,876.6		11,753.9		10,329.5		10,498.3		9,918.1		75.0		21.0		135.0		4,201.8		5,241.4		5,848.2		4,637.0		798.8		23,873.1	
Average training hours on health and safety per employee	2.4		4.9		1.8		2.3		2.3		8.3		7.1		7.9		8.6		7.8		1.0		0.2		1.4		1.9		2.2		2.8		2.8		0.5		3.8	
Human rights related training																																						
Total training hours on human rights related topics	3,040.0		2,910.0		1,881.3		1,027.5		1,845.0		3,015.6		1,709.3		1,794.5		951.5		356.9		75.0		5.0		388.0		5,022.1		4,654.9		1,654.0		1,799.5		430.2		11,152.7	
Percentage of employees received human rights related training	2,097	86.7%	1,956	82.4%	787	33.2%	1,053	43.4%	2,269	95.3%	1,645	98.4%	838	50.6%	1,083	83.3%	574	46.8%	570	44.7%	75	100%	70	82.4%	97	100%	1,852	85.4%	1,588	67.6%	1,196	56.6%	1,667	100%	1,205	71.0%	5,669	89.5%
Anti-corruption related training																																						
Total training hours on anti-corruption related topics	684.8		1,959.0		999.8		709.3		-		1,341.4		1,406.5		1,703.5		754.0		-		-		7.0		194.0		3,274.8		3,290.0		1,732.0		1,466.5		-		5,300.9	
Percentage of employees received anti-corruption related training	1,984 ⁽¹⁴⁾	82.0%	1,940	81.8%	617	26.0%	1,169	48.2%	2,228	93.5%	1,292	77.3%	751	45.3%	1,119	86.1%	540	44.0%	908	71.3%	-	-	80	94.1%	97	100%	1,427	65.8%	1,547	65.8%	1,086	51.4%	1,667	100%	1,337	78.8%	4,703	74.3%
By management role																																						
Management	526 ⁽¹⁴⁾	88.0%	526	92.0%	236	41.1%	471	85.0%	451	96.2%	407	72.2%	259	48.3%	344	75.1%	120	29.4%	293	70.8%	-	-	24	82.8%	42	100%	282	59.2%	374	76.6%	177	43.7%	332	100%	207	62.7%	1,215	72.8%
Non-management	1,458 ⁽¹⁴⁾	80.0%	1,414	78.5%	381	21.2%	698	37.3%	1,777	92.9%	885	79.9%	492	43.9%	775	92.0%	420	51.3%	615	71.5%	-	-	56	100%	55	100%	1,145	67.7%	1,173	63.0%	909	53.2%	1,335	100%	1,130	82.7%	3,488	74.8%

Performance Data Summary (Social)

	Swire Properties									
	2020		2019		2018		2017		2016	
Governance										
Convicted cases of corruption	0 ^a		0		0		0		0	
Composition of the Board of Directors										
Total number of Directors	12		12		11		12		12	
By gender										
Male	8	66.7%	8	66.7%	7	63.6%	8	66.7%	11	91.7%
Female	4	33.3%	4	33.3%	4	36.4%	4	33.3%	1	8.3%
By age group										
Under 30 years old	0	0%	0	0%	0	0%	0	0%	0	0%
30 to 50 years old	3	25.0%	3	25.0%	4	36.4%	4	33.3%	2	16.7%
Over 50 years old	9	75.0%	9	75.0%	7	63.6%	8	66.7%	10	83.3%
By local or non-local										
Local	8	66.7%	6	50.0%	5	45.5%	6	50.0%	7	58.3%
Non-local	4	33.3%	6	50.0%	6	54.5%	6	50.0%	5	41.7%

Reporting Boundary

(a) Our Hong Kong portfolio, Chinese mainland portfolio and U.S.A. portfolio refers 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.

(1) Data on permanent and fixed term/temporary employment contract are reported since 2017 in accordance with the GRI General Disclosure 102-8.

(2) 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%".

(3) 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%".

(4) 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%".

(5) Lost time injury rate ("LTIR") 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.

(6) 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.

(7) Lost day rate ("LDR") 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.

(8) Absentee rate is calculated as number of actual days lost divided by number of scheduled work days in the reporting year.

(9) 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.

(10) Calculated base on percentage of employees.

(11) Included Hong Kong secondees working in Singapore and Jakarta.

(12) Included Hong Kong secondees working in Singapore, Jakarta and U.S.A.

(13) Excluded EAST, Miami, U.S.A. employees.

(14) Included training received in the past three years.

Independent Practitioner’s Limited Assurance Report



To the Board of Directors of

Swire Properties Limited

We have been engaged by the Directors of Swire Properties Limited ("SPL") to perform a limited assurance engagement in relation to the selected sustainable development data by SPL (the "Data Points") listed below in its Sustainable Development ("SD") Report for the year ended 31 December 2020 (the "SD Report 2020").

Data Points

The details of the Data Points are listed below:

Data Points	Scope of assurance
Total energy consumption	Total*
Total carbon emissions (Scopes 1 & 2) - location-based method	Total*
Total carbon emissions (Scopes 1 & 2) - market-based method	Total*
Water consumption – municipal	Total*
Commercial waste	Hong Kong portfolio
Construction and demolition waste	Hong Kong portfolio
Number of fatalities	Total*
Lost time injury rate	Total*
Lost day rate	Total*
Convicted cases of corruption	Total*

* In this instance "Total" refers to the total of Hong Kong portfolio, Chinese mainland portfolio, U.S.A. portfolio and Hotels, as displayed in the Performance Data Summary chapter.

The Data Points were identified with the symbol [R] in the Performance Data Summary of the SD Report 2020.

Reporting Criteria

The Data Points are presented in accordance with the criteria set out in the GRI and HKEX ESG Reporting chapter under the heading Reporting Standards and Principles and Reporting Boundary in the SD Report 2020 (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 SPL 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.

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 all 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 2020;
- Sample testing of documentary evidence at SPL's 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 2020. In addition, our work performed is not for the purposes of expressing an opinion on the effectiveness of SPL's 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

25 February 2021

Global Reporting Initiative Content Index

GRI 102: General Disclosures

GRI Indicator	Description	References and Remarks
Organisational Profile		
102-1	Name of the organisation	Cover Page
102-2	Activities, brands, products, and services	Profile of Swire Properties Limited Places Annual Report 2020 – Company Profile Corporate website – About Us http://www.swireproperties.com/en/about-us.aspx
102-3	Location of headquarters	Profile of Swire Properties Limited
102-4	Location of operations	Profile of Swire Properties Limited Places Annual Report 2020 – Company Profile
102-5	Ownership and legal form	Profile of Swire Properties Limited Annual Report 2020– Company Profile
102-6	Markets served	Profile of Swire Properties Limited Places Annual Report 2020 – Company Profile Corporate website – About Us http://www.swireproperties.com/en/about-us.aspx
102-7	Scale of the organisation	Profile of Swire Properties Limited
G4-CRE	Gross lettable area for assets under construction and management and vacancy rate	Annual Report 2020 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
102-8	Information on employees and other workers	People Performance Data Summary
102-9	Supply chain	Partners Corporate website – Partners http://www.swireproperties.com/en/sustainable-development/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx
102-10	Significant changes to the organisation and its supply chain	Partners GRI & HKEX ESG Reporting Annual Report 2020 – Management Discussion & Analysis - Review of Operations - Portfolio Overview There were no significant changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.
102-11	Precautionary Principle or approach	SD Governance Performance (Economic) Annual Report 2020 – Risk Management
102-12	External initiatives	External Charters and Memberships
102-13	Memberships of associations	External Charters and Memberships

GRI Indicator	Description	References and Remarks
Strategy		
102-14	Statement from senior decision-maker	Chief Executive's Message
Ethics and Integrity		
102-16	Values, principles, standards and norms of behaviour	Performance (Economic) Corporate website – Our Vision and Values http://www.swireproperties.com/en/about-us/our-vision-and-values.aspx Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Sustainable Development http://www.swireproperties.com/en/sustainable-development.aspx
102-17	Mechanisms for advice and concerns about ethics	Performance (Economic) Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf
Governance		
102-18	Governance structure	SD Governance Performance (Economic) Annual Report 2020 – Corporate Governance – The Board of Directors
102-19	Delegating authority	SD Governance Annual Report 2020 – Corporate Governance – Delegation by the Board
102-20	Executive-level responsibility for economic, environmental, and social topics	SD Governance
102-22	Composition of the highest governance body and its committees	Annual Report 2020 – Corporate Governance
102-23	Chair of the highest governance body	Performance (Economic) Annual Report 2020 – Corporate Governance
102-24	Nominating and selecting and highest governance body	Annual Report 2020 – Corporate Governance – Appointment and Re-election
102-25	Conflicts of interest	Performance (Economic) Annual Report 2020 – Corporate Governance – Conflicts of Interest
102-26	Role of highest governance body in setting purpose, values and strategy	SD Governance Annual Report 2020 – Corporate Governance – The Board of Directors
102-27	Collective knowledge of highest governance body	Annual Report 2020 – Corporate Governance – Board Processes and Continuous Professional Development
102-30	Effectiveness of risk management processes	Performance (Economic) Climate-related Financial Disclosures Annual Report 2020 – Corporate Governance – Accountability and Audit Annual Report 2020 – Risk Management

GRI Indicator	Description	References and Remarks
Governance		
102-32	Highest governance body's role in sustainability reporting	SD Governance
102-35	Remuneration policies	Annual Report 2020 – Corporate Governance – Remuneration Committee
102-36	Process for determining remuneration	Annual Report 2020 – Notes to the Financial Statements – Note 9 Directors' and Executive Officers' Emoluments
102-37	Stakeholders' involvement in remuneration	Corporate Website – Corporate Governance – Terms of Reference http://ir.swireproperties.com/en/cg/terms-of-reference.php
Stakeholder Engagement		
102-40	List of stakeholder groups	Materiality
102-41	Collective bargaining agreements	There are no formal collective bargaining agreements in place within our Company. In Chinese mainland, 63% 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.
102-42	Identifying and selecting stakeholders	Materiality
102-43	Approach to stakeholder engagement	Materiality
102-44	Key topics and concerns raised	Materiality
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Annual Report 2020 – Schedule of Principal Group Properties
102-46	Defining report content and topic Boundaries	Materiality GRI and HKEX ESG Reporting
102-47	List of material topics	Materiality
102-48	Restatements of information	Performance Data Summary
102-49	Changes in reporting	About this Report GRI and HKEX ESG Reporting Performance Data Summary
102-50	Reporting period	About this Report GRI and HKEX ESG Reporting
102-51	Date of most recent report	GRI and HKEX ESG Reporting
102-52	Reporting cycle	About this Report GRI and HKEX ESG Reporting
102-53	Contact point for questions regarding the report	Table of Contents
102-54	Claims of reporting in accordance with GRI Standards	GRI and HKEX ESG Reporting Global Reporting Initiative Content Index
102-55	GRI Content Index	Global Reporting Initiative Content Index
102-56	External assurance	GRI and HKEX ESG Reporting Assurance Report

Material Topics (Economic) & Management Approach

GRI Indicator	Description	References and Remarks
GRI 201: Economic Performance 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Economic) Annual Report 2020 – Key Business Strategies Annual Report 2020 – Management Discussion & Analysis – Review of Operations – Review of Operations
103-3	Evaluation of the management approach	
201-1	Direct economic value generated and distributed	Performance (Economic) Annual Report 2020 – Management Discussion & Analysis – Review of Operations – Portfolio Overview Annual Report 2020 – 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	We did not receive significant financial assistance from any government.
GRI 203: Indirect Economic Impacts 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Places Annual Report 2020 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
103-3	Evaluation of the management approach	
203-1	Infrastructure investments and services supported	Places
203-2	Significant indirect economic impacts	Places Annual Report 2020 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
GRI 205: Anti-corruption 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Economic) Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
103-3	Evaluation of the management approach	
205-2	Communication and training on anti-corruption policies and procedures	Performance (Economic) Performance Data Summary
205-3	Confirmed incidents of corruption and actions taken	Performance (Economic) Performance Data Summary

Material Topics (Environmental) & Management Approach

GRI Indicator	Description	References and Remarks
GRI 301: Materials 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Partners Performance (Environment) Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainable-development/policies/environmental-policy.aspx
103-3	Evaluation of the management approach	Swire Group website – Swire Pacific Sustainable Procurement Policy http://www.swirepacific.com/en/sd/policy/procurement.pdf
301-1	Materials used by weight or volume	Partners Performance (Environment) Performance Data Summary
GRI 302: Energy 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Environment) Corporate website – Energy Policy http://www.swireproperties.com/en/sustainable-development/policies/energy-policy.aspx
103-3	Evaluation of the management approach	
302-1	Energy consumption within the organisation	Performance (Environment) Performance Data Summary
302-3	Energy intensity	Performance (Environment) Performance Data Summary
G4-CRE1	Building energy intensity	Performance (Environment) Performance Data Summary
302-4	Reduction of energy consumption	Performance (Environment) Performance Data Summary
GRI 303: Water and Effluents 2018		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Environment) Corporate website – Water Policy https://www.swireproperties.com/en/sustainable-development/policies/water-policy.aspx
103-3	Evaluation of the management approach	
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

GRI Indicator	Description	References and Remarks
GRI 303: Water and Effluents 2018		
303-3	Water withdrawal	Performance Data Summary The majority of water consumed by our operations comes from municipal sources in the different cities where we operate. 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.
G4-CRE2	Building water intensity	Performance (Environment) Performance Data Summary
GRI 305: Emissions 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Environment) Climate-related Financial Disclosures Performance Data Summary
103-3	Evaluation of the management approach	Corporate website – Climate Change Policy https://www.swireproperties.com/en/sustainable-development/policies/climate-change-policy.aspx
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 emission	Performance (Environment) Performance Data Summary
305-4	GHG emissions intensity	Performance (Environment) Performance Data Summary
G4-CRE3	GHG emissions intensity from buildings	
305-5	Reduction of GHG emissions	Performance (Environment) Performance Data Summary
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Materiality GRI and HKEX ESG Reporting Performance (Environment)
306-2	Management of significant waste-related impacts	Performance (Environment) Corporate website – Waste Management Policy http://www.swireproperties.com/en/sustainable-development/policies/waste-management-policy.aspx
306-3	Waste generated	Performance (Environment) Performance Data Summary
306-4	Waste diverted from disposal	Performance (Environment) Performance Data Summary

GRI 306: Waste 2020		
306-5	Waste directed to disposal	Performance (Environment) Performance Data Summary
GRI 307: Environmental Compliance 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Environment) Performance (Economic)
103-3	Evaluation of the management approach	
307-1	Non-compliance with environmental laws and regulations	In 2020, we were not subject to significant fines or non-monetary sanctions for non-compliance with such laws or regulations.
GRI 308: Supplier Environmental Assessment 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Partners Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx
103-3	Evaluation of the management approach	Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx Swire Group website – Swire Pacific Sustainable Procurement Policy http://www.swirepacific.com/en/sd/policy/procurement.pdf
308-1	New suppliers that were screened using environmental criteria	Partners

Material Topics (Social) & Management Approach

GRI Indicator	Description	References and Remarks
GRI 401: Employment 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	People Corporate website – People http://www.swireproperties.com/en/sustainable-development/people.aspx Corporate website – Working with us
103-3	Evaluation of the management approach	http://www.swireproperties.com/en/careers/working-with-us.aspx Corporate website – Diversity and Inclusion Policy https://www.swireproperties.com/en/sustainable-development/policies/diversity-and-inclusion-policy.aspx
401-1	New employee hires and employee turnover	People Performance Data Summary
401-3	Parental leave	Performance Data Summary
GRI 403: Occupational Health and Safety 2018		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	People Partners Corporate website – Health & Safety Policy
103-3	Evaluation of the management approach	http://www.swireproperties.com/en/sustainable-development/policies/health-and-safety-policy.aspx
403-1	Occupational health and safety management system	People Performance Data Summary
403-2	Hazard identification, risk assessment, and incident investigation	People Performance (Economic)
403-3	Occupational health services	People
403-4	Worker participation, consultation, and communication on occupational health and safety	People
403-5	Worker training on occupational health and safety	People Performance Data Summary
403-6	Promotion of worker health	People
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People
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)	

GRI Indicator	Description	References and Remarks
GRI 403: Occupational Health and Safety 2018		
403-9	Work-related injuries	People Performance Data Summary
403-10	Work-related ill health	Performance Data Summary
GRI 404: Training and Education 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	People
103-3	Evaluation of the management approach	
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
GRI 405: Diversity and Equal Opportunity 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	People Corporate Website – Diversity and Inclusion Policy https://www.swireproperties.com/en/sustainable-development/policies/diversity-and-inclusion-policy.aspx
103-3	Evaluation of the management approach	
405-1	Diversity of governance bodies and employees	Corporate Website – Board Diversity Policy http://ir.swireproperties.com/en/cg/pdf/diversity.pdf
		Corporate Website – Corporate Code of Conduct https://ir.swireproperties.com/en/cg/pdf/conduct.pdf
405-2	Ratio of basic salary and remuneration of women to men	People Performance Data Summary

GRI Indicator	Description	References and Remarks
GRI 413: Local Communities 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Places People
103-3	Evaluation of the management approach	
413-1	Operations with local community engagement, impact assessments, and development programmes	Places
GRI 414: Supplier Social Assessment 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Partners Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx
103-3	Evaluation of the management approach	
414-1	New suppliers that were screened using social criteria	Partners Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx
GRI 416: Customer Health and Safety 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Environment)
103-3	Evaluation of the management approach	
416-1	Assessment of the health and safety impacts of product and service categories	Performance (Environment)
GRI 417: Marketing and Labelling 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Environment)
103-3	Evaluation of the management approach	
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.

GRI Indicator	Description	References and Remarks
GRI 417: Marketing and Labelling 2016		
G4-CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	Performance (Environment)
GRI 419: Socioeconomic Compliance 2016		
103-1	Explanation of the material topic and its Boundary	Materiality GRI and HKEX ESG Reporting
103-2	The management approach and its components	Performance (Economic) Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
103-3	Evaluation of the management approach	
419-1	Non-compliance with laws and regulations in the social and economic area	In 2020, we were not subject to significant fines or non-monetary sanctions for non-compliance with such laws or regulations.

HKEX ESG Reporting Guide Content Index

Mandatory Disclosure Requirements	References and Remarks
Governance Structure	SD 2030 Strategy SD Governance
Reporting Principles	Materiality GRI and HKEX ESG Reporting Performance Data Summary
Reporting Boundary	GRI and HKEX ESG Reporting

Aspects, General Disclosure, KPIs

Description

References and Remarks

A. Environmental		
Aspect A1	Emissions	
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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Performance (Environment) Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainable-development/policies/environmental-policy.aspx Corporate website – Climate Change Policy https://www.swireproperties.com/en/sustainable-development/policies/climate-change-policy.aspx Corporate website – Waste Management Policy https://www.swireproperties.com/en/sustainable-development/policies/waste-management-policy.aspx Corporate website – Water Policy https://www.swireproperties.com/en/sustainable-development/policies/water-policy.aspx In 2020, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI A1.1	The types of emissions and respective emissions data	Emissions of NOx, SOx and other pollutants are considered not significant in our operations.
KPI A1.2	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) Performance Data Summary
KPI A1.3	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.

Aspects, General Disclosure, KPIs	Description	References and Remarks
Aspect A1	Emissions	
KPI A1.4	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.
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	Future Targets Performance (Environment)
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Future Targets Performance (Environment)
Aspect A2	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Partners Performance (Environment) Climate-related Financial Disclosures Corporate website – Sustainable Development Policy http://www.swireproperties.com/en/sustainable-development/policies/sustainable-development-policy.aspx Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainable-development/policies/environmental-policy.aspx Corporate website – Energy Policy http://www.swireproperties.com/en/sustainable-development/policies/energy-policy.aspx Corporate website – Waste Management Policy https://www.swireproperties.com/en/sustainable-development/policies/waste-management-policy.aspx Corporate website – Water Policy https://www.swireproperties.com/en/sustainable-development/policies/water-policy.aspx Swire group website – Swire Pacific Sustainable Procurement Policy http://www.swirepacific.com/en/sd/policy/procurement.pdf
KPI A2.1	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) Performance Data Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Performance (Environment) Performance Data Summary
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Future Targets Performance (Environment)
KPI A2.4	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	Future Targets Performance (Environment) In 2020, we did not encounter any problems in sourcing water for daily operations.

Aspects, General Disclosure, KPIs	Description	References and Remarks
Aspect A2	Use of Resources	
KPI A2.5	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced	In 2020, the total amount of packaging material used by Swire Properties, mainly by Swire Restaurants for food packaging is 15 tonnes.
Aspect A3	The Environment and Natural Resources	
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	Partners Performance (Environment) Climate-related Financial Disclosures Corporate website – Sustainable Development Policy http://www.swireproperties.com/en/sustainable-development/policies/sustainable-development-policy.aspx Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainable-development/policies/environmental-policy.aspx Corporate website – Climate Change Policy https://www.swireproperties.com/en/sustainable-development/policies/climate-change-policy.aspx Corporate website – Energy Policy http://www.swireproperties.com/en/sustainable-development/policies/energy-policy.aspx Corporate website – Waste Management Policy https://www.swireproperties.com/en/sustainable-development/policies/waste-management-policy.aspx Corporate website – Water Policy https://www.swireproperties.com/en/sustainable-development/policies/water-policy.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Future Targets Partners Performance (Environment) Climate-related Financial Disclosures
Aspect A4	Climate Change	
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Performance (Environment) Climate-related Financial Disclosures Corporate website – Climate Change Policy https://www.swireproperties.com/en/sustainable-development/policies/climate-change-policy.aspx Corporate website – Energy Policy http://www.swireproperties.com/en/sustainable-development/policies/energy-policy.aspx
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Future Targets Performance (Environment) Climate-related Financial Disclosures

Aspects, General Disclosure, KPIs	Description	References and Remarks
B. Social		
Employment and Labour Practices		
Aspect B1		
Employment		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare</p>	<p>People</p> <p>Corporate website – People http://www.swireproperties.com/en/sustainable-development/people.aspx</p> <p>Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf</p> <p>Corporate website – Diversity and Inclusion Policy https://www.swireproperties.com/en/sustainable-development/policies/diversity-and-inclusion-policy.aspx</p> <p>Corporate website – Board Diversity Policy http://ir.swireproperties.com/en/cg/pdf/diversity.pdf</p> <p>Corporate website – Equal opportunities and diversity http://ir.swireproperties.com/en/cg/pdf/equal.pdf</p> <p>In 2020, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.</p>
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region	People Performance Data Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Performance Data Summary
Aspect B2		
Health and Safety		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards</p>	<p>People</p> <p>Corporate website – Health & Safety Policy http://www.swireproperties.com/en/sustainable-development/policies/health-and-safety-policy.aspx</p> <p>In 2020, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.</p>
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	People Performance Data Summary
KPI B2.2	Lost days due to work injury	People Performance Data Summary
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	People

Aspects, General Disclosure, KPIs	Description	References and Remarks
Aspect B3	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	People Corporate website – Working with us http://www.swireproperties.com/en/careers/working-with-us.aspx
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Performance Data Summary
KPI B3.2	The average training hours completed per employee by gender and employee category	People Performance Data Summary
Aspect B4	Labour Standards	
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 preventing child and forced labour	Partners Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Supplier Code of Conduct https://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx In 2020, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Partners Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Supplier Code of Conduct https://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Partners Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf In 2020, we did not discover any such practices in our operations.

Aspects, General Disclosure, KPIs	Description	References and Remarks
Operating Practices		
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain	Partners Corporate website – Partners http://www.swireproperties.com/en/sustainable-development/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx
KPI B5.1	Number of suppliers by geographical region	Partners
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Partners Corporate website – Partners http://www.swireproperties.com/en/sustainable-development/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Partners Corporate website – Partners http://www.swireproperties.com/en/sustainable-development/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainable-development/policies/supplier-code-of-conduct.aspx
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
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	Partners Performance (Environment) Performance (Economic) Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Swire Properties' Data Privacy and Security Policy http://www.swireproperties.com/en/privacy-statement.aspx Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf In 2020, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.

Aspects, General Disclosure, KPIs	Description	References and Remarks
Aspect B6	Product Responsibility	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	In 2020, 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 2020, there were no substantiated complaints received relating to the provision and use of products and services that have a significant impact on Swire Properties.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Performance (Economic) Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
KPI B6.4	Description of quality assurance process and recall procedures	Performance (Environment) We did not consider that recall procedures are material to our operations.
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Partners Performance (Economic) Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Swire Properties' Data Privacy and Security Policy http://www.swireproperties.com/en/privacy-statement.aspx Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf
Aspect B7	Anti-corruption	
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 bribery, extortion, fraud and money laundering	Performance (Economic) Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf In 2020, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI B7.1	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) Performance Data Summary In 2020, there were no concluded legal cases regarding corrupt practices brought against Swire Properties or its employees.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Performance (Economic) Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Whistleblowing Policy https://ir.swireproperties.com/en/cg/pdf/whistleblowing.pdf
KPI B7.3	Description of anti-corruption training provided to directors and staff	Performance (Economic)

Aspects, General Disclosure, KPIs

Description

References and Remarks

Community		
Aspect B8	Community Investment	
General Disclosure	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 Corporate website – Community Ambassador Programme http://www.swireproperties.com/en/sustainable-development/people/community-ambassador-programmes.aspx Corporate website – Community Caring Fund http://www.swireproperties.com/en/sustainable-development/people/community-caring-fund.aspx Corporate website – Community Programmes http://www.swireproperties.com/en/sustainable-development/places/community-programmes.aspx
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Places People
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Places People