

 SWIRE PROPERTIES

Sustainable Development Report 2021



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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



“ We believe that companies with a strong commitment to improving their SD performance will be better prepared to withstand systemic climatic, social and economic stresses and volatility. ”

2021 marked the beginning of my tenure as Chief Executive of Swire Properties. After four years in Beijing, I couldn’t be more excited about the opportunities which lie ahead. Sustainable Development has always been close to my heart and I have had the opportunity to be involved in many of our initiatives over the years. Our journey and achievements to date are a significant source of pride for the whole organisation. Moreover, I recognise that our ability to continue to integrate Sustainable Development into our business is critical to our competitiveness and success over the long term. Sustainable Development (“SD”) will remain at the top of our agenda.

GRI
2-22

Working towards resilience in a challenging year

2021 was another challenging year, with the impact of the COVID-19 pandemic continuing to be felt across the world. I am extremely grateful to all members of our front-line staff who have worked so hard to keep our employees, our tenants and our customers safe. The continued period of disruption has underlined the need to develop and implement strategies to ensure that our business, our industry and our communities emerge stronger and more resilient. Many of these plans are captured in our SD 2030 Strategy.

We believe that companies with a strong commitment to improving their SD performance will be better prepared to withstand systemic climatic, social and economic stresses and volatility. This year, we continued to enjoy stable occupancy rates and promising growth in sales revenue. We have invested significantly in placemaking and placekeeping activities which will increase resilience and support a recovery in the communities and cities in which we operate.

Advancing to Net Zero with 1.5°C-aligned science-based targets

COP26, held in Glasgow in November 2021, emphasised the importance of a transition to net-zero carbon emissions to limit global temperature rise to 1.5°C. The summit also called for closer collaboration between Government, business and civil society to accelerate action and address the climate crisis.

At Swire Properties we believe that corporations can drive significant change which is why we are a strong proponent of science-based decarbonisation targets. This year, Swire Properties was the first real estate developer in Hong Kong and the Chinese Mainland to have our [1.5°C-aligned science-based targets approved](#), in line with the Paris Agreement. These industry-leading decarbonisation goals allow us to broaden our influence with our value chain partners and better monitor our downstream impact – continuing to initiate changes in our supply chain while further engaging our tenants on key climate issues.

Demonstrating across-the-board sustainability leadership

Over the past two years, we have placed greater emphasis on health and wellness in our communities. An excellent example of this commitment is our newest development, [Taikoo Li Qiantan](#) in Shanghai, a LEED- and WELL-certified shopping mall that is focused on promoting wellbeing and enhancing social resilience. Taikoo Li Qiantan became the first shopping mall in the world to obtain WELL Core Platinum certification.

We are also promoting change by demonstrating leadership in several other areas. Last year we achieved 100% renewable electricity at Taikoo Hui Guangzhou, building upon our achievements at Sino-Ocean Taikoo Li Chengdu in 2020. We were also the principal partner for the Hong Kong Green Building Council’s Advancing Net Zero Ideas Competition which aimed to stimulate innovation throughout the construction and property industries through the design of future-ready buildings and the retrofitting of existing building stock to achieve net-zero emissions by 2050. In addition, our new corporate-level [Zero Harm Commitment](#) is an industry-leading pledge that strives to eliminate hazards and create a safe environment for all our employees, partners and the wider community.

This year we celebrated the 20th anniversary of the Swire Properties Community Ambassador Programme, our corporate volunteering initiative. This significant milestone represents our enduring spirit of giving back and shows how far we have come over the past two decades – growing from a team of just 40 people to over 4,000 volunteers today! We will continue to give back to our communities through volunteering and building enduring partnerships with NGOs.

Another priority is to increase our understanding of the environmental, social and economic impacts that our developments have on the surrounding communities. We believe it is important to learn about and measure these impacts so that we can build and manage places that improve the built environment and enhance the lives of the people who live, work and stay within it. In 2021, we published our second [Places Impact Report](#), produced in partnership with Tsinghua University in Beijing. This report examines the impact of Taikoo Li Sanlitun on the wider Sanlitun area in the Chaoyang District of Beijing.

Remaining focused to achieve our SD vision

I was recently asked what I thought our biggest achievement was as a business in 2021. For me, without doubt, our greatest achievement was in the area of Sustainable Development where we have moved closer towards achieving our vision of being the top performer in our industry globally by 2030. The progress is clear from our ascending [ESG ratings and numerous awards](#) received in 2021. We were listed seventh globally and first in Asia on the influential DJSI World Index. We also retained our Global Sector Leader title on the Global Real Estate Sustainability Benchmark (GRESB) index and were ranked first on the Hang Seng Corporate Sustainability Index for the fourth year in a row – obtaining the highest score of all the assessed companies. The fact that the commitments which we have made to implement our SD 2030 Strategy are being recognised is very encouraging and motivates us to do more.

We are expecting 2022 will be another challenging year with more uncertainty and volatility ahead. It remains important for us to stay focused as a team on delivering on our SD plans, whether they be decarbonising our portfolios, remaining diligent in our commitment to achieve zero harm or investing our time and energy in volunteering to support our communities. As I embark on my first full year as Chief Executive of Swire Properties, I am committed to working closely with my colleagues to advance our SD agenda as we continue to build sustainable and resilient communities.



Tim Blackburn
Chief Executive

About this Report



This report is the 14th sustainable development (“SD”) report of Swire Properties Limited (“Swire Properties” or “Company”). The report covers the period from 1st January 2021 to 31st December 2021 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. The report was published online in April 2022.

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

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	Hotel Investment	Number of employees* 6,200+																		
Aggregate gross floor area (“GFA”) attributable to the Group* ~30.7 million square feet (“sq ft”)		Underlying profit/(loss) by segment <table border="1" style="margin: 0 auto; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Total</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">9,541</td> <td style="text-align: center;">12,679</td> </tr> </tbody> </table> <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th>Year</th> <th>Property trading</th> <th>Property investment</th> <th>Hotels</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td style="text-align: center;">9,871</td> <td style="text-align: center;">(45)</td> <td style="text-align: center;">(285)</td> </tr> <tr> <td>2020</td> <td style="text-align: center;">13,290</td> <td style="text-align: center;">(87)</td> <td style="text-align: center;">(524)</td> </tr> </tbody> </table>			Total	Total		9,541	12,679	Year	Property trading	Property investment	Hotels	2021	9,871	(45)	(285)	2020	13,290	(87)	(524)
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Underlying profit attributable to shareholders in 2021 HKD9,541 million 2020 HKD12,679 million																					

*Data is valid as at 31st December 2021 and has been reproduced from the [Swire Properties Annual Report 2021](#).

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 Indonesia, Singapore, 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 2021](#).

Top Sustainability Performance

Global Leadership in Sustainability Benchmarks and Indices

Our commitment to SD received further global recognition in 2021. We were ranked highly on several major SD-related benchmarks and indices.

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

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

2015 2016 2017* 2018* 2019** 2020** 2021**

*Member of the Dow Jones Sustainability World Index (“DJSI World”) – sole constituent company from Hong Kong

#Top 5% Globally

For the fifth year in a row, we were the only constituent company from Hong Kong to be listed on the DJSI World. We ranked seventh out of 237 leading real estate developers from around the world, and we ranked first in Asia.

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



2017 2018 2019 2020 2021

For the fifth year in a row, we retained our Global Sector Leader title in the Mixed Use developments category. We were also recognised as the Global Development Sector Leader in the same category for the second year in a row. In addition to our five-star rating on the benchmark, our public disclosure was awarded with the highest rating, “A”, for the fourth consecutive year.

Hang Seng Corporate Sustainability Index – Top Company



Hang Seng Corporate Sustainability Index Series Member 2021-2022



2015 2016 2017 2018* 2019* 2020* 2021*

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

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

Swire Properties was also listed in the Hang Seng Environmental, Social and Governance (ESG) 50 Index for the second consecutive year, showcasing the Company as one of the top 50 ESG leaders in Hong Kong.



2014 2015 2016
2017 2018* 2019*
2020* 2021*

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

Sustainability Yearbook
Member 2022

S&P Global

2017 2018 2019
2020 2021 2022

Top 15% of real estate companies globally



2016 2017 2018
2019 2020 2021

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

Facilities Management Team of the Year



At the RICS Awards 2021, Cityplaza won the Facilities Management Team of the Year award. The judges remarked that “Cityplaza is a state-of-the-art project that truly integrates technology and sustainability with a human touch”.

Cityplaza won because of three key elements:

- Its cloud-based smart energy management platform – read more about this real-time energy performance monitoring system [here](#)
- The Ice Palace renovation – read more about the renovation [here](#)
- Ongoing customer engagement programmes at the mall

Award-winning SD Reporting



Our Annual Report 2020 and SD Report 2020 recently won top accolades at The Hong Kong Management Association’s 2021 Best Annual Reports Awards. We received the Bronze Award for Best Annual Report in the General category, and the Excellence Award in the Environmental, Social and Governance Reporting category.

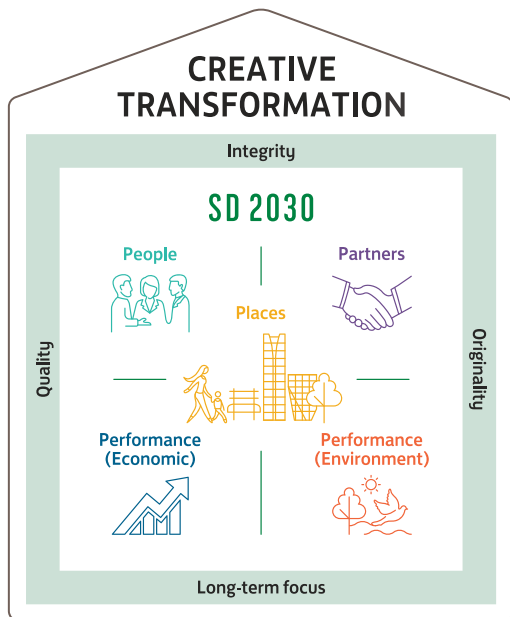
At the Best Corporate Governance and ESG Awards 2021 organised by the Hong Kong Institute of Certified Public Accountants (HKICPA), Swire Properties was recognised with the ESG Award in the Non-Hang Seng Index (Large Market Capitalization) Category. This award recognised Swire Properties as the top performer among the 540 listed companies assessed.

An aerial photograph of a city skyline, likely Hong Kong, featuring a mix of modern glass skyscrapers and older residential buildings. A prominent green vertical graphic with a white arrow-like shape is on the left side of the image. The sky is clear blue, and the foreground shows a lush green forested hillside.

SD 2030 Strategy

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

SD 2030 Strategy



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

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

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

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

In the same year, we formulated our SD 2030 Strategy to implement this SD vision. This strategy has helped us build our SD capability and ensure 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)** (“the Pillars” or “Pillar”).

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

GRI
2-22

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, while 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 indispensable to our success.

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


Focus areas for People:



Talent Attraction



Talent Management



Rewards



Occupational Health and Safety



Diversity and Inclusion



Volunteering




Partners


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

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


Focus areas for Partners:



Suppliers




Tenants



Customers



Residential Owners and Occupiers



Government



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



Joint Venture Partners



**Performance
(Environment)**

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

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

Focus areas for Performance (Environment):

- Climate Change
- Energy
- Resource and Circularity
- Water
- Biodiversity
- Occupant Wellbeing
- Building/Asset Investments



**Performance
(Economic)**

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

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

Focus areas for Performance (Economic):

- Financial Performance
- Green Financing
- Corporate Governance
- Risk Management
- Disclosure and Communications

SUSTAINABLE DEVELOPMENT (SD) 2030 STRATEGY: 2021 HIGHLIGHTS



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



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



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



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

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.



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.

FINANCIAL PERFORMANCE

HKD9,541 million in underlying profit attributable to shareholders

GREEN FINANCING

100% of the net proceeds from all green bonds have been allocated to green projects

Named one of the **top 10** organisations globally in the “Post-Issuance Reporting in the Green Bond Market 2021” study conducted by the Climate Bonds Initiative

2025 KPI	2021 Progress
Achieve a minimum of 50% of bond and loan facilities ¹ from green financing	~30% of current bond and loan facilities are from green financing

DISCLOSURE AND COMMUNICATIONS

Published our fourth set of climate-related financial disclosures as per TCFD recommendations

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

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

Ranked 7th globally and No. 1 in Asia, Member of the World Index – 5th consecutive year

GRESB
REAL ESTATE
sector leader 2021

Global Sector Leader – 5th consecutive year

Hang Seng Corporate Sustainability Index Series Member 2021-2022

Ranked No. 1 for 4th consecutive year, “AAA” rating

MSCI
ESG RATINGS
“AAA” rating

Sustainability Yearbook
Member 2022

TALENT MANAGEMENT

2025 KPI	2021 Progress
A 25% increase in training hours/employee/year ³	~164,000 training hours delivered
	26.4 training hours/employee/year (↑116%)

OCCUPATIONAL HEALTH AND SAFETY

Announced our new **Zero Harm Commitment** supported by a Zero Harm framework and roadmap

2025 KPI	2021 Progress
Maintain Lost Time Injury Rate (“LTIR”)	
Non-hotel operations: <1.2	Non-hotel operations: 0.67
Hotel operations: <2.0	Hotel operations: 1.55

DIVERSITY & INCLUSION

Introduced new policies on respect in the workplace, staff grievances, and parental leave

2025 KPI	2021 Progress
Maintain a gender balance in senior management	49% of senior management positions and 50% of management positions are held by women
Maintain gender pay ratio at 1:1	Gender pay ratio (female to male): 1:1.07

VOLUNTEERING

Celebrated the **20th** anniversary of our Community Ambassador Programme and contributed **>4,800** volunteer service hours, supporting **64** activities

IMPACT REPORTING

Published our second **Places Impact Report** in conjunction with Tsinghua University. The report uses our Places Impact Framework to explore Taikoo Li Sanlitun in Beijing, assessing, measuring and reporting on the environmental, social and economic impacts of this development

WELLNESS

Opening of Taikoo Li Qiantan, the first shopping mall in the world to achieve WELL Core Platinum certification. This wellness-themed mall features an 86,000 sq ft central park and a 450m-long rooftop running track to enhance the wellbeing of visitors

SUPPLIERS

2025 KPI	2021 Progress
25% of products and services purchased ⁴ shall be sustainable ⁵	12% of products and services purchased were sustainable
	HKD946 million spent on sustainable procurement

TENANTS

Launched the **Green Performance Pledge (“GPP”)**, a new performance-based agreement to deepen landlord-tenant partnerships to contribute to a more sustainable world

2025 KPI	2021 Progress
50% of tenants in our office portfolios ⁶ sign the Green Performance Pledge to jointly improve environmental performance	GPP launched with 14 pilot tenants, which covered nearly 10% of our office tenants in Hong Kong

Recognised **51** F&B tenants in Hong Kong and the Chinese Mainland with Green Kitchen Awards

15 participating teams joined the Smart Waste Reduction Pilot Programme and collectively achieved a **41%** waste diversion rate with the use of smart technologies

CLIMATE CHANGE

First real estate developer in Hong Kong and the Chinese Mainland to have 1.5°C-aligned science-based targets (“SBTs”) approved in September 2021

2025 KPI	2021 Progress
Absolute GHG emissions (Scope 1 and Scope 2): ↓25% ⁷	↓23% ⁷
2030 KPI	
Value chain GHG emissions (Scope 3 - Downstream Leased Assets): ↓28% per square metre ⁸	↓34.6%

ENERGY

Taikoo Hui in Guangzhou became powered by **100% renewable electricity**

2025 KPI	2021 Progress
Energy use intensity ⁹	
Hong Kong Portfolio¹⁰ ↓20%	Hong Kong Portfolio¹⁰ ↓7%
Chinese Mainland Portfolio¹⁰ ↓13%	Chinese Mainland Portfolio¹⁰ ↓3%

RESOURCE AND CIRCULARITY

2025 KPI	2021 Progress
Commercial waste diversion rate	
Hong Kong Portfolio¹⁰ 30%	Hong Kong Portfolio¹⁰ 23.6%
Chinese Mainland Portfolio¹⁰ 40%	Chinese Mainland Portfolio¹⁰ 41.6%

BUILDING/ASSET INVESTMENT

2025 KPI	2021 Progress
100% of wholly-owned ¹¹ new development projects to achieve the highest environmental building assessment scheme rating	100% of new development projects ¹¹ achieved the highest ratings
	86% of existing developments ¹¹ achieved the highest ratings

1 Arranged by the Hong Kong head office.
 2 Disclaimer: www.wireproperties.com/sd/awards/mscidisclaimer.html
 3 Compared to the baseline year of 2016.
 4 For wholly-owned investment portfolios.
 5 Products that meet specific sustainability criteria such as green certification or accreditation by reputable, independent third parties.
 6 Measured by occupied lettable floor area (“LFA”) of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui in Guangzhou.
 7 Compared to the 2019 baseline.
 8 Compared to the 2018 baseline.
 9 The 2025 KPIs under Energy Reduction have been updated per our approved 1.5°C-aligned SBTs (compared to the 2019 baseline). Energy consumption refers to purchased electricity for the provision of shared services for and in the common parts of our buildings.
 10 Hong Kong portfolio and Chinese Mainland portfolio refer to our office and retail portfolios and hotels in Hong Kong and the Chinese Mainland respectively.
 11 Joint venture projects and trading properties are excluded.

UN SDGs

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



We believe that 10 of the SDGs connect closely with our SD vision and SD 2030 Strategy. These 10 SDGs are relevant to the focus areas under one or more of the Pillars listed below. Our progress made against these SDGs in 2021 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 are crucial to the success of our SD 2030 Strategy. Partners aligns with:



SDG 12

Ensuring sustainable consumption and production patterns.



SDG 17

Strengthening partnerships for sustainable development.

Performance (Environment)

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



SDG 3

Ensuring healthy lives and promoting wellbeing.



SDG 6

Ensuring availability and sustainable water management.



SDG 7

Ensuring access to reliable and sustainable energy.



SDG 11

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



SDG 12

Ensuring sustainable consumption and production patterns.

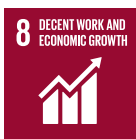


SDG 13

Taking urgent action to combat climate change and its impacts.

Performance (Economic)

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



SDG 8

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



SDG 17

Strengthening partnerships for sustainable development.

SD Governance

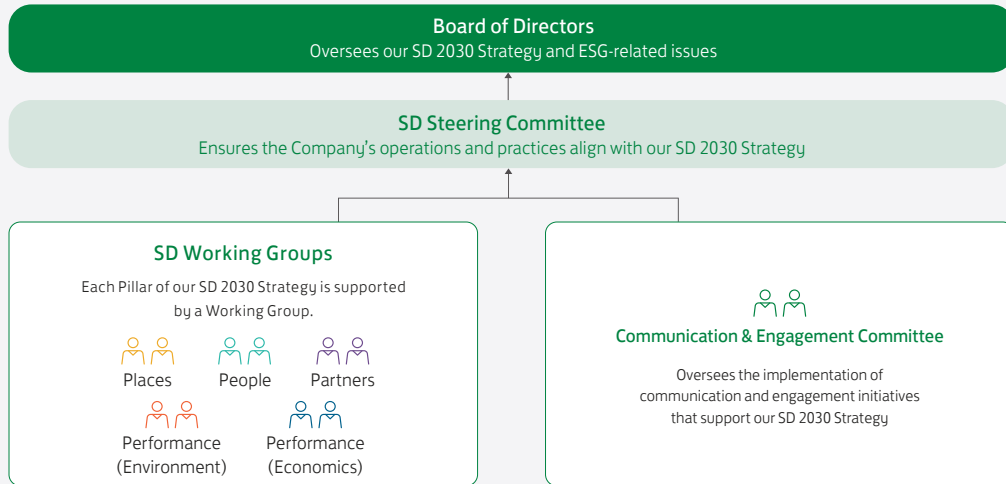
SD Governance Structure

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

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

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

HKEX
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, while the Sustainable Development Steering Committee (“SD Steering Committee”) reports material SD issues and the progress made towards 2025 key performance indicators (“KPIs”) to the Board. These issues are discussed at quarterly board meetings.

The Board provides oversight of our risk management framework and our SD risks, including climate-related risks. Swire Properties also conducts 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

The 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 its operations and practices are carried out in line with the strategy. The SD Working Groups report to the SD Steering Committee on a regular basis.

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.

SD Working Groups

Each Pillar of the SD 2030 Strategy is supported by a Working Group. In 2021, these SD Working Groups continued to work on the KPIs and future targets that have been set 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 the inclusion of employees with different backgrounds, types of expertise and varying levels of seniority.

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 2021 [here](#).

Sustainable Development Policy

GRI
2-23, 2-24

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

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
















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

We strive to operate in a manner that protects the health and safety of all of the people with whom we work. We also strive to be an employer of choice by providing a working environment in which all employees are treated fairly and with respect 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 policies that focus on specific environmental and social impacts:

 <p>Biodiversity Policy</p>	 <p>Board Diversity Policy</p>	 <p>Climate Change Policy</p>	 <p>Corporate Code of Conduct</p>
 <p>Diversity and Inclusion Policy</p>	 <p>Energy Policy</p>	 <p>Environmental Policy</p>	 <p>Health and Safety Policy</p>
 <p>Parental Leave Policy and Guidelines</p>	 <p>Respect in Workplace Policy</p>	 <p>Staff Grievance Policy</p>	 <p>Supplier Code of Conduct</p>
 <p>Resource and Circularity Policy</p>	 <p>Water Policy</p>	 <p>Whistleblowing Policy</p>	

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. Since then, our office employees have continued to align their annual performance goals with each Pillar and the Company's SD vision.

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



Business Integration and Budgeting

In 2021, we continued to implement SD initiatives in our day-to-day operations and decision-making at both the asset and functional levels of all our major business units in Hong Kong and the Chinese Mainland.

All our major business units now incorporate SD considerations into their annual budgets and share their proposed budget allocations with the relevant SD Working Groups.

Corporate Risk Management

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



In 2021, we continued to partner with a risk management consultant to enhance our risk scoring model using a rating scale and risk dimensions that are easier to interpret and assess. This enhancement also facilitates benchmarking across the Swire Group through the alignment of risk scores. We continued to conduct regular reviews of risks and mitigation strategies and consulted with external risk advisors to share risk-related experiences and industry best practices.



Green Financing

Since 2018, Swire Properties has launched various green financing mechanisms that fund green building developments and other projects. These include our first green bond, issued in January 2018, and our first sustainability-linked loan, obtained in July 2019, the interest rate of which is indexed against improvement in the Company's year-on-year ESG performance. In 2020, we issued four more green bonds, totalling HKD1,934 million. As of 31st December 2021, approximately 30% of our bond and loan facilities are from green financing such as green bonds, sustainability-linked loans and green loans.

In 2021, we issued our fourth annual [Green Finance Report](#), which provides information on projects funded by the green bonds and green loan and their estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts. We were also named one of the top 10 organisations globally in the "Post-Issuance Reporting in the Green Bond Market 2021" study conducted by the Climate Bonds Initiative, an international organisation focusing on green financing, recognising Swire Properties for the clarity, comprehensiveness and transparency of its reporting.

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.

“Fighting Climate Change, We’re All In”



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.

This year, we ran a second iteration of the campaign with a new theme: “Fighting Climate Change, We’re All

In”, highlighting our commitment to the Business Ambition for 1.5°C and the city-wide goal of achieving net-zero emissions by 2050.

The campaign was aimed at our employees, tenants, key stakeholders and the general public and featured “1.5°C” as the key statement. Posters were displayed in malls, lift lobbies and office buildings, as well as online through a social media blitz to draw attention to the need to limit the global temperature rise to 1.5°C above pre-industrial levels by the end of this century to hold off the worst impacts of climate change.

In addition, as part of the “Fighting Climate Change, We’re All In” campaign, we designed a “1.5°C pin” to demonstrate our commitment to fighting climate change. We also distributed these pins to all our employees to encourage everyone in the company to continue our SD efforts and work towards the 1.5°C goal.



1.5°C@Work Challenge



To further engage our employees in the Business Ambition for 1.5°C initiative, we ran a Company-wide energy-saving competition called the “1.5°C@Work Challenge”. The aim was to encourage the use of less electricity in our own offices, and lead by example to inspire our tenants, peers and the wider Hong Kong community to do the same.

Office employees were provided with energy-saving tips and ways to change small daily habits to save power at workstations, during meetings and in breakout rooms. They were also encouraged to share their “next-level ideas” that may influence future company policies.

The challenge ran from August to November 2021, using June 2021 as a baseline in all our offices and properties across Hong Kong, the Chinese Mainland and Miami. The office with the largest percentage decrease in electricity use, Taikoo Li Sanlitun, was named the Top Energy Saver. They reduced their consumption by around 6%.

An SD Academy for Media Partners



In July 2021, we organised a media briefing to communicate our sustainable development work and our efforts to combat climate change to the mainstream media. This took the form of an SD Academy covering such topics as our science-based targets, carbon emissions management over a building’s lifecycle and key SD efforts made at the construction, operation and end-of-life stages of a building.

The briefing was followed by a tour of One Taikoo Place that showcased our SD building design and features. Guided by our technical services and sustainable development team, the media guests examined the building’s key SD features, including its glass façade, waste-to-energy trigeneration system and dual-level roof solar photovoltaic system.

A total of 26 journalists from 21 media outlets attended the briefing, generating over 20 immediate print, online and broadcast stories, and helping pave the way for other in-depth media stories and interviews that profiled the Company’s SD initiatives.

Innovation and Experimentation

A creative mindset of innovation and experimentation is crucial to the successful execution of our SD 2030 Strategy. In 2021, we repeatedly demonstrated our commitment to innovation and experimentation.

New Ventures Makes New Investments in Technology



Our new ventures department specialises in identifying emerging trends in real estate technology and accelerates the adoption of creative solutions. The department adds strategic value by trialling best-in-class technologies to make our business more competitive and efficient, and by investing in real estate-related technology companies.

The department works closely with technology start-ups, investors, accelerators and industry partners to stay at the forefront of real estate technology development.

Last year, the department established a USD50 million corporate venture capital fund to make global investments in innovative technology companies. The target investments included property technology (“PropTech”) companies related to smart retail, “offices of the future”, smart building and hotel integration. This fund has invested in a number of start-ups, notably:

- A logistics technology company that helps retailers make store-to-store and store-to-door deliveries in the most efficient and cost-effective manner,
- An air circulation and filtration solutions company that seeks to reduce the energy required for a building’s air-conditioning systems,
- An Internet of Things (“IoT”) solutions company that enhances commercial real estate productivity by providing insights on spatial usage.

The team continues to scout innovative and relevant technology companies around the world, aiming to make prudent financial and strategic investments to help our business grow.

Creating a Cultural Shift with the Innovation Accelerator



Launched in 2020, the Innovation Accelerator is an initiative designed to foster a culture of innovation at Swire Properties. In 2021, we also launched the Innovation Accelerator programme for our employees in the Chinese Mainland. The programme identifies Change Agents to help drive change across the Company, providing them with training and opportunities for collaboration. The

hope is that 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.

Throughout the year, we provided several training programmes to equip our Change Agents with both soft and hard skills. In our Friday Roundtable Lunch and Learn Series, we explored such topics as developing a growth mindset, and introduced technology topics such as artificial intelligence, blockchain, cloud, and big data.

Digitalising the Ice Palace



The Ice Palace at Cityplaza has long been an important component of the mall. Starting in 2020, the skating rink underwent a comprehensive renovation which included innovative elements of sustainability, community care and digitalisation.

The rink now offers Hong Kong's first seamless, contactless, self-service skating experience. Entirely digitalised, self-service kiosks allow customers to pay, then print a wristband with a QR code that provides entrance through the turnstiles, along with skate rentals, locker access, rental return and exit functions. The code streamlines the customer experience, making it safer and more efficient.

Several new features at the Cityplaza Ice Palace enhance the visitor experience, including a nursery room, upgraded stretching rooms and private function rooms with instructional videos demonstrating proper stretching exercises for figure skaters.

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 2021, the theme of ideas@work was “We Are All Smart Place Makers”. The programme was divided into four pillars – “Smarter Process”, “Better Experience”, “Greater Talents”, and “Stronger Partnerships” – to help steer the direction of the new ideas, with the latter two designed to canvass ideas on nurturing and empowering employees, and building long-term, win-win strategic partnerships. The programme also focused on employee engagement, idea quality and implementation by introducing the General Manager (“GM”) delegate role – a person who assists the GM of each portfolio in driving innovation and promoting the ideas@work programme; and focusing more on business impact, innovation and implementing selected ideas.

Over 680 ideas were received in 2021, with 57% of those approved moved towards implementation.

This year’s winners were:

- Top prize: Curtain Wall Inspection by Unmanned Aircraft Vehicle – a solution that supports the health and safety of our employees and ensures that the inspection process is carried out with accuracy and efficiency.
- First Runner-up: Tenant Portal Upgrade – enhancing our existing Tenant Portal to support a maintenance request function that streamlines service. Learn more about our Tenant Portal [here](#).
- Second Runners-up:
 - A smart, touchless turnstile system which lets tenants and visitors access our INDIGO development in Beijing conveniently and securely using body-temperature detection and different identification methods including facial recognition.
 - The 1.5°C@Work Challenge – an employee engagement programme to support our 1.5°C-aligned science-based decarbonisation target. Read more about the 1.5°C@Work Challenge [here](#).





Materiality

Materiality

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

HKEX
Mandatory
Disclosure
Requirement
Aspect B8

Our Stakeholder Engagement Approach

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

Our Stakeholders

Swire Properties' 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 through the appropriate channels.

GRI
2-25, 2-26, 2-29

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
- Employee 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 and seminars on specific issues
- Joint projects



Shareholders & Investors

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



Media

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

Stakeholder-driven Materiality

In 2020, we initiated a materiality review with the support of an independent consultant, the aim of which was to understand our stakeholders’ perceptions of the progress of our SD 2030 Strategy and their evolving expectations and priorities for the future. These perceptions 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.

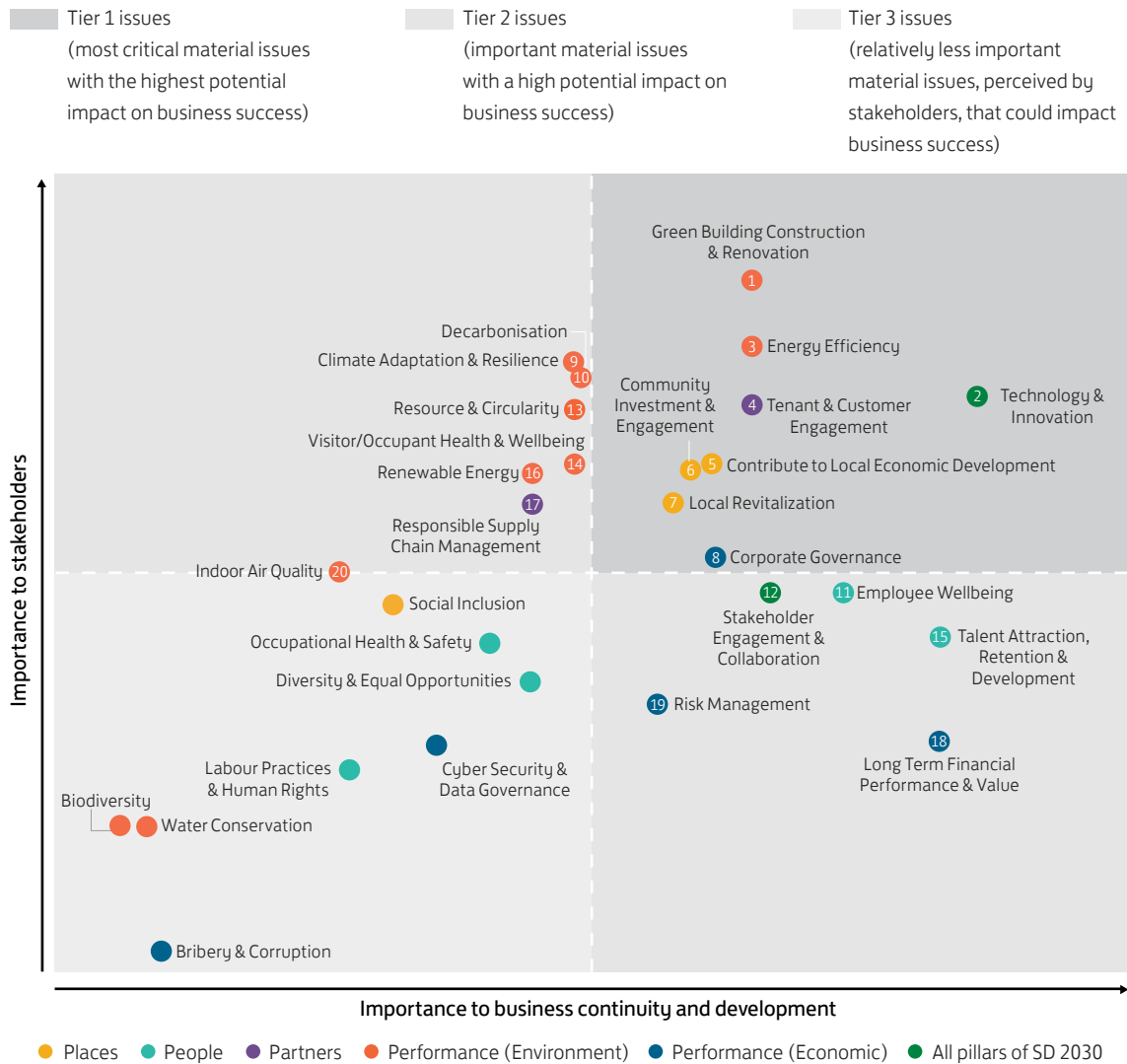
We also gathered stakeholders’ feedback about the pandemic’s effects on their businesses, the real estate industry and Swire Properties. This feedback allowed us to develop a proactive, targeted and responsive plan to meet stakeholders’ expectations.

In 2021, we continued this process, adopting a combined qualitative and quantitative approach to assessing materiality, interviewing 23 subject matter experts to identify new challenges and opportunities, and conducting a broader survey of 547 external and internal stakeholders, ranking issues in terms of perceived importance to society, the environment and, for employees, the perceived impact on our business.

GRI
3-1, 3-2

HKEX
Mandatory
Disclosure
Requirement

Materiality Matrix




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 Strategy Focus Areas	GRI Standards	Impacts and Boundaries										
			Employee Groups	Community/NGOs	Suppliers	Tenants	Consumers/Customers	Regulators/Government	Joint Venture Partners	Ind. Experts/Academia	Shareholders/Investors	Media	
1 Green building construction & renovation	<u>Building/Assets and Investments</u>	GRI 417 Marketing and Labelling (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2 Technology & innovation	Integral to multiple focus areas	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3 Energy efficiency	<u>Energy</u>	GRI 302 Energy (2016)	✓		✓	✓	✓	✓		✓	✓	✓	✓
4 Tenant & customer engagement	<u>Customers and Tenants</u>	GRI 418 Customer Privacy (2016)	✓			✓	✓	✓	✓		✓		✓
5 Local economic development	<u>Livelihood</u>	GRI 203 Indirect Economic Impacts (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6 Community investment & engagement	<u>Resilience</u>	GRI 413 Local Communities (2016)	✓	✓		✓	✓	✓	✓		✓	✓	✓
7 Local revitalisation	<u>Vibrancy</u>	GRI 203 Indirect Economic Impacts (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8 Corporate governance	<u>Corporate Governance</u>	GRI 205 Anti-corruption (2016) GRI 206 Anti-competitive Behavior (2016)	✓		✓			✓				✓	
9 Climate adaptation & resilience	<u>Climate Change</u>	GRI 201 Economic Performance (2016) GRI 305 Emissions (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10 Decarbonisation	<u>Climate Change</u>	GRI 305 Emissions (2016)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
11 Employee wellbeing	<u>Talent Management</u>	GRI 403 Occupational Health & Safety (2018)	✓	✓	✓	✓	✓	✓			✓	✓	
12 Stakeholder engagement & collaboration	Integral to multiple focus areas	N/A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
13 Resource & circularity	<u>Resource and Circularity</u>	GRI 306 Waste (2020)	✓	✓	✓	✓	✓	✓				✓	
14 Visitor/occupant health & wellbeing	<u>Occupant Wellbeing</u>	GRI 416 Customer Health and Safety (2016)	✓	✓		✓	✓	✓			✓	✓	
15 Talent attraction, retention & development	<u>Talent Attraction and Talent Management</u>	GRI 401 Employment (2016) GRI 404 Training and Education (2016) GRI 405 Diversity and Equal Opportunity (2016) GRI 406 Non-Discrimination (2016)	✓									✓	
16 Renewable energy	<u>Energy</u>	GRI 302 Energy (2016)			✓	✓	✓	✓	✓		✓	✓	
17 Responsible supply chain management	<u>Suppliers</u>	GRI 301 Materials (2016) GRI 308 Supplier Environmental Assessment (2016) GRI 414 Supplier Social Assessment (2016)	✓		✓					✓		✓	
18 Long-term financial performance & value	<u>Financial Performance</u>	GRI 201 Economic Performance (2016)	✓		✓			✓	✓		✓	✓	✓
19 Risk management	<u>Risk Management</u>	GRI 201 Economic Performance (2016)	✓		✓	✓	✓	✓	✓		✓		✓
20 Indoor air quality	<u>Occupant Wellbeing</u>	GRI 416 Customer Health and Safety (2016)	✓	✓		✓	✓	✓			✓	✓	

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



**SD in Action:
Sino-Ocean
Taikoo Li
Chengdu**

SD in Action: Sino-Ocean Taikoo Li Chengdu



Developed around the extraordinary Daci Temple, a heritage site with religious significance for over 1,400 years, Sino-Ocean Taikoo Li Chengdu embodies the cultural elements that characterise this historic city. Balancing sacred buildings with modern shops, open spaces with intimate lanes, and calm with excitement, this completely unique complex is another example of Swire Properties' placemaking expertise.

Sino-Ocean Taikoo Li Chengdu was developed by two leading property developers, Swire Properties Limited and Sino-Ocean Commercial Property, and designed by the Oval Partnership. This retail-led mixed-use development is centred around an open-plan, lane-driven mall that provides visitors with a myriad of shopping and leisure experiences. It has over 1.3 million sq ft of gross floor area and is directly connected to the Chengdu Metro Chunxi Road station.

The complex's design pays homage to traditional Sichuan architecture but also takes an innovative, modern approach - harmonising the historical significance of the site with the commercial development to ensure long-term value creation. Six traditional courtyards and buildings within the site have been preserved and revitalised to augment the heritage of the 16-century-old Daci Temple located at the heart of the portfolio. Surrounding the Temple are over 300 vibrant retail outlets and eateries, as well as The Temple House, a boutique hotel that is part of the Swire Hotels House Collective, with 100 guest rooms and 42 serviced apartments.

Portfolio Highlights:



The complex is now entirely covered by 5G signalling from local network providers since participation in the pilot introduction of 5G network in 2018.



The first open-plan mall in the world, and the first commercial project in Sichuan province to achieve LEED Platinum Level under EBOM V4.1 System in 2019.



Obtained ISO 14001 Environmental Management System certification and ISO 50001 Energy Management System certification in 2019.



Since 2020, the complex has been powered by 100% renewable electricity, making it one of the first entities in Sichuan and the first in Swire Properties' portfolio to achieve net-zero carbon in its annual electricity consumption for landlord and tenant operations.

Sino-Ocean Taikoo Li Chengdu 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**

Improving Walkability



- The complex features a unique “fast lane and slow lane” retail concept, rooted in the sociable, pedestrian-friendly culture and lifestyle of Chengdu. Three “fast lanes” showcasing international brands’ flagships and concept stores link the east and west plazas, while cafés, teahouses and lifestyle shops are the highlight of the “slow lanes” that weave roughly north and south

through the complex surrounding Daci Temple, demonstrating the “slow life” culture of Chengdu.

- With multiple entrances and exits, the open space and public areas support social interaction throughout the development and allow for flexibility of activities – visitors can enjoy the park, sit and chat or read in one of the pedestrianised laneways, play with their children in the plazas, enjoy the water features, and visit the Daci Temple for spiritual inspiration.
- The Sino-Ocean Taikoo Li Chengdu management team have spearheaded efforts to improve walkability and connectivity in the neighbourhood, including enhancing street fencing and adding a street crossing to make this area of Chengdu safer and more human-centric.



Prioritising Art and Culture



- The unique design and aesthetic features of Sino-Ocean Taikoo Li Chengdu were created together with the Oval Partnership, a global team of architects, urbanists and designers. Their design ethos integrated modern and traditional elements influenced by the Daci Temple Project to create a retail and community complex that is resilient and vibrant throughout its lanes, teahouses, shops, and gardens.

- Artists from around the world were invited to create art pieces for the open lanes of Sino-Ocean Taikoo Li Chengdu. 21 pieces are on display, exhibiting the fundamental elements of modern city life, humanity, culture, heritage and nature. International visual artist and fashion photographer Chen Man was invited by Sino-Ocean Taikoo Li Chengdu to photograph a series called HERE IS CHENGDU – featuring “modern traditional” photos of Chengdu, with the complex featured as a significant landmark that highlights the city’s dynamism.
- The complex welcomed the first international showing of the giant public art piece, Please Be Seated, after its 2019 debut at the London Design Festival. Designed as a response to the busy nature of urban life, the piece reinvigorates the way visitors interact with space and the community. Its 1,440 planks of sustainably sourced timber create “waves of wood” which rise up to form arches for people to walk through, and curve under to create spaces for people to sit, lie down and relax.



 **People**

Supporting Local Communities



- Swire Properties donated RMB 2 million to help communities affected by the 2013 Ya'an earthquake. The money was used to establish a community centre, which opened in 2017. The Pengzhou Community Centre houses a workshop, library and a classroom, providing a venue for various community and volunteer activities. It is also a regular public

service venue for Swire Properties' Community Ambassadors. The Community Centre won an Excellence Award in the Sustainability Achievement of the Year category the RICS Awards China 2020.

- Swire Properties Community Ambassadors regularly participate in volunteer activities in and around the Chengdu community. Recently, these have included:
 - Creating and displaying a WWF panda habitat protection exhibition for schoolchildren.
 - Taking children on an educational field trip to the Chengdu Bear Rescue Centre.
 - Working on an elderly couple's home in Chengdu with Habitat for Humanity to improve their living space and quality of life.

Embodying a Health and Safety Culture



- Sino-Ocean Taikoo Li Chengdu has obtained ISO 45001 Occupational Health and Safety Management System certification and Safety Production Standardisation (Level III) certification.

A safety management checklist standardises regular safety checks and safety roles and responsibilities in all operational aspects, reinforcing the importance of workplace health and safety and acting as a role model for the industry. Sino-Ocean Taikoo Li Chengdu won Swire Properties' 180 days Zero Lost Time Injury Award in 2019 and 2020.

- A WeChat application for site "safety walks" allows our employees to easily record near-miss incidents as well as any hazards encountered during their daily work activities to facilitate better monitoring and follow-up. A near miss and hazard reporting training programme was presented as an innovative interactive workshop, with all employees required to take part.

Our Healthy Office: The Village



- “The Village”, our new office space, opened in the Pinnacle One office tower in March 2021. The office fosters cohesive collaboration and social interaction between our employees, with a focus on health and wellness. It is a real-life example of putting our people-oriented philosophy to work; blending the traditional village concept as a metaphor into a contemporary

design to create a unique space where the prime considerations are user experience, employee wellness and sustainability.

- The Village obtained the WELL Gold certification to solidify its environmental and people-friendly credentials. Key features in the office include:
 - Employee workspaces with lower partitions to stimulate social interaction; over 25% office desks have height adjustment functions
 - A casual cafeteria with a garden area can accommodate approximately 55 employees at a time
 - Multiple air purifying devices that decrease the density of particulate matter in the office area

Focusing on Hospitality



- The House Collective’s “Houses not Hotels” campaign promotes each hotel as a different, unique home with its own character.
- The Temple House is depicted with a “home sweet home” aesthetic – a place that provides an open and kindness-oriented space for its team members, who then pass on this home-like atmosphere on to their guests through personalised activities and events.

 **Partners**

Engaging Tenants and Partnering for Economic Recovery



- The first open-plan shopping complex to enforce a closed-off entry management approach to control COVID-19 transmission in the Chinese Mainland.
- The complex established a task force for a comprehensive return to work strategy for employees and tenants during the COVID-19 pandemic. A rent deduction

was provided for all tenants immediately after the outbreak of COVID-19 in February 2020, relieving the financial stress and helping tenants re-open, especially smaller F&B enterprises. Sino-Ocean Taikoo Li Chengdu also helped tenants develop offline and online integrated sales channels.

- The complex has conducted free energy audits for over 417,000 sq ft of tenanted areas since its opening, identifying potential annual energy savings of 830,000 kWh.
- Five outlets at Sino-Ocean Taikoo Li Chengdu have been recognised by Swire Properties' Green Kitchen Initiative, which provides a platform for portfolio management teams and tenants to work together to create sustainable kitchen designs and fit-outs and achieve greener operations.
- Two stores at Sino-Ocean Taikoo Li Chengdu have achieved LEED certification with our support, recognising the stores' sustainable interior fit-outs.

Performance (Environment)

An Energy Management Leader



emissions from Swire Properties' Chengdu portfolio by around 8,500 tonnes per year and increased the renewable electricity mix in our Chinese Mainland developments to over 15%.

- The complex, including The Temple House hotel, is powered by 100% renewable electricity (including hydropower, solar and wind power), making it into a clean energy leader – one of the first entities in Sichuan and the first in Swire Properties to achieve net-zero carbon in its annual electricity consumption for landlord and tenant operations. This has reduced the overall CO₂ emissions from Swire Properties' Chengdu portfolio by around 8,500 tonnes per year and increased the renewable electricity mix in our Chinese Mainland developments to over 15%.
- The nature of Sino-Ocean Taikoo Li Chengdu's open-plan outdoor layout is such that many ground floor shops operate with open doors to encourage visitors to enter. Working with Tsinghua University through the Joint Research Centre for Building Energy Efficiency and Sustainability, we devised computational fluid dynamics simulations to understand the air distribution under this "open door" operational mode. Based on the analysis, the chilled/heating water supply temperature has been adjusted, saving 202,000 kWh and over 126,000m³ of natural gas per year.
- Energy efficiency upgrades to the complex in 2021 included:
 - Completion of modifications to the variable frequency drives of cooling water pumps, saving about 720,000 kWh per year.
 - Implementing a cooling tower fan frequency conversion strategy, saving about 120,000 kWh per year.
 - Implementing a control strategy for the chilled water supply temperature, saving about 1 million kWh per year.
 - Implementing a control strategy for the fresh air handling unit, saving about 310,000 kWh per year.
 - Retro-commissioning of heating, ventilation and air conditioning ("HVAC") systems and conducting energy audits to improve the efficiency of heating and cooling at The Temple House.
 - Switching all lighting to energy-efficient LED lights, improving efficiency and reducing cooling loads with estimated annual energy savings of 267,000 kWh.

Maintaining the Best Indoor Air Quality



- The complex worked with Tsinghua University through the Joint Research Centre for Building Energy Efficiency and Sustainability on an indoor air quality (“IAQ”) study to establish an improvement plan, which incorporated minimising air infiltration, enhancing air purification via electric polarisation, and online IAQ monitoring via IoT sensors.
- Real-time sensors were installed to monitor IAQ data, with the monitoring system meeting WELL V2 requirements.
- In the basement arcade, IAQ improvement measures included:
 - Installing new fresh air handling units with a higher volume and better purification for PM2.5 and total volatile organic compounds (“TVOCs”).
 - Installing 80 air treatment units on the ceilings.

A Host of Environmental Initiatives at The Temple House



- Since 2017, The Temple Café at The Temple House has planted and maintained an organic garden on site, which now supplies about 10% of its herbs and vegetables. The café has since developed a “farm to table” menu which incorporates these house-grown vegetables and herbs harvested from the garden.
- During the Christmas holiday season, it has become a tradition to display a sustainable Christmas tree at The Temple House crafted from upcycled materials.
 - 2017: The hotel worked with Daci Temple to reuse approximately 7,000 tea light candle shells, collected over five months, to create the sustainable Christmas tree.
 - 2018: The tree was made from 2,500 recycled plastic bottles.
 - 2019: The tree was made from around 2,500 wooden panels, collected from construction waste from a guest room improvement project.
 - 2020: The hotel co-operated with the Chengdu Giant Panda Breeding Research Base to build the tree from recycled bamboo discarded after being eaten by the pandas.
 - 2021: The seven-metre-high Christmas tree was constructed from 10,000 recycled glass bottles collected in guestrooms.
- Water flow restrictors installed on the faucets in guest rooms at The Temple House have helped to reduce water consumption without impacting the guest experience. Pilot tests show an estimated reduction in tap water consumption of 40%.

Performance (Economic)

Superior Financial Performance



Sino-Ocean Taikoo Li Chengdu has made significant contributions to the economic resilience of Chengdu.

- The People’s Government of Chengdu named the complex one of the “Top 100 Corporate Taxpayers” for 2019. This recognition inspired new efforts to continue our contributions to elevating the city.
- The city of Chengdu has an ambitious strategy to build a modern, open-ended industrial system focusing on advanced manufacturing, services and the new economy. Part of this strategy involves forming a robust commercial sector, which includes a fashion retail hub based around the Chunxi Road shopping district, where Sino-Ocean Taikoo Li Chengdu is established as an iconic lifestyle and fashion destination.
- Molly Wu, General Manager of Sino-Ocean Taikoo Li Chengdu, has been appointed by the municipal government of Chengdu to be the first Chair of the Chengdu Modern Commerce Industry Ecosystem Alliance.



Places

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



Places

Highlights of Our Developments
Vibrancy Livelihood

Places Impact Report
Wellbeing Resilience



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

Top Material Issues



Local economic development



Community investment/engagement



Local revitalisation

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.

Places

Highlights of Our Developments

Vibrancy

Livelihood

Places Impact Report

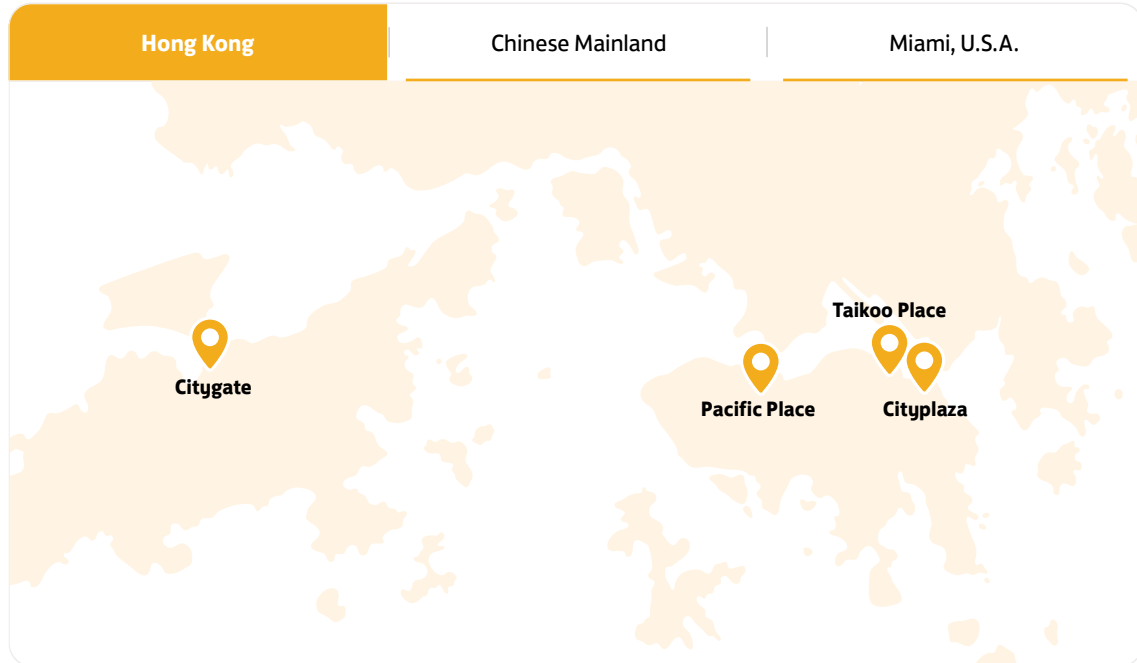
Wellbeing

Resilience



Highlights of Our Developments

GRI 2-1, 2-6



Hong Kong

📍 Taikoo Place

Home to Swire for over 100 years, the Taikoo Place area has been transformed from an industrial area, home to 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, called Taikoo Square and Taikoo Garden, is expected to be completed in 2022.

Announced in November 2021, Quarryside, a 40,000 sq ft plot of currently vacant land, will be transformed into a vibrant leisure space for community initiatives and for the general public to enjoy. Read more about [Quarryside](#).



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📍 Pacific Place

Located in Admiralty on Hong Kong Island, 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. The Citygate complex comprises 942,800 sq ft of retail space and 160,000 sq ft of office space. Directly connected to the Tung Chung MTR Station and close to Hong Kong International Airport and the Hong Kong-Zhuhai-Macao Bridge, this development offers both excellent connectivity to transportation and proximity to 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 ice rink and tenant mix together with appealing mall promotions and activities continue to make Cityplaza a hub for leisure and happiness. Cityplaza won the Facility Management of the Year Award at the RICS Awards 2021.



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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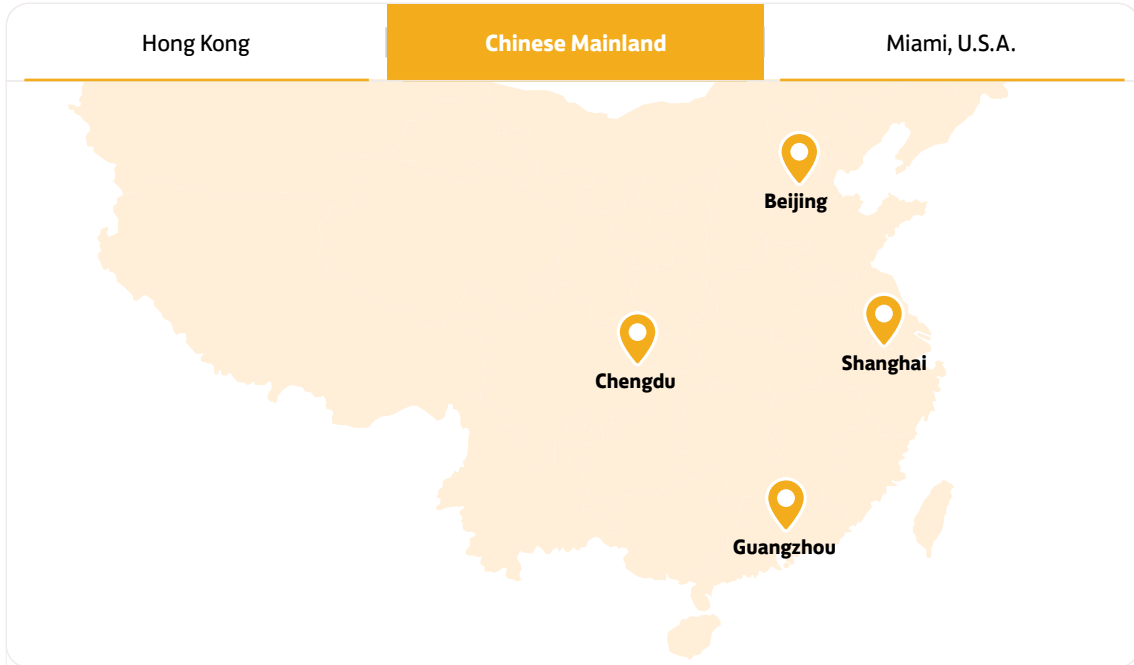
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Chinese Mainland

📍 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. Taikoo Li Sanlitun was the focus of this year’s [Places Impact Report](#).



In December 2021, Taikoo Li Sanlitun West, an innovative urban regeneration project, was officially opened. The property has eight above-ground floors and two underground floors, and a metro tunnel which links both the extension and Taikoo Li Sanlitun with Worker’s Stadium Station, a Beijing Metro transfer station scheduled to open in 2023. This expansion is a key part of Swire Properties’ vision of urban renewal in the Sanlitun area.

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INDIGO, Beijing



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

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

Taikoo Hui, Guangzhou

Taikoo Hui is a lifestyle destination located in Guangzhou's Tianhe District. The development's shopping mall was the first enclosed mall in the world to earn Platinum Certification in the LEED EBOM category. Taikoo Hui celebrated its 10th anniversary in 2021. In July, Taikoo Hui became powered by 100% renewable electricity.



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 in the Chinese Mainland to achieve this certification. The development has been powered by 100% renewable electricity since 2020.

Sino-Ocean Taikoo Li Chengdu is also the feature story in this year's [SD in Action](#).

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📍 Taikoo Li Qiantan, Shanghai

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



📍 HKRI Taikoo Hui, Shanghai



Located on Nanjing West Road, one of Shanghai’s major shopping districts, 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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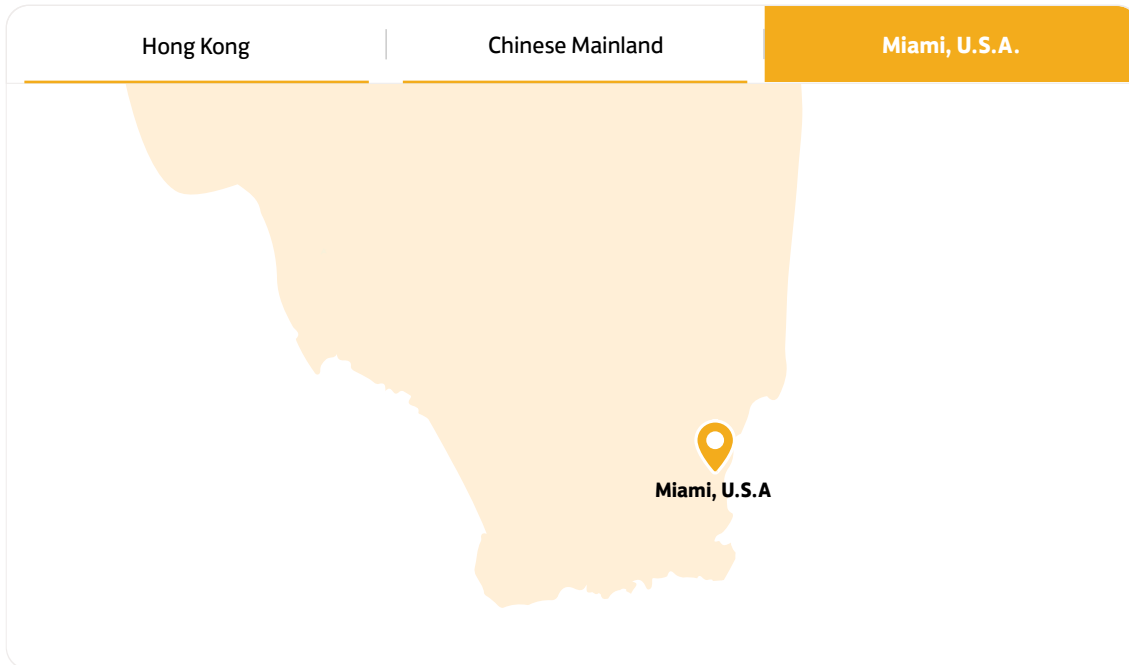
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Miami, U.S.A.

📍 Brickell City Centre, Miami

Brickell City Centre is our landmark 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 below. During Earth Month in April 2021, Swire Properties introduced the PLANT initiative (“people, lifestyle and nature together”), which included a series of educational and interactive activities and events to inspire environmental action and a more sustainable lifestyle.



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Places Impact Report



Understanding the ultimate impact that the places we develop and manage have on society and the environment is crucial to our long-term decision-making. Addressing the question “What makes a great place?”, our second Places Impact Report focuses on the area around Taikoo Li Sanlitun in Beijing’s Chaoyang District.

Published in conjunction with Tsinghua University’s Lab for Architectural Programming and Post-occupancy Evaluation, the report, called “The Creative Transformation of Taikoo Li Sanlitun”, was released in August at the 2021 China Shopping Mall Community Impact Forum hosted at The Opposite House in Beijing.

The Places Impact Report assesses how Swire Properties’ placemaking and placekeeping efforts have had a positive impact on the neighbourhood and surrounding area over the past 12 years, while also providing insights into the future role that Taikoo Li Sanlitun will play as a Beijing landmark offering unique cultural and lifestyle experiences.

Similar to our first Places Impact Report on Taikoo Place, this report uses a framework that explores the four dimensions of place – Vibrancy, Livelihood, Wellbeing and Resilience – to assess the qualities of Taikoo Li Sanlitun, how these qualities have changed over time and how they compare to other commercial complexes in the city. A key element of the report is the “people” indicator, which illustrates how Taikoo Li Sanlitun is being used and experienced and highlights the connections people build with the place.

The research highlights how Swire Properties’ continued investment in both hardware and software, as well as the multi-layered placemaking and placekeeping elements incorporated into the development, have contributed to the resilience of Taikoo Li Sanlitun.

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

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Vibrancy

Throughout 2021, Swire Properties invested time and effort in ensuring that our developments and their users continued to recover from the pandemic by offering a range of artistic and cultural activities.

Art and Culture

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



Taikoo Hui's 10th Anniversary Art Exhibitions

As part of its 10th anniversary celebrations, Taikoo Hui in Guangzhou hosted several art exhibitions throughout 2021. The first was a botanical art exhibition called *Here and Now* that fused the creative use of plants with cultural themes. Curated by acclaimed florist Xu Fei's studio TWENTY ONE, the exhibition ran in May and June 2021.

The second exhibition was an interactive art installation, *Please Be Seated*, created by British designer Paul Cockledge and part of Swire Properties' first roving art exhibition. The design features a rippling wave of wood that rises up to form arches for people to walk through, and curves under to create spaces for people to sit, lie down and relax. Echoing our focus on SD, the piece is fabricated from 1,440 planks of sustainably sourced timber.

The installation was first introduced at Sino-Ocean Taikoo Li Chengdu, then displayed at Taikoo Hui from March until July 2021. It then moved on to Taikoo Li Qiantan and will be permanently installed in Taikoo Li Sanlitun.



"Dare for More Dare to Play" at HKRI Taikoo Hui

HKRI Taikoo Hui held an art campaign called *Dare for More Dare to Play* from April to June, integrating elements of culture, lifestyle and charity. Part of the campaign was the local version of the global piano event, *Play Me, I'm Yours*.

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Dare For More Dare to Play featured street culture that blended artistic and sporting expression, including piano playing, artistic roller skating and paddle tennis. The campaign promoted positive lifestyle messages such as how to stand up to challenges, living life with confidence, and going beyond one’s limits.

Play Me, I’m Yours, celebrating its fourth anniversary in 2021, is an initiative by British artist Luke Jerram, featuring colourful pianos placed on the streets of cities around the world for people to play and enjoy. The initiative first came to Shanghai in 2018 and has grown into an important part of the city’s art scene. HKRI Taikoo Hui has donated 50 pianos to this initiative so far, building its reputation as a supporter of the arts and helping to embed arts and culture into everyday life.



The 20th Sanlitun Culture and Art Festival

Supported by Taikoo Li Sanlitun, the 20th Sanlitun Culture and Art Festival ran through May and June, featuring musical performances, singing, dancing, recitals and shows based on traditional Chinese culture. This was the fourth year the shopping mall has supported this cultural event.

This continuing support is a symbol of the mall’s commitment to promoting cultural, art and charity events in cooperation with the local government, schools and organisations, and a wider reflection of Swire Properties’ philosophy of building integrated communities, improving the overall living environment and contributing to the wellbeing of the greater community.



Swire Properties Arts Month Returns

Following a one-year hiatus due to the COVID-19 pandemic, the much-missed Swire Properties Arts Month returned in May 2021, welcoming a number of acclaimed artists from around the world, while also marking the ninth year of Swire Properties’ partnership with Art Basel in Hong Kong.

The event was headlined by international artists famous for originality in their fields – one being renowned British designer Paul Cockshedge, who debuted a Hong Kong version of *Please Be Seated* at Taikoo Park. Constructed using sustainably sourced timber, the piece exemplifies Swire Properties’ commitment to sustainable development and our ethos of placemaking for the local community – creating a place for people to stay and enjoy.

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Artwork © Michael Craig Martin

Another three vibrantly coloured sculptures – *High Heel (pink)*, *Headphones (blue)* and *Bright Idea* by Michael Craig-Martin, a principal figure in British conceptual art – were exhibited at Pacific Place and in Taikoo Park. Each piece was a larger-than-life rendition of an everyday object constructed in powder-coated steel.



At ArtisTree in Taikoo Place, a multimedia exhibition created by Norwegian artist Fredrik Tjærandsen fused fashion with movement, film, photography, and visual art. This was the Asian debut of the show, which encouraged visitors to interact with a large-scale installation made of natural rubber latex that mirrored the colourful, eccentric bubble dresses that appear in the film.



Supporting the Museum of Art Pudong

In 2021, Swire Properties became Principal Patron for the new Museum of Art Pudong (“MAP”), designed by renowned French architect Jean Nouvel. Developed by Shanghai Lujiazui Group, the museum is located on a prominent site on the Pudong waterfront.

With six floors and 13 exhibition halls, MAP adds another dimension to Shanghai’s flourishing arts scene, with exhibitions that will include classic and Chinese art and international collections. The museum opened in July 2021 with exhibitions by Tate Britain, Chinese fireworks artist Cai Guoqiang and Spain’s Fundació Joan Miró.

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Tong Chong Street Market



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

In 2021, the market had a much greater presence than in 2020, running from March through to the end of the year and offering a diverse range of food and beverage options for tenants, employees and visitors. Beginning with a tea festival, the market changed themes every two months, and also featured street food, Asian food, hot and cold summer foods, and a coffee festival.

As always, sustainability was an important component of the market, with reusable dishware and utensils available to borrow, food waste recycling bins, and eco-product stalls featuring recycled and upcycled items.

For more on the Tong Chong Street Market, see the [official website](#).

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Youth Empowerment: Swire Properties’ White Christmas Street Fair 2021



Swire Properties’ White Christmas Street Fair 2021

The Company’s annual year-end community celebration, the White Christmas Street Fair, returned to Tong Chong Street in 2021 after a two-year hiatus. This year’s event was the first physical event to be fully designed and run by seven local university students from the Swire Properties Placemaking Academy (“SPPA”).

Running from 2nd to 5th December, the event saw Tong Chong Street transformed into “Santa’s Whimsical Factory”, an immersive experience inspired by the area’s rich history and by little-known stories from the Taikoo Sugar Refinery. The SPPA team aimed to immerse visitors in a celebration that brought memories from the Quarry Bay community to life, while also giving Hong Kong citizens some respite from the pandemic and adding a little “Christmas spirit” to the proceedings.

With community investment once again a key part of the Street Fair, the Company also donated HKD800,000 to Operation Santa Claus.

“ *The Street Fair has become a tradition in our Taikoo Place neighbourhood. While we celebrate the festive season with our whole community, we’re glad to be able to give future talents a hands-on experience in placemaking, so that they can contribute to the sustainability and vibrancy of our communities in years to come. We’re extremely proud of our student team for creating a fantastic street fair for us all to enjoy.* ”

– Tim Blackburn, Chief Executive of Swire Properties



Youth Empowerment

The SPPA is a crucial part of our placemaking work and its goal of empowering and fostering Hong Kong’s youth to ultimately build vibrant and sustainable local communities where people can thrive. Through an open recruitment competition, seven talented and

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driven students were selected to design, plan and execute the Street Fair 2021.

The students participated in a full-time apprenticeship from July to December 2021, where they received mentoring and on-the-job training. They also had access to the Company's vast resources to help bring their ideas to life.



7
participants



60
masterclasses and
mentorship sessions



158 hours
of practical training



HKD250,000
in employment support

Student Survey Feedback

Developing New Skill Sets

100%
of participants acquired new
skill sets and knowledge

100%
of participants felt better
prepared for their future careers

Top 3 Learning Areas

Sustainability

Stakeholder
Engagement

Event Planning and
Management

Developing Resilience and Giving Back to Society

100%
of participants improved their
understanding of societal
challenges in Hong Kong

100%
of participants were confident
they can bring positive change
to society in times of adversity

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As the students worked, they were mentored by, and learned knowledge and skills from, the Company's senior management, external experts in the areas of sustainability and event-planning, and thought leaders from the design and community-planning sectors. The students also took part in 46 masterclasses. During their apprenticeship, the students learned about the Company's long-term goals

in placemaking, innovation, and sustainable development – the culmination being their design and execution of the White Christmas Street Fair.

“ *The masterclass on design thinking inspired me a lot, especially the “audience-oriented approach”. One of the star mentors, Ms Ada Wong, the Founder and Honorary Chief Executive of Hong Kong Institute of Contemporary Culture, taught us that the first step in brainstorming an event is to understand the audience and identify what they want and need. That’s why we created a survey to interview local residents and Taikoo Place tenants during the event-planning stage.* ”

– Shirley, Hong Kong Baptist University, majoring in Translation



First White Christmas Street Fair with zero-waste goal

In line with the Company's goal of integrating sustainability into every facet of our business, “green” was at the heart of the White Christmas Street Fair 2021.

Working towards a zero-waste event, the team collaborated with designers, suppliers, vendors and the Company's

sustainable development department early on to plan and manage the materials that were used and discarded.

The waste reduction measures included:

- Using fully recyclable D-Board for most signages, instead of foam board

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- Using FSC-certified wood for most wooden installations and gathering used wood for upcycling workshops by NGOs and recycling partners
- Banning the use of single-use plastic tableware, such as straws and cutlery
- Setting up recycling bins for paper, plastic, metal, glass bottle, and food waste
- Partnering with a local pulp mill to collect, clean and recycle paper cups and containers

The team also conducted a waste audit to review the type and amount of waste that was discarded and recycled, and took part in an independent carbon audit to evaluate the event’s carbon footprint. These audits have provided benchmark data that can be used to assess the environmental performance of future company events.



The event diverted over 90% of event setup materials and consumer waste from landfills through these reuse, upcycling and recycling initiatives, making the Fair an almost zero-waste event.

Students invited KS Wong, Secretary for the Environment, to visit the White Christmas Street Fair and share several practical tips on green event planning and sustainable development.

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ArtisTree Selects: The Missing Something – The Singing Canvases



Held through December 2021, Ivana Wong’s solo exhibition debut called "ArtisTree Selects: The Missing Something – The Singing Canvases", was an artistic, multi-media showcase.

The exhibition featured a series of visually compelling installations that encompassed music, chiaroscuro, video footage and written words created by the local singer-songwriter

turned artist. Ivana’s aim was to invite audiences on a poetic sensory journey to relive memories, revitalise the act of sharing and contemplate lost feelings in our everyday lives.

The Singing Canvases was another of Taikoo Place’s placemaking efforts, amplifying the importance of love, sharing, wellness and connecting with the people who matter in our individual lives. By inviting the artist to attend personal dialogues with the audiences at the exhibition where she shared her inspirations about the creation, it has helped to enrich the sense of ‘place’ among those who work and live here, as well as propelling the dynamism and arts and culture diversity in the community.

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Livelihood

Throughout 2021, Swire Properties helped people and communities cope with the pandemic by driving employment, facilitating recovery schemes and supporting NGOs and social enterprises.

Revitalising Shanghai’s History



In July 2021, Swire Properties announced that it will form a joint venture with Shanghai Jing’an Real Estate (Group) Co., Ltd. Together, the two companies are collaborating on a major revitalisation of Shanghai’s Zhangyuan district.

With a total site area of over 430,000 sq ft, Zhangyuan comprises 43 shikumen (a type of terraced building) blocks containing around 170 historic buildings with 28 different architectural styles. Dating back to 1872, this is the largest, best-preserved and most diverse shikumen compound in Shanghai.

The joint venture will revitalise Zhangyuan into a vibrant lifestyle hub by preserving and restoring the shikumen houses and making full use of the underground area. Above ground, the project will create a cultural innovation venue, high-end office spaces, residential apartments, a boutique hotel, and numerous retail and dining options spanning 645,000 sq ft. An underground area of over 750,000 sq ft will connect to three Metro lines, providing transportation links to surrounding communities.

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Supporting the Government’s Consumption Voucher Scheme



Swire Properties formed a strategic partnership with Tap & Go, one of the selected operators of the Hong Kong government’s HKD5,000 Consumption Voucher Scheme, set up to help the city’s economy recover from the pandemic. We offered more than HKD4.7 million in rewards and experiences at Swire Properties’ three Hong Kong shopping malls – Pacific Place, Cityplaza and Citygate Outlets.

We were the first developer to collaborate with Tap & Go in supporting the scheme, providing a necessary boost to businesses and helping to drive Hong Kong’s economic recovery. Alongside the scheme, we ran promotional campaigns offering shopping rewards such as cash vouchers and exclusive gifts. We also produced a series of lifestyle videos featuring Hong Kong celebrities, documenting their “shopping adventures” at Pacific Place, Starstreet Precinct, Cityplaza and Citygate Outlets.

Continuing to Support and Empower Hong Kong Youth



Youth empowerment continues to be a key element of Swire Properties’ placemaking efforts. In 2021, we continued our work to foster the next generation of Hong Kong’s leaders by partnering with The Hong Kong

Federation of Youth Groups’ Social Innovation and Youth Business Unit, taking part in their Young Entrepreneurship Course.

This initiative encourages young people to explore and find new directions outside of the traditional youth job market and provides entrepreneurial support and training. Participants are also given opportunities to connect with professionals to enhance their skillsets.

A Swire Properties’ portfolio manager contributed his knowledge and experience during virtual meet-and-greets to introduce industry practices, and shared tips using real-life cases and examples, the goal being to equip the young entrepreneurs with some key business basics.

Over 70 students participated in the two sessions, giving positive feedback. In particular, the youths enjoyed the highly practical content which armed them with knowledge about how to approach future leasing issues if they choose to pursue a career in the real estate industry.

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Blueprint



Blueprint offers flexible solutions for workspace and event space needs across two floors of Dorset House in Taikoo Place. On one floor, an open-plan co-working area houses 90 desks, suitable for nurturing start-up companies and small businesses, while 15 private offices of various sizes also cater for larger clients, including multinational corporations.

The second floor holds 10,000 sq ft of event venues, including an auditorium and a town hall which can be converted into training rooms, all of which are equipped with sophisticated audio-visual equipment.

Blueprint offers various flexible memberships to support those who are working from home or remotely due to the COVID-19 pandemic. These flexible arrangements include lounge passes, day passes and meeting room bookings. Blueprint's all-inclusive facilities provide alternatives to home offices in a professional working environment.

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Wellbeing

In addition to continuing with rigorous hygiene measures, throughout 2021 we focused on supporting the mental and physical health of our visitors, tenants and workers. We also continued our work to make our properties more inclusive and accessible to all, designing features and accessibility considerations that go beyond the required regulations.

Taikoo Li Qiantan Emphasises Wellness for All



Opened in late September 2021, Taikoo Li Qiantan places the comfort, health and wellbeing of occupants and customers at the centre of its business model. Using “naturalism” as the design concept, this new Shanghai retail hub blends elements found in nature with contemporary architecture. The mall became the first shopping mall in the world to achieve WELL Core Platinum certification.



Taikoo Li Qiantan has double-deck open spaces on both the ground and rooftop levels. The ground level features an 86,000 sq ft central green axis with an 80m-long scenic bridge, while the rooftop features the Sky Loop, a 450m-long running track with greenery and leisure spaces that connect to the surrounding retail shops, along with rooftop vegetable gardens and flowerbeds.

The complex has also gone to great lengths to include SD elements and practices in its offerings, including real-time air quality monitoring, water-saving sanitary appliances, energy-saving water pumps and fans, and high-performance glass to maximise the use of natural light. In recognition of these features, Taikoo Li Qiantan received LEED Gold certification.

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Green Delights and Wellness at Taikoo Hui’s Open-air Garden



In Guangzhou, Taikoo Hui’s open-air garden provided comfort and pleasure to visitors throughout the year. During the blooming of its colourful hydrangea flowers, a cobblestone footpath and small trails were added to allow people to freely explore the garden. This experience helped create an island of peace for visitors in this fast-paced city.

Later in the year, several gardening workshops were held for Taikoo Hui’s Elite Club members and their families at the open-air garden, allowing participants to grow vegetables, reconnect with nature and get professional advice on how to make crafts using natural materials.

In partnership with a fitness brand, Taikoo Hui also hosted a fitness session for tenants’ employees in the complex’s office towers. The workouts, which were guided by professionals, included yoga and body combat sessions held at the mall’s South Glass Box event venue.

Quarryside: A New Harbourfront Community Space



In November 2021, the Swire Group Charitable Trust (“Swire Trust”) gave St. James’ Settlement HKD15 million in sponsorship to develop and operate a new community space on the Quarry Bay waterfront. Expected to open in late 2022, Quarryside is located on an approximately 40,000 sq ft vacant lot near Hoi Tai Street – in the “backyard” of Taikoo Place.

Swire Properties is the Supporting Partner for the project, providing consultancy support for the design, construction and operation of this vibrant community space. The Hong Kong government’s Development Bureau will provide a HKD60 million grant for construction, while the Swire Trust’s contribution will fund Quarryside’s operation for three years.

This new venue will support community cohesion and wellbeing by providing the greater community with access to green space and the harbourfront, as well as providing opportunities for socialisation and recreation. At the project’s ground-breaking ceremony, Tim Blackburn, our Chief Executive, said, “We are delighted to contribute our expertise to designing and building this new space. We look forward to seeing it through to completion, and to supporting our partners as they inject new energy into the district through community initiatives and events.”

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The Underline’s Grand Opening



In 2016, Swire Properties became a founding sponsor of The Underline, a 10-mile-long linear park which is transforming underutilised land below Miami’s Metrorail. To date, we have committed USD1.1 million to the park. In February 2021, the park’s first section officially opened. Named “Brickell Backyard”, this section has over 30,000 native plants and trees, along with art installations, an

amphitheatre, outdoor gym, meeting and dining tables, and gathering spaces. This section also seamlessly connects with the renovation of the Eighth Street Metro mover station and surrounding green space.

Swire Properties also sponsors the “Flex Court”, a flexible outdoor space for recreational activities that hosts annual programmes to assist underserved youth communities and promote a wellness-driven and sustainable lifestyle. In fall 2021, we hosted eight youth basketball clinics at the Flex Court, in partnership with the Miami Heat basketball team, for local organisations servicing under-resourced youth. These clinics were coached by Miami community leaders.

As part of its contribution to the Miami-Dade County Art in Public Places programme, Swire Properties also helped bring artist Cara Despain’s Water/Tables art and play installation to fruition. The piece is formed by two functional ping pong tables and offers a compelling narrative about climate change. The piece will also support community cohesiveness and provide opportunities for social interaction at The Underline.

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Resilience

Throughout Hong Kong and the Chinese Mainland, we worked towards pandemic recovery by creating social cohesion, boosting community investment and raising adaptive capacity.

GRI
203, 413

HKEX
Aspect B8
KPI B8.1, B8.2

COVID-19 Response and Vaccination Drive



Swire Properties Encourages Employee Vaccination and Sponsors Lucky Draw to Boost Hong Kong’s Vaccination Rate

In mid-2021, Swire Properties worked to boost the vaccination rate in Hong Kong in various ways. Before his promotion to Chair of the Swire Group, Guy Bradley took part in an online campaign spearheaded by the Hong

Kong General Chamber of Commerce to encourage businesses, employees and the general public to get vaccinated.

Swire Properties also put significant effort into ensuring that our employees received the COVID-19 vaccine when it became available. We arranged three health talk sessions for our employees to educate them about the vaccination and its effects and offered complimentary pre-vaccination medical assessments to ensure their physical suitability for the COVID-19 vaccine. In addition, most Hong Kong employees who received both vaccine doses were offered paid leave and a HKD2,000 shopping voucher to spend at our shopping malls.

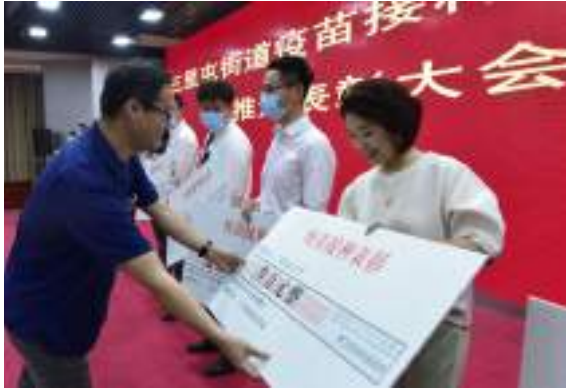
A special virtual session was also arranged with a panel of specialist doctors from Medical Conscience, a medical NGO that advises society on medical and healthcare issues. The session covered the efficacy of the various COVID-19 vaccines, safety concerns, insights into the Delta variant as well as a question-and-answer session.

Swire Properties also sponsored the Hong Kong General Chamber of Commerce’s “Hong Kong We Can Do It!” lucky draw, which aimed to increase the city’s vaccination rate through various incentives. We gave away HKD5 million in shopping coupons for use at our shopping malls.

Places

Highlights of Our Developments
Vibrancy Livelihood

Places Impact Report
Wellbeing **Resilience**



Taikoo Li Sanlitun Leads Beijing Vaccination Drive

Taikoo Li Sanlitun was recognised by the area’s administrative agency for offering steadfast support to the COVID-19 mass vaccination campaign. In close cooperation with the local government, the complex encouraged employees, tenants and tenants’ staff to get vaccinated. To celebrate high

vaccination rates at the portfolio, the Sanlitun Street Office then gave Taikoo Li Sanlitun the title of “Vaccination Safety Building”. This title was part of government measures to boost health, safety and encourage business recovery.

A Successful Sichuan Community Centre Summer Camp



Swire Properties Community Ambassadors organised the first summer camp for children from rural areas at the Sichuan Community Centre. The camp, hosting 40 children between the ages of 10 and 12, lasted three days and included various activities. One of the activities was an archaeology session that introduced them to the Sanxingdui (“Three Star Mound”) ruins, an important

archaeological site on UNESCO’s list of tentative heritage sites in Guanghan, Sichuan. The children also learned about outdoor birding and biodiversity protection during a sharing session with a senior representative from an NGO.

This was the first time that our Community Ambassadors had participated in a summer camp for rural children, and their involvement added to the camp’s success.

Places

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Places Impact Report
Wellbeing **Resilience**

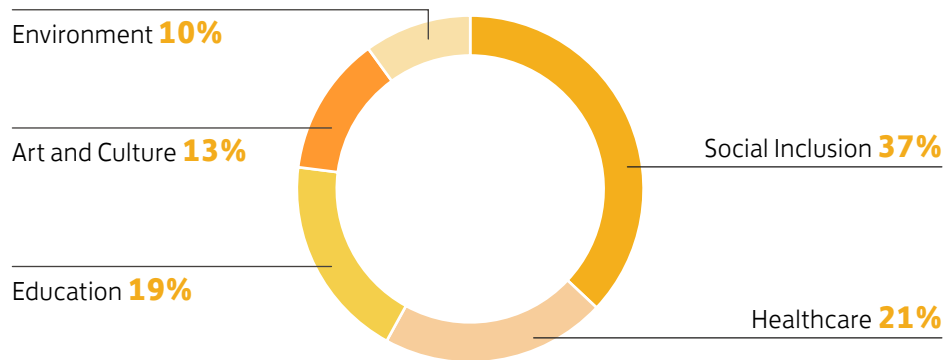


The Community Caring Fund

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

Since 2013, the CCF has donated HKD15.6 million to 145 community-based initiatives and outreach projects.

In 2021, the CCF sponsored 33 initiatives and outreach projects, donating a total of HKD2.9 million to projects including:



J Life Foundation: Inviting former Hong Kong Olympic athletes to be coaches in sports programmes for underprivileged primary school students and their parents. The project helped address the issue of inactivity in children during the pandemic, while also promoting the benefits of regular exercise and the development of positive values and attitudes.



Community Leap: Providing training to members of ethnic minority communities to help them develop maintenance and repair skills. This allows them to serve underprivileged families at regular “Repair Café” events in their communities. Giving back to the community helps boost their confidence and sense of belonging and ultimately enhances social inclusion.



Hong Kong Alzheimer’s Disease Association: Contributing to a programme that aims to build a dementia-friendly community around Taikoo Shing through talks and training targeting frontline building management teams and residents.





TOGETHER
WE BUILD COMMUNITIES



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.

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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 ("OHS")



Employee wellbeing

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Progress

Our People Working Group is comprised of 22 representatives from different functions within the Company. Its primary responsibility is to achieve progress in the six focus areas of the People Pillar: Talent Attraction; Talent Management; Rewards; Occupational Health and Safety; Diversity and Inclusion; and Volunteering.

In 2021, we continued to work towards achieving our 2025 KPIs. Specific achievements this year included an increased focus on workplace health and safety, both in our own operations and in organisations along our supply chain, and further refinements to our human resource policies designed to create an inclusive, safe and healthy workplace.

Our progress towards our 2025 KPIs is summarised in the table below.

Progress Summary Table



Talent Attraction

Employer Branding

2025 KPI

- Improve employee Net Promoter Score by **10%**³

Progress Updates in 2021

- We measured this indicator in our 2020 People Engagement Survey and will conduct regular pulse surveys to gauge its improvement. Our Talent Management subgroup is developing strategies to improve performance in this area.



Talent Management

Learning and Development

2025 KPI

- A **25%** increase in training hours per employee per year⁴

Progress Updates in 2021

- Delivered approximately **164,000** training hours in 2021, an average of **26.4** training hours per employee. This is an increase of **116%** compared to our 2016 baseline year.

³ Compared to the baseline year of 2020.

⁴ Compared to the baseline year of 2016.

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Engagement

2025 KPI

- Achieve an employee engagement index rating of **90%** or above
- Improve employee turnover rate by **5.5%**⁵

Progress Updates in 2021

- The results of our 2020 People's Engagement Survey recorded an **88%** employee engagement index rating.
- The turnover rate in 2021 was **23.3%** and has improved by **1.2%** compared to our 2018 baseline year.



Occupational Health and Safety

Safety

2025 KPI

- Maintain a lost time injury rate ("LTIR") at or below **1.2** for non-hotel operations; and at or below **2.0** for hotel operations
- Maintain zero work-related fatalities and zero serious incidents⁶ for employees

Progress Updates in 2021

- LTIR of **0.67** for Swire Properties' non-hotel operations and an LTIR of **1.55** for Swire Properties' hotel operations.
- Maintained **zero** serious incidents and **zero** work-related fatalities.



Diversity and Inclusion

Policy, Strategy and Governance

2025 KPI

- Maintain a gender balance in senior management
- Maintain gender pay ratio at **1:1**

Progress Updates in 2021

- 49%** of senior management positions held by women.
- The gender pay ratio in 2021 is **1:1.07** (female to male).



⁵ Compared to the baseline year of 2018.

⁶ Defined in the Swire Pacific Fatal and Serious Incident Reporting Policy, a serious incident is a life-threatening or life-altering injury (that results in permanent disablement or causes a permanent change to the employee's daily life) arising from an incident which is directly connected with the operations.

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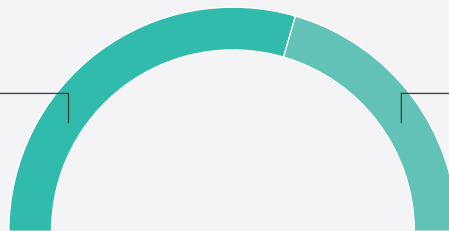
Employment Profile

We employ 6,200 people⁷, of which approximately 3,100 are located in Hong Kong, 2,800 in the Chinese Mainland, and 300 in Miami, U.S.A.

GRI
2-7, 2-8, 401
HKEX
KPI B1.1

Employees, by gender

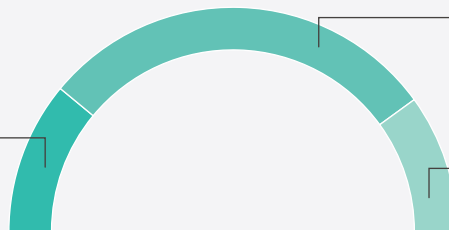
Male
3,684 (59%)



Female
2,518 (41%)

Employees, by age group

Under 30 years old
1,407 (22.7%)

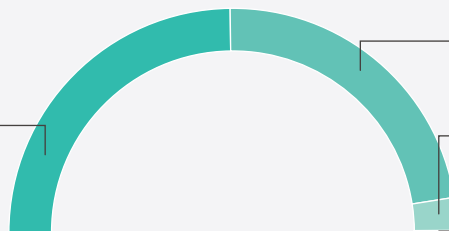


30 to 50 years old
3,519 (56.7%)

Over 50 years old
1,276 (20.6%)

Employees, by region

Hong Kong
3,082 (49.7%)



Chinese Mainland
2,815 (45.4%)

Miami, U.S.A.
300 (4.8%)

Others
5 (0.1%)

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

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Talent Attraction

HKEX
Aspect B1

Creating an Industry-leading Work Environment for our Employees

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

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




We identified a job evaluation platform to 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. The job evaluation process was completed this year. Next, we will conduct a thorough compensation and benefits review to help us develop an action plan to achieve our 2025 KPIs.

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

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

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

Total New Hires, by region

		Number	Percentage
	Hong Kong	660	43.5%
	Chinese Mainland	677	44.7%
	Miami, U.S.A.	179	11.8%
	Total	1,516	

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Swire Properties is a Recognised Employer



In 2020, Swire Properties was named the Most Attractive Employer in Hong Kong by Randstad Hong Kong Employer Brand Research. In 2021, we placed fourth in the rankings, continuing our streak of either winning or placing in the top four of the Randstad Employer Brand Awards for five consecutive years. The awards assessed 75 of Hong Kong’s largest companies, based on workforce size, the results of which were determined by the

opinions of thousands of locally based employees and jobseekers. Swire Properties was rated positively on several aspects, including corporate financial health, corporate reputation and job security.

Anna Thompson, Director of Human Resources, and Jodi Kwok, Head of Human Resources & Administration, were both featured in Randstad’s “Standing Out 2021 Report”, discussing how Swire Properties builds a strong employer brand. The report can be read [here](#).

In the HRoot Awards organised by HRoot, a leading human resource media company headquartered in Shanghai, Swire Properties was named one of the Best Employers in Greater China in 2021. Over 480 companies were assessed, with Swire Properties being the only commercial real estate company to win this award.

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Introducing People Analytics Software



Our people analytics software uses advanced analytics on large data sets to help our human resources department manage human capital. Swire Properties has started using this software in several areas to make informed decisions to improve talent management and business performance, including:

Strategic workforce planning

Applying people analytics enables us to strategically meet current and future workforce needs, identify any current skills gaps and maintain a steady-state workforce by ensuring that positions are filled by the right employees with the necessary competencies and that our workforce meets future organisational goals and objectives.

Recruiting and hiring

Our Recruitment Status Dashboard supports our recruiting and hiring processes. The system has an internal database which allows us to identify internal employees with relevant skills, while also regularly evaluating various recruiting channels, platforms and programmes to effectively recruit and hire externally.

Measuring employee performance

A web-based system collects, analyses, summarises and reports real-time data and information related to employee performance. The system helps us conduct company-wide analyses on employee performance trends and competence levels, allowing us to identify high-flyers and address any training and development needs.

Organisational network analysis

A web-based system assesses and benchmarks employee engagement levels. This system also analyses how information flows, and how communication and collaboration take place within the Company.

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Talent Management

HKEX
Aspect B3

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

We conducted a People Engagement Survey involving over 4,000 employees across Hong Kong and the Chinese Mainland, with 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, among many others. The results provided 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 norms.
- Our top five areas of strength are: retention; accountability and empowerment; performance management; recognition and benefits; and 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”.

As the next step in the engagement process, a Working Group comprised of various levels of employees was formed. Meeting twice a year, the group discusses improvement strategies and conducts action planning with department heads, who conduct follow-up action and report quarterly. As a result of the Working Group, departments across Hong Kong and the Chinese Mainland have committed to more than 100 follow-up actions in the areas of innovation and enhancing work processes, staff recognition and development, promoting greater team collaboration and wellbeing in the workplace.

Moreover, we determined that the corporate focus areas moving forwards will be innovation and empowerment. Focus groups were held in Hong Kong with a range of colleagues, from frontline staff to managers, on how to empower our People. This valuable feedback will help drive further change and improvement across the Company. We will conduct a pulse survey in 2022 for ongoing monitoring and improvement purposes.

All these actions are geared towards achieving our 2025 KPI of having an employee engagement rating at 90% or above.

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Learning and Development Programmes

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

This year, the Company also offered more online “off-the-shelf” learning courses, providing subscriptions to our employees to encourage an “anytime, anywhere” self-learning mindset. We established the Frontline Learning Resources Hub, an online learning platform on the Company intranet that includes topics on occupational health and safety, customer service and other compliance training to equip our frontline workforce with knowledge and skills related to their duties.

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
- Management and leadership training programmes

Total Training Hours and Spending

**~164,000
hours**

Total training hours

**26.4
hours**

Average training hours per employee

**HKD8
million**

Total training spend

HKD1,300

Average training spend per employee

HKEX
KPI B3.2

Average Hours of Training, by gender

2021



Male

24.3



Female

29.4

Average Hours of Training, by employment category

2021



Management

28.0



Non-management

25.8

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Evaluation Framework for Learning and Development Programmes

Swire Properties has 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.

This year, we continued a revamp of several training programmes including the Achieving Excellence Programme, a two-year leadership programme that aims to help our managers discover their leadership potential through workshops focused on developing leadership and communication skills, strategic thinking and performance management. During the revamp, we began adopting a multidimensional evaluation system which includes a 360-degree feedback mechanism that allows us to hear from individual employees on how our learning and development programmes have helped them in their career development and contributed to employee retention and work efficiency improvements.

We also developed two new structured leadership programmes in 2021 for our building management and portfolio technical services teams, the first leadership programmes ever held for these teams at the Company. Both programmes are designed to help supervisors enhance their people management skills and knowledge, and then apply those skills in workplace situations.

The New Frontline Learning Resources Hub

Launched in April 2021, the Frontline Learning Resources Hub provides tailor-made e-learning materials for frontline employees presented as training videos and short job-related reading materials in categories such as customer experience and occupational health and safety.

The Hub was designed to improve the training environment and efficiency for frontline employees, allowing the Company to deploy e-learning materials virtually. Our frontline employees can study the materials on their own and complete an electronic quiz, streamlining the e-learning process and making it more efficient.

The aims of the Hub are to further encourage a culture of “anytime, anywhere” self-learning, while nurturing an innovative mindset and enhancing the learning experience through digitalisation.

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Keeping Up with the Latest Trends: Our Digital Series Continues



We continue to host workshops focused on helping our teams learn about current and upcoming digital trends and strengthening their knowledge and improving their digital marketing capabilities.

In 2020, our digital marketing department hosted the inaugural Digital Series in the form of online

workshops. Proving to be highly popular, the series continued in 2021, with several new elements designed to elevate innovation and encourage smart processes. The series welcomed a respected innovation coach who hosted sessions to explore how to generate practical ideas and apply them within a company. We also welcomed a user experience (“UX”) professional, who shared experiences and provided tips on how to enhance the UX of our products.

Finally, a number of masterclasses were held on such topics as “Social Media Trends”, “Hong Kong Digital Market Highlights and Priorities”, and “App Growth and Analytics”.

Building Management Team Leadership Excellence Programme



In late 2020, we launched a Leadership Excellence Programme designed to develop stronger building management team (“BMT”) leaders and create a more structured approach to employee training and development and the BMT leadership pipeline.

The programme is focused on enhancing BMT supervisors’ people management capabilities. Based on the findings of several focus group discussions, four modules were designed to address the top identified leadership needs.

We augmented the programme this year for the portfolio technical services (“TS”) department. Launched in November 2021, the six-module TS Supervisory Excellence Programme follows the same approach as the BMT programme but with customised content for the TS team. Both programmes helped supervisors learn or enhance their skills and knowledge in people management and helped them to apply those skills to workplace situations.

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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 build rapport between employees and increase the level of employee engagement.

Supporting the Mental and Physical Health of Our Employees

Every office across 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.

Highlights of Our 2021 Employee Wellness Programme



The mental and physical health of our employees is always a top priority. Throughout the year, we organised a number of activities designed to bolster the physical and mental health of our people.

The biggest activity was the “1 & All Sports Challenge” held across all our properties in Hong Kong and the Chinese Mainland. The aim was to encourage everyone to get active,

get fit and be healthy. Held in November, the challenge attracted 831 colleagues from 23 departments across our portfolios, who recorded the duration and number of calories burned during their exercise sessions. There were prizes for the top performers, as well as gifts and recognition when certain calorie milestones were hit. The results were encouraging – a total of 14,873 hours of exercise were performed by our employees, with over 3 million calories burned during the one-month challenge.

Earlier in the year, Taikoo Li Sanlitun held a series of events during “Wellness Month” in May to enhance the employee health and wellbeing. These included diagnosis and treatment by traditional Chinese medicine specialists, and workshops on healthy lifestyles and tea tasting. A team of specialists also performed comprehensive health checks and gave individual employees suggestions on how to stay healthy.

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Cultivating Workplace Wellbeing through People-oriented Designs



An important component of wellness in the workplace is being in a supportive environment. Swire Properties embraced this concept across our properties in 2021.

In Hong Kong, a submission from our ideas@work programme resulted in the development of the “Inspiration Corner” at One Island East, a dedicated space where people can ideate and collaborate without

distraction and in a relaxing environment. A breakout area was revamped with beanbags, high tables and chairs, and greenery, creating a haven where ideas can flourish.

At INDIGO in Beijing, we introduced “The Health Space” for all employees. The area contains wall stickers detailing various stretching exercises, balls suspended from the ceiling that people can jump to reach, and various posters on emotional and mental health guidance.



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Occupational Health and Safety ("OHS")

We regard health and safety as an indispensable part of our business and our SD 2030 Strategy. The scope of our Health and Safety Policy covers our employees, contractors, customers, and members of our community, including any person whose work or workplace is controlled by the Company.

Adhering to our new "Zero Harm" vision and framework, the policy specifies how we will demonstrate solid leadership and effective management of occupational health and safety in the design, planning and conduct of all business activities.

The relevant SDG is:



SDG 3

Ensuring healthy lives and promoting wellbeing.

GRI
403

HKEX
Aspect B2
KPI B2.3

Our Zero Harm Commitment

Zero Harm is a new Company-wide commitment to accident prevention across our workforce and at all levels of management, regardless of a person's seniority or level of experience. The commitment requires everyone to go beyond compliance, and instead, proactively work on an ongoing basis to eliminate hazards and create a safe working environment.

To achieve zero harm requires a high level of commitment, and means no fatalities, no injuries and no harm to health as a result of our business activities. In 2021, we focused on developing a zero harm framework and roadmap with four engagement areas: leadership, structure, process and culture. We also defined a list of leading and lagging indicators to measure performance over time.

Safety Management Systems

Swire Properties has Safety Management Systems ("SMS") in place to maintain a healthy and safe work environment and minimise any adverse health and safety impacts arising from our operations. As at 31st December 2021, the SMS in six of our properties in our Hong Kong portfolio and four properties in our Chinese Mainland portfolio comply with the new and more stringent ISO 45001:2018 standard.

Providing a healthy and safe workplace is critical to our continued success. In 2021, we developed strategies to further integrate health and safety considerations into every part of our business. This approach is supported by strong senior management endorsement and oversight. Health and safety issues and performance are regular topics at monthly executive committee meetings, appear on board papers and are discussed at every quarterly board meeting.

The SMS Steering Committees, which are chaired by our Senior Manager, Health & Safety in Hong Kong and the Director of Technical Services and Sustainable Development in the Chinese Mainland, include representatives from each portfolio. The committees meet periodically to monitor and evaluate the Company's safety performance. Instructions and updates from the SMS Steering Committee are communicated down to the portfolio level, both in Hong Kong and the Chinese Mainland, through each portfolio's Health and Safety Working Group. These Working Groups are chaired by the portfolio's General Manager or their alternate and include employee representatives from our technical services and building

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management teams from each portfolio. They also hold regular meetings to monitor and evaluate the Company’s safety performance.

In accordance with the 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.

In 2021, we also launched “Management Safety Walks”, during which senior employees demonstrate their commitment to improving health and safety by walking around properties to identify any potential hazards. These are complemented by our new “Near-miss and Hazard Reporting System” – an e-platform that allows our employees to report any near-miss incidents or hazardous conditions in their buildings. These reports are essential, as they allow changes to be implemented before incidents and injuries occur.

2021 Health and Safety Performance

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

Health and Safety Performance

Since we began to disclose health and safety information in 2003, we have maintained a record of zero workplace fatalities among our employees. There have also been no confirmed incidents of non-compliance with relevant laws or regulations relating to the provision of a safe working environment and the protection of employees from occupational hazards which have a significant impact on Swire Properties.

One of our 2025 KPIs is to achieve and maintain a LTIR at or below 1.2 for non-hotel operations, and at or below 2.0 for hotel operations. As part of our management approach to prevent workplace accidents, we continued to conduct education and awareness talks for our employees tailored for different areas of our business throughout 2021. These included 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 heatstroke for workers at our construction sites.

In 2021, our LTIR decreased by 23.2% compared to 2020 and our lost day rate (“LDR”)⁸ decreased by 26.5% compared to 2020.

HKEX
KPI B2.1, B2.2

⁸ Number of lost scheduled working days per 100 employees per year.

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Employee LTIR and LDR Trends

	2019	2020	2021
LTIR	1.63 ↑ 10.9% Change year-on-year	1.25 ↓ 23.3% Change year-on-year	0.96 ↓ 23.2% Change year-on-year
LDR	43.28 ↓ 20.5% Change year-on-year	48.80 ↑ 12.8% Change year-on-year	35.86 ↓ 26.5% Change year-on-year

HKEX
KPI B.2.2

Employee LTIR and LDR 2021, by portfolio

	LTIR	LDR
 Hong Kong	1.0	35.55
 Chinese Mainland	0.13	4.96
 Miami, U.S.A.	0	0
 Hotels	1.55	59.35

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Internal Health and Safety Performance Awards



Since 2019, we have held an internal awards scheme in Hong Kong and the Chinese Mainland to commend our management offices for their outstanding health and safety performance, hoping that the scheme will further strengthen our safety-oriented culture.

This scheme gives out several awards, including:

- The Zero Lost Time Injury 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. In 2021, Taikoo Hui in Guangzhou received the 1,000 days Zero LTI Award. Cityplaza and Taikoo Shing in Hong Kong as well as INDIGO and HKRI Taikoo Hui in the Chinese Mainland received the 180 days Zero LTI Award. Taikoo Li Sanlitun in Beijing achieved the 500 days Zero LTI Award this year and was also recognised in April 2021 for maintaining zero lost time injury throughout the entire construction of the Taikoo Li Sanlitun West project.
- 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 2021 award was presented to both Taikoo Hui in Guangzhou and Citygate in Hong Kong. Both portfolios are well known for their safety standards and have won the Zero Lost Time Injury Award several times in the past.

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Diversity and Inclusion

Volunteering



Safety Training

We invest significant amount of time and money in training programmes designed to keep our employees, tenants and customers safe in all areas of our properties.

Safety Training

In 2021, we delivered approximately 26,650 OHS training hours, an increase of 11.6% compared to 2020. The training covered a range of OHS topics, including slip, trip and fall prevention, fire prevention, working at heights, and heatstroke awareness.

We also designed an e-learning platform for senior management to receive compulsory OHS training. This platform was launched in March 2019 and achieved a 100% completion rate. In 2020, we expanded this e-learning platform to include all frontline and office employees, and in 2021, 100% of our employees received this training. 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 continued to provide training for our senior management and line managers focusing on communicating safety priorities and demonstrating leadership on OHS issues throughout 2021. 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 hazard identification and fire safety quiz activities to reinforce training and boost engagement. Additionally, we introduced a training programme that uses VR technology to simulate health and safety hazards and scenarios, allowing our employees to practice how to respond in the case of a real emergency.

Slip, Trip and Fall Prevention at EAST



In mid-2021, EAST Hong Kong organised a 12-week self-guided exercise training programme on slip, trip and fall prevention. Conducted in partnership with the Chinese University of Hong Kong and the Occupational Safety and Health Council, the programme was designed to improve participants' balance and strength through two assessment sessions with 15-minute briefing and

training sessions, following a pre-recorded exercise instruction video on a mobile application. These and similar training programmes will support the 2025 health and safety KPI for Swire Properties' hotel operations of maintaining an LTIR at or below 2.0.

People

- Progress
- Employment Profile
- Talent Attraction
- Talent Management
- Occupational Health and Safety
- Diversity and Inclusion**
- Volunteering



Diversity and Inclusion

Diversity and Inclusion (“D&I”) is a focus area in which Swire Properties aspires to provide leadership. The relevant SDG is:



SDG 5

Achieving gender equality and empowering women and girls.

GRI
2-21, 405, 406
HKEX
Aspect B1

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

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

D&I Policy

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

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

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

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Respect in the Workplace Policy

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

Parental Leave Policy and Guidelines

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

Percentage of Management Positions Held by Women

(as at 31st December 2021)



50%

of management positions held by women



42%

of EXCOM members are women

Gender Pay Ratio



1 : 1.07

(female to male)

Chief Executive Pay to Employee Pay Ratio



33.6 : 1

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

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- Volunteering



Flexible Working Policy Initiative

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

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

Swire Properties U.S.A. Forms Diversity, Equity and Inclusion (“DEI”) Taskforce



This new taskforce was formed to develop programmes for both employees and community engagement. The overall objective is to integrate DEI initiatives into the workplace, building a culture that is inclusive, diverse and offers equal opportunities for people of all backgrounds.

The taskforce includes a cross section of employees from various departments, and broadly covers topics under six pillars:

- Gender and gender identity
- Age
- Sexual orientation
- Disability
- Race and ethnicity
- Religion and faith

The taskforce meets monthly and recently rolled out its first initiative, the “Women at Swire” networking group. In November, all employees took part in a “Belongingness Assessment”, a cultural survey to set a baseline score on current DEI attributes for the team. The results will be used to set objectives and develop further DEI initiatives based on employee feedback and sentiment. We plan to host an “Awkward Lunch” initiative in early 2022, where groups of employees will join facilitated conversations about race and unconscious bias in the workplace.

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Joining the Swire Group Diversity and Inclusion Survey 2021

This year, Swire Properties took part in the Swire Group’s annual D&I survey. The survey allows employees to contribute to the Group’s commitment to create inclusive workplaces where everyone can thrive and succeed regardless of age, gender, gender identity, disability, ethnicity, sexual orientation and other characteristics.

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

One third of employees from Swire Properties’ Hong Kong portfolio and Hong Kong hotels responded to the survey. The preliminary results revealed that:

- 79% of the respondents agreed that the Company values and respects a variety of ideas, perspectives and working styles
- 76% of the respondents agreed that the Company has created an environment where people of diverse backgrounds can succeed
- 79% of respondents agreed that the Company’s senior leadership publicly supports and promotes diversity initiatives
- 72% of respondents agreed that the Company’s D&I-related policies and procedures are fairly enforced throughout the Company’s operations

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

- Around 93% of respondents self-identified as Chinese, followed by 1% of respondents self-identified as White, 1% as Mixed, 2% as Others and 3% of respondents preferred not to answer
- 7% of respondents self-identified as LGBT+
- 2% of respondents self-identified as having a disability

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Male Allies



Swire Properties hit another D&I milestone in 2021 with the launch of the Male Allies Initiative. The initiative, which works alongside our Women’s Inspire Networks, furthers gender equality by empowering men to be allies and actively work to strengthen bonds within our community and beyond by advocating for underrepresented people in day-to-day settings. It also

helps to ensure that D&I concepts are actively considered and implemented in the areas of recruitment, job flexibility, and promotions and rewards. Ultimately, Swire Properties believes that the presence of male allies will make a difference in the pursuit of gender equality.

In November, our male allies kicked off a new D&I initiative called “A Series of Uncomfortable Conversations”, involving webinars and seminars focusing on such aspects of gender equality as “equality of opportunity”.

Pink Friday 2021



On 19th November, Swire Properties joined over 80 companies in Hong Kong to celebrate the LGBT+ community and the Company’s drive for inclusion and acceptance in the workplace at the Pink Friday event. Our employees participated by wearing pink and taking part in a “Think Pink Best Dressed” competition, with prizes given out to the best dressed individual, team and

special mentions. “Pink Goodies” were also sold from 15th-19th November at several [Tong Chong Street Market](#) stalls, with people wearing pink being given a discount on these items on 19th November, as well as a discount on all products at an eco-friendly boutique.

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Board Diversity

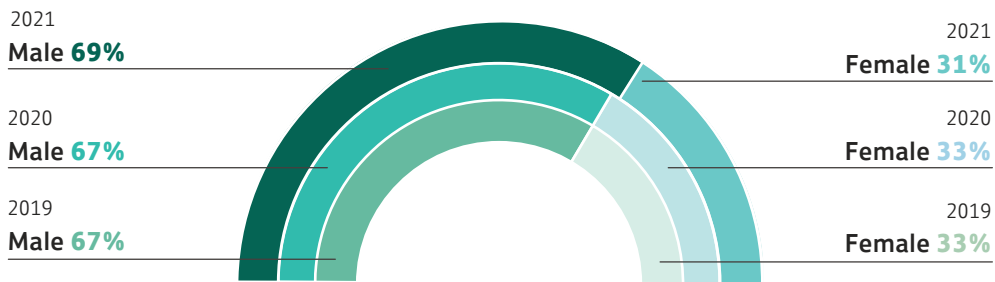
GRI
2-9

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.

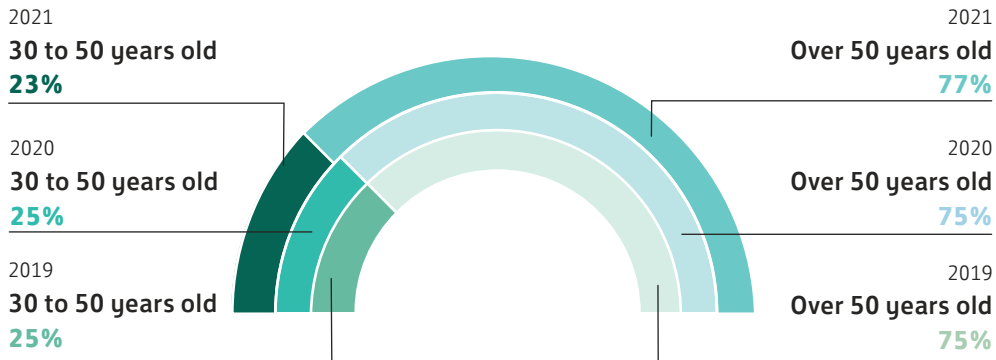
Board Diversity

(as at 31st December 2021)

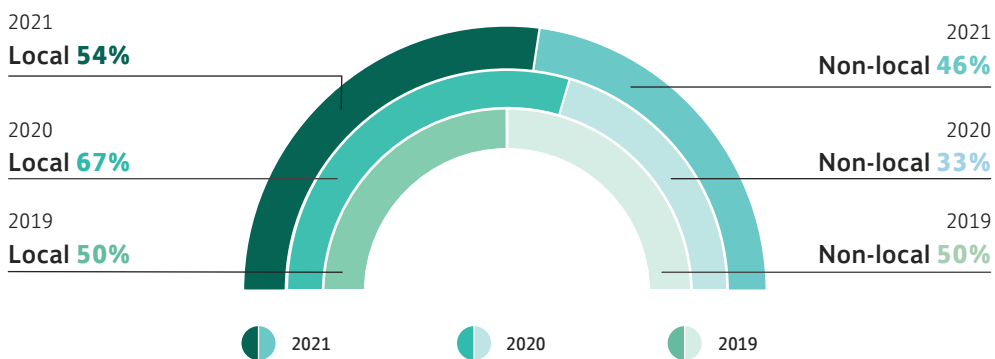
By gender



By age group



By local/non-local



Additional information about the diversity of our Board members is available in the [Swire Properties Annual Report 2021](#).

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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 Swire Properties [Community Caring Fund](#). Our employees are eligible to receive one extra day of leave for every 10 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 employees' families and friends, as well as our business partners, tenants, customers and other Swire Group companies. This year marked the 20th anniversary of the Community Ambassador Programme, a milestone which was celebrated across our communities.

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 to join our volunteering efforts. However, necessary restrictions placed on travel and gatherings during the pandemic curtailed these actions across our portfolios during 2021. We look forward with hope and excitement to the near future when such initiatives can resume.

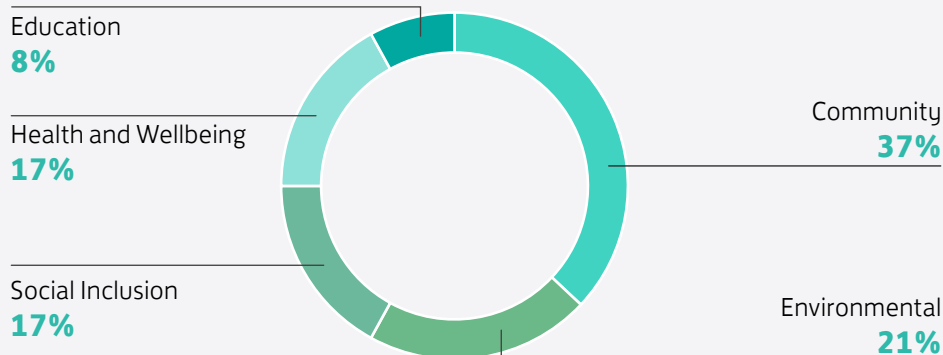
Community Ambassador Programme Volunteer Hours, by focus area



64
Activities supported



4,811
Total volunteer hours



Community Investments and Contributions in 2021

HKD39 million
Total Value of Cash
Contributions

HKD26 million
Total Value of In-kind
Contributions

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Taikoo Li Qiantan Launches Community Ambassadors Programme



In advance of its opening, Taikoo Li Qiantan launched its Community Ambassadors Programme by unveiling the striking public artwork [Please Be Seated](#), showcasing the Company’s vision of sustainability and wellness to the community.

The Taikoo Li Qiantan Community Ambassadors immediately began working with a Shanghai-based eco-friendly business to collect plastic

bottles that will be transformed into fabrics used in student uniforms, which will then be donated to schools in need. Our Community Ambassadors will continue to engage with the surrounding neighbourhoods as the development grows and flourishes into a centre of wellness and a gathering place for the community.

“My Construction Hero”



In the summer of 2021, our Hong Kong Community Ambassador team partnered with our projects department on the “My Construction Hero” programme, which aimed to draw attention to how construction industry practitioners build communities and make them better places for people to live, work and enjoy.

Fifty young ambassadors, aged 6 to 12, were guided by our Community Ambassadors, watching construction work at Two Taikoo Place from an ideal viewing spot at One Island East, learning more about the redevelopment project and gaining awareness of the importance of health and safety practices on construction sites through interactive games.

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“Woolly Wonder”



The 2020 Christmas decorations at Taikoo Place were made out of colourful natural wool. After the holiday seasons, the decorations were dismantled and the woollen yarn was collected, disinfected and used in upcycled knit projects carried out by our Community Ambassador team in partnership with 30 “crochet masters” recruited by two charity partners (YWCA & OIWA). The

crochet masters were employed to help us turn the 7.2kg of collected wool into over 2,000 green trinkets.

On Mother’s Day weekend, our Community Ambassadors distributed these trinkets together with air plants as eco-friendly gifts to community members at Taikoo Place, Citygate Outlets and Cityplaza. In addition to providing employment opportunities to our NGO partners who taught our volunteers how to crochet, this collaboration also continued our support of female empowerment and the creation of social resilience.

Promoting Inclusion through Volunteerism



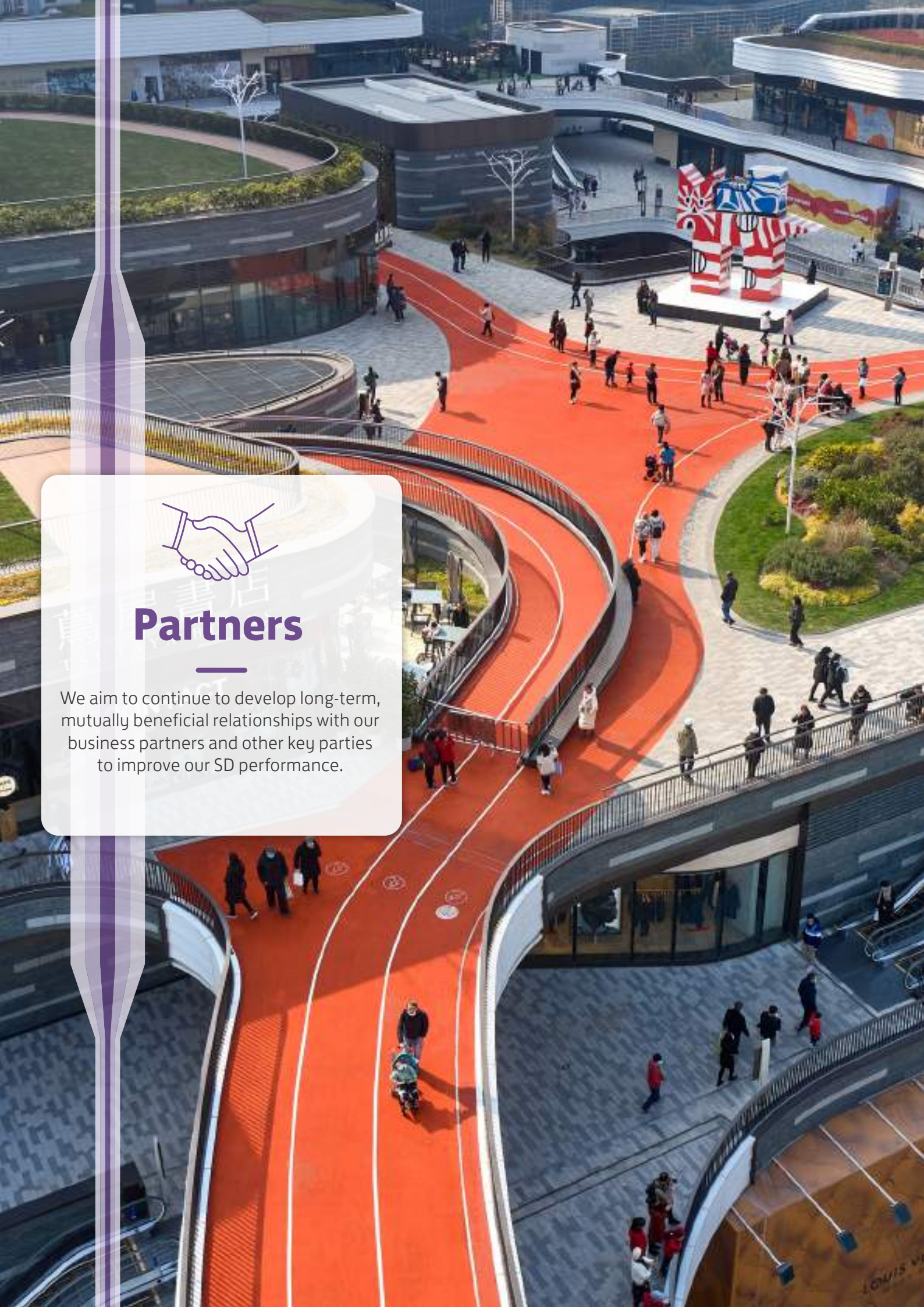
In October, the Community Ambassador team co-hosted a community carnival, the finale of our four-month long “Learn Darts for Volunteering” programme. In partnership with volunteers from Man Kwan QualiEd College, two primary schools and two charity partners (Direction Association for the Handicapped and the Hong Kong Playground Association), this public

event was joined by over 500 members of the community. The activity was designed to share the fun of darts with the public and spark positivity by encouraging participants to learn a new skill without pressure, helping to build a more inclusive community.



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

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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 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

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Progress

With 28 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 2021, we worked closely with our partners and began making progress towards our [2025 and 2030 KPIs](#). Our progress this year is summarised in the table below.

Progress Summary Table



Suppliers

Monitoring (Compliance)

2025 KPI

- Maintain 100% implementation of the Supplier Code of Conduct ("SCoC") in all portfolios

Progress Updates in 2021

- It is now standard practice to require that all suppliers in Hong Kong, Chinese Mainland and Miami, U.S.A. comply with the SCoC.
- In 2021, we conducted an annual supply chain risks assessment of over 300 of our Tier-1 suppliers.

Driving Impact

2025 KPI

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

Progress Updates in 2021

- In 2021, **12%** of the products and services purchased were sustainable.



Tenants

Tenant Engagement

2025 KPI

- **50%** of tenants in our office portfolios⁹ sign the Green Performance Pledge to jointly improve environmental performance

Progress Updates in 2021

- In 2021, we launched the new Green Performance Pledge with **14** pilot tenants, which covered nearly **10%** of our office tenants in Hong Kong.



⁹ Measured by occupied lettable floor area ("LFA") of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui in Guangzhou.

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Suppliers

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

Supply Chain Profile

Number of suppliers, by geographical region

(as at 31st December 2021)



~2,300

Hong Kong



~2,300

Chinese Mainland



~300

U.S.A.

GRI
2-6

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.

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

The relevant SDG is:



SDG 12

Ensuring sustainable consumption and production patterns.

GRI
308, 414

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

Partners

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Supplier Compliance Monitoring



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

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

In order for new suppliers to be included on the list of approved contractors, they must first complete self-assessment questionnaires to confirm 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 continuously refined our performance management system for technical services providers. Any act of non-compliance or malpractice in the areas of health and safety, environment, procurement, quality and site management is recorded, and the technical provider will be subject to disciplinary action.

In 2021, we conducted a risk assessment of over 300 Tier-1 suppliers, identified as either critical suppliers, high-volume suppliers, high-spending suppliers, or non-substitutable suppliers, to confirm their compliance with our SCoC, and there was no violation of human rights issues. These suppliers are based in Hong Kong, the Chinese Mainland and the U.S.A., and together they contributed to more than half of our procurement spend in 2021. There were also no incidents of human rights violations identified across our operations in 2021.

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

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

GRI
308, 403, 414

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

Partners

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Sustainable Procurement

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

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

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

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

Pacific Place and Citygate Outlets were recognised with Excellent Green Product Advocator Awards at the Hong Kong Green Shop Alliance Awards 2021. These awards were given to both malls for contributing to a greener retail environment through the adoption of green products.

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

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

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

The relevant SDGs are:



SDG 12

Ensuring sustainable consumption and production patterns.



SDG 13

Taking urgent action to combat climate change and its impacts.

GRI
301, 304
HKEX
Aspect A2
KPI B5.4

Partners

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Sustainable Procurement for Hong Kong and the Chinese Mainland in 2021



HKD946 million

Total value

12%

of total procurement spent

Further Expanding Sustainable Sourcing



We are committed to expanding our sourcing of sustainable materials across all areas of our business. In 2021, we continued to make significant achievements in this regard, including:

Portfolio Management Offices and Facilities:

- Chillers, air handling units, paints and coatings, block walls, and artificial stone with CIC Green Product Certification
- Toilet paper certified by the Forest Stewardship Council (“FSC”)
- All office printing paper in our Hong Kong internal offices is now made from 100% recycled content
- Biodegradable tea bags with certified organic tea
- Organic coffee beans from a company with a 70% female workforce and that is certified carbon neutral in its roasting and milling processes

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
- Simplified packaging for room amenities such as removing paper boxes
- Completed transition from paper forms to fully online forms

Partners

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Utilising Low-carbon Development Strategies for New Projects



To achieve our ambitious 2030 targets set for projects under development, Swire Properties has committed to using a low-carbon building design and sustainable construction approaches in our commercial building currently under development at 46-56 Queen’s Road East in Hong Kong.

Green and sustainability-related elements were considered from the start of the building design phase and embedded into construction methodologies and the materials chosen, starting with the concrete and reinforcement bar (“rebar”) used in the building’s superstructure. All concrete used is Platinum-certified under the Construction Industry Council Green Product Certification and contains approximately 25% pulverised fuel ash in the cementitious content. A certain amount of the rebar is produced through an electric arc furnace process, a production method proven to have a smaller carbon footprint. Recycled steel is also used for the rebar.

Additionally, a traditional diesel generator power supply is not being used at the construction site. Instead, the project team ensured sufficient grid electricity connection for the entire site from the earliest construction stage, helping to eliminate air and noise pollution in and around the site, and improving the wellbeing of the workers. Together, these measures are providing a healthier and greener workplace and reducing the project’s overall carbon footprint.

Suppliers Health and Safety

Swire Properties’ commitment to zero harm obligates us to work towards fostering a culture of health and safety with all our partners. Beyond day-to-day operations and the management of existing properties, this culture also applies to our projects under development and all related construction sites. In 2021, we enhanced the collection and public reporting of health and safety-related metrics and incident reports from our contractors. This new approach allows us to track performance and enables us to work with our partners to develop strategies that improve health and safety performance on-site, ensuring that all our construction sites continue to be safe places to work. We have established an ambitious internal construction accident rate target that well exceeds the industry average to guide our efforts in this area.

GRI
403

HKEX
Aspect B6

Partners

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Suppliers

Tenants

Customers

Residential Owners, Occupiers and Serviced Apartment Residents



Number of fatalities of contractor workers



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

Lost time injury rate (LTIR) of contractor workers of Hong Kong development projects



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

Using Technology to Improve Construction Site Safety



At our Two Taikoo Place construction site, we have adopted technological solutions to keep our workers safe. New smart safety helmets have been in use since March 2021 by contractors working on high-risk tasks such as lift installations inside lift shafts. Sensors installed on the helmets provide real-time positioning and health monitoring information to the site management team, as well as

data which can be used to manage and improve site safety. A passive alert system sends out a notification if the wearer's defined body temperature or heart rate parameters are exceeded, while an active alert system, in the form of a panic button on the helmet, allows a worker to call for immediate help.

Sometimes, the work locations on the construction sites are neither easily visible nor accessible, so these innovative features help improve safety monitoring and can provide early alerts to prevent accidents from occurring.

Partners

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Tenants

HKEX
Aspect A3
KPI A3.1

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

Since 2015, we have worked with a number of our office tenants at Taikoo Hui in Guangzhou to implement a variety of sustainability initiatives under our Green Pledge Programme. Based on the same goals as the Green Pledge Programme, this year we launched the Green Performance Pledge (“GPP”), a performance-based agreement that acts as a blueprint for our landlord-tenant partnerships, providing a roadmap to show our tenants how they can contribute to a more sustainable world.

In August 2021, we began a GPP pilot programme which attracted interest and numerous requests for new leases and renewals, as well as from existing tenants. To expand the coverage of the GPP, we have reviewed and revised our 2025 KPI to have 50% of our office tenants¹⁰ sign this pledge.

We also continued to train our general managers and colleagues from management offices at our Hong Kong and Chinese Mainland portfolios to help ensure that all teams are engaged in the Company’s SD goals and offer our value-adding SD programmes to our tenants. In 2021, we also launched a one-stop resource hub on the Company’s intranet to support our efforts in this area. This allows colleagues to access useful tools, courses and articles that support their sustainability-related conversations with tenants. The hub saw over 1,000 visits during its first month of operation.

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. Throughout 2020 and 2021, we ran Phase 2 of this plan, focusing on understanding our customers’ physical usage across our whole portfolio as well as breaking down the unique needs of different customer archetypes. This will allow us to make more informed decisions about maximising the use of our space and what technologies can and should be implemented to streamline the user experience.

In 2021, our customer mapping plan also included Phase 3, focusing on ways to create an open feedback loop with tenants to keep us continuously informed about changing tenant needs and preferences. This will allow us to be more agile with decision-making and consequently enhance our offerings.

¹⁰ Measured by occupied lettable floor area (“LFA”) of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui in Guangzhou.

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Environment

The New Green Performance Pledge



The lifecycle of a building, including construction and occupant usage, consumes significant amounts of energy and water and generates waste. It is the responsibility of landlords and tenants to ensure that buildings are both built sustainably and used sustainably.

The Green Performance Pledge (“GPP”) is our newest tenant engagement programme. Centred

around a performance-based agreement to deepen landlord-tenant partnerships, the GPP is applicable from fit-out through operation and is user-friendly and collaborative. The GPP is set to become our foremost tenant engagement platform for sustainability.

The GPP aims to encourage the Company and our tenants to cooperate in good faith to improve environmental performance in terms of energy use, water consumption, waste reduction and recycling. By signing the GPP, tenants gain priority access to bespoke sustainability programmes such as free energy audits and may participate in in-depth action planning workshops to formulate concrete steps to enhance environmental performance. Tenants may also earn recognition for the efforts they make to measure and share environmental data, and for achieving certain energy, waste and water performance benchmarks aligned with the Company’s SD 2030 targets.

The GPP was introduced in 2021 with a pilot programme for 14 office tenants, representing nearly 10% of office tenants in Hong Kong, as measured by occupied LFA. The results of this pilot will be used to improve the GPP in advance of a full rollout in the second half of 2022.

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Collaborating with Tenants on Sustainable Design and Fit-out Processes



In 2021, we implemented new fit-out and renovation guidelines for office and retail tenants to help them incorporate sustainability considerations into their office and shop designs. We also continued to encourage 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 portfolio management teams and tenants to have sustainability conversations before fit-out and renovation projects commence. These communications allow both sides to collaborate on reducing energy and water usage and improving air quality and waste management. In turn, this enhances the sustainability performance of food and beverage outlets across our portfolios.

The Green Kitchen Award programme celebrates tenants that actively adopt recommendations from our Green Kitchen Technical Guidelines. In 2021, 24 restaurants received this recognition. In total, 51 food and beverage tenants in Hong Kong and the Chinese Mainland have been recognised with our Green Kitchen Award since the programme’s inception in 2019.

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

- Setting up food waste recycling and recycling facilities 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 reduce kitchen exhaust fan energy use and associated cooling and heating costs
- Selecting energy efficient cooking and kitchen appliances

Building on the Green Kitchen Initiative’s success, in 2021, we began piloting a similar scheme with office tenants as part of the GPP. Tenants who are commencing or undergoing fit-out and/or renovation projects receive “seed points” under the GPP that recognise green features in their designs and lead to a sustainable office rating.

Fit-out and renovation projects often lead to the disposal of large amounts of office furniture. In 2021, we began partnering with a furniture company in a pilot programme to reuse, repurpose and recycle used furniture collected from office renovations, such as desk chairs, workstation desks, storage cabinets and computer monitor arms. An inventory of unwanted

Partners

Progress

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Residential Owners, Occupiers and Serviced Apartment Residents



furniture and appliances was created for each pilot site, with the project team then formulating redistribution strategies that included such elements as takeback by outgoing tenants, reuse by incoming tenants, donation to NGO partners, and recycling. Even at the pilot stage, over 18 tonnes of useful furniture items were saved from landfills. In 2022, we will fine-tune the programme’s logistics and expand it to more tenants and portfolios.

Focus on Urban Farming at The Loop



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

Over the past two years, our in-person tenant engagement efforts have been severely impacted by the COVID-19 pandemic. However, there has been a renewed focus on urban farming. In 2021, we extended The Loop’s urban farm and community engagement concept to other properties across Hong Kong. We partnered with an office tenant to launch The Loop at One Island East, a “sky farm” situated on the building’s rooftop, 300 metres above ground. Originally a space dedicated to building maintenance, over 300 sq ft of the rooftop was re-allocated to an urban farm with 50 planters for seasonal greens and herbs. A food digester machine and composting tumblers were also set up to convert office tenants’ food waste into compost to fertilise the farm.

Additionally, The Loops located at South Island Place and Citygate launched “Farm Club” programmes, where office workers learn about farming and also plant, maintain and eventually harvest their own crops. The herbs grown and harvested at these farms are part of farm-to-table experiences held in partnership with F&B tenants at Citygate.

In collaboration with a local farming group, the four The Loop urban farms in Hong Kong engaged 450 office workers in urban farming programmes and events, harvesting a total of approximately 248kg of produce during the year, including a special harvest in December where over 80kg of freshly harvested organic crops were donated to a local food bank to share the holiday warmth with those in need.

Partners

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Customers

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Offering More Free Energy Audits

In 2021, we continued to conduct free energy audits for our tenants to help them identify energy-saving opportunities.

Free energy audits given to commercial tenants (since 2008)

	Hong Kong	Chinese Mainland
<p>Tenanted area</p>	<p>3.6 million sq ft</p>	<p>2.2 million sq ft</p>
<p>Potential annual energy savings</p>	<p>3.2 million kWh</p>	<p>5.9 million kWh</p>

Helping Tenants Become Greener



Believing that effective communication can inspire action, in 2021 we enhanced our tenant circulars and began promoting our tenant programmes and sharing tenant stories through e-newsletters. This change allowed us to incorporate reader-friendly layout designs and track readership, which in turn informs our communication strategies relating to tenant companies and employees.

In November 2021, to capitalise on the attention placed on the COP26 United Nations Climate Change Conference, and to raise awareness about the Company's 1.5°C-aligned science-based targets, we disseminated an e-newsletter to all tenants, encouraging them to take part in our sustainability initiatives and take personal action to fight climate change.

Taikoo Place hosted a series of digital sustainability talks featuring discussions between local sustainability advocates and three office tenants focusing on their sustainability strategies and programmes. Each talk was based on a case study, showing how SD projects were executed on the ground and examining their real-world impacts on society and the environment. Over 940 registrations were received for the series.

Partners

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The Hong Kong Green Shop Alliance Awards



Swire Properties was the first real estate developer to support the Hong Kong Green Shop Alliance (“HKGSA”), established by the Construction Industry Council and the Hong Kong Green Building Council in 2016 to promote sustainability initiatives in the retail industry through landlord-tenant collaboration.

This year, our leadership in this field was recognised as we won major accolades at the 2021 HKGSA Awards:

“Best Green Practice in Malls” category:

- Cityplaza – Champion, standing out with our innovative energy-saving solutions and facilities as well as initiatives that help tenants save energy and reduce waste
- Island Place Mall – Second Runner-up

“Best Collaborative Effort of Malls and Shops” category:

- Pacific Place – Best Green Kitchen Partner Award
- Citygate Outlets – Merit Award

Excellent Green Product Advocator:

- Citygate Outlets
- Pacific Place

Partners

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Digitalisation

Digitising Tenant Engagement



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

In 2021, we continued to introduce new features to the portal, including a facilities maintenance feature which offers a digital alternative to submitting and tracking facilities maintenance requests. All requests made are logged in the system and can be reviewed at any time. The tenant portal is now accessible to over 98% of office tenants and 89% of retail tenants. An upgraded version of the portal was launched in December 2021 for retail tenants and will be rolled out to office tenants in Q2 of 2022.

Representatives from the information technology department and portfolio management teams convene regularly to ensure that the portal meets evolving business needs.

Partners

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Smart Conservation Through Technology



In 2021, we worked with two tenants to install smart power monitoring systems that allow both landlords and tenants to continuously review energy consumption patterns, identify potential energy savings and drive behavioural change.

To promote water efficiency and raise awareness about the importance of conserving water, we began installing wireless water sub-meters for office

tenants to monitor water consumption and working with tenants to review and enhance the efficiency of their water fittings.

While waste measurement conventionally involves manual weighing and recording, in 2021, with the support of the Swire Pacific SD Fund, we began a pilot programme where smart scales are retrofitted underneath bins inside tenants' premises. These scales collect data on the weight of the waste and recyclables, and then feed the information to live engagement dashboards, which display data insights and waste reduction tips.

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

Partners

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Social

A “Pandemic-friendly” PROJECT AFTER 6



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

In 2021, pandemic-related restrictions meant no large-scale music concerts could be organised. Instead, we planned “PROJECT AFTER 6: Music Works”, a two-phase event which saw

crossover collaborations between celebrities and PROJECT AFTER 6 musicians that created three original songs and then organised six small and exclusive concerts held in tenants’ offices.

Three groups of former PROJECT AFTER 6 participants paired up with celebrity artists to create three songs for the event which were released on a music app in late May, staying in the app’s Daily Top 100 chart for two months.

Meanwhile, throughout the summer of 2021, six Taikoo Place tenants, all of whom share our vision that music helps improve workplace wellness, staged pop-up music concerts in their offices. Over 240 of our tenants’ employees took part, enjoying the energy and positivity of the concerts.

PROJECT AFTER 6: Music Works 2021 facts

240

Total audience for pop-up concerts

3.3 million

Total social posts impressions

427,000

Total social post views

19,000

Total social post clicks

Partners

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Corporate Wellness Challenge: 8-Hour Charity Spin at ArtisTree



In pursuit of the belief that maintaining physical and mental health is important to building a good community and creating positive, healthy workplaces, Taikoo Place organised the second edition of our Corporate Wellness Challenge, the Charity Spin, an eight-hour spinning session running for two consecutive days at ArtisTree.

Our Taikoo Place tenant partners gave a strong show of support, with 20 participating companies forming teams for this endurance challenge. In the end, over 420 riders challenged their limits and each other to raise awareness and funds for a mental health charity. At the finish line, the event raised over HKD530,000; HKD200,000 of which was donated by Swire Properties.

Corporate Wellness Challenge: 8-Hour Charity Spin facts

HKD530,000+

raised

20

tenant companies

420+

riders

4,200+

individual tenants joined

Partners

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Customers

Feedback is vital to understanding our customers’ needs so that we can continue to improve our services and offerings. In 2021, our research programmes continued to provide us with invaluable data which will be analysed and used to further refine the customer experience and our market positioning.

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 will be updated from time to time to ensure compliance with the relevant laws and regulations.

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.

GRI
418

HKEX
KPI B6.5

Retail Customers

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

We conducted three types of marketing research in 2021.

Shopper Sentiment Research

This research was conducted at Taikoo Li Sanlitun and Sino-Ocean Taikoo Li Chengdu between August 2020 and June 2021. We distributed surveys on the social media accounts of these two portfolios to gauge shopper satisfaction in nine areas, which included amenities, guide systems and the overall shopping environment among others. The bulk of the survey participants were followers of our official social media accounts and members of our customer loyalty programmes.

Altogether, 5,600 surveys were completed across the two portfolios. Overall satisfaction was high, with Sino-Ocean Taikoo Li Chengdu and Taikoo Li Sanlitun gaining an aggregate score of 8.58 and 8.36 out of 10 respectively. Moving forward, the survey results will be analysed to identify areas for improvement at both portfolios and target evolving customer needs. This will ensure that our customers are satisfied and that we remain competitive.

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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 (“CSOs”) in our five Chinese Mainland malls, identifying their strengths and weaknesses and providing actionable recommendations for better customer service and experience. Evaluations were based on numerous factors, including CSO attire, handling of enquiries and overall satisfaction. The results were presented as scores in the different evaluation areas and paired with written reports from the mystery shoppers.

In 2021, the results of the MSP showed an overall improvement of 22.8% over our first MSP and, for the first time, all malls in the programme scored above 80%. These results are encouraging and will allow us to further calibrate CSO training programmes to ensure that the long-term sustainable development of our malls continually enhances the customer experience.

Annual Shopper Research

As usual, this year’s programme was conducted at all eight Swire Properties malls¹¹ in Hong Kong and the Chinese Mainland. The research programme consisted of two components: a quantitative interview and a qualitative online brand study. The aim was to understand customer needs at individual malls to create actionable marketing and leasing insights. Shoppers from competing malls were also interviewed, establishing comparisons with our performance.

Participants included real mall shoppers, both locals and expatriates, who made a purchase from one of our malls or our competitors’ malls during the survey period. In 2021, nearly 6,600 interviews and 2,500 online brand surveys were completed. The findings from this research will help us determine the performance of malls and provide actionable insights for both marketing and leasing teams.

2021 Annual Shopper Research Statistics

Over 9,000

shoppers

100%

coverage of our major retail properties in Hong Kong and the Chinese Mainland and a number of their competitors

97%

of response ratings were between “excellent” and “good”

¹¹ Taikoo Li Qiantan opened in late 2021 and was not included in the 2021 annual shopper research as the portfolio has not been operational for a full calendar year and is therefore outside of our reporting boundary.

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The Loop: INDIGO’s Latest Addition to Promoting Sustainability



This year, Swire Properties opened another iteration of The Loop, our sustainable development centre, at INDIGO in Beijing. As with the original location in Taikoo Place, this space will be used to host sustainability-themed exhibitions, art pieces, technology and experimental programmes that help the wider community understand and embrace sustainable practices and lifestyles.

The Loop is located in a creatively refurbished space linking the ONE INDIGO office tower to an underground car park and is part of a new drive by INDIGO to become a hub for green ideas and sustainability in the community.

The Loop has three display walls – “History”, “Material” and “Co-create”. These are made of repurposed waste and recycled materials, including unwanted circuit boards and discarded crayfish shells. The display walls feature interactive presentations that outline the mall’s commitment to sustainability, host presentations and also exhibit distinctive art pieces. The “Co-create” wall tableau was a joint effort by employees, client groups, NGOs and students with its central message being “Sustainability: We All Count”.

Virtual Comment Box

We utilise a virtual comment box at several of our properties in Hong Kong. The comment box displays a series of QR code stickers that invite visitors to provide feedback and suggestions. The virtual comment box then gathers these suggestions, allowing us to act immediately on such issues as heating, air-conditioning and turnstile malfunctions.

Hotel Guests

Our hotels collect guest feedback through a custom-made 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’s wireless internet service. This survey provides valuable data that will help us continuously improve our hotel guest experience.

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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. In 2021, work progressed on our newest residential development, the EIGHT STAR STREET project located in Wan Chai’s Starstreet Precinct.

EIGHT STAR STREET’s Innovative Digital Show Flat



Launched in late 2020, the EIGHT STAR STREET Gallery has created the first virtual residential unit viewing experience in Hong Kong.

The virtual unit is housed in an “immersive cave” with floor-to-ceiling projections on its walls. The interaction between visitors and the digital screen is activated by a camera, but it is not necessary

for visitors to wear any device. Inside the cave, this camera tracks the visitors’ positions and adjusts the projections based on where they are standing.

The gallery also houses an interactive 3D development model that presents such key information as the layout, flat type and orientation in virtual form. With the help of a motion sensor mounted in front of a digital screen, visitors can control the virtual experience using hand gestures.

Both the virtual unit and the interactive development model are entirely contactless, providing visitors with a high degree of hygiene and making the experience safe, comfortable, and informative.

Since its launch, more than 1,000 groups of clients have visited the gallery.



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



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. Swire Properties is committed to strengthening our environment-related [policies](#) and management approaches to environmental protection by expanding the focus of our initiatives beyond the direct impacts of our business. We seek to address environmental concerns that are crucial to the communities in which we operate, including climate change, energy management, resource and circularity, and water conservation. We also provide [thought leadership](#) on environmental and other sustainability issues to stakeholders in our industry – locally, regionally and globally.

Top Material Issues

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

Performance (Environment)

Policies

Energy

Building/Asset Investments

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Resource and Circularity

Profile of Environmental Impacts

Water

Climate Change

Biodiversity

Occupant Wellbeing



Policies

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

Environmental Policy

This policy sets out the principles underpinning our approach to managing and reducing the environmental impacts arising from our operations.

Climate Change Policy

Climate change poses significant risks to our business. This policy outlines our commitment to managing climate change risks across our operations, and developing mitigation, adaptation and resilience strategies to address these risks.

Energy Policy

This policy outlines our approach to energy management, which involves integrating energy efficiency considerations over the life cycle of our developments by adopting appropriate technologies and influencing the behaviour of our tenants, employees and others with whom we work.

Resource and Circularity Policy

This policy guides our approaches to reducing waste, from the design and construction phases of our projects to the daily operation and management of our buildings.

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 into our operations by minimising the adverse impacts of our operations on biodiversity and ecosystems, supporting appropriate biodiversity and conservation initiatives, promoting awareness of biodiversity and conservation issues, and other measures.

Environmental and Energy Management Systems

Environmental considerations are integrated into different areas of our business through environmental and energy management systems that conform to international standards such as the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System. In 2021, approximately 86%¹² of our assets in Hong Kong and the Chinese Mainland conformed to the ISO 14001 and ISO 50001 management systems. We believe these systems create a robust framework for managing our environmental and energy performance.

GRI
301-3, 305-7

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

¹² By gross floor area (GFA).

Performance (Environment)

Policies

Progress

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Thought Leadership

Driving Hong Kong Towards Net-Zero Carbon in Partnership with the HKGBC



Swire Properties was the principal partner of Hong Kong’s first “Advancing Net Zero Ideas Competition”, presented by the Hong Kong Green Building Council (“HKGBC”). Supporting the World Green Building Council’s global Advancing Net Zero project and the Hong Kong government’s target of achieving carbon neutrality by 2050, the competition encouraged entries

from around the world for designs that will bring positive change to the built environment and beyond.

We provided detailed building operation data collected from two of our green buildings at Taikoo Place – One Taikoo Place and Oxford House – to participants. This enabled the competition teams to conduct in-depth analysis of actual buildings in order to develop realistic, innovative solutions to help high-rise, high-density cities like Hong Kong achieve net-zero carbon. Our employees were also represented on the competition’s organising committee, technical committee and jury panel.

The competition received 22 team entries from a total of 58 organisations and companies, all of which were of a very high standard. Of the many inspiring and avant-garde concepts, the jury selected three winners and five merit awards in the Future Building and Existing Building categories.

The winning and merit entries were showcased at a public exhibition held in December 2021 at Taikoo Place’s Lincoln House Linkbridge and in an e-book hosted on the [HKGBC website](#).

As part of our broader efforts to motivate the industry to support net-zero emissions, we participated in the “Advancing Net Zero Webinar Series”, also organised by the HKGBC. We shared insights on our 1.5°C-aligned carbon reduction strategy, technological innovations, as well as our embodied carbon management methods.

We were also invited to speak at the HKGBC’s “International Conference on Advancing Net Zero” in November 2021. At the conference, Tim Blackburn, our Chief Executive, took part in an expert panel discussion, sharing the Company’s leadership experience in driving the net-zero transition. In addition, our colleagues presented case studies about Swire Properties’ science-based targets and net-zero strategy across our global portfolio, as well as our pioneering energy management work at Taikoo Li Sanlitun.

We were also honoured to have our decarbonisation efforts featured in the World Green Building Council’s Building to [COP26 Thought Leadership Series](#), which promoted collaboration for climate action ahead of COP26, held in Glasgow in November 2021.

Performance (Environment)

Policies

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Building/Asset Investments



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. We also promote the importance of and demonstrate our commitment to sustainability at numerous conferences and seminars in Hong Kong and beyond – sharing our vision in the hope of inspiring other corporations to achieve their sustainability goals. In 2021, we delivered presentations at various conferences and seminars including:

- “The Future of People Management: ESG As a Workforce Strategy”, organised by The Hong Kong General Chamber of Commerce
- “Sustainable Procurement for New Building Development and Interior Renovation” webinar, organised by the Hong Kong Green Building Council
- “Heading to the 2060 Carbon Neutrality Goal, the Pathway and Opportunity for the Real Estate Industry” Forum and Award Ceremony in Shanghai, organised by the US Green Building Council
- “CEO Talk: BUILDING a Green Future” virtual talk, organised by the Alliance for Green Commercial Banks, the Hong Kong Monetary Authority and the International Finance Corporation
- “HKGBC Session – Rethinking Built Spaces at ReThink HK 2021”, organised by ReThink Hong Kong
- “Eco Asia Conference: Towards Material Circularity in Hong Kong”, organised by the Hong Kong Trade Development Council and the Environmental Bureau of the Government of the Hong Kong Special Administrative Region
- “ULI Asia Pacific REImagine – Industry Leaders Response Panel on Decarbonisation”, organised by the Urban Land Institute
- “Driving Shared Values Through Effective ESG Reporting Webinar”, organised by The Hong Kong Institute of Certified Public Accountants

Performance (Environment)

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Progress

Our Performance (Environment) Working Group, which comprises 28 members from different functions within the Company, has developed key performance indicators for seven environmental and resource management focus areas.

This year, we continued to work towards our 2025 and 2030 KPIs, with our approved 1.5°C-aligned science-based targets guiding our efforts across the Company. Our 2021 progress is summarised in the table below.

Progress Summary Table



Climate Change

Climate Change

2025 KPI

- Operational Carbon Emissions (Scope 1 and 2 SBT): Reduce absolute greenhouse gas (“GHG”) emissions by **25%**¹³

Progress Updates in 2021

- Reduction of Scope 1 and 2 absolute GHG emissions:
↓ 23%

2030 KPI

- Value Chain GHG Emissions (Scope 3 SBT – Downstream Leased Assets): Reduce carbon intensity from the tenant-controlled portion of downstream leased assets by **28%** per square metre¹⁴
- Value Chain GHG Emissions (Scope 3 SBT – Capital Goods): Reduce embodied carbon intensity from new major developments by **25%** per square metre (construction floor area)¹⁵

Progress Updates in 2021

- Reduction of carbon intensity from the tenant-controlled portion of downstream leased assets:
↓ 34.6%
- Reduction of embodied carbon intensity from new major developments: To be reported upon completion of Two Taikoo Place in 2022



¹³ Compared to the 2019 baseline.

¹⁴ Compared to the 2018 baseline.

¹⁵ Compared to the 2016-2018 baseline.

Performance (Environment)

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Energy

Energy Reduction

2025 KPI

- Reduction of energy use intensity¹⁶:

*Hong Kong portfolio*¹⁷

↓ **20%**¹⁸

*Chinese Mainland portfolio*¹⁹

↓ **13%**¹⁸

Progress Updates in 2021

- Reduction of energy use intensity:

Hong Kong portfolio

↓ **7%**

Chinese Mainland portfolio

↓ **3%**

- Continued to implement energy-saving measures throughout our Hong Kong and Chinese Mainland portfolios and hotels.

Renewable Energy

2025 KPI

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

Progress Updates in 2021

- Approximately **6%** of landlord's building energy will be supplied by renewable sources at Two Taikoo Place.
- 100%** of electricity at Sino-Ocean Taikoo Li Chengdu and The Temple House in Chengdu, as well as Taikoo Hui in Guangzhou is procured from [renewable sources](#).



¹⁶ The 2025 KPIs under Energy Reduction have been updated per our approved 1.5°C-aligned SBT. Energy consumption refers to purchased electricity for the provision of shared services for and in the common parts of our buildings.

¹⁷ Our Hong Kong portfolio refers to our office and retail portfolio and hotels in Hong Kong.

¹⁸ Compared to the 2019 baseline.

¹⁹ Our Chinese Mainland portfolio refers to our office and retail portfolio and hotels in the Chinese Mainland.

Performance (Environment)

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Resource and Circularity

Resource Recycling and Waste Diversion

2025 KPI

Waste diversion rates from landfills:

- Hong Kong portfolio (including hotels)
30% of commercial waste
- Hong Kong (projects under development)
85% of demolition waste
70% of construction waste
- Chinese Mainland (projects under development)
50% of total waste

Waste recycling rate:

- Chinese Mainland portfolio (including hotels)
40% of commercial waste

Progress Updates in 2021

Waste diversion rates from landfills:

- Hong Kong portfolio (including hotels)
23.6% of commercial waste
- Hong Kong (projects under development)
94.6% of demolition waste for 6 Deep Water Bay Road
84.5% of construction waste (foundation stage) for Commercial Building Development at 46-56 Queen's Road East
- Chinese Mainland (projects under development)
84.5% of construction waste for Taikoo Li Qiantan
60.3% of construction waste for Taikoo Li Sanlitun West extension

Waste recycling rate:

- Chinese Mainland portfolio (including hotels)
41.6% of commercial waste



Performance (Environment)

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



Water

Water Reduction

2025 KPI

- Reduction of water intensity²⁰:

Hong Kong portfolio (m³/m²)

↓ 10 %

Chinese Mainland portfolio (m³/m²)

↓ 20 %

Hotels (m³/guest night)

↓ 8 %

Progress Updates in 2021

- Reduction of water intensity:

Hong Kong portfolio (m³/m²)

↑ 4.7 %

Chinese Mainland portfolio (m³/m²)

↓ 20.1 %

Hotels (m³/guest night)

↑ 6.6 %



Biodiversity

Integration

2025 KPI

- Conduct biodiversity surveys in **50%** of new development projects
- Implement guidelines to integrate biodiversity considerations into new developments

Progress Updates in 2021

- The findings and recommendations from the completed urban biodiversity study of our Taikoo Place redevelopment have been discussed and shared with various departments to enhance the biodiversity of both existing projects and projects under development. The findings from the study will be used to establish guidelines to integrate biodiversity considerations in future new projects.

²⁰ Hong Kong and Chinese Mainland portfolio: Compared to the 2016 BAU baseline; Hotels: Compared to the 2018/2019 baseline.

Performance (Environment)

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Occupant Wellbeing

Indoor Air Quality (“IAQ”) Management

2025 KPI

- For common areas, **90%** of buildings achieve IAQ Excellent Class in our Hong Kong portfolio²¹ or fulfil the local IAQ standard in our Chinese Mainland portfolio²²

Progress Updates in 2021

- For common areas, approximately **82%** 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.



Building/Asset Investments

Environmental Building Assessment Schemes²³

2025 KPI

- 100%** of wholly-owned new development projects²⁴ to achieve the highest environmental building assessment scheme rating
- 90%** of all wholly-owned existing developments²⁴ to achieve the highest environmental building assessment scheme rating

Progress Updates in 2021

- 100%** of projects under development achieved the highest ratings.
- 86%** of existing developments achieved the highest ratings.

Hong Kong portfolio

- The Citygate Outlets expansion achieved Final Gold under BEAM Plus New Buildings Version 1.2.

Chinese Mainland portfolio

- Both ONE INDIGO and INDIGO Mall achieved a 2-star rating under the China Green Building Design Label.
- Taikoo Li Qiantan achieved WELL Platinum (Core) v2 Pilot.



²¹ Our Hong Kong portfolio refers to our office and retail portfolio and hotels in Hong Kong.

²² Our Chinese Mainland portfolio refers to our office and retail portfolio and hotels in the Chinese Mainland.

²³ BEAM Plus/LEED/China Green Building Design Label/WELL Certification; the most suitable environmental building assessment scheme is selected based on the project location.

²⁴ Exclude joint venture projects and trading properties.

Performance (Environment)

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Profile of Environmental Impacts

Carbon Emissions

In 2021, our total carbon emissions decreased by 13% compared to 2020. The total carbon intensity in our Hong Kong, Chinese Mainland and U.S.A. portfolios and hotels decreased by 25% compared to 2020.

The Company's largest source of carbon emissions under our control is Scope 2 emissions arising from purchased electricity. This category of emissions decreased by 13% compared to 2020 and this is attributed to various initiatives including the adoption of innovative low-carbon technologies, improved energy management, and the procurement of renewable electricity expanding to 100% at Taikoo Hui in Guangzhou and The Temple House in Chengdu.

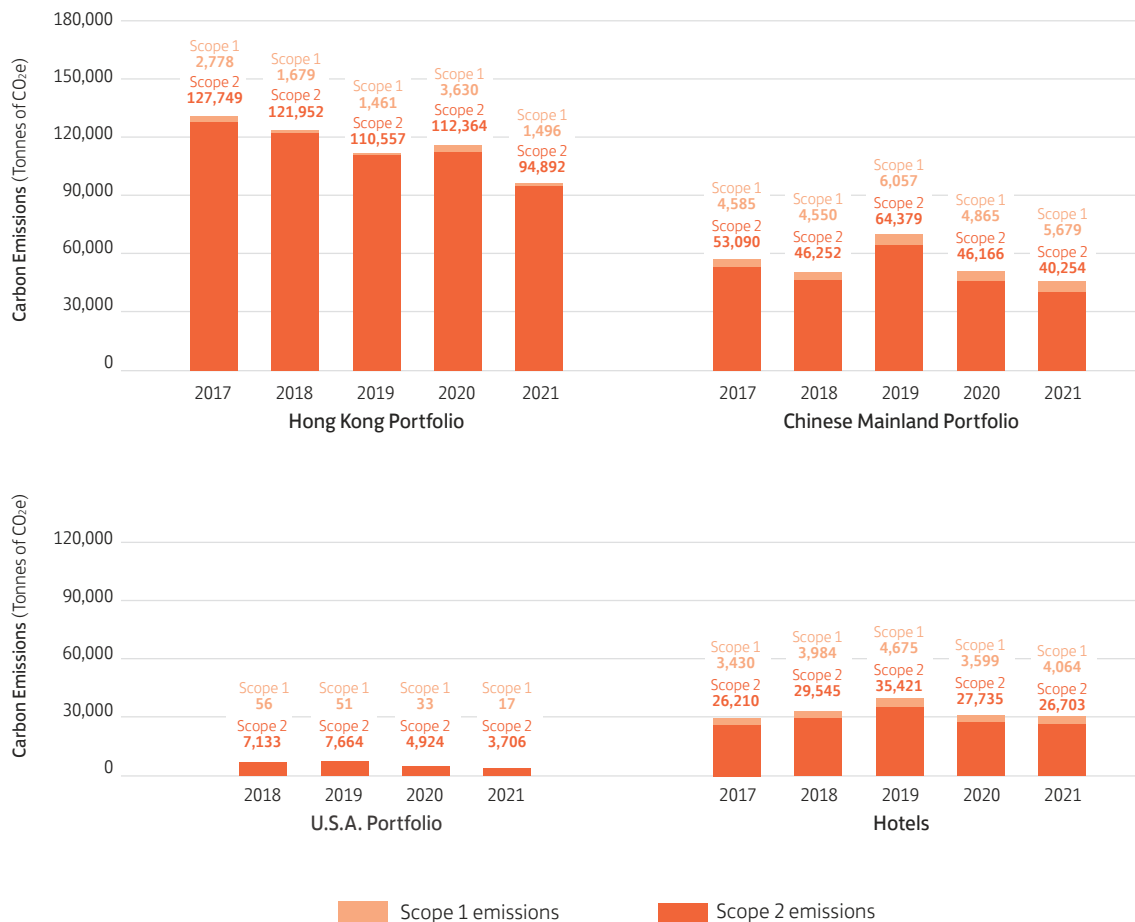
For further information about our progress against SBTs and efforts in reducing our carbon emissions, please click [here](#).

HKEX
KPI A3.1

GRI
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HKEX
KPI A1.2, A1.5

Carbon Emissions of Portfolios 2017-2021

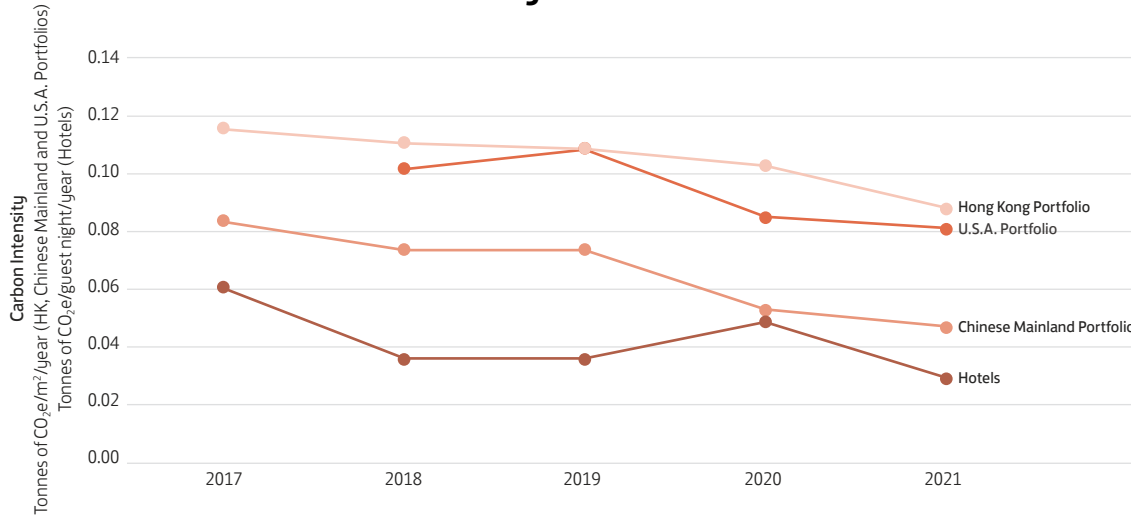


Performance (Environment)

- Policies
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Carbon Intensity of Portfolios 2017-2021

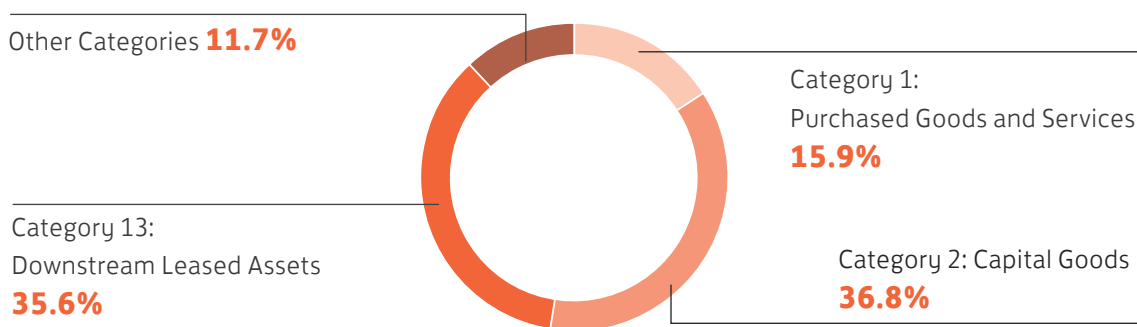


Carbon Emissions - Scope 3

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 on-site) and Scope 2 carbon emissions (i.e. indirect carbon emissions from electricity purchased and used), we have conducted comprehensive reviews of Scope 3 emissions (i.e. indirect emissions that occur along the value chain) since 2018 to understand our emission sources and identify the associated material categories for management and reporting.

From our review, we 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 Greenhouse Gas (“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.

The disclosure of our Scope 3 emissions is included in this report to present a more holistic view of the Company’s carbon footprint along the value chain. This data has been included in our SD Report since 2020 – please refer to [Performance Data Summary](#) for details. While Swire Properties may have limited influence or control over some of our Scope 3 emissions categories, we will continuously monitor these emissions, particularly if they begin to represent an increasing portion of our total carbon footprint.

Performance (Environment)

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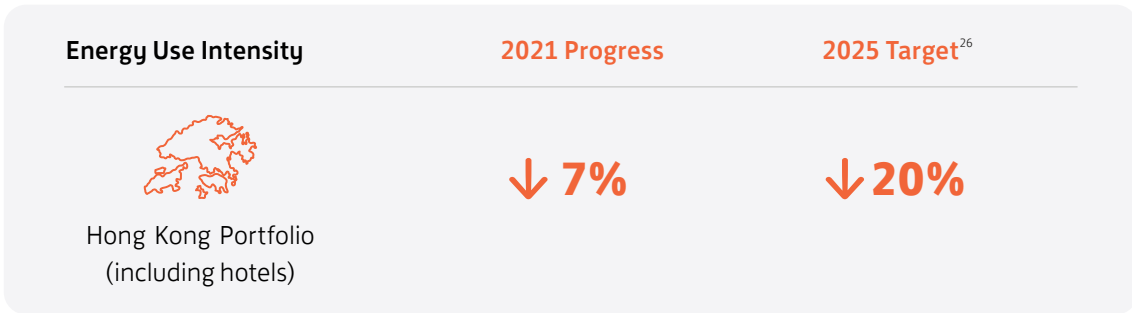
Energy Use Intensity

In 2021, our energy use intensity²⁵ decreased by 35%, from 194 kWh per square metre (“kWh/m²”) per year to 126 kWh/m² per year across our global portfolios, as compared to our 2008 baseline year.

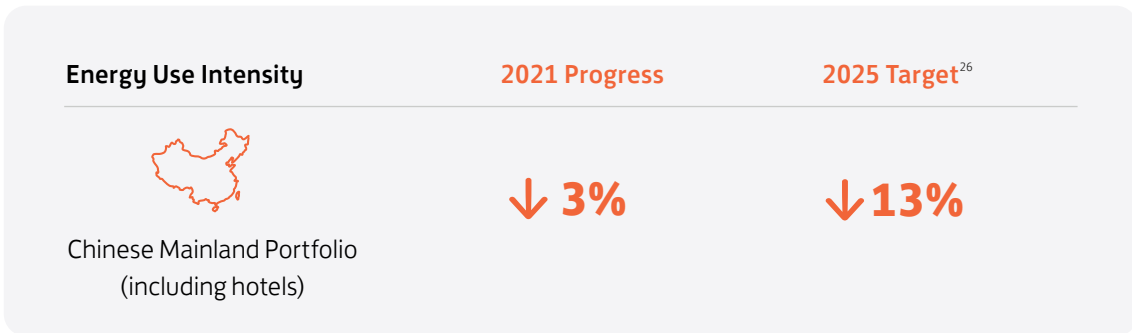
In 2021, the energy use intensity in our Hong Kong portfolio (including hotels) decreased by 7% as compared to our 2019 baseline year.

GRI
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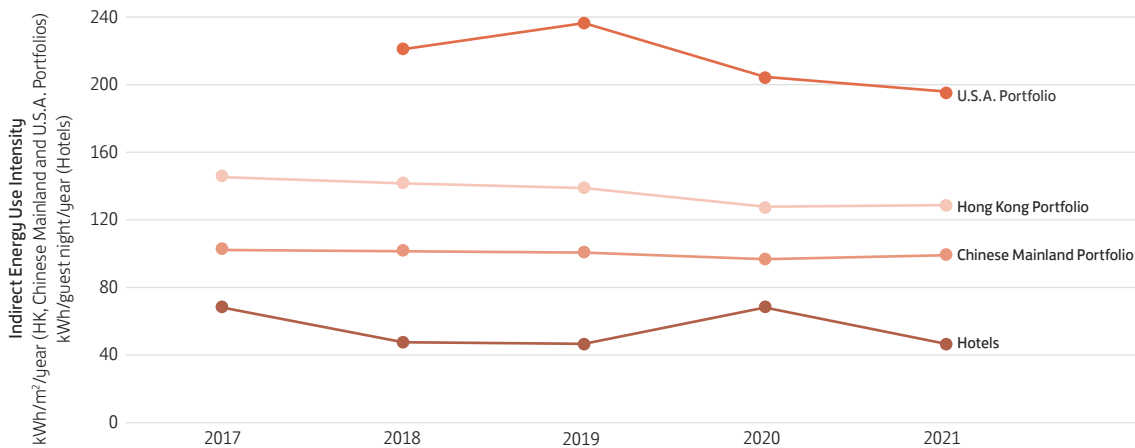
HKEX
KPI A2.1, A2.3



In 2021, the energy use intensity in our Chinese Mainland portfolio (including hotels) decreased by 3% as compared to our 2019 baseline year.



Indirect Energy Use Intensity of Portfolios 2017-2021



For further information about our energy reduction initiatives, please click [here](#).

²⁵ Energy use intensity refers to electricity consumption (per square metre) for the provision of shared services for and in the common parts of our buildings.

²⁶ Compared to the 2019 baseline.

Performance (Environment)

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Water Use

In 2021, the total water usage in our portfolios in Hong Kong and the Chinese Mainland decreased by 3.8% as compared to 2020. The total water intensity in these portfolios have also decreased - this is partially due to the replacement of a faulty water pipe in March 2021. This was accomplished after liaising with multiple government departments, district councillors and an estate management company.

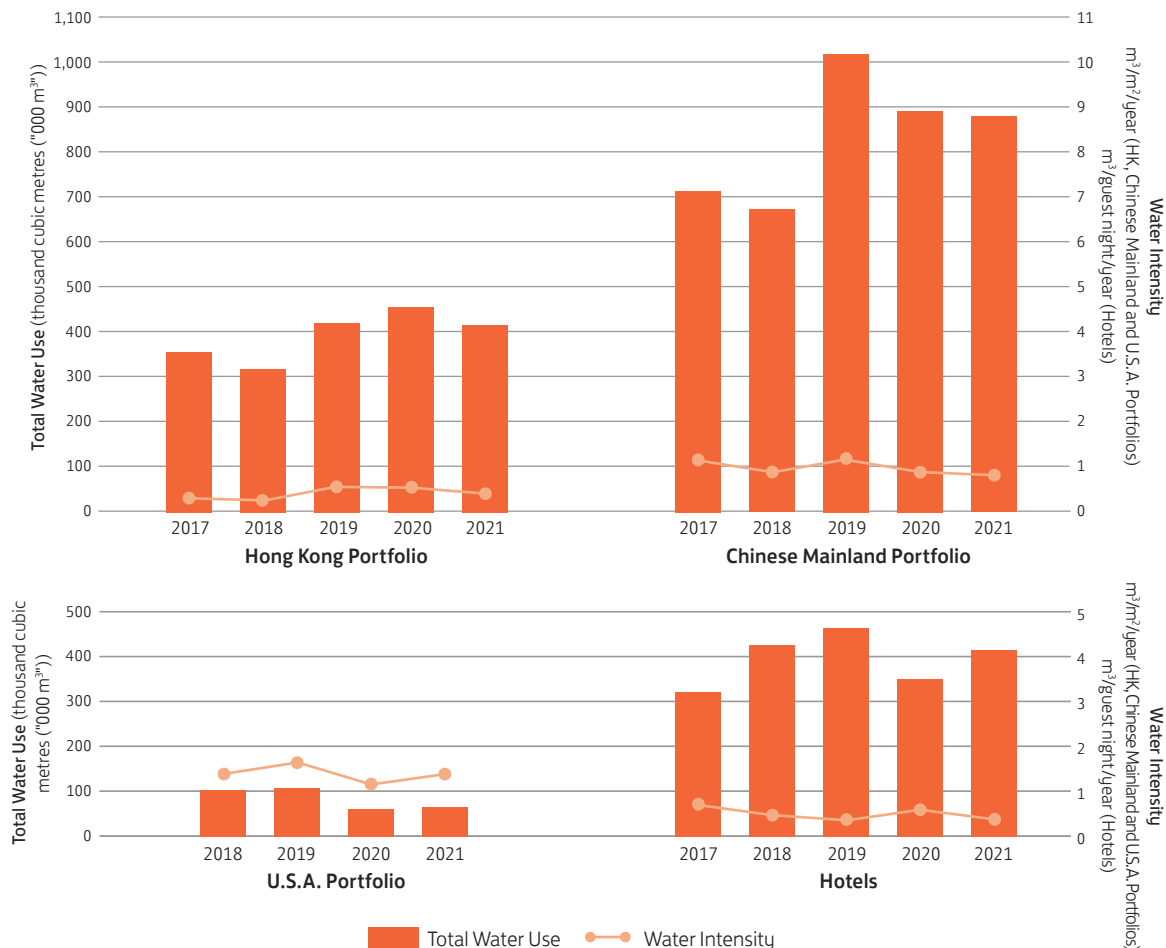
The water intensity in our hotel operations decreased in 2021 as compared to 2020. We attribute this decrease, in part, to the relative increase in the number of guest nights during the period when the COVID-19 pandemic situation improved for a time in 2021.

When measured against our 2025 KPI, the water intensity of the Hong Kong portfolio increased by 4.7% in 2021 as compared to the 2016 BAU baseline. This increase is attributed to the opening of the Citygate Outlets extension in 2021, a shopping mall with a relatively higher water intensity.

The water intensity in our Chinese Mainland portfolio decreased by 20.1% compared to the 2016 BAU baseline. This achievement is attributed to better monitoring enabled by the introduction of sub-metering in our buildings and from the ongoing recycling of grey water and rainwater.

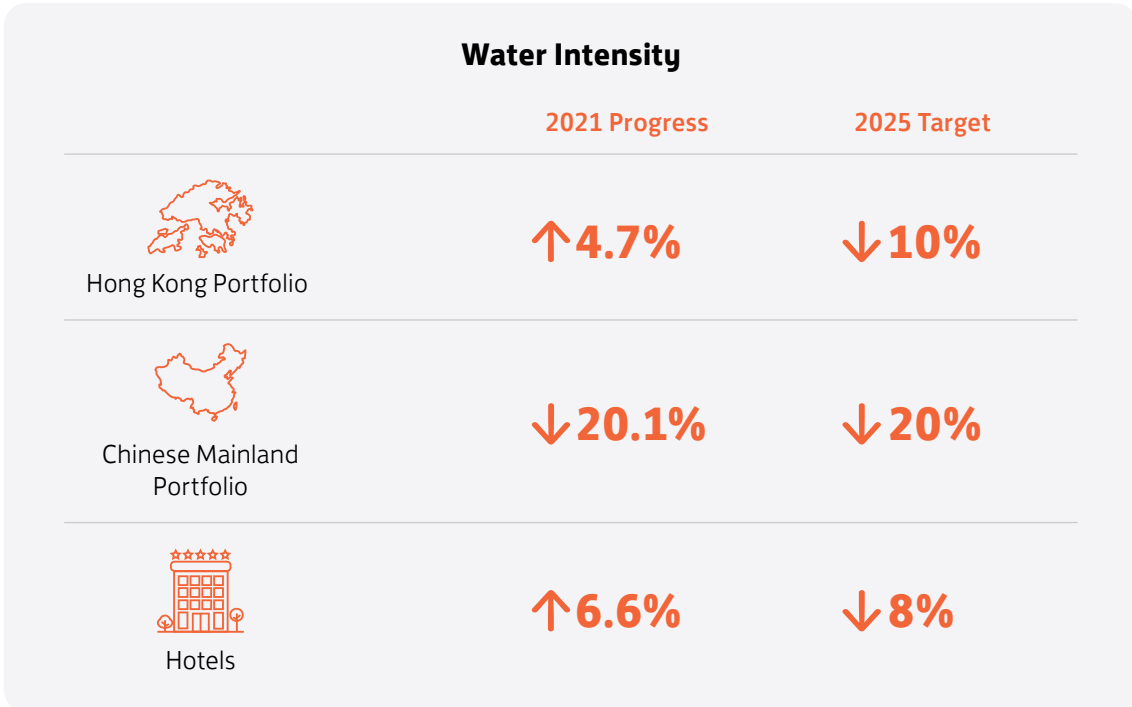
In our hotels, the water intensity in 2021 has increased by 6.6% as compared to the 2018/2019 baseline used for our 2025 KPI. This increase is attributed to the reduced number of guest nights when compared to the baseline, since travel and tourism have been greatly impacted by COVID-19.

Total Water Use and Water Intensity of Portfolios 2017-2021



Performance (Environment)

Policies Progress **Profile of Environmental Impacts** Climate Change
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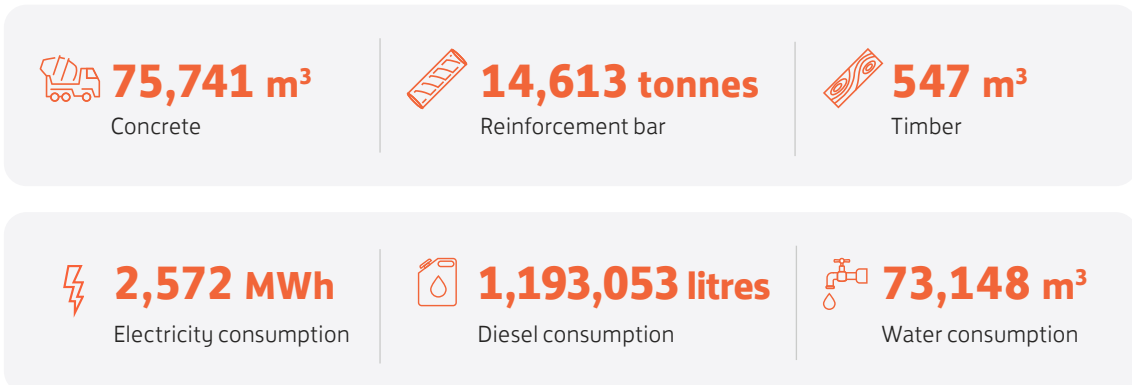


Remarks:

- 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 retail portfolio in the U.S.A., excluding hotels.
- The water intensity reduction targets set for our Hong Kong portfolio and Chinese Mainland portfolio reference 2016 as the BAU water consumption baseline year.
- The water intensity reduction targets set for our hotels reference 2018/2019 as the water consumption baseline year.
- The 2018 total water use and water intensity of our U.S.A. portfolio has been adjusted to exclude tenants' water use.

Materials Used

By Projects Under Development in 2021



Remarks:

- Projects under development refers to projects that are under construction or in the pre-certification stage.
- Includes investment properties under development in all portfolios, including joint venture and non-joint venture projects.
- "Diesel consumption" includes biodiesel consumption

Performance (Environment)

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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.

Our [Climate Change Policy](#) outlines our commitment to managing climate risks across our operations and to developing mitigation, adaptation and resilience strategies to address those risks in line with global best practices.

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

First Real Estate Developer in Hong Kong and the Chinese Mainland to Have New 1.5°C-Aligned Science-Based Targets (“SBTs”) Approved

The latest report by the Intergovernmental Panel on Climate Change (“IPCC”) states that to limit global warming to 1.5°C above pre-industrial levels and avoid the most catastrophic impacts of climate change, the world must halve CO₂ emissions by 2030 and reach net-zero CO₂ emissions by 2050.

Swire Properties has accelerated our efforts to fight climate change by setting new Paris Agreement-aligned SBTs that are approximately 50%²⁷ more aggressive than our original 2°C-aligned SBTs that were approved in 2019. These new targets were officially approved in September 2021, making us the first real estate developer in Hong Kong and the Chinese Mainland to achieve this milestone.

Swire Properties is committed to reducing our absolute Scope 1 and 2 GHG emissions and strengthening these with Scope 3 reduction targets for our value-chain emissions (upstream and downstream).

Our approved SBTs that align with the 1.5°C-aligned Decarbonisation Pathway are:

	Scope 1 & 2 (Operational GHG Emissions)	Scope 3 (Indirect Upstream & Downstream GHG Emissions)
2025	<ul style="list-style-type: none"> Reduce absolute GHG emissions by 25% (compared to the 2019 baseline) 	N/A
2030	<ul style="list-style-type: none"> Reduce absolute GHG emissions by 46% (compared to the 2019 baseline) 	<ul style="list-style-type: none"> Reduce GHG emissions from capital goods (embodied carbon emissions of new development projects) by 25% per sqm (compared to the 2016-2018 baseline) Reduce GHG emissions from downstream leased assets (tenant carbon emissions) by 28% per sqm (compared to the 2018 baseline)

²⁷ Calculated based on the comparison between the absolute GHG emissions of the original 2°C-aligned SBTs and newly approved 1.5°C-aligned SBTs

Performance (Environment)

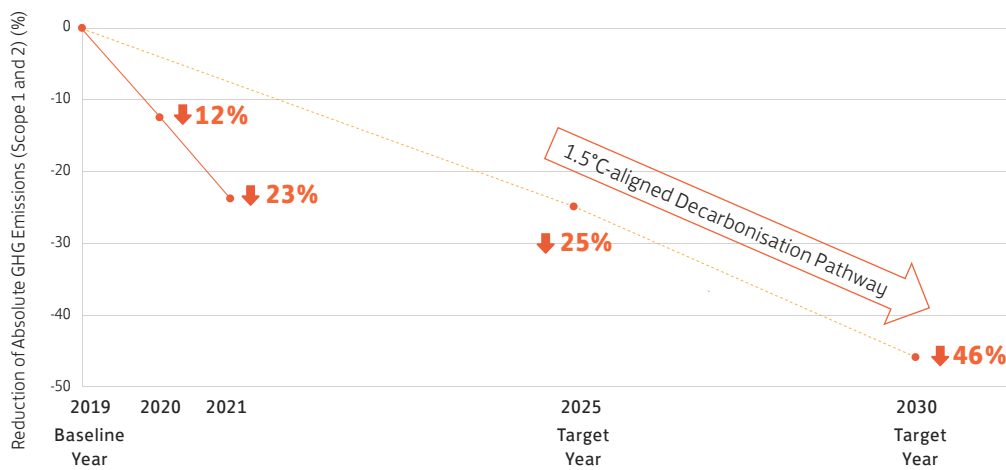
- Policies
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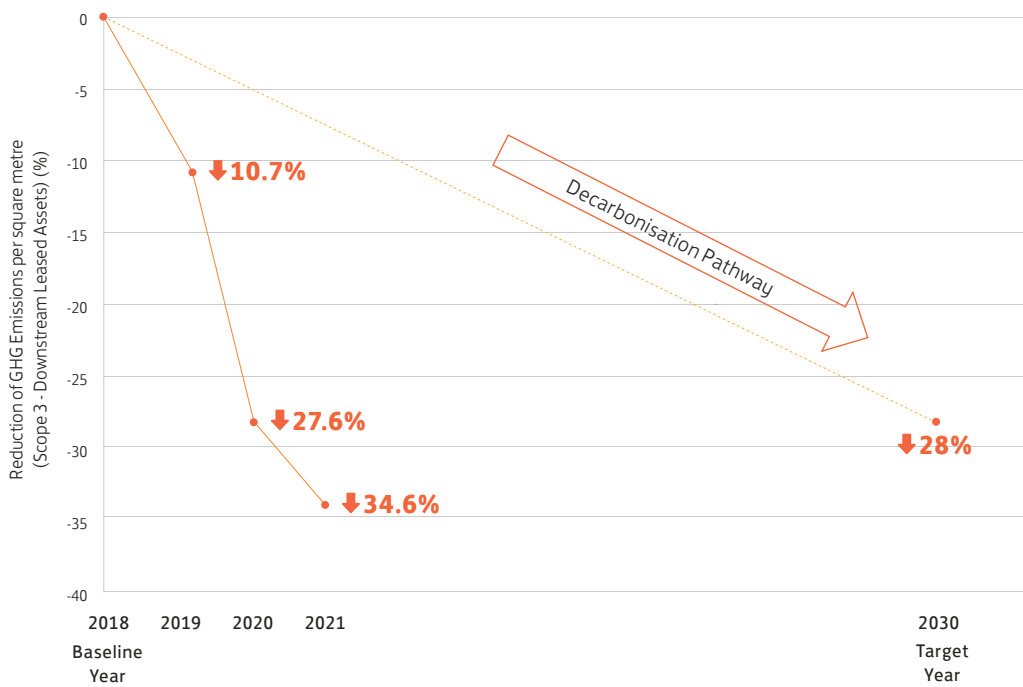
Making Steady Progress Towards Our Science-based Targets

In 2021, we continued to make steady progress towards meeting our new SBTs:

2021 progress against SBT Scope 1 and 2 targets for 2025 and 2030



2021 progress against SBT Scope 3 – Downstream Leased Assets target for 2030*



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

Performance (Environment)

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Scope 1 and 2 Emissions

In 2021, Swire Properties achieved a 23% absolute carbon reduction compared to the 2019 baseline for our global portfolio. Throughout the year, we continued to adopt innovative low-carbon technologies and [management practices](#) and invest in energy research and development as part of our ongoing partnership with Tsinghua University.

We also reviewed and defined our [energy-reduction targets](#) and mapped out action plans and strategies for individual portfolios to support the new 1.5°C-aligned SBTs over the next decade. The respective financial requirements were also incorporated into the annual budgeting process.

As of 1 July 2021, the entire Taikoo Hui development became powered by 100% renewable electricity, generated via off-site wind power. This reduces Taikoo Hui’s annual CO₂ emissions by over 12,000 tonnes, and makes the portfolio net-zero carbon in annual electricity consumption for both landlord and tenant operations.

Swire Hotel’s The Temple House in Chengdu also became powered by 100% renewables as of January 2021. As of the end of 2021, we increased our mix of renewable electricity in all our Chinese Mainland portfolios to approximately 47%.

Scope 3 Emissions – Downstream Leased Assets

A 34.6% reduction was recorded in 2021. This is attributed to:

- Tenant operations in Taikoo Hui and Sino-Ocean Taikoo Li Chengdu becoming powered by 100% renewable electricity in 2021 and 2020 respectively
- Improvements in tenants’ energy use intensity
- Remote working arrangements for some tenants’ employees due to the COVID-19 pandemic

In 2021, we worked closely with commercial tenants to reduce their carbon footprints through several tenant engagement activities, including:

- Free energy audits that help tenants identify energy-saving opportunities. These have been ongoing since 2008,
- The Green Kitchen Initiative, which provides sustainable design and operation guidelines to F&B tenants. These guidelines help them use less energy and water, and encourage them to reduce waste, and
- The Smart Waste Reduction Pilot Programme, a Hong Kong office tenant initiative launched in 2021 that uses technology to track and gamify the waste reduction journey

Performance (Environment)

Policies Progress Profile of Environmental Impacts **Climate Change**
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Scope 3 Emissions – Capital Goods

To measure and analyse the upfront embodied carbon of a new development project, we have adopted various tools and types of software, including the Construction Industry Council's ("CIC") Carbon Assessment Tool. These allow us to evaluate a project's carbon performance against our established SBTs. The results also help us compare the carbon performance of various possible design options, allowing us to support structural optimisation and low-carbon material adoption from the early design stages.

To reduce embodied carbon emissions throughout the lifecycle of our developments, we have established performance-based targets on embodied carbon for concrete, rebar and structural steel for future projects in Hong Kong. These targets were informed by comprehensive market research and communications with industry associations such as the Construction Industry Council.

Since 2020, we have included low-carbon procurement specifications – developed in accordance with international standards such as ISO 14067 – for construction materials such as concrete with pulverised fuel ash ("PFA") or ground granulated blast furnace slag ("GGBS"), rebar and structural steel with recycled content.

In 2021, we continued to work closely with our contractors and suppliers to procure these low-carbon building materials and foster better energy management at our construction sites – including Two Taikoo Place and the Company's upcoming office building on Queen's Road East.

Swire Properties is the first real estate developer in Hong Kong to contractually require low-carbon building materials for new projects. We are now exploring this practice for Chinese Mainland developments as well.

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

SBTi Net-Zero Standard

This year, we were also one of the pilot companies involved in road-testing the SBTi Net-Zero Standard, supporting the SBTi as it develops the first science-based global standard for companies to set credible net-zero targets in line with a 1.5°C future. During this process, we gathered useful insights on the challenges and opportunities involved in setting near-term and long-term science-based targets to reduce value chain emissions and align with climate science.

Performance (Environment)

[Policies](#) [Progress](#) [Profile of Environmental Impacts](#) **Climate Change** [Occupant Wellbeing](#)
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The Swire Properties Climate Risk Assessment



Our comprehensive climate risk assessment identifies the key risks posed by climate change to our business operations and the business opportunities that may arise from new climatic conditions.

Physical Risk Assessment

This consists of asset-level modelling of both the acute and chronic physical risks associated with various climate scenarios, presented in selected timeframes from the immediate term to the distant future – 2030, 2050 and 2100. It also includes detailed asset-level assessments that evaluate individual buildings’ degree of sensitivity and adaptive capacity to the potential effects of the identified climate risks.

The analysis identified that overall, there are low to moderate levels of risk for flooding, heat stress, water stress, and extreme wind for our global portfolio in all assessed climate scenarios. These risk levels are attributed to the relatively robust adaptive capacity and mitigation measures we have integrated into our buildings.

We also identified short- and mid-term measures for individual buildings to mitigate risks and build resilience across our portfolios. Examples include:

- Upgrading flood protection measures and alert systems
- Improving chiller efficiency
- Regularly inspecting glass façades
- Installing smart monitoring systems

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

Assessment of Transition Risks and Opportunities

This is a comprehensive review of global, national and local government policies, including Hong Kong’s Climate Action Plan 2050, released in 2021, as well as regulatory, market and technological trends based on different climate scenarios involved in the global transition to a low-carbon economy.

Performance (Environment)

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We identified a number of risk and opportunity drivers that may have a financial impact on our business under three different climate scenarios: the “Net-Zero Scenario” (1.5°C); the “Paris Consistent Scenario” (2°C); and the “Hot House World Scenario” (3°C). The drivers include tightened building energy codes and guidelines, increased market demand for green and energy efficient properties and climate resilient properties.

Based on the analysis, our current business and sustainability strategies will allow us to effectively manage the identified transition risks and capture the identified opportunities during the transition to a low-carbon economy. These strategies include:

- 1.5°C-aligned science-based targets to drive long-term carbon reduction
- Investment in, and development of, certified green buildings with best-in-class energy efficiency and climate resilience
- Investment in renewable energy measures throughout our portfolio
- Wide application of innovative green technologies
- Commitment to green financing
- Engaging our supply chain, tenants and other relevant stakeholders in climate resilience and sustainability initiatives

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

Performance (Environment)

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Designing for Climate Resilience



With the impacts of climate change becoming more apparent, it is increasingly important to incorporate climate mitigation measures into the design phase of projects. Our new Savyavasa development in Jakarta has a number of flooding-related mitigation measures – these are crucial in Jakarta, as the low-lying city is more prone to frequent flooding.

We have adopted targeted measures both on-site and in the surrounding area, including:

- “Above and beyond” flood level design: L1 of the development is designed to be one metre above the projected flood level, which is considered an effective measure against flooding.
- A 45% greenery ratio: This provides a higher soil “soak away” rate, especially during periods of high rainfall. The design also includes permeable flooring materials for the tennis court and jogging track, and a soil depth of three metres allows larger trees to be planted and rainwater to be absorbed faster.
- Soak wells and soak pits around the site: These act as “water tanks” during rainy days, collecting rainwater within the site and allowing it to soak away. This controls the rate at which rainwater is discharged into nearby public canals, ensuring that the canals are not overwhelmed.
- The condition of the existing canal around the Savyavasa site affects the amount of rainfall discharged downstream. Upgrades are currently being made at the canal to improve the water flow for better sanitation and drainage conditions.
- A circular pipe is being built at the canal’s lowest point to improve sanitation during the dry season, while garbage traps are being installed at canal inlet and discharge points on the site, filtering out garbage and maintaining the cleanliness of the canal.

Performance (Environment)

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Taking Action to Preserve the Miami Coastline



In January 2021, The United States Army Corps of Engineers (“USACE”) proposed a plan to address the increasing risk of storm surges and a sea level rise in Biscayne Bay and the Miami downtown area, both of which are in close proximity to Swire Properties’ Brickell City Centre development. While the proposal met the engineering criteria, the solution

risksed compromising the functionality and future appearance of the waterfront.

Swire Properties engaged an engineering firm to research, design and propose a hybrid and more natural long-term environmental solution to preserve Miami’s urban coastline. Formally presented in February 2021, the plan envisions a series of barriers to dissipate wave energy including a combination of submerged oyster reefs and flood protection earthen berms in the Bay. This plan, which also meets engineering criteria, has provided a platform for municipalities to discuss viable nature-based solutions as an alternative to physical barriers against flooding.

The benefits of this plan include having both a functional and aesthetic appeal; being built to tackle extreme weather events of the next 30 to 50 years – as sea levels rise, governments can add additional layers to the barriers; being cost effective due to its high adaptability; and having multiple interventions, which is better from a risk perspective.

Taking the proposed solution into consideration, Miami-Dade County rejected the current flood wall plan, meaning the USACE and the County will now work with communities to develop a locally preferred plan that will include nature-based solutions to enhance climate resilience.

Performance (Environment)

Policies

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Becoming Part of the BEC Low Carbon Charter Power Up Coalition



In 2019, the Business Environment Council (“BEC”) launched its Low Carbon Charter to mobilise businesses towards Hong Kong’s long-term decarbonisation, with Swire Properties pledging its support to set and achieve science-based carbon reduction targets.

As a supporting initiative, the BEC launched a new “Power Up Coalition”

in 2021, designed to facilitate early connection of construction sites to mains electricity. Swire Properties was one of the first to sign the Power Up Pledge, which is a commitment to optimise electricity use and avoid the use of diesel generators and other high-emission electricity sources. As a signatory, we have agreed to lead by example – sharing knowledge and best practices, collaborating to deliver early electricity to construction sites and promoting Power Up to the wider business community.

We also agreed to pursue the following on-site decarbonisation opportunities at our construction sites, when possible:

- Transition to becoming 100% diesel generator-free
- Wider use of mass battery energy storage
- Provide EV charging infrastructure
- Provide of electricity / battery energy storage system (BESS)
- Improve energy efficiency and drive behavioural change
- Support in further electrification and greater use of plants and equipments that are powered by electricity
- Use of lower carbon alternative fuels where electrification is not possible, including biodiesel, natural gas or hydrogen
- Install renewable energy systems
- Use green finance to support options mentioned above

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 2021, we adopted a variety of technologies and strategies to achieve this objective.

Some of our properties generate renewable energy on-site, using it for operations and in 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



On-site Renewable Energy Generation

One of our 2025 KPIs is to generate 4-6% of the landlord's building energy from renewable or clean energy sources in selected new office developments. At Two Taikoo Place, we will install solar PV panels, a wind turbine and a waste-to-energy tri-generation system, which we estimate will supply renewable

energy equivalent to approximately 6% of the landlord's building energy.

We continue to explore other ways of increasing on-site renewable energy generation across our portfolio, such as installing solar PV panels on the roofs of existing developments like INDIGO, Taikoo Hui and Taikoo Li Sanlitun. We installed additional high efficiency solar PV panels at INDIGO in 2019, while PV panels will be installed on Taikoo Place buildings in phases. In early 2022, we completed the installation of a 65 kW PV system at Dorset House.

Our newest residential project, EIGHT STAR STREET, is also the Company's first residential project to adopt solar PV panels. These will generate an estimated 2,110 kWh of renewable electricity annually. This marks an important step forward for our residential projects.

Renewable Energy Generated in 2021

196,600 kWh	35,100 kWh	7,200 kWh	179,600 kWh
INDIGO	Taikoo Hui	Taikoo Li Sanlitun	One Taikoo Place

Performance (Environment)

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- Building/Asset Investments



Off-site Renewable Energy Procurement

Since July 2021, the entire Taikoo Hui development – including the shopping mall, two office towers and the hotel – has been 100% powered by renewable electricity, generated via off-site wind power and purchased from a third party. This became possible due to a policy introduced by the Guangdong Provincial Government in June 2021, which allows enterprises to procure renewable electricity from a registered energy provider.

Swire Properties is one of the first real estate developers in Guangdong Province to accomplish net-zero carbon in its annual electricity consumption for landlord and tenants’ operations. This milestone will allow Swire Properties to reduce Taikoo Hui’s annual CO₂ emissions by over 12,000 tonnes and increase its mix of renewable electricity in the Chinese Mainland to approximately 47%.

Renewable Energy Purchased in 2021

15,219,000 kWh

Taikoo Hui

10,965,700 kWh

Sino-Ocean Taikoo Li Chengdu

5,146,100 kWh

The Temple House

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. Currently implemented at Taikoo Place, Pacific Place, Cityplaza, Taikoo Hui, INDIGO and Sino-Ocean Taikoo Li Chengdu, 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.

At Cityplaza, the platform was combined with digital twin technology to create a digital representation of the mall, allowing us to identify more energy management opportunities. Thus far, the system allowed Cityplaza to save over 200,000 kWh of energy between June and September 2021 – equivalent to the monthly electricity consumption of 500 typical four-person households.

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Energy-saving Strategies

We strive to continually reduce the consumption of energy in our Hong Kong and Chinese Mainland portfolios and in our hotel operations. In 2021, we used a variety of technologies and strategies to achieve this objective.

Our tenants' electricity consumption accounts for approximately 50-60% 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.

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

- Taikoo Place
- Pacific Place
- Cityplaza
- Taikoo Hui
- INDIGO
- Sino-Ocean Taikoo Li Chengdu

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

- Cityplaza
- HKRI Taikoo Hui
- The Middle House

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

- Taikoo Place (estimated annual energy savings: 583,800 kWh)
- Pacific Place (estimated annual energy savings: 33,000 kWh)
- Cityplaza Mall (estimated annual energy savings : 63,000kWh)
- Citygate Mall (estimated annual energy savings: 26,000kWh)
- Taikoo Hui (estimated annual energy savings: 100,000 kWh)

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

- Pacific Place Carpark (estimated annual energy savings: 500,000 kWh)

Air-conditioning Renovation – Converting a Decentralised Heat Pump System to a Centralised Cooling and Heating Energy Plant

- Taikoo Li Sanlitun (estimated annual energy savings: 3,000,000 kWh)

HVAC Air-side Optimisation Through Smart Diagnosis

- HKRI Taikoo Hui (estimated annual energy savings: 278,000 kWh)

Replacement of a High-efficiency Air-cooled Chiller

- Berkshire House (estimated annual energy savings: 249,000 kWh)

Installation of Variable Speed Drives for Water Pumps

- Two Pacific Place - secondary chilled water pumps (estimated annual energy savings: 70,000 kWh)
- Three Pacific Place - condensing water pumps (estimated annual energy savings: 86,000 kWh)
- Cityplaza - condensing water pumps (estimated annual energy savings: 300,000 kWh)
- 28 Hennessy Road - condensing water pumps (estimated annual energy savings: 32,000 kWh)

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

- Cityplaza Mall (estimated annual energy savings: 242,000 kWh)
- The Middle House (estimated annual energy savings: 25,000 kWh)
- The Temple House (estimated annual energy savings: 15,000 kWh)

Lift and Escalator Modernisation

- One Pacific Place and Two Pacific Place (estimated annual energy savings: 300,000 kWh)
- Cityplaza (estimated annual energy savings: 50,000 kWh)

Performance (Environment)

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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 2021, highlights of our partnership included:

- Energy audits and identification of energy management opportunities at The Middle House, Shanghai.
- Development of AI technologies for plant optimisation and smart facility management.
- Development of water-saving strategies for condensing water systems.
- DC microgrid guideline development and pilot project design review.
- Developing an accounting tool for measuring the whole lifecycle carbon emissions of a new development project.

Performance (Environment)

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Direct Current Microgrids – Harnessing and Producing Green Power



Given the increase in both on-site and off-site renewable energy in our properties, there is a growing need to explore more efficient ways to utilise solar and wind energy, since their supply is more variable and weather dependent. One innovative solution involves a direct current microgrid – a “power cluster”, where distributed generation, load and energy storage devices exist in close proximity. This

would see on-site solar PV panels located next to battery storage and fuel cells.

Direct current microgrids have also been proposed as a solution by the Chinese government in the latest “Action Plan for Carbon Dioxide Peaking Before 2030” document.

Responding to this new technology, Swire Properties is piloting this solution at Taikoo Li Sanlitun, using funding from the [Swire Pacific SD Fund](#). This breakthrough solution is set to launch in 2022 at selected locations and is expected to reduce carbon emissions by 10% compared to conventional energy generation systems.

Performance (Environment)

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Taking on the BE305 Challenge in Miami



In March 2021, the Swire Properties Operations team in Miami, U.S.A. entered the Business Efficiency 305 Challenge (“BE305”). Initiated by the Miami-Dade County in Florida, the contest challenged companies across the county to reduce electricity and water consumption by 25% against a 2019 baseline by the year 2026.

Throughout 2021, the team took steps to meet these targets, including:

- Replacement of traditional lighting with LEED-recommended lighting.
- Installation of a lighting management system that provides full timed control of the entire lighting system.
- Installation of an energy management system that allows the team to focus on and understand areas of high-power consumption.
- Replacement of the irrigation system with high-efficiency time clocks and valves that have reduced irrigation leaks and waste by approximately 15%.
- Installation of automatic water valves on cistern tanks, increasing rainwater utilisation by approximately 30%.

When annualised, electricity bills site-wide have been reduced by 3.1 million kWh or 20% compared to 2019. Water consumption has also been reduced by 7% compared to 2019, saving a total of 17,312 m³. The Miami team is confident it can reach the BE305 targets in advance of the 2026 target year.

These reductions were particularly noteworthy as they were achieved when the portfolio added four new F&B outlets (typically large water consumers) and experienced an increase of visitor traffic of 5.5% compared to 2019.

Performance (Environment)

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Resource and Circularity

We are committed to supporting the transition towards a circular economy by reducing and managing waste effectively and promoting circularity across our operations. We aim to identify the impacts of waste disposal from our business activities, set targets to continually improve our waste management performance and incorporate waste-prevention considerations into our procurement processes.

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HKEX
Aspect A1, A2, A3
KPI A1.6, A3.1

Focusing on Resource Management and Circularity

In 2017, we developed our Waste Management Policy to guide our approaches to reducing waste, from the design and construction phases of our projects to the daily operation and management of our buildings.

In 2020, Swire Properties began to review this policy to highlight the value of rethinking resource use and promoting circularity. This year, we announced our [Resource and Circularity Policy](#), putting greater emphasis on “designing out” waste and keeping products in use while continuing to enhance resource recovery and recycling across our operations.

Reframing waste in the context of resource use and management encourages our employees, tenants, suppliers, and others with whom we do business to engage with the topic with greater positivity and creativity before resources are consumed. This approach supports our transition to a circular economy, and our goal to achieve zero waste to landfill by 2050. The emphasis on circularity will also help prepare the Company and our tenants for future waste-related legislation, such as the compulsory garbage sorting legislation that has been introduced in major Chinese Mainland cities and the upcoming municipal solid waste charging legislation in Hong Kong.

Our Resource and Circularity Taskforces in Hong Kong and the Chinese Mainland – made up of representatives from our technical services and sustainable development department, portfolio management teams and hotels – meet regularly to evaluate our resource management strategies, analyse waste data, review progress towards our 2025 and 2030 KPIs, and facilitate new circularity initiatives.

Waste Diversion Rates

We track and collect data on more than 20 types of waste produced by our office and retail tenants, hotel guests and occupants of our residences. We strive to manage the downstream processes of each waste stream and work closely with recycling partners to provide secure outlets for the recyclables we collect.

23.6%

Commercial waste diversion rate in our Hong Kong portfolio

41.6%

Commercial waste recycling rate in our Chinese Mainland portfolio

Total Amount of Waste Recycled

3,340 tonnes

Hong Kong portfolio

9,394 tonnes

Chinese Mainland portfolio

Performance (Environment)

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Recycling and Repurposing Food Waste



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 2021, we collected more than 9,200 tonnes of food waste from our Hong Kong and Chinese Mainland

portfolios and our hotels, an increase of 25% compared with 2020.

In Hong Kong, Swire Properties leveraged a programme funded by the government’s Environment and Conservation Fund to promote food waste recycling amongst our tenants. In 2021, 70% of our F&B tenants in Citygate Outlets, Cityplaza, Island Place Mall, Pacific Place, and Taikoo Place participated in our food waste recycling programme; while the number of tenanted office floors recycling food waste also increased by over 30% compared to 2020.

The majority of the food waste collected in Hong Kong is delivered to the government’s O · PARK1 for conversion into compost and biogas. In November this year, we invited a group of employees and tenants to visit O · PARK1 to better understand the downstream treatment of the food waste they recycle in their everyday work lives.

This year, we also introduced new initiatives to repurpose food waste into useful products. EAST Hong Kong partnered with a local brewery to turn 30kg of surplus bread from its restaurants into its own branded craft beer. In support of the United Nations’ International Day of Awareness of Food Loss and Waste, we also ran two “Ugly Fruit” jam-making workshops with a local food rescue NGO to raise awareness about the global food waste problem.

Performance (Environment)

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Engaging Employees and Tenants with Smart Waste Technology



Over 90% of the waste generated at our buildings comes from building users such as our tenants. In 2021, we introduced the Smart Waste Reduction Challenge, a first in Hong Kong, using smart scales and a digital engagement platform to “gamify” the collective sustainability journey experienced by our employees and tenants. The challenge involved 15 participating teams drawn from 10 office tenants across Taikoo Place,

Pacific Place and Citygate as well as the Company’s own offices. The teams engaged 3,400 employees in a six-month workplace waste reduction challenge.

The participating teams:

- Received recommendations on how to optimise the design and layout of their office waste bins.
- Replaced individual desk-side rubbish bins with centralised collection and sorting stations.
- Fitted smart scales under each bin to collect live waste disposal and recycling data.
- Set up display screens to showcase their waste reduction progress in real-time and benchmark this progress against other teams.

Throughout the challenge, we organised online and offline engagement activities to support participating teams in their waste reduction efforts. These included:

- 7 sessions of digital workshops to learn about proper waste sorting and food waste reduction.
- 4 tenant project forums where tenant green teams could share ideas and talk about the challenges they were experiencing.
- A “Waste? No More!” recycling game booth roadshow that reached over 250 employees across Swire Properties’ five participating offices.

At the end of the pilot, the teams with the best waste reduction progress and with the most proactive employee participation were recognised with awards.

Collective Impact of the Challenge

14%

reduction in total waste per employee*

41%

waste diversion rate achieved

* As compared to the first full-month data recorded at the beginning of the challenge.

This pilot was supported by the [Swire Pacific SD Fund](#). In the future, we will continue to explore the use of smart technologies to monitor tenant waste generation and tailor our tenant-facing circularity initiatives accordingly.

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Prioritising Waste Reduction at Our Hotels



In addition to ongoing efforts to reduce and recycle waste, we continue to engage our hotels to develop new sustainability initiatives.

Aligned with our [Green Kitchen Initiative](#), Swire Hotels and Swire Restaurants work closely with their design teams and contractors to incorporate recommendations in the Green Kitchen Technical Guidelines, such as adopting energy and water

efficient appliances, as well as reserving sufficient space for food waste and glass bottle recycling bins. In 2021, eight F&B outlets in our Hong Kong and Chinese Mainland hotels received the Green Kitchen Award, with seven achieving the highest possible “Three Leaf” rating.

To promote the circular use of resources, we are prioritising waste prevention and reduction in a number of ways, including:

- EAST Hong Kong, EAST Beijing and The Upper House retrofitted over 800 rooms with an in-room water filtration system, eliminating the need for plastic bottled water in rooms, which will help avoid the use of over 16 tonnes of plastic bottles each year.
- EAST Beijing has made check-in and check-out processes completely paperless.
- EAST Hong Kong receives food orders through a digital menu accessible with a QR code, a contactless solution reducing about 70% of menu paper usage in the restaurant and bar department.
- FEAST at EAST Hong Kong installed sensor-enabled refrigerators, whereby the doors shut automatically when no customers are around. This keeps food fresh for a longer period and reduces spoilage.

We will continue to identify ways to design out waste in our hotel operations and provide customers with a sustainable experience.

Performance (Environment)

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Supporting a Circular Economy for Plastics



The COVID-19 pandemic has brought about a surge in single-use tableware and packaging in the communities where we operate. In 2021, we continue to expand initiatives to promote reuse and support the recovery of single-use plastics.

In November 2020, we partnered with a start-up company to launch Hong Kong’s first smart reusable cup

concept and network at Taikoo Place. In 2021, the initiative expanded to a total of eight food and beverage outlets across the portfolio. We also began washing and sanitising the cups at a Swire Hotels outlet, fully “closing the loop” within Taikoo Place. Since its launch, the smart reusable cup system has helped avoid the disposal of over 12,000 single-use coffee cups.

We also worked with our industry and recycling partners to facilitate the recovery of plastic beverage bottles and recycling them into food-grade raw materials. In 2021, we continued to place reverse vending machines at The Loop in Taikoo Place and at Three Pacific Place, collecting more than 255,100 plastic bottles during the year for recycling. We also began placing dedicated plastic bottle recycling bins around Taikoo Place to support the concept of separating waste at its source.

In September, we relaunched the “Save Your Plastics” campaign at Starstreet Precinct. This campaign provided lifestyle and F&B rewards to people who recycled their cleaned and emptied plastics. In less than three weeks, this recycling pop-up collected over 500 kg of plastics from 700 members of the community.

Performance (Environment)

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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. In 2021, we signed on to the Enterprises Cherish Water (“ECh₂O”) campaign, organised by an environmental NGO and the Hong Kong government’s Water Supplies Department.

We regularly encourage our employees and tenants to save water. We also urge our tenants to have in place internal guidelines on fresh and flushing water, as these help us comply with enhancements to the Hong Kong government’s voluntary “Quality Water Supply Scheme for Buildings”.

We aim to manage water risk and reduce overall water consumption under the Water focus area. The relevant SDGs are:



SDG 6

Ensuring availability and sustainable water management.



SDG 12

Ensuring sustainable consumption and production patterns.

GRI
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HKEX
Aspect A2
KPI A2.4, A3.1

Water Policy

Our [Water Policy](#) 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 at 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 also has a rainwater collection system that collects rainwater which is then recycled and used to irrigate the gardens and green spaces at Taikoo Square and around One Taikoo Place.

We continued to explore any opportunities to save water this year, whether by upgrading or changing maintenance procedures for our equipment, or through new practices in our daily operations. In addition to running a trial programme where we adjust the cleaning schedule for cooling towers, this year we also partnered with Tsinghua University to begin a study of how our usage of cooling tower water consumption could be optimised. Using simulations, the study will analyse water use patterns and generate suggestions for optimal practices in different portfolios. We are also in the early stages of exploring the concept of water neutrality, with a view to properly defining the concept as it applies to the Company so we may begin to use it in our operations.

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Water-Saving Pilot Scheme



In mid-2020 we launched a Water Saving Pilot Scheme to promote water efficiency and raise awareness about the importance of conserving water. This pilot concluded in August 2021. Fourteen office tenants participated in the scheme, which involved installing water efficient fittings and wireless 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 will be used to inform the development of our Green Performance Pledge. We will also be providing free smart water meters to all our office tenants in the future, beginning with Taikoo Place.

Sustainable Bathrooms at Taikoo Hui



Taikoo Hui in Guangzhou redesigns and renovates one set of bathrooms each year. This year, the bathrooms on the MU level were redesigned using a “sustainable development” theme. The newly renovated restroom is the first public convenience facility in a commercial complex in Guangzhou to be recognised by the Guangzhou Emissions Exchange for outstanding performance in carbon neutrality.

This redesign included a variety of features that reduce water consumption and promote sustainability, including:

- Plentiful indoor greenery.
- Installing water-free urinals with special filtration systems to eliminate odours.
- Installing water-saving toilets that reduce the volume of flushing water from 7 litres to 4.8 litres per flush.

Performance (Environment)

[Policies](#) [Progress](#) [Profile of Environmental Impacts](#) [Climate Change](#)
[Energy](#) [Resource and Circularity](#) **Water** [Biodiversity](#) [Occupant Wellbeing](#)
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- Using integrated water faucets and hand-dryers to reduce paper use.
- Use of sustainable materials throughout, such as GRG walls and ceilings, composite cement walls, and high-pressure laminated toilet cubicles.

This renovation will result in projected overall water savings of around 2,400 m³ per year.

New Water Leak Detection System at Cityplaza

In tandem with the new wireless platform for IAQ monitoring at Cityplaza, we plan to implement water leakage detection sensors into the same platform to reduce the consequences of water leaks and accelerate remedial or rectification action when dealing with leak incidents. Through early detection in key locations such as plant rooms and tenancy areas, we can act quickly to stop and fix water leaks. This part of the system is expected to be ready by Q2 of 2022.

Performance (Environment)

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Biodiversity

GRI
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Anchored by our [Biodiversity Policy](#), we integrate biodiversity considerations into our operations and, where relevant, work to minimise any adverse impacts of our operations on biodiversity and ecosystems.

Although the majority of our portfolio is located in urban areas where biodiversity issues are usually not material, we have conducted assessments at all of our existing properties and projects under development to determine the status of biodiversity and its importance to the places that we develop and the surrounding natural environment. These assessments have shown that none of our current properties contain or are located adjacent to areas of globally or nationally important biodiversity.

Taikoo Place Biodiversity Study



Our biodiversity study of the Taikoo Place redevelopment project, completed in mid-2020, 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 urban biodiversity of the current Taikoo Place.
- Evaluate the urban biodiversity after the completion of the Taikoo Place redevelopment project.
- Propose measures in the master landscape plan to further enhance urban biodiversity in the future.

The study also involved an extensive literature review and a baseline survey of biodiversity in the Taikoo Place area. The results revealed that:

- The 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.
- The inclusion of large-sized native tree species has made Taikoo Place more attractive to urban biodiversity.

In mid-2021, meetings were conducted with project teams and the management offices of all our Hong Kong properties to share the results. These included discussions about local species and biodiversity and emphasised the importance of green corridors that support the movement of birds and butterflies between parks. These suggestions will be integrated into future planning and operations across our Hong Kong portfolio. We have also installed QR codes near trees in both Taikoo Square and Taikoo Garden. These will give visitors more information on individual trees and how they might preserve and promote urban biodiversity.

Performance (Environment)

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Prioritising Biodiversity in Taikoo Place Outdoor Spaces



Artist's Impression

Part of the Taikoo Place redevelopment involves creating new open space and developing a new character for the landscape. By creating an iconic landscape and designing a planting procedure that promotes biodiversity and biophilic design, we are encouraging visitors to reconnect with nature.

Much effort was put into prioritising biodiversity in Taikoo Square and Taikoo Garden on the site, including:

- Procuring “feng shui woodland” tree species including *Endospermum chinense*, *Sarcosperma laurinum* and *Sterculia lanceolata* seedlings from the local Kadoorie Farm and Botanic Garden that will be planted on site.
- Developing a biodiversity database with technical data on plants such as their botanical names, flowering period and other interesting facts. This database will be compatible with mobile applications such as the Taikoo Social App to provide a virtual “green tour” of the space. The database will also allow long-term monitoring of the biodiversity status of our properties.
- Using active positioning technology such as Bluetooth beacons to interact with visitors’ devices. For example, a visitor standing in front of a specific tree in Taikoo Garden may have their smartphone come alive with facts about the tree and its associated biodiversity and wildlife – creating a fun and engaging experience that promotes biodiversity conservation.

Performance (Environment)

[Policies](#) [Progress](#) [Profile of Environmental Impacts](#) [Climate Change](#)
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Biodiversity Preservation at Rocky Bank



Rocky Bank is a residential redevelopment project involving six existing semi-detached houses being demolished and two luxury detached houses built on the site.

Occupying about one-third of the site area is a natural slope with lush vegetation. A professor from Hong Kong University was appointed to conduct a baseline biodiversity study,

including a plant and animal survey of the site, and offer a design review focusing on assessing the project’s ecological impacts.

The study suggested that works should endeavour to keep the site’s back slope undisturbed, and that two species of small plants with high biodiversity value discovered on-site should be moved to another location that will not be disturbed by construction works. Subsequently, plant species with high biodiversity value were transplanted, while a more detailed list of plants on-site was developed to ensure the existing biodiversity value was retained. The team also worked to retain as many trees as possible, while also developing a comprehensive strategy for the compensation of lost trees. The next stage involves preparing a full ecological impact reduction report.

Performance (Environment)

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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
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HKEX
Aspect B6
KPI B6.4

On top of numerous physical and mental health and wellbeing considerations, we also design and construct our buildings to enhance visual comfort through the use of natural daylight, glare indices and diverse types of lighting, at the same time minimising the adverse impacts of external lighting, such as sky glow, source intensity and building luminance. We also consider acoustic impacts throughout the design, construction and operational phases of our buildings. In addition, we are gradually installing UVC lamps in the air handling units across our portfolios. As at 31st December 2021, this upgrade has been completed for over 650 units in Taikoo Place to help with sterilisation and improve IAQ.

Apart from monitoring occupant wellbeing in existing buildings, we also incorporate wellness features and initiatives in our new projects.

Continuously Monitoring Indoor Air Quality



This year, we expanded our installation of IAQ sensors in common areas to all buildings at Taikoo Place and Pacific Place. These sensors monitor temperature, relative humidity, CO₂, PM2.5 and PM10 particulates, total volatile organic compounds (“VOCs”) and ozone levels.

Together with central air-conditioning systems with high-quality filtration and fresh air supply features, this system provides comfort and peace of mind to office workers, mall workers and the public. It was installed and implemented with reference to WELL and other stakeholders in real time through [weblinks](#) and QR codes.

The IAQ data is also presented on physical display panels with QR codes in the main lobbies of office buildings in Pacific Place, Taikoo Place and One Citygate.

Performance (Environment)

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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.

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.

In 2021, Swire Properties achieved another milestone, becoming the first developer in Hong Kong and the Chinese Mainland to join the World Green Building Council’s (“WorldGBC”) Corporate Advisory Board. As part of a select group of global leaders in sustainability, companies who sit on the Corporate Advisory Board serve to guide the WorldGBC in its strategy and activities to accelerate the sustainable building movement.

We also encourage our tenants to participate in environmental building assessment schemes and work closely with them to implement sustainability strategies that will help them 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
- **The 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

GRI
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HKEX
Aspect A3, B6
KPI A3.1, B6.4

Performance (Environment)

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Green Buildings as a Percentage of our Portfolio

98%

of wholly-owned existing buildings²⁸ are certified green buildings, of which 88% have achieved the highest ratings.

96%

of all existing buildings²⁹ are certified green buildings, of which 82% have achieved the highest ratings.

100%

of wholly-owned projects under development³⁰ have achieved the highest ratings.

²⁸ “Wholly-owned existing buildings” do not include joint venture projects and trading properties and are measured as the percentage of total GFA.

²⁹ “All existing buildings” includes joint venture projects and trading properties and are measured as the percentage of total GFA.

³⁰ “Projects under development” refers to projects that are under construction or in the precertification stage and does not include joint venture projects and trading properties.

Type and Number of Green Building Certification, Rating and Labelling Schemes

as at 31st December 2021

34

buildings³¹ earned BEAM or BEAM Plus certification, with 27 of those achieving the highest ratings (Excellent or Platinum).

38

buildings earned LEED certification, achieving either Platinum or Gold ratings.

2

mixed-use developments achieved Gold ratings under the LEED for Neighbourhood Development category.

³¹ 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.

Performance (Environment)

Policies

Progress

Profile of Environmental Impacts

Climate Change

Energy

Resource and Circularity

Water

Biodiversity

Occupant Wellbeing

Building/Asset Investments



Green Buildings Certified in 2021



BEAM Plus

Citygate Lot 2

- Final Gold (New Buildings Version 1.2)



LEED

Taikoo Li Qiantan

- Final Gold (Core and Shell Development Version 2009)



WELL

Taikoo Li Qiantan

- Platinum (Core) v2 Pilot



China Green Building Design Label

One INDIGO

INDIGO Mall

- 2-star

- 2-star



Climate-related Financial Disclosures

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

Climate-related Financial Disclosures

In 2015, the Financial Stability Board (“FSB”)³² 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
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
Swire Properties’ 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 Swire Properties

³² The FSB is an international body that monitors and makes recommendations about the global financial system.

Governance

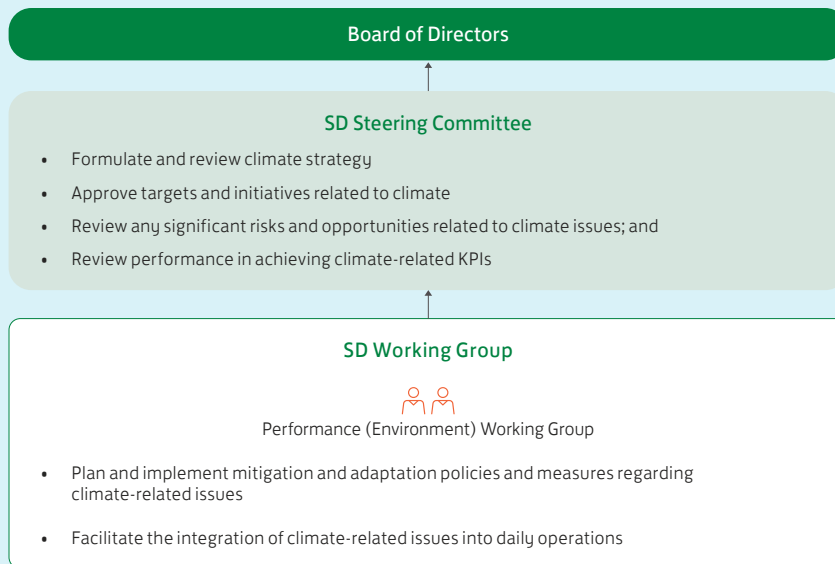
Strategy

Risk Management

Metrics and Targets

Governance

Swire Properties' 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:

- Formulate and review the Company's SD 2030 Strategy and climate strategy, including approving targets or key initiatives related to climate change mitigation, adaptation and building climate resilience.
- Review any significant risks, opportunities and investments regarding climate change, energy/carbon management and low-carbon transition.
- Review on an annual basis the performance of the Company in achieving our energy/carbon intensity reduction targets and other climate change- and energy-related KPIs.

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The Board provides oversight of our [risk management framework](#) and SD risks, including climate-related risks. Our SD agenda and the progress of our SD 2030 Strategy are reported by the SD Steering Committee and discussed at quarterly board meetings. We also conduct regular risk identification and analysis and review management processes throughout the year through the Audit Committee and our ERM System. This includes our Corporate Risk Register in which climate change has been identified as an emerging risk.

Both the Board and the SD Steering Committee have sufficient knowledge of climate-related issues and the impacts of such issues on the company's business and operations.

The Performance (Environment) Working Group is composed of members with sufficient technical expertise in climate-related issues, is in place to plan and implement different mitigation and adaptation policies and measures, and to facilitate the integration of climate-related issues into business operations.

Our [Climate Change Policy](#) guides our management approach and strategy on climate change mitigation, adaptation and resilience. We also support the Business Environment Council's efforts to develop and promote the Low Carbon Charter for the property and construction sector in Hong Kong.

In 2020, we conducted a [materiality review](#) to gather feedback from 570 internal and external stakeholders through qualitative interviews and a quantitative survey. The topics of green building construction and renovation, energy efficiency, decarbonisation, climate adaptation and resilience were identified as material issues to our business continuity and development. These issues align with the focus areas of the Performance (Environment) Pillar of our SD 2030 Strategy.

Governance

Strategy

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Strategy

Addressing the actual and potential impacts of climate-related risks and opportunities related to the Company's businesses, strategy, and financial planning

We recognise that climate change poses different types of risks to our business. Apart from physical risks, such as flooding, extreme weather events and increasing temperatures, which can disrupt or negatively impact our employees, assets and supply chains, we also acknowledge the potential financial impacts that can result from transition risks, which include regulatory, market and reputational risks.

Climate change also presents us with opportunities to develop low-carbon and climate-resilient assets to meet the increasing market demand for climate-proof buildings and to mitigate the potential operational costs attributed to extreme weather conditions, such as maintenance and insurance premiums. Also, climate change helps stimulate business innovation and experimentation, which may aid the transition to a lower-carbon economy.

We are committed to creating climate-resilient places and communities that are better able to cope with the physical impacts of climate change. We are also committed to developing [certified green buildings](#) that are energy-efficient and low-carbon by design and in operation. In 2021, 100% of wholly-owned new projects under development achieved the highest green building rating; 96% of all existing buildings were certified green buildings; and over 98% of our 2021 gross rental income came from certified green buildings.

Under our SD 2030 Strategy, one of our 2025 KPIs is to generate 4-6% of landlord's energy from onsite [renewable energy sources](#) in selected new office developments. We are also committed to exploring new procurement options for off-site renewable energy for our portfolio, where feasible. In 2021, our Taikoo Hui development in Guangzhou became powered by 100% renewable electricity, joining Sino-Ocean Taikoo Li Chengdu in achieving net-zero carbon in its annual electricity consumption for both landlord and tenant operations.

To prepare for the transition to a low-carbon economy, we have established carbon-reduction targets and initiatives under our SD 2030 Strategy for our Hong Kong and Chinese Mainland portfolios. We have ramped up our science-based targets ("SBTs") to align with the 1.5°C pathway and these were officially approved in September 2021, making us the first real estate developer from Hong Kong and the Chinese Mainland to establish 1.5°C-aligned decarbonisation goals in line with the Paris Agreement for our global portfolio.

These approved [SBTs](#) are:

- Reduce absolute Scope 1 and 2 greenhouse gas ("GHG") emissions by 25% and 46% by 2025 and 2030 respectively (compared to the 2019 baseline).
- Reduce Scope 3 GHG emissions from downstream leased assets by 28% per sqm by 2030 (compared to the 2018 baseline).
- Reduce Scope 3 GHG emissions from capital goods by 25% per sqm by 2030 (compared to the 2016-2018 baseline).

Governance

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In December 2020, Swire Properties also committed to the Science Based Targets initiative's ("SBTi") Business Ambition for 1.5°C campaign. In 2021, we accelerated our efforts to fight climate change by setting ambitious new science-based targets that are approximately 50% more aggressive than our original 2°C-aligned SBTs approved by the SBTi in 2019. These new goals were officially approved in September 2021, meaning the Company is on the right path to reach net-zero emissions by 2050 and is supporting the Hong Kong Government's pledge to achieve carbon neutrality before 2050.

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 such as concrete with pulverised fuel ash or ground granulated blast-furnace slag, rebar and structural steel with recycled content, and the optimisation of structural design to minimise material consumption.

We are committed to integrating sustainability considerations into our financing mechanisms. Since 2018, we have obtained green financing through a number of green bonds, green loan 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 green loan and their estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts. In 2021, approximately 30% of 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 PropTech to foster the application of innovative technology solutions relevant to the real estate sector. In 2020, we established a new USD50 million corporate venture capital fund which will be used to invest in relevant and innovative technology companies to help fuel the Company's ongoing creative and digital transformation.

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Risk Management

How we identify, assess and manage climate-related risks

We assess the key physical and transition risks and opportunities posed by climate change to our global assets and business operations to help us develop long-term strategies that protect our business from climate-related risks. We have used quantitative and qualitative scenario analyses which consider impacts along a timescale which ranges from the immediate term to 2030 and as far ahead as 2100.

Physical Risks

In accordance with the TCFD's recommendations, we have conducted asset-level modelling of the acute and chronic physical risks (namely flooding, heat stress, water stress and extreme wind) associated with the four Representative Concentration Pathways (RCP 2.6, 4.5, 6 and 8.5) used by the Intergovernmental Panel on Climate Change. These pathways broadly represent comprehensive climate scenarios related to three projected global average temperature increases: 1.5°C, 2°C and 3°C.

We have collated historical data and projected climate variables, such as temperature, precipitation, sea level rise and wind speed from suitable global climate models, and applied local meteorological data to predict local climate scenarios. This data has allowed us to accurately evaluate the exposure of specific assets and operations in selected timeframes, from the immediate term to the distant future, namely, 2025, 2030, 2050, and 2100.

We have also undertaken detailed asset-level assessments to evaluate the degree of sensitivity and adaptive capacity of individual buildings under the potential effects of the identified climate risks. These assessments consider system robustness such as existing flood prevention systems and façade conditions; system redundancy, such as the capacity of chillers and water supply; and susceptibility to past extreme weather events.

Our analysis showed that there is an overall low to moderate level risk of flooding, heat stress, water stress and extreme wind for our global portfolio in all assessed climate scenarios. This is attributed to the relatively robust adaptive capacity and mitigation measures we have integrated into our buildings.

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. By doing this, we believe our assets will continue to be resilient under other future climate scenarios.

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.

Governance

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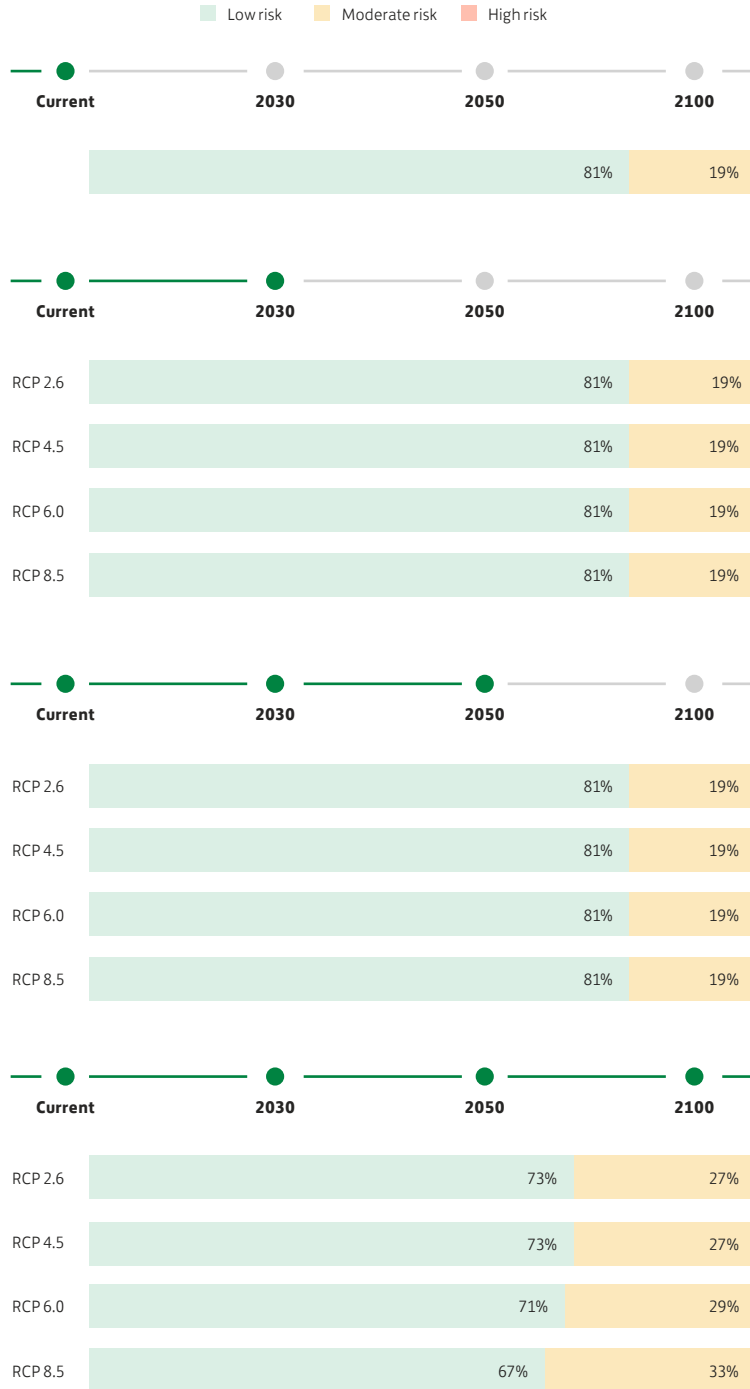
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of flooding in 4 RCP climate scenarios



Governance

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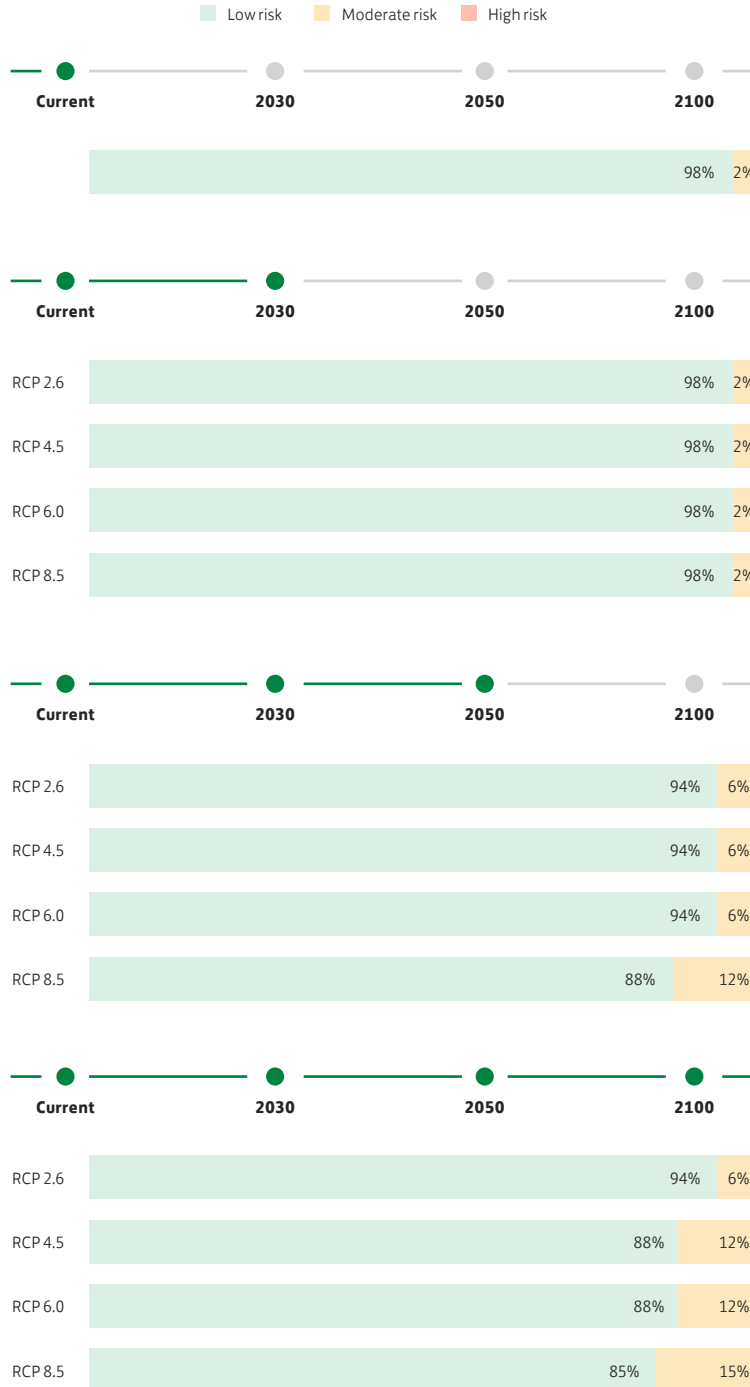
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of heat stress in 4 RCP climate scenarios



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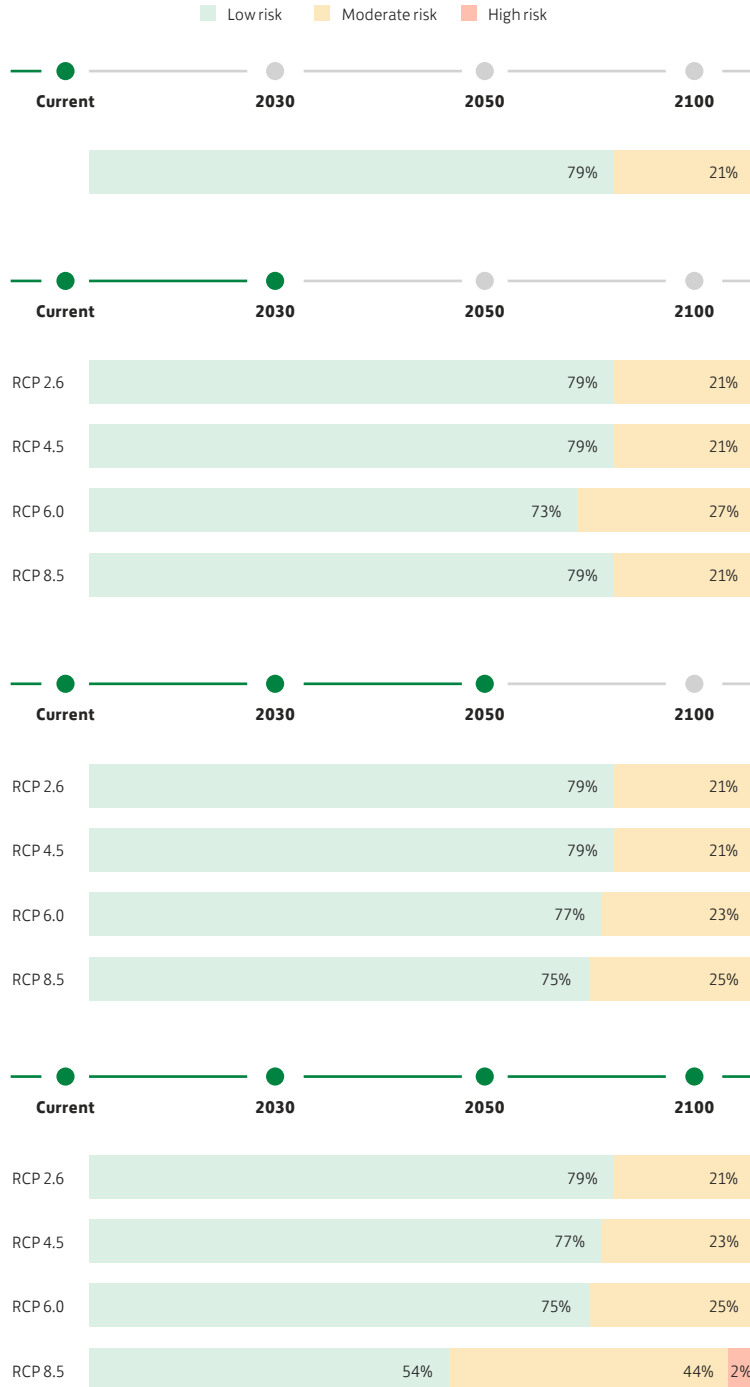
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of water stress in 4 RCP climate scenarios



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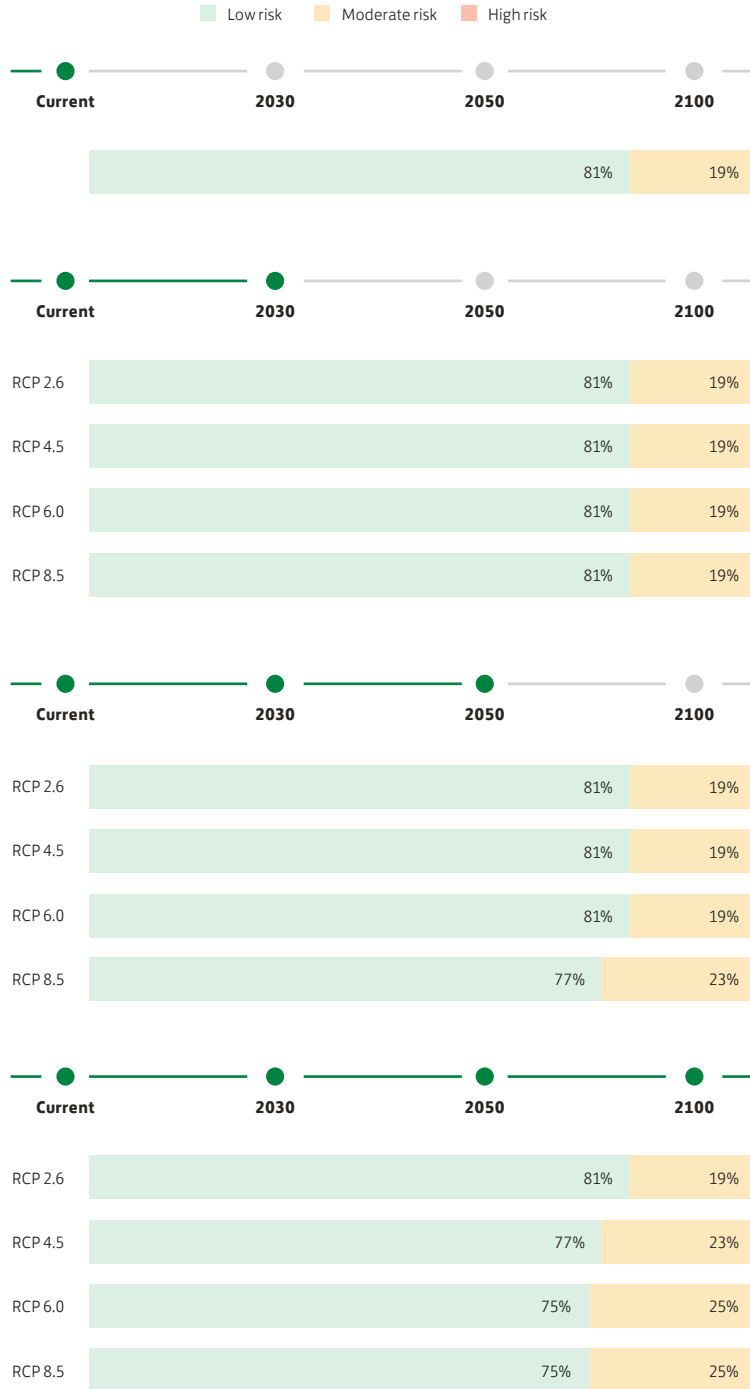
Flooding

Heat Stress

Water Stress

Extreme Wind

Proportion of portfolio under risk of extreme wind in 4 RCP climate scenarios



Governance

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Transition Risks and Opportunities

Regarding the global transition to a low-carbon economy, in accordance with the TCFD’s recommendations, Swire Properties has developed three distinct and plausible climate change scenarios in order to stress test the resilience of its business and strategy to varying future operating environments.

The scenarios used by Swire Properties have been informed by several publicly available climate scenarios from recognised authorities including the International Energy Agency (“IEA”), the Network for Greening the Financial System (“NGFS”) and the Intergovernmental Panel on Climate Change (“IPCC”) who developed the Shared Socio-Economic Pathways (“SSPs”). The scenarios incorporate global and local government policies, environmental, economic, social and technology indicators and market trends. The scenarios are not intended to be predictions of the future; rather, they seek to stress test Swire Properties’ business against several plausible future states. The scenarios look at two time horizons (2030 and 2050) and include both global and region-specific (Hong Kong and the Chinese Mainland) indicators.

Climate Scenario Analysis

1.5°C – Net-Zero World Scenario	2°C – Paris Consistent Scenario	3°C – Hot House World Scenario
<ul style="list-style-type: none"> • RCP 1.9 • IEA Net-Zero by 2050 • NGFS Net-Zero 2050 • SSP1 – Sustainability 	<ul style="list-style-type: none"> • RCP 2.6 • IEA SDS • NGFS Below 2°C • SSP1 – Sustainability 	<ul style="list-style-type: none"> • RCP 6.0 • IEA Stated Policies Scenarios (STEPS) • NGFS Current Policies • SSP5 – Fossil-fuelled development

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1.5°C – Net-Zero World Scenario represents a world where global warming is limited to 1.5°C through stringent climate policies, innovation and demand-led change reaching global net-zero CO₂ emissions around 2050. In addition to meeting all current net-zero pledges, additional pledges from countries are met and there is a significant increase in public and private investment into green technologies. The share of renewables in the global electricity supply increases to more than 60% by 2030³³ and there are much more stringent government policies such as stricter energy efficiency building codes and carbon taxes. This is reflected by a carbon price of USD162 per tonne of carbon³⁴, which illustrates overall policy intensity.

2°C – Paris Consistent Scenario limits global warming to 2°C through gradually increasing the stringency of climate policies. All current net-zero pledges are achieved in full and there are extensive efforts to realise near-term emissions reductions. There is a comparatively moderate increase in public and private investment into green technologies and the share of renewables in the global electricity supply by 2030 increases to 49%³⁵, shifting the economy from being fossil fuel driven to a renewable energy driven economy. More stringent government policies such as stricter energy efficiency building codes and carbon taxes help the world achieve net-zero by 2070. The carbon price of USD52 per tonne of carbon³⁶, which illustrates overall policy intensity, shows less policy action compared with the 1.5°C world.

3°C – Hot House World Scenario represents a world where no additional action is taken above the current policies that are in place in 2021. Fossil fuel subsidies remain in place in the Chinese Mainland, there is insufficient technological investment in low-emission technologies and a continued reliance on carbon-intensive technologies to fuel growth. Consequently, the grid remains largely powered by coal and other non-renewable energy. The Paris Agreement fails and in the longer term many areas across the globe, including Hong Kong and the Chinese Mainland, experience a significant increase in extreme weather events over the second half of the century. The focus for stakeholders under this scenario is on adaptation as the world fails to transition to a low-carbon economy.

These scenarios together represent balanced, science-based scenarios that offer a contrast between the best-case and worst-case scenarios for us to sufficiently consider the risks and opportunities posed by climate change that could potentially impact our business operations and our value chain.

Swire Properties has identified climate-related risks and opportunities that could affect its business under the different scenarios, and they are outlined in the table below. The risk list was built through reviewing publications of international research organisations and peer companies, engagement with internal and external experts and stakeholders, and through our materiality assessment and extensive public domain research.

³³ Net-Zero Emissions by 2050, International Energy Agency (2020), World Energy Outlook 2020, IEA, Paris, <https://www.iea.org/reports/world-energy-outlook-2020/achieving-net-zero-emissions-by-2050>

³⁴ IIASA NGFS Climate Scenarios Database, REMIND model, Carbon prices shown for the Chinese Mainland under NZ2050 Scenario <https://data.ene.iiasa.ac.at/ngfs/#/workspaces/1989>

³⁵ Sustainable Development Scenario, International Energy Agency, 2020, Renewables, 2020, Paris <https://www.iea.org/fuels-and-technologies/renewables>

³⁶ IIASA NGFS Climate Scenarios Database, REMIND model, Carbon prices shown for the Chinese Mainland under Below 2 Degrees Scenario <https://data.ene.iiasa.ac.at/ngfs/#/workspaces/1989>

Governance

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Policies and Regulations

	Risk and Opportunity Drivers	Potential Financial Impacts
Policies and Regulations	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 roadmaps	<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
Market, Reputation and Liability	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

Governance

Strategy

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	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	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
Technology and Innovation	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 the identified transition risks and capture opportunities from the transition to a net-zero economy. These strategies include:

- Our 1.5°C-aligned Science-based Targets to drive aggressive near-term decarbonisation across our global portfolio, paving the way to achieve net-zero emissions before 2050.
- Investment in and development of certified green buildings with best-in-class energy efficiency and climate resilience.

Governance

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- Investment in renewable energy adoption throughout our portfolio.
- Wide application of innovative green and low-carbon technologies
- Commitment to green financing.
- Engaging our supply chain, tenants and relevant stakeholders in climate resilience and sustainability.

Swire Properties is now undertaking a prioritising exercise, via quantitative and qualitative assessments in financial terms, to facilitate the most efficient allocation of resources to mitigate risks and capitalise on potential opportunities.

We conducted facilitated workshops with cross-functional groups of managers and employees to assess individual risks and opportunities. For each risk and opportunity driver, participants evaluated the vulnerability, current/planned practices and controls, adaptability and future risk exposure. Participants then debated the impact of the risk or opportunity on our financial performance (revenue and expenditures) and financial position (assets and liabilities and capital and financing) as well as the likelihood of the risk or opportunity impacting us under each climate scenario. For certain risks, the outputs from the workshop will be fed into actuarial models to project what the potential impacts could be across different probabilities.

The evaluation also covers impacts across our value chain including our supply chain and procurement, construction activities, property management, tenants' operations and engagement, marketing and sales of properties, and the retrofitting and refurbishment of buildings. Risks have been assessed in line with our existing Enterprise Risk Management assessment scales to enable comparison of the significance of climate-related risks relative to other risks.

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.

Through the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, we manage our daily operational risks related to climate change, carbon and energy management. As at 31st December 2021, approximately 86% of our properties (measured by GFA) in Hong Kong and the Chinese Mainland are certified to the ISO 14001 and ISO 50001 management systems.

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Metrics and Targets

Metrics and Targets

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

The table below provides key metrics related to the impacts of GHG emissions, energy and green building development on the financial aspects related to revenue, capital and financing, expenditures and assets. For our climate-related targets, please refer to the [Climate Change](#) section of this report.

Financial Category	Climate-related Category	Metric	Unit of Measure	2019	2020	2021
Revenues	Risk Adaptation and Mitigation	Gross rental income contributed by certified green buildings	%	>95%	>98%	>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%	~30%
Expenditures	Risk Adaptation and Mitigation	Sustainable procurement spend	HKD	48 million	1,196 million	946 million
Expenditures	Risk Adaptation and Mitigation	Expenditures on energy efficiency/ low-carbon projects supported by green bond proceeds	HKD	31 million	19 million	17 million
Expenditures	Risk Adaptation and Mitigation	Expenditures on renewable energy supported by green bond proceeds	HKD	2 million	1 million	3 million
Expenditures	Risk Adaptation and Mitigation	Expenditures on sustainable water and wastewater management supported by green bond proceeds	HKD	3 million	/	1 million
Expenditures	Energy/Fuel	Total electricity consumption	MWh	307,948	291,977	294,220
Expenditures	Energy/Fuel	Proportion of electricity consumption from renewable sources	%	13.2%	14.3%	19.0%

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Financial category	Climate-related Category	Metric	Unit of Measure	2019	2020	2021
Expenditures	Energy/Fuel	Building energy intensity by gross floor area	kWh/m ² /year	139 HK Portfolio	127 HK Portfolio	128 HK Portfolio
				101 Chinese Mainland Portfolio	96 Chinese Mainland Portfolio	99 Chinese Mainland Portfolio
				237 U.S.A. Portfolio	204 U.S.A. Portfolio	195 U.S.A. Portfolio
Expenditures	Energy/Fuel	Carbon emissions (Scope 1 and 2) – market-based method	Tonnes of CO ₂ e	230,265	203,316	176,811
Expenditures	Energy/Fuel	Building carbon intensity by gross floor area	Tonnes of CO ₂ e/m ² /year	0.109 HK Portfolio	0.103 HK Portfolio	0.088 HK Portfolio
				0.073 Chinese Mainland Portfolio	0.053 Chinese Mainland Portfolio	0.047 Chinese Mainland Portfolio
				0.109 U.S.A. Portfolio	0.085 U.S.A. Portfolio	0.081 U.S.A. Portfolio
Expenditures	Energy/Fuel	Carbon intensity of tenants (Scope 3 – downstream leased assets)	Tonnes of CO ₂ e/m ² /year	0.121	0.098	0.089
Assets	Risk Adaptation and Mitigation	Percentage of existing buildings which are certified green buildings	%	97%	97%	96%
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 and green loan proceeds	HKD	733 million	669 million	1,502 million



Performance (Economic)

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



Performance (Economic)

Progress

Green Financing

Corporate Governance

Investor Relations

Risk Management and Internal Controls



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

Top Material Issues



Corporate governance



Long-term financial performance/value



Risk management

Progress

After achieving all our 2020 KPIs, this year, our Performance (Economic) Working Group, made up of 13 representatives from different functions within the Company, began working towards achieving our new [2025 and 2030 KPIs](#) in the focus areas under this Pillar: Financial Performance, Green Financing, Corporate Governance, Risk Management, and Disclosure and Communications. As communication is crucial to success, we continue to engage with our investors at various events to keep them informed about our SD journey and our performance.

Our progress this year is summarised in the table below.

Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations



Progress Summary Table



Financial Performance

Underlying Profit | Dividends | Gearing Ratio and Credit Rating

Progress Update in 2021

- Details of our financial performance for the year ended 31st December 2021 are available in the [Swire Properties Annual Report 2021](#)



Green Financing

Green Bonds

2025 KPI

- Achieve a minimum of 50% of bond and loan facilities³⁷ from green financing

Progress Updates in 2021

- As at the end of 2021, approximately 30% of our current bond and loan facilities came from green financing.
- For more details, see our [Green Finance Report](#), published in December 2021.



Corporate Governance

Anti-bribery and Anti-corruption

2025 KPI

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

Progress Updates in 2021

- An anti-bribery questionnaire covering the 2021 reporting period has been reviewed and approved by EXCOM.



³⁷ Arranged by the Hong Kong head office.

Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations



Executive Compensation

2025 KPI

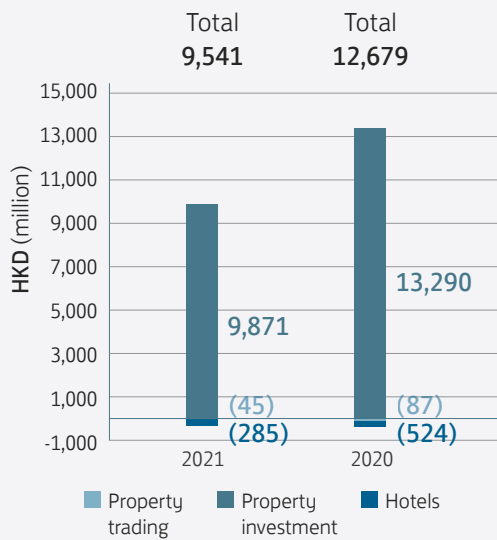
- Establish corporate SD performance metrics that are linked to the Chief Executive's variable compensation

Progress Updates in 2021

- The Chief Executive's variable compensation is linked to health and safety performance targets.

Financial Highlights for 2021

Underlying profit/(loss) by segment



Aggregate GFA attributable to the Group*

~30.7 million sq ft

Gearing ratio*

3.5%

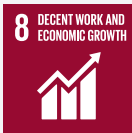
Credit rating*

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 2021

Performance (Economic)

Progress

Corporate Governance

Risk Management and Internal Controls

Green Financing

Investor Relations



Corporate Governance

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.
- 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 one Non-Executive Director and two Independent Non-Executive Directors, is responsible for assisting the Board in discharging its responsibilities for corporate governance.

Our Executive Committee, which is chaired by the Chief Executive and comprises two other Executive Directors and nine 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 2021](#).

GRI

2-9, 2-11, 2-12, 2-13, 2-16, 2-19, 2-20, 2-23, 2-24

Performance (Economic)

Progress

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Ethics Corporate Code of Conduct

Our [Corporate Code of Conduct](#) (“the Code”) applies to every employee, officer and director of the Company and its subsidiaries. It sets out the operating principles underpinning our management approaches to a range of issues, including:

- Business ethics
- Conflicts of interest
- Competition and antitrust
- Bribery
- Political contributions
- Gambling
- Procurement
- Record keeping
- Use of Company information and property
- Whistleblowing
- Health and safety
- Environment
- Equal opportunities and diversity
- Use of social media
- Privacy

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 2021, there were no reported cases regarding breaches of the Code.

Whistleblowing Policy

Our [Whistleblowing Policy](#) sets out our policy on whistleblowing, including the protection of whistleblowers from reprisal or disadvantage.

If an employee wishes to report concerns, they contact either our human resources and administration department, their immediate supervisor, 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 2021, we received a total of 18 whistleblowing reports. All cases were related to operational issues and they have been evaluated and fully resolved. There were no incidents of human rights violations in the reporting period.

We are committed to the fair treatment of any person who makes a genuine and appropriate report. In addition to making every effort to keep the identity of whistleblowers confidential, all reported information is treated in confidence, except where Swire Properties is required by law or regulation to disclose it, for legal or audit purposes, or where Swire Properties refers the matter to the relevant regulators or law enforcement authorities.

GRI
2-15, 406

HKEX
KPI B7.2

GRI
2-26

HKEX
KPI B7.2

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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 2021, 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. An anti-bribery refresher training was arranged for all our employees in Hong Kong (including those who have been seconded to other offices), the Chinese Mainland and Swire Hotels in the last two years, as per the requirements of our Company Code of Conduct. Going forwards, we will increase the frequency of anti-bribery refresher trainings to become a yearly practice.

In 2021, approximately 10,520 hours of anti-bribery-related training was conducted for employees across the Company. Additionally, 100% of our directors completed anti-bribery and anti-corruption training over the past two years.

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
Aspect B6
KPI B6.3, B6.5

Performance (Economic)

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Competition Law

GRI
206

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 relevant Hong Kong and Chinese Mainland employees.

In 2021, there were no legal actions related to anti-competitive behaviour brought against Swire Properties.

Information and Cyber Security

GRI
418

Under our risk management framework, the Board and management are responsible for identifying and analysing the risks related to information and cyber security, and for determining how such risks should be managed and mitigated.

We are committed to conducting regular audits to ensure compliance with our Information and Cyber Security Policy and Privacy Policy. 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 2021, upon completion of an independent verification, we obtained ISO 27001 certification for our IT infrastructure management, IT support operations and information security system of our Hong Kong portfolio. The system provides a comprehensive and robust framework for managing our IT infrastructure and operations. In turn, this provides protection for any personal data and sensitive information that we process, and ensures the deployment of appropriate processes and controls to minimise our risk exposure.

We regularly implement comprehensive information security and cyber security awareness training for our employees. In 2021, we offered 3,320 hours of such training.

Performance (Economic)

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Risk Management and Internal Controls

GRI
2-12, 201, 403

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take 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
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Risk Management and Internal Controls



Continuously Reviewing our ERM System

Our Enterprise Risk Management (“ERM”) System helps us identify, analyse and manage business risks. Risk identification, analysis and management processes are completed on a regular basis throughout the year and the results help to guide our business decisions.

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

In 2021, we continued to partner with a risk management consultant to enhance our risk scoring model using a rating scale and risk dimensions that are easier to interpret and assess. This enhancement also facilitates benchmarking across the Swire Group through the alignment of risk scores. We continued to conduct regular review of risks and mitigation strategies and consulted with external risk advisors to share risk-related experiences and industry best practices.

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 man or acts of nature may have adverse financial effects on the Company.</p>	<ul style="list-style-type: none"> • A business recovery plan for major incidents, and other business compliance measures for specific scenarios, operational emergencies and health and safety, are in place and are regularly updated and tested. • In response to pandemic, standard operating procedures and guidelines are in place, ensuring intensive cleaning and disinfection of our premises. Government’s requirements and guidelines on pandemic or social distancing are strictly observed. • Strategic plans are regularly reviewed to maintain business resilience and sustainability. • Conduct site surveys and consult professional advisors to ensure properties in earthquake and hurricane zones are built to meet the relevant building codes and safety standards. • Purchase insurance to the extent practicable to cover financial loss due to property damage, business interruption and third-party liabilities.

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Existing Risks and Possible Impacts

Mitigation Measures

Political Risks

Changes in the global and local political landscape and priorities may have significant impact on the business environment.

- Closely monitor social media and government policies and respond in a timely manner.
- Senior management engagement with government authorities to anticipate political developments in order to plan appropriate responses and to ensure compliance with applicable laws and regulations.
- Maintain robust corporate governance practice through oversight functions (internal audit, risk management, the company secretary, legal counsel and independent non-executive directors).

Business Risks

The lack of compelling development projects and business disruption may lead to a slowdown in business and so affect financial performance.

- Obtain suitable reserves of land, reinforce existing assets and actively explore investment opportunities.
- Monitor and evaluate disruptive business models, with a view to making our operations more robust.
- Enhance competitiveness by increasing efficiency, using appropriate technology and operational procedures.

Brand and Image

The failure to maintain brand position and perception may make us less competitive.

- Crisis communication and social media policies are in place and are updated and tested regularly to ensure consistent, responsible and responsive communication (including when handling major incidents) in order to safeguard the Company's reputation.
- Closely monitor social media in order to evaluate and provide responses to negative social media content.
- Engagement with third parties to understand their perceptions of the Company and to anticipate current and potential economic, political, social or environmental issues that may adversely affect our reputation.

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Existing Risks and Possible Impacts

Development Risks

Delay in the completion of developments may have an adverse financial effect by delaying the timing of property sales and leasing.

- Closely work with contractors to monitor and manage construction progress in order to avoid delays.
- Stringent contractor prequalification requirements and stringent requirements for approving design changes.
- Build in contingencies for statutory approvals and communicate with government authorities on a timely basis.

Emerging Risks and Possible Impacts

Climate Change

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

Mitigation Measures

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

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Green Financing

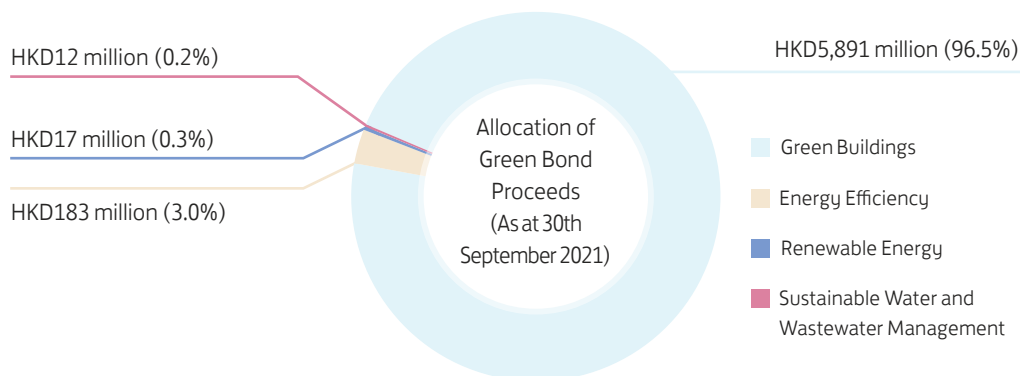
We are committed to integrating sustainability considerations into our financing mechanisms. By obtaining green financing through green bonds, green loans and sustainability-linked loans, we not only support the transition to a low-carbon, more resource-efficient and sustainable economy, we also reaffirm our commitment to SD, and to designing and developing sustainable projects that improve the wellbeing of building occupants and local communities.

We have targeted achieving a minimum of 50% of bond and loan facilities from green financing by 2025 and 80% by 2030.

Proceeds from Green Bonds Fully Utilised

The issuance of our first green bond in January 2018 symbolised our deep and ongoing commitment to SD. The bond raised USD500 million at a coupon rate of 3.5% and is due in 2028. In 2020, our commitment deepened further, with the issuance of four more green bonds totalling HKD1,934 million.

As at 30th September 2021, 100% of the net proceeds from these green bonds have been fully utilised. Together with the green loan, the proceeds have been allocated to the following green projects:



We issued our [Green Finance Report 2021](#) which provides information on the green projects funded by our green bonds and green loan and the estimated quantitative environmental impact, including energy and water saving, renewable energy generations and wastewater management practices, among others.

Performance (Economic)

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Swire Properties’ Green Finance Reporting Ranks
in Global Green Bond Study's Top 10



Swire Properties has been named one of the top 10 organisations globally in the “Post-Issuance Reporting in the Green Bond Market 2021” study

conducted by the Climate Bonds Initiative (CBI), an international organisation focusing on green financing.

The study reviewed close to 700 green bonds from more than 400 issuers around the world. Swire Properties’ [Green Finance Report 2020](#) achieved the maximum score and was cited as a best-practice case study for the clarity, comprehensiveness and transparency of its reporting. The CBI also praised us for our efforts to go beyond green building certification in projects supported by green financing. This included our disclosure of qualitative and quantitative indicators, such as the estimated carbon emissions avoided as well as energy and water savings.

Our Broad Green Financing Profile



In 2019, Swire Properties became the first company in Hong Kong to launch a financing mechanism with an interest rate indexed against improvements in our year-on-year environmental, social and governance (“ESG”) performance.

The agreement converted an existing five-year revolving credit facility of HKD500 million into a sustainability-linked loan, with the interest rate being indexed against improvements in our year-on-year ESG performance. A reduction in the facility’s interest rate will be granted each year, as long as we:

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

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In 2020, we converted a further HKD2 billion in conventional loans into sustainability-linked loans and secured another HKD1 billion sustainability-linked loan, using the same criteria. These loans are being used to finance such projects as green buildings and the adoption of advanced energy- and water-saving technologies.

Our Two Taikoo Place project exemplifies how we put these loans to use. Set to open in 2022, the project is being built to the highest green building and wellness standards and has already earned triple Platinum pre-certifications in WELL, BEAM Plus and LEED.

Swire Pacific SD Fund Accelerates SD Projects



Swire Properties continues to receive financing from the Swire Pacific SD Fund, which was established to support and accelerate SD projects to improve sustainability performance through innovative technologies. We are currently implementing three pilot projects under this scheme that will be executed at a larger scale if they are successful:

1. Sub-Micron Heat Transfer Fluid Technology – aluminium oxide nanoparticles that can be added in a fluid to a closed-loop chilled water system to increase the water’s thermal energy transfer capability. In turn this increases chiller efficiency and reduces energy consumption. Initial research shows this fluid increases performance by about 15% and decreases electricity consumption by around 12%.
2. Smart 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 behavioural change. Read more about the [Smart Waste Reduction Challenge](#).
3. Integrated Direct Current (“DC”) Microgrid Solution – involves the adoption of a DC microgrid infrastructure that can reduce electricity conversion loss between systems and will support PV panels and low-carbon fuel cell applications. Read more about the [energy-saving strategies](#) we adopted in 2021.

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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

Since 2019, we have held ESG Investor Days for investors and analysts. Due to pandemic-related restrictions, instead of an in-person event, we held a webinar for our debt and equity investors in mid-2020, attended by over 60 investors and analysts. Senior management provided updates on the company’s latest developments and sustainability-related achievements.

A similar situation prevailed in 2021. In June, we again held an ESG-focused webinar to keep investors up to date with our sustainability efforts and ambitions, and continuing dialogue with investors and ESG analysts.

We also shared our insights on key ESG issues of real estate industry and the opportunities for sustainable real estate investing in several ESG-related conferences and investor meetings in 2021, including:

- Bloomberg Green Real Estate Investment Events: Panel Discussion
- BNP Paribas Sustainable Future Forum 2021 – The Race Plan for Net-Zero
- Morgan Stanley Virtual Asia ESG Conference



2025 and 2030 Targets

2025 and 2030 Targets

Building on our achievements since the launch of the SD 2030 Strategy in 2016, we are in a good position to advance to our next targets for 2025 and 2030. These new targets are challenging and will require innovation, creative thinking and considerable effort as we strive to achieve our SD vision: to be the leading sustainable development performer in our industry globally by 2030.



TALENT ATTRACTION

Employer Branding

2025 KPIs

- Improve employee Net Promoter Score by **10%**³⁸

TALENT MANAGEMENT

Learning and Development

2025 KPIs

- A **25%** increase in training hours per employees per year³⁹

Engagement

2025 KPIs

- Achieve an employee engagement index rating at **90%** or above
- Improve turnover rate by **5.5%**⁴⁰

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 below 2.0 for hotels operations Maintain zero work-related fatalities and zero serious incidents⁴¹ for employees 	<p>2030 KPIs</p> <ul style="list-style-type: none"> Maintain zero work-related fatalities and zero serious incidents⁴¹ 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
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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
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Driving Impact

2025 KPIs

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

TENANT

Tenant Engagement

2025 KPIs

- 50%** of tenants in our office portfolios⁴² sign the Green Performance Pledge to jointly improve environmental performance

Performance (Environment)

CLIMATE CHANGE

Decarbonisation

<p>2025 KPIs</p> <ul style="list-style-type: none"> Operational GHG Emissions (Scope 1 and 2 SBT): Reduce absolute GHG emissions by 25%⁴³ 	<p>2030 KPIs</p> <ul style="list-style-type: none"> Operational GHG Emissions (Scope 1 and 2 SBT): Reduce absolute GHG emissions by 46%⁴³ Value Chain GHG Emissions (Scope 3 SBT – Downstream Leased Assets): Reduce carbon intensity from the tenant-controlled portion of downstream leased assets by 28% per square metre⁴⁴ Value Chain GHG Emissions (Scope 3 SBT – Capital Goods): Reduce embodied carbon intensity from new major developments by 25% per square metre (construction floor area)⁴⁵
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ENERGY

Energy Reduction⁴⁶

<p>2025 KPIs</p> <p>Hong Kong Portfolio⁴⁷</p> <ul style="list-style-type: none"> Reduce annual electricity use intensity by 20%⁴³ <p>Chinese Mainland Portfolio⁴⁸</p> <ul style="list-style-type: none"> Reduce annual electricity use intensity by 13%⁴³ 	<p>2030 KPIs</p> <p>Hong Kong Portfolio⁴⁷</p> <ul style="list-style-type: none"> Reduce annual electricity use intensity by 40%⁴³ <p>Chinese Mainland Portfolio⁴⁸</p> <ul style="list-style-type: none"> Reduce annual electricity use intensity by 35%⁴³
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Renewable Energy

2025 KPIs

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

RESOURCE AND CIRCULARITY

Resource Recycling and Waste Diversion

Waste Diversion Rates

<p>2025 KPIs</p> <p>Hong Kong Portfolio⁴⁷</p> <ul style="list-style-type: none"> 30% of commercial waste <p>Hong Kong (projects under development)</p> <ul style="list-style-type: none"> 85% of demolition waste 70% of construction waste <p>Chinese Mainland (projects under development)</p> <ul style="list-style-type: none"> 50% of total waste 	<p>2030 KPIs</p> <p>Hong Kong Portfolio⁴⁷</p> <ul style="list-style-type: none"> 50% of commercial waste <p>Hong Kong (projects under development)</p> <ul style="list-style-type: none"> 90% of demolition waste 75% of construction waste <p>Chinese Mainland (projects under development)</p> <ul style="list-style-type: none"> 60% of total waste
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Waste Recycling Rates

<p>2025 KPIs</p> <p>Chinese Mainland portfolio⁴⁸</p> <ul style="list-style-type: none"> 40% of commercial waste 	<p>2030 KPIs</p> <p>Chinese Mainland portfolio⁴⁸</p> <ul style="list-style-type: none"> 45% of commercial waste
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WATER

Water Reduction

2025 KPIs

Hong Kong

- 10%** reduction in water intensity (m³/m²)⁴⁹

Chinese Mainland

- 20%** reduction in water intensity (m³/m²)⁴⁹

Hotels

- 8%** reduction in water intensity (m³/guest night)⁴⁹

BIODIVERSITY

Integration

2025 KPIs

- Conduct biodiversity surveys in **50%** of new development projects
- Implement guidelines to integrate biodiversity considerations into new developments

OCCUPANT WELLBEING

Indoor Air Quality Management

2025 KPIs

- For common areas, **90%** of buildings achieve IAQ Excellent Class in the Hong Kong portfolio⁴⁷ or the local IAQ standard in the Chinese Mainland portfolio⁴⁸

BUILDING/ASSET INVESTMENT

Environmental Building Assessment Schemes⁵⁰

<p>2025 KPIs</p> <ul style="list-style-type: none"> 100% of wholly-owned new development projects⁵¹ to achieve the highest environmental building assessment scheme rating 90% of all wholly-owned existing developments⁵¹ to achieve the highest environmental building assessment scheme rating 	<p>2030 KPIs</p> <ul style="list-style-type: none"> 100% wholly-owned new and existing developments⁵¹ to achieve the highest environmental building assessment scheme 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 facilities⁵² from green financing 	<p>2030 KPIs</p> <ul style="list-style-type: none"> Achieve a minimum of 80% of bond and loan facilities⁵² from green financing
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CORPORATE GOVERNANCE

Anti-bribery & Anti-corruption

2025 KPIs

- Annual bribery and corruption risk review by Executive Committee

Executive Compensation

2025 KPIs

- Establish corporate SD performance metrics that are linked to the Chief Executive's variable compensation

38 Compared to the 2020 baseline.

39 Compared to the 2016 baseline.

40 Compared to the 2018 baseline.

41 Defined in the Swire Pacific Fatal and Serious Incident Reporting Policy, a serious incident is a life-threatening or life-altering injury (that results in permanent disablement or causes a permanent change to the employee's daily life) arising from an incident which is directly connected with the operations.

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

43 Compared to the 2019 baseline.

44 Compared to the 2018 baseline.

45 Compared to the 2016-2018 baseline.

46 The 2025 and 2030 KPIs under Energy Reduction have been updated per our approved 1.5°C-aligned SBT. Energy consumption refers to purchased electricity for the provision shared services for and in the common parts of our buildings.

47 Our Hong Kong portfolio refers to our office and retail portfolio and hotels in Hong Kong.

48 Our Chinese Mainland portfolio refers to our office and retail portfolio and hotels in the Chinese Mainland.

49 Hong Kong and Chinese Mainland portfolio: Compared to the 2016 BAU baseline; Hotels: Compared to the 2018/2019 baseline.

50 BEAM Plus/LEED/China Green Building Design Label/WELL Certification; the most suitable environmental building assessment scheme is selected based on the project location.

51 Exclude joint venture projects and trading properties.

52 Arranged by the Hong Kong head office.



GRI and HKEX ESG Reporting

19



6

GRI and HKEX ESG Reporting

Reporting Standards and Principles

This report has been prepared in accordance with the latest GRI Standards 2021 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 2021.

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 explanations 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
2-6

HKEX
Mandatory
Disclosure
Requirement

GRI
2-5

Reporting Boundary

For the purposes of this report, our portfolio in Hong Kong comprises primarily Grade-A office, retail, hotel⁵³ and residential properties located throughout our portfolio which includes 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 (shopping mall) in Miami, U.S.A. Please see the summary table below.

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 2021 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 2021](#).

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. As such Taikoo Li Qiantan, which opened on 30th September 2021, is not included in the scope of this report.

Therefore, when compared to our SD Report 2020, the boundary of KPI reporting in this report has been expanded to include the Citygate Outlets extension, which opened in mid-2019. The reporting boundary for KPIs also excludes completed developments for sale.

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

HKEX
Mandatory
Disclosure
Requirement

⁵³ 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 2021

Hong Kong portfolio

- Pacific Place (three office towers, shopping mall and STAR STUDIOS)
- Cityplaza (shopping mall)
- Taikoo Place (nine office towers, including One Island East and One Taikoo Place)
- Citygate (offices and outlets including extension⁵⁴)
- Other offices and shopping malls (South Island Place, 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, Miami (shopping mall)

Hotels

- Swire Hotels (The Upper House, EAST Hong Kong, The Opposite House, EAST Beijing, The Temple House, The Middle House, and EAST Miami⁵⁵)
- Serviced Apartments (Pacific Place Apartments and EAST Residences)
- Swire Restaurants (PUBLIC, Ground PUBLIC⁵⁶, Mr & Mrs Fox, Plat du Jour⁵⁷ and The Continental)

⁵⁴ Added to the reporting boundary of KPI data collection and reporting in 2021.

⁵⁵ The sale of EAST Miami was completed in November 2021, and the data from the sale date onward has been removed from the reporting boundary.

⁵⁶ Ground PUBLIC at One Island East was closed in September 2021, and the data from the closing date onward has been removed from the reporting boundary.

⁵⁷ Plat du Jour at Pacific Place was closed in February 2021, and the data from the closing date onward has been removed from the reporting boundary.

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
Power Up Coalition	Business Environment Council
Sustainable Procurement Charter	Green Council
Carbon Neutrality Partnership	Environment Bureau, Hong Kong SAR Government
ECH₂O - Enterprises Cherish Water Campaign	Green Council and Water Supplies Department, Hong Kong SAR Government

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 Council Member Executive Committee Member Chair, BEC Sustainable Living Environment Advisory Group Steering Committee Member, BEC Circular Economy Steering Committee Member, BEC Climate Change Business Forum Advisory Group Steering Committee
Chinese Society for Urban Studies	Corporate Member
Council on Tall Buildings and Urban Habitat	2021 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 Pearl Member
Taskforce on Climate-Related Financial Disclosure	TCFD Supporter
Taskforce on Nature-related Financial Disclosures	Member

Total contributions or membership fees to trade/industry associations in 2021: HKD1.28 million

Trade / industry associations with largest amount of contributions or membership fees made in 2021: The Real Estate Developers Association of Hong Kong, Hong Kong Green Building Council, Urban Land Institute, The Hong Kong Management Association, Business Environment Council and Hong Kong General Chamber of Commerce

Awards and Certifications

36Kr

- A "Top 10" Most Innovative Organisation on Open Innovation in the Chinese Mainland – Swire Properties New Ventures

Campaign Asia-Pacific

Event Marketing Award 2021

- Gold – Best Creative Idea – Swire Properties White Christmas Express
- Gold – Best Public Event – Swire Properties White Christmas Express

China Green Building Design Label

2-star

- One INDIGO
- INDIGO Mall

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

ISO 45001:2018 Occupational Health and Safety Management System Certification

- INDIGO
- Taikoo Hui
- Taikoo Li Sanlitun
- Sino-Ocean Taikoo Li Sanlitun Chengdu

CIBSE Building Performance Awards 2022

- Shortlisted – Facilities Management category – Cityplaza

Climate Bonds Initiative

A "Top 10" green bond issuer globally in the "Post-Issuance Reporting in the Green Bond Market 2021"

CODAwards 2021

- Merit (Commercial) – Please Be Seated
- Merit (Hospitality) – The Middle House

Conde Nast Traveller

Top 10 Hotels in Hong Kong: Readers' Choice Awards 2021

- Rank #3 – The Upper House

Top 20 Hotels in China: Readers' Choice Awards 2021

- Rank #8 – The Temple House
- Rank #12 – The Middle House
- Rank #19 – The Opposite House

CTgoodjobs

- “Employer of the Year (Grand)”
- “Best Talent Acquisition & Onboarding Strategy Award (Grand)”
- “Best in HR Digitalisation Award (Grand)”

Environment Bureau (Hong Kong SAR Government)

Charter on External Lighting – Platinum Award – Swire Properties Limited

- One Pacific Place
- Two Pacific Place
- Three Pacific Place
- Pacific Place Mall
- Citygate Outlets
- Cityplaza Mall
- Cambridge House
- Dorset House
- Lincoln House
- One Island East
- Oxford House

Environmental Campaign Committee

Hong Kong Green Organisation

- Citygate
- Cityplaza
- Pacific Place Complex
- Taikoo Place

Environmental Protection Department (Hong Kong SAR Government)

Indoor Air Quality Certification Scheme (Hong Kong)

- Excellent Class (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 (L49 Salisterra and Public Areas of The Upper House) – The Upper House
- 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 (Public Area of Whole 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 Class (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

HKIS Building Surveyor Awards 2021

- Winner – Maintenance And Rehabilitation category (Client/ Client's Representative) – Cityplaza Ice Palace Renovation project
- Value Enhancement Award – Cityplaza Ice Palace Renovation project

Hong Kong Green Building Council

BEAM Plus New Buildings (Version 1.2) – Final Platinum

- Citygate Lot 2

Hong Kong Green Organisation Certification

IAQwise 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 – Public Areas from 3/F to 28/F – Berkshire House
- Excellence level – Public Areas of Whole 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 Whole Building – Lincoln House
- Excellence level – Public Areas of Whole Building – One Island East
- Excellence level – 18/F, 19/F, 64/F, 65/F Office – One Island East
- Excellence level – Public Areas of Whole Building – Oxford House
- Excellence level – Public Areas of Whole Building – PCCW Tower
- Excellence level – Public Areas of Whole Building – South Island Place
- Excellence level – Public Areas of Office Building – One Taikoo Place

Wastewise Certificate

- Excellence Level – Citygate
- Excellence Level – Cityplaza
- Excellence Level – Pacific Place Complex
- Excellence Level – Taikoo Place

Hong Kong Green Shop Alliance Award 2021

- Champion – Best Green Practice in Mall – Cityplaza
- 2nd Runner Up – Best Green Practice in Mall – Island Place Mall
- Best Green Kitchen Partner Award – Best Collaborative Effort of Malls and Shops – Pacific Place
- Merit – Best Collaborative Effort of Malls and Shops – Citygate Outlets
- Excellent Green Product Advocator – Citygate Outlets
- Excellent Green Product Advocator – Pacific Place

Hong Kong Institute of Certified Public Accountants

Best Corporate Governance and ESG Awards 2021 – ESG Award – 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

HRoot Awards 2021

- Best Employers in Greater China 2021

International WELL Building Institute

WELL Core Version 2.0 Pilot – Platinum

- Taikoo Li Qiantan

Marketing Magazine

DigiZ Awards 2021

- Gold Award – Most Engaging Mobile Campaign – Cityplaza Mall 2020 “Mission: HOHOHO” Christmas Campaign
- Gold Award – Best O2O Strategies – Citygate Outlets “The Hunt is On” Campaign
- Silver Award – Best Customer Engagement Digital Strategies – Cityplaza Mall 2020 “Mission: HOHOHO” Christmas Campaign
- Bronze Award – Best Gaming Integration Strategies – Cityplaza Mall 2020 “Mission: HOHOHO” Christmas Campaign
- Bronze Award – Best Digital OOH Campaign – Citygate Outlets “The Hunt is On” Campaign

Loyalty & Engagement Awards 2021

- Gold Award – Best Loyalty Programme – Food & Beverage – Citygate Outlets “Anytime Anywhere, Dine & Earn Your Share” F&B Reward Programme
- Gold Award – Best Use of Experiential Marketing – Citygate Outlets “The Hunt is On” Campaign
- Silver Award – Best Use of Gamification – Citygate Outlets “The Hunt is On” Campaign

Marketing Events Awards 2021

- Gold Award – Best Event – Gamification – Citygate Outlets “The Hunt is On” Campaign
- Gold Award – Best Event – Health and Fitness – Citygate Outlets “The Hunt is On” Campaign
- Gold Award – Best Innovative Transition – Physical to Virtual – Citygate Outlets “The Hunt is On” Campaign
- Silver Award – Best Event – Public Awareness – Cityplaza Springtime Wishes
- Bronze Award – Best Event – Retail – Citygate Outlets “The Hunt is On” Campaign
- Bronze Award – Best Experimental Event – Cityplaza x “Disney Princess – LIVE YOUR TRUE SELF”
- Bronze Award – Best Mall Event – Citygate Outlets “The Hunt is On” Campaign
- Bronze Award – Best Use of Multi-Channel – Cityplaza Springtime Wishes

Marketing Excellence Awards 2021

- Bronze Award – Excellence in CX/UX Category – Cityplaza Website Revamp

MARKies Awards Hong Kong 2021

- Gold Award – Best Idea – Mobile & Apps – Citygate Outlets “The Hunt is On” Campaign
- Bronze Award – Best Idea – Customer Engagement – Citygate Outlets “The Hunt is On” Campaign
- Bronze Award – Best Use of Venue – Citygate Outlets “The Hunt is On” Campaign

PR Awards 2021

- Gold Award – Best PR Campaign – Digital Communication – Cityplaza x “Disney Princess – LIVE YOUR TRUE SELF”
- Silver Award – Best PR Campaign – Property – Cityplaza x “Disney Princess – LIVE YOUR TRUE SELF”

MIPIM Asia Awards 2020

- Gold – Best Residential Development category – EDEN

Occupational Safety & Health Council

20th Hong Kong Occupational Safety & Health Award

- Silver Award – Occupational Safety and Health (OSH) Annual Report Award – Swire Properties Limited
- Outstanding Safety Performance Award – Safety Performance Award – Island Place (Management) Limited

The Hong Kong Council of Social Service

15 Years Plus Caring Company – Swire Properties Limited

The Hong Kong Management Association

2021 Best Annual Reports Awards

- Bronze – Best Annual Report Award – “General” Category – Swire Properties Limited
- Excellence – Environmental, Social and Governance Reporting – Swire Properties Limited

The Hong Kong Retail Management Association

2021 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 2021

- Winner – Facility Management Team of the Year – INDIGO, Beijing
- Excellence Award – Sustainability Achievement of the Year – Taikoo Li Sanlitun, Beijing

RICS Awards Hong Kong 2021

- Winner – Facility Management Team of the Year – Cityplaza Management Office

“Time Out”

30 coolest streets in the world – Star Street

Travel + Leisure (T+L)

T+L’s 2021 World’s Best Awards – The Top 100 Hotels in the World

- Rank #3 – The Opposite House
- Rank #9 – The Temple House

T+L’s 2021 World’s Best Awards – The Top 15 Asia City Hotels

- Rank #1 – The Opposite House
- Rank #3 – The Temple House

TripAdvisor

2021 Tripadvisor Travelers' Choice Award – No.3 in the Top 25 Hotels China Category; No.13 in the Top Hotels Asia Category – The Upper House

2021 Tripadvisor Travelers' Choice Award – No.4 in the Top 25 Hotels China Category; No.16 in the Top Hotels Asia Category – The Middle House

Tsinghua University

Best Poverty Relief Cases Of Foreign-funded Enterprises 2016 – 2020 Awards

- A "Top 45" Hand-picked Foreign-funded Enterprise in Chinese Mainland Poverty Alleviation Work

U.S. Green Building Council

LEED Building Design and Construction: Core and Shell Development Version 2009

- Final Gold – Taikoo Li Qiantan

Water Supplies Department (Hong Kong SAR Government)

Quality Water Supply Scheme for Buildings – Flushing Water

- 8 Queen’s Road East
- Three Pacific Place
- Citygate Outlets & One Citygate
- Berkshire House
- Cambridge House
- Devon House
- Dorset House
- Lincoln House
- One Island East
- Oxford House

Quality Water Supply Scheme for Buildings – Fresh Water (Management System) Certificate – Gold Certificate

- 8 Queen's Road East
- One Pacific Place
- Two Pacific Place
- Three Pacific Place
- Berkshire House
- Cambridge House
- Devon House
- Dorset House
- Lincoln House
- Oxford House
- One Island East
- Citygate Outlets & One Citygate
- 28 Hennessy Road

Quality Water Supply Scheme for Buildings – Fresh Water (Management System) Certificate – Blue Certificate

- One Taikoo Place
- Cityplaza
- South Island Place
- Island Place Shopping Mall

Performance Data Summary (Environmental)

	Unit	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio				Hotels					Total
		2021*	2020	2019	2018	2017	2021	2020	2019	2018	2017	2021	2020	2019	2018	2021^	2020	2019	2018	2017	2021
Energy consumption																					
Direct energy consumption	GJ	2,853	2,654	2,393	2,622	2,737	111,017	94,589	112,936	88,306	78,386	250	464	710	775	75,458	67,742	88,136	74,780	62,210	189,578
Industrial diesel	Litres	-	-	-	-	-	5,120	5,000	5,000	5,150	5,272	6,015	11,928	18,704	20,677	3,603	365	2,298	15	60	14,738
Ultra-low sulphur diesel (ULSD)	Litres	23,867	35,241	52,940	58,513	60,677	-	-	-	-	-	-	-	-	-	338	340	609	246	347	24,205
Biodiesel	Litres	53,125	33,607	60	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53,125
Petrol	Litres	7,197	8,355	14,819	15,697	16,905	53,288	55,604	67,430	63,625	67,449	1,026	1,049	1,128	927	17,310	21,799	43,217	44,512	44,400	78,821
Town gas	Unit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163,642	143,957	219,549	236,138	198,192	163,642
Natural gas	GJ	-	-	-	-	-	109,090	92,591	110,551	86,040	75,991	-	-	-	-	66,895	60,094	76,080	61,842	50,431	175,985
Indirect energy consumption	GJ	508,673	514,578	511,039	568,654	594,360	347,014	334,331	351,107	252,248	254,002	32,455	42,941	60,310	56,129	169,761	158,135	186,136	157,486	121,882	1,057,903
Non-renewable electricity purchased	MWh	141,237	142,881	141,955	157,959	165,100	70,208	81,447	97,530	70,069	70,556	9,015	11,928	16,753	15,591	42,010	43,926	51,704	43,746	33,856	262,470
Renewable electricity purchased	MWh	61	57	15	-	-	26,185	11,423	-	-	-	-	-	-	-	5,146	-	-	-	-	31,392
Total energy consumption	GJ	511,526	517,232	513,432	571,276	597,097	458,031	428,920	464,043	340,554	332,388	32,705	43,405	61,020	56,904	245,219	225,877	274,272	232,266	184,092	1,247,481 ^R
Renewable electricity generated and consumed onsite	MWh	-	-	-	-	-	239	237	263	46	-	-	-	-	-	-	-	-	-	-	239
Carbon emissions⁽¹⁾																					
Direct carbon emissions (Scope 1)	Tonnes of CO ₂ e	1,496	3,630	1,461	1,679	2,778	5,679	4,865	6,057	4,550	4,585	17	33	51	56	4,064	3,599	4,675	3,984	3,430	11,256
Indirect carbon emissions (Scope 2) - market-based method	Tonnes of CO ₂ e	94,892	112,364	110,557	121,952	127,749	40,254	46,166	64,379	46,252	53,090	3,706	4,924	7,664	7,133	26,703	27,735	35,421	29,545	26,210	165,555
Total carbon emissions (Scopes 1 & 2) - market-based method	Tonnes of CO ₂ e	96,388	115,994	112,018	123,631	130,527	45,933	51,031	70,436	50,802	57,675	3,723	4,957	7,715	7,189	30,767	31,334	40,096	33,529	29,640	176,811 ^R
Indirect carbon emissions (Scope 2) - location-based method	Tonnes of CO ₂ e	94,935	112,410	110,557	121,952	127,749	59,137	57,282	64,379	46,252	53,090	3,706	4,924	7,664	7,133	29,540	29,274	35,421	29,545	26,210	187,318
Total carbon emissions (Scopes 1 & 2) - location-based method	Tonnes of CO ₂ e	96,431	116,040	112,018	123,631	130,527	64,816	62,147	70,436	50,802	57,675	3,723	4,957	7,715	7,189	33,604	32,873	40,096	33,529	29,640	198,574 ^R
Biogenic carbon emissions	Tonnes of CO ₂ e	125	79	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	125
Materials used																					
Refrigerants containing HCFCs refilled	Kilograms	0	192	347	170	590	0	0	0	0	20	0	0	0	0	-	-	-	-	-	0
Refrigerants containing HFCs refilled	Kilograms	1,095	2,702	987	1,141	1,982	0	0	189	0	408	0	0	0	0	131	39	49	46	75	1,226
Paper products	Kilograms	22,587	24,870	27,078	29,612	30,905	13,496	19,746	17,925	10,275	7,602	-	-	-	-	16,978	10,862	19,722	19,272	18,677	53,061
Water consumption																					
Water consumption - municipal	000 m ³	414	454	418 ⁽²⁾	317	354	874	885	1,011	668	709	67	64	111	106	421	356 ⁽²⁾	470	431	327	1,776 ^R
Wastewater reuse and discharge																					
Wastewater discharged	000 m ³	38,914	38,607	40,097	46,288	47,753	845	858	983	638	668	67	64	111	106	462	344	508	414	260	40,288
Seawater reused for flushing	m ³	225,829	207,579	283,285	337,318	402,109	-	-	-	-	-	-	-	-	-	28,618	35,903	40,529	21,211	-	254,447
Waste potable water reused for flushing	m ³	10,848	6,527	7,296	8,936	6,663	66,641	46,174	75,020	121,432	112,408	-	-	-	-	-	-	-	0	0	77,489
Waste directed to disposal (Hazardous)⁽³⁾																					
Oils and lubricants	Litres	1,600	0	420	422	1,018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,600
Waste directed to disposal (Non-hazardous)⁽³⁾																					
Construction and demolition waste	Tonnes	2,847 ^R	1,890	1,396	2,171	2,489	10,002	6,346 ⁽²⁾	6,659 ⁽²⁾	5,567 ⁽²⁾	8,371	-	-	-	-	-	-	-	-	-	12,849
Commercial waste	Tonnes	10,403 ^R	8,800	11,714	12,367	12,576	12,818	14,006	16,987	14,973	12,717	1,287	798	1,343	1,475	1,153	926	1,739	1,871	1,539	25,661
Residential/domestic waste	Tonnes	11	1	9	128	388	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11
Grease trap waste	Tonnes	6,256	5,766	4,683	4,854	5,004	-	-	-	-	-	-	-	-	-	111	181	119	133	18	6,367
Garden waste	Tonnes	129	211	184	-	38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	129
Waste diverted from disposal - reuse, recycling, recovery (Hazardous)																					
Battery electrolyte	Litres	550	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	550
Oils and liquids	Litres	0	160	0	530	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Waste diverted from disposal - reuse, recycling, recovery (Non-hazardous)																					
Construction and demolition waste	Tonnes	27,988	44,225	100,726	149,470	106,390	53	189 ⁽²⁾	541 ⁽²⁾	1,169 ⁽²⁾	-	-	-	-	-	-	-	-	-	-	28,041
Paper	Tonnes	2,449	2,274	2,610	2,865	2,837	420	515	615	333	302	-	-	-	-	53	49	83	65	54	2,922
Metal	Tonnes	20,493	4,087	1,901	3,012	12,188	24	68 ⁽²⁾	33	26	22	-	-	-	-	5	4	5	4	7	20,522
Plastic	Tonnes	21	28	14	10	10	58	37	49	46	30	-	-	-	-	11	7	15	11	12	90
Glass	Tonnes	34	33	41	36	22	67	62	71	43	53	-	-	-	-	58	53	66	12	62	159
Food waste	Tonnes	626	498	507	403	433	8,185	6,560	7,109	3,702	3,052	-	-	-	-	438	331	66	429	320	9,249
Food processing oils ⁽⁴⁾	Tonnes	16	-	-	-	-	157	133	323	244	241	-	-	-	-	12	7	6	0.1	0.1	185
Mixed recyclables	Tonnes	-	-	-	-	-	-	-	-	-	-	213	165	228	245	61	51	91	82	-	274
Others	Tonnes	87	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	88

Performance Data Summary (Environmental)

	Unit	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio				Hotels				
		2021*	2020	2019	2018	2017	2021	2020	2019	2018	2017	2021	2020	2019	2018	2021^	2020	2019	2018	2017
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)	0.088	0.103	0.109	0.111	0.116	0.047	0.053	0.073	0.074	0.084	0.081	0.085	0.109	0.102	0.030	0.049	0.036	0.036	0.061
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)	0.088	0.103	0.109	0.111	0.116	0.067	0.064	0.073	0.074	0.084	0.081	0.085	0.109	0.102	0.033	0.051	0.036	0.036	0.061
Direct energy intensity	GJ/m ² /year (for Hong Kong, Chinese Mainland and U.S.A. Portfolios) GJ/guest night/year (for Hotels)	0.003	0.002	0.002	0.002	0.002	0.114	0.097	0.117	0.128	0.115	0.005	0.008	0.010	0.011	0.074	0.106	0.079	0.080	0.127
Indirect energy intensity	kWh/m ² /year (for Hong Kong, Chinese Mainland and U.S.A. Portfolios) kWh/guest night/year (for Hotels)	128	127	139	142	146	99	96	101	102	103	195	204	237	221	46	69	46	47	69
Water intensity	m ³ /m ² /year (for Hong Kong, Chinese Mainland and U.S.A. Portfolios) m ³ /guest night/year (for Hotels)	0.376	0.402	0.408 ⁽²⁾	0.285	0.314	0.900	0.912	1.046	0.968	1.036	1.461	1.095	1.571	1.498	0.414	0.557 ⁽²⁾	0.423	0.459	0.668

	Unit	Swire Properties				
		2021	2020	2019	2018	2017
Hazardous Waste						
Total waste disposed ⁽⁵⁾	Litres	1,600	0	420	422	1,018
Total waste recycled ⁽⁵⁾	Litres	550	160	0	530	0
Non-hazardous Waste						
Total waste disposed ⁽⁶⁾	Tonnes	45,017	38,924	44,833	43,539	43,140
Total waste reused ⁽⁶⁾⁽⁷⁾	Tonnes	1,714	-	-	-	-
Total waste recycled ⁽⁶⁾⁽⁷⁾	Tonnes	59,204	59,376	115,100	162,207	126,035
Total waste recovered ⁽⁶⁾⁽⁷⁾	Tonnes	612	-	-	-	-
Total Waste Generated⁽⁸⁾	Tonnes	106,548	98,300	159,933	205,746	169,176
Total waste directed to disposal ⁽⁹⁾	Tonnes	45,018	38,924	44,833	43,539	43,141
Total waste diverted from disposal ⁽⁹⁾	Tonnes	61,530	59,376	115,100	162,207	126,035

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.

* Citygate Outlets Extension is newly included in 2021.

^ The sale of EAST Miami was completed in November 2021, and the data from the sale date onward has been removed from the reporting boundary.

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 the Chinese Mainland since 2020): "Methodology for Carbon Emissions Reduction in Commercial Complex Buildings" (by Tsinghua University) published in Journal of Building Energy Efficiency (Nov 2020 Edition), and references from the Chinese mainland government and industry associations including China Renewable Energy Development Assessment Report by National Energy Administration, China Energy Statistical Yearbook by National Bureau of Statistics and China Electricity Market Annual Report by China Electricity Council.

(2) The data has been adjusted to reflect actual situation.

(3) Waste directed to disposal (Hazardous) are collected by licensed waste collectors. Waste directed to disposal (Non-hazardous) are sent to landfill.

(4) Food processing oils include used cooking oil and grease trap waste.

(5) Total hazardous waste generated is the sum of total hazardous waste disposed and recycled.

(6) Total non-hazardous waste generated is the sum of total non-hazardous waste disposed, reused, recycled and recovered.

(7) Total non-hazardous waste diverted from disposal is the sum of total non-hazardous waste reused, recycled and recovered.

(8) Total waste generated includes construction & demolition waste generated from our new development projects, commercial waste generated from our own operations and downstream leased assets, domestic waste generated from our residential portfolios, and special waste generated from our own operations.

(9) All disposed, reused, recycled and recovered waste was managed by respective waste management companies or organisations offsite.

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)	2021 (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	131,214
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	Existing Portfolio Projects: Country-specific factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5				
3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	Yes	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	2,117
4	Upstream transportation and distribution	Yes	The primary data related to transportation and distribution of good and services are multiplied by the appropriate CEDA factors to calculate emissions in this category.	Primary data from Swire Properties	Factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5	6,161	5,953	5,571	6,652
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	40,358
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	3,764
			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)	2021 (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	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	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	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	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	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	54
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	131,478
			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	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	N/A

Performance Data Summary (Social)

	Hong Kong Portfolio										Chinese Mainland Portfolio										U.S.A. Portfolio										Hotels					Total								
	2021		2020		2019		2018		2017 ⁽⁶⁾		2021		2020		2019		2018		2017		2021		2020		2019		2018		2017		2021													
Workforce Profile																																												
Total workforce	2,345		2,420		2,373		2,370		2,425		1,732		1,671		1,657		1,300		1,227		74		75		85		97		2,051		2,168		2,350		2,113		1,667		6,202					
By gender																																												
Male	1,507	64.3%	1,578	65.2%	1,558	65.7%	1,565	66.0%	1,564	64.5%	1,090	62.9%	1,068	63.9%	1,041	62.8%	804	61.8%	776	63.2%	42	56.8%	47	62.7%	51	60.0%	55	56.7%	1,045	51.0%	1,092	50.4%	1,177	50.1%	1,066	50.4%	867	52.0%	3,684	59.4%				
Female	838	35.7%	842	34.8%	815	34.3%	805	34.0%	861	35.5%	642	37.1%	603	36.1%	616	37.2%	496	38.2%	451	36.8%	32	43.2%	28	37.3%	34	40.0%	42	43.3%	1,006	49.0%	1,076	49.6%	1,173	49.9%	1,047	49.6%	800	48.0%	2,518	40.6%				
By age group																																												
Under 30 years old	302	12.9%	323	13.3%	334	14.1%	336	14.2%	365	15.1%	348	20.1%	362	21.7%	391	23.6%	335	25.8%	340	27.7%	9	12.2%	10	13.3%	16	18.8%	15	15.5%	748	36.5%	765	35.3%	888	37.8%	774	36.6%	710	42.6%	1,407	22.7%				
30 to 50 years old	1,210	51.6%	1,170	48.4%	1,130	47.6%	1,105	46.6%	1,154	47.6%	1,208	69.7%	1,154	69.1%	1,124	67.8%	886	68.2%	822	67.0%	45	60.8%	45	60.0%	47	55.3%	58	59.8%	1,056	51.5%	1,148	53.0%	1,210	51.5%	1,088	51.5%	826	49.6%	3,519	56.7%				
Over 50 years old	833	35.5%	927	38.3%	909	38.3%	929	39.2%	906	37.4%	176	10.2%	155	9.3%	142	8.6%	79	6.1%	65	5.3%	20	27.0%	20	26.7%	22	25.9%	24	24.7%	247	12.0%	255	11.8%	252	10.7%	251	11.9%	131	7.9%	1,276	20.6%				
By employment contract ⁽¹⁾																																												
Permanent	2,108	89.9%	2,164	89.4%	2,130	89.8%	2,135	90.1%	2,191	90.4%	1,732	100%	1,671	100%	1,656	99.9%	1,300	100%	1,226	99.9%	74	100%	75	100%	85	100%	97	100%	1,876	91.5%	1,994	92.0%	2,176	92.6%	1,914	90.6%	1,577	94.6%	5,790	93.4%				
Fixed term/temporary	237	10.1%	256	10.6%	243	10.2%	235	9.9%	234	9.6%	0	0%	0	0%	1	0.1%	0	0%	1	0.1%	0	0%	0	0%	0	0%	0	0%	175	8.5%	174	8.0%	174	7.4%	199	9.4%	90	5.4%	412	6.6%				
Supervised worker	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Permanent employees by employment type																																												
Full-time	2,055	97.5%	2,109	97.5%	2,077	97.5%	2,082	97.5%	2,147	98.0%	1,732	100%	1,671	100%	1,656	100%	1,300	100%	1,226	100%	74	100%	75	100%	84	98.8%	96	99.0%	1,843	98.2%	1,956	98.1%	2,135	98.1%	1,881	98.3%	1,572	99.7%	5,704	98.5%				
Part-time	53	2.5%	55	2.5%	53	2.5%	53	2.5%	44	2.0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	1	1.2%	1	1.0%	33	1.8%	38	1.9%	41	1.9%	33	1.7%	5	0.3%	86	1.5%				
By geographical region																																												
Hong Kong	2,340	99.8%	2,410	99.6%	2,364	99.6%	2,362	99.7%	2,416	99.6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Chinese Mainland	-	-	-	-	-	-	-	-	-	-	1,732	100%	1,671	100%	1,657	100%	1,300	100%	1,227	100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Beijing	-	-	-	-	-	-	-	-	-	-	593	34.2%	553	33.1%	546	33.0%	528	40.6%	523	42.6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shanghai	-	-	-	-	-	-	-	-	-	-	429	24.8%	423	25.3%	436	26.3%	81	6.2%	21	1.7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guangdong province	-	-	-	-	-	-	-	-	-	-	383	22.1%	370	22.1%	359	21.7%	371	28.5%	354	28.9%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sichuan province	-	-	-	-	-	-	-	-	-	-	327	18.9%	325	19.5%	316	19.1%	320	24.6%	329	26.8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other provinces	-	-	-	-	-	-	-	-	-	-	0	0%	0	0%	0	0%	0	0%	0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miami, U.S.A.	-	-	-	-	-	-	-	-	2	0.1%	-	-	-	-	-	-	-	-	-	-	74	100%	75	100%	85	100%	97	100%	226	11.0%	254	11.7%	404	17.2%	408	19.3%	0	0%	0	0%	300	4.8%		
Others	5 ⁽⁵⁾	0.2%	10	0.4%	9	0.4%	8	0.3%	7	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%	0	0%	0	0%	5	0.1%		
New Hires																																												
Total number and rate of new hires ⁽²⁾	447	21.2%	354	16.4%	500	23.5%	401	18.8%	507	23.1%	348	20.1%	261	15.6%	323	19.5%	341	26.2%	229	18.7%	10	13.5%	8	10.7%	10	11.8%	36	37.1%	711	37.9%	454	22.8%	843	38.7%	776	40.5%	481	30.5%	1,516	26.2%				
By gender																																												
Male	252	19.1%	215	15.6%	293	21.4%	255	18.5%	301	21.7%	202	18.5%	185	17.3%	179	17.2%	191	23.8%	132	17.0%	2	4.8%	8	17.0%	6	11.8%	19	34.5%	356	36.3%	223	21.7%	417	37.3%	341	34.4%	233	27.9%	812	23.6%				
Female	195	24.8%	139	17.8%	207	27.2%	146	19.4%	206	25.6%	146	22.7%	76	12.6%	144	23.4%	150	30.2%	97	21.5%	8	25%	0	0%	4	11.8%	17	40.5%	355	39.7%	231	23.9%	426	40.2%	435	47.1%	248	33.4%	704	29.9%				
By age group																																												
Under 30 years old	150	52.8%	126	41.7%	158	49.5%	169	52.6%	189	54.9%	153	44.0%	114	31.5%	131	33.5%	147	43.9%	132	38.8%	5	55.6%	0	0%	7	43.8%	10	66.7%	449	73.2%	240	36.7%	496	61.2%	402	58.3%	309	48.1%	757	60.4%				
30 to 50 years old	243	20.3%	173	15.1%	226	20.4%	150	13.8%	215	19.0%	179	14.8%	139	12.0%	181	16.1%	186	21.0%	95	11.6%	3	6.7%	5	11.1%	3	6.4%	24	41.4%	223	21.2%	177	15.8%	305	26.5%	300	28.8%	162	19.6%	648	18.5%				
Over 50 years old	54	8.6%	55	7.7%	116	16.5%	82	11.2%	103	14.4%	16	9.1%	8	5.2%	11	7.8%	8	10.1%	2	3.1%	2	10.0%	3	15.0%	0	0%	2	8.3%	39	18.4%	37	16.8%	42	19.5%	74	40.2%	10	9.2%	111	10.7%				
By geographical region																																												
Hong Kong	447	21.2%	354	16.4%	500	23.5%	400	18.8%	507	23.2%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Chinese Mainland	-	-	-	-	-	-	-	-	-	-	348	20.1%	261	15.6%	323	19.5%	341	26.2%	229	18.7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miami, U.S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	13.5%	8	10.7%	10	11.8%	36	37.1%	169	76.5%	98	43.8%	183	52.7%	182	50.1%	0	0%	0	0%	179	60.7%		
Others	0	0%	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%	0	0%		
By management level																																												
Management	94	16.8%	55	9.6%	-	-	-	-	-	-	113	18.1%	46	8.2%	-	-	-	-	-	-	2	6.1%	5	15.6%	-	-	-	-	92	19.7%	59	12.6%	-	-	-	-	-	-	-	-	301	17.9%		
Non-management	353	22.8%	299	18.8%	-	-	-	-	-	-	235	21.2%	215	19.4%	-	-	-	-	-	-	8	19.5%	3	7.0%	-	-	-	-	619	43.9%	395	25.9%	-	-	-	-	-	-	-	-	1,215	29.6%		
Percentage of open positions filled by internal candidates	37.3%		28.9%		-		-		-		32.3%		35.0%		-		-		-		37.5%		75.0%		-		-		36.0%		26.9%		-		-		-				35.8%			
Turnover																																												
Total number and rate of voluntary turnover ⁽³⁾	415	19.7%	215	9																																								

Performance Data Summary (Social)

	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio				Hotels					Total																				
	2021	2020	2019	2018	2017 ⁽⁶⁾	2021	2020	2019	2018	2017	2021	2020	2019	2018	2021	2020	2019	2018	2017	2021																				
Parental Leave																																								
Total number of employees entitled to parental leave	2,276	2,343	2,302	2,302	2,356	1,732	1,671	1,656	1,300	1,200	73	75	84	96	1,822	1,938	1,642	1,937	1,621	5,903																				
By gender																																								
Male	1,484	1,552	1,532	1,537	1,548	1,090	1,068	1,040	804	764	42	47	51	55	955	1,001	809	986	853	3,571																				
Female	792	791	770	765	808	642	603	616	496	436	31	28	33	41	867	937	833	951	768	2,332																				
Total number of employees took parental leave																																								
By gender																																								
Male	15	16	13	15	21	15	24	29	25	22	1	2	1	2	11	26	28	23	37	42																				
Female	19	19	21	28	23	18	28	29	30	30	1	1	2	0	30	21	41	29	46	68																				
Return to work rate (%) ⁽⁴⁾																																								
By gender																																								
Male	100%	100%	84.6%	93.3%	100%	100%	95.8%	93.1%	100%	100%	100%	100%	100%	100%	100%	100%	96.4%	100%	100%	100%																				
Female	100%	100%	100%	96.4%	100%	94.4%	96.4%	96.6%	93.3%	96.7%	100%	100%	100%	-	80.0%	90.5%	85.4%	93.1%	91.3%	89.7%																				
Performance Review																																								
Total number and percentage of employees receiving regular performance review	2,276	97.1%	2,343	96.8%	2,302	97.0%	2,302	97.1%	2,356	97.2%	1,732	100%	1,671	100%	1,656	99.9%	1,262	97.1%	1,227	100%	74	100%	75	100%	84	98.8%	97	100%	1,715	83.6%	1,830	84.4%	2,053	87.4%	1,807	85.5%	1,596	95.7%	5,798	93.5%
By gender																																								
Male	1,484	98.5%	1,552	98.4%	1,532	98.3%	1,537	98.2%	1,548	99.0%	1,090	100%	1,068	100%	1,040	99.9%	791	98.4%	776	100%	42	100%	47	100%	51	100%	55	100%	896	85.7%	944	86.4%	1,057	89.8%	943	88.5%	847	97.7%	3,512	95.3%
Female	792	94.5%	791	93.9%	770	94.5%	765	95.0%	808	93.8%	642	100%	603	100%	616	100%	471	95.0%	451	100%	32	100%	28	100%	33	97.1%	42	100%	819	81.4%	886	82.3%	996	84.9%	864	82.5%	749	93.6%	2,285	90.7%
By management role																																								
Management	584	100%	598	100%	572	100%	570	99.3%	551	99.5%	626	100%	564	100%	535	99.8%	426	93.0%	408	100%	33	100%	32	100%	29	100%	42	100%	435	92.6%	471	98.9%	474	97.1%	399	98.5%	332	100%	1,678	98.0%
Non-management	1,692	96.1%	1,745	95.8%	1,730	96.1%	1,732	96.4%	1,805	96.5%	1,106	100%	1,107	100%	1,121	100%	836	99.3%	819	100%	41	100%	43	100%	55	98.2%	55	100%	1,280	81.0%	1,359	80.3%	1,579	84.8%	1,408	82.4%	1,264	94.7%	4,119	91.8%
Diversity																																								
Females in management positions (as % of total management workforce)	52.9%	52.8%	53.1%	50.0%	53.1%	51.1%	52.0%	51.1%	46.8%	44.5%	36.8%	31.6%	41.2%	42.9%	45.6%	48.1%	47.0%	49.2%	45.2%	50.2%																				
Females in junior management positions (as % of total junior management workforce)	50.9%	51.4%	50.5%	51.2%	51.1%	62.1%	61.1%	62.6%	64.1%	62.0%	50.0%	53.8%	41.7%	42.9%	47.0%	46.1%	45.5%	46.6%	44.8%	53.7%																				
Females in management positions in revenue-generating functions (as % of total revenue-generating management workforce)	52.0%	50.2%	49.5%	49.4%	50.7%	57.9%	64.7%	50.0%	41.3%	49.3%	60.0%	100%	55.6%	44.4%	44.0%	45.5%	48.4%	48.9%	29.7%	51.0%																				
Females in top management positions (as % of Executive Committee members)	41.7%	38.5%	41.7%	45.5%	45.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41.7%																				
Females in STEM-related positions (as % of total STEM positions)	23.6%	-	-	-	-	34.3%	-	-	-	-	31.3%	-	-	-	40.2%	-	-	-	-	30.3%																				
Gender Pay Ratio (Female to Male)																																								
Total workforce	1:1.06	1:1.05	1:1.05	1:1.01	-	1:1.00	1:0.94	1:1.00	1:1.18	-	1:0.87	1:0.90	1:1.01	1:0.99	1:1.08	1:1.04	1:1.05	1:1.07	-	1:1.07																				
By management role																																								
Management	1:1.10	1:1.10	1:1.09	1:1.14	-	1:1.22	1:1.20	1:1.21	1:1.48	-	1:0.89	1:0.93	1:1.23	1:1.18	1:1.08	1:1.11	1:1.08	1:1.12	-	1:1.15																				
Non-management	1:1.04	1:1.03	1:1.04	1:0.97	-	1:0.88	1:0.81	1:0.89	1:1.02	-	1:0.86	1:0.87	1:0.90	1:0.85	1:1.07	1:1.02	1:1.04	1:1.05	-	1:1.04																				
Gender Remuneration Ratio (Female to Male)	1:1.15	1:1.12	-	-	-	1:1.06	1:1.00	-	-	-	1:0.89	1:0.86	-	-	1:1.13	1:1.05	-	-	-	1:1.15																				

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:

(1) Data on permanent and fixed term/temporary employment contract are reported since 2017 in accordance with the GRI Standard General Disclosure 2-7.

(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) Included Hong Kong secondees working in Singapore and Jakarta.

(6) Included Hong Kong secondees working in Singapore, Jakarta and U.S.A.

Performance Data Summary (Social)

	Hong Kong Portfolio					Chinese Mainland Portfolio					U.S.A. Portfolio				Hotels					Total	
	2021	2020	2019	2018	2017 ^(a)	2021	2020	2019	2018	2017	2021	2020	2019	2018	2021	2020	2019	2018	2017	2021	
Occupational Health and Safety																					
Number of lost time injuries (sick leave > 0 days)	27	27	47	47	38	2	10	10	3	6	0	0	1	0	33	45	54	41	39	62	
Number of reportable injuries (sick leave > 3 days)	21	23	31	34	25	1	9	9	2	5	0	0	1	0	28	27	38	32	23	50	
Number of high-consequence injuries (sick leave > 6 months)	2	2	3	7	-	0	0	1	0	-	0	0	0	-	2	1	0	2	-	4	
Thousand hours worked	5,375.5	5,414.3	5,477.5	5,434.7	5,447.8	3,185.6	3,221.1	3,248.1	2,475.5	2,485.1	154.0	168.4	153.2	185.4	4,264.9	4,340.8	4,878.6	4,309.9	3,680.1	12,980.0	
Lost time injury rate (LTIR) ⁽¹⁾	1.00	1.00	1.72	1.73	1.40	0.13	0.62	0.62	0.24	0.48	0.00	0.00	1.31	0.00	1.55	2.07	2.21	1.90	2.12	0.96*	
Rate of high-consequence injuries ⁽²⁾	0.07	0.07	0.11	0.26	-	0.00	0.00	0.06	0.00	-	0.00	0.00	0.00	-	0.09	0.05	0.00	0.09	-	0.06	
Lost days due to injuries	982.5	1,506	1,460	2,602.5	1,753	79	403.5	412	77	335	0	0	22	0	1,266	1,298	1,083	699	720	2,327.0	
Lost day rate (LDR) ⁽³⁾	36.55	55.63	53.31	95.77	64.38	4.96	25.05	25.37	6.22	26.69	0.00	0.00	28.72	0.00	59.35	59.80	44.40	32.44	39.13	35.86*	
Absentee rate ⁽⁴⁾	1.56%	2.14%	2.76%	2.49%	2.15%	1.31%	1.13%	1.17%	1.05%	0.85%	0%	0.31%	0.07%	4.51%	0.88%	0.92%	1.01%	0.09% ⁽¹⁰⁾	1.59%	1.25%	
Number of work-related ill health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Number of fatality (employee) ⁽⁵⁾	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0*	
Rate of fatalities (employee) ⁽⁶⁾	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Percentage of the organisation operating in verified compliance with an internationally recognised occupational health and safety management system (ISO 45001) ⁽⁷⁾	100%	100%	100%	100%	100%	71.5%	73.0%	73.7%	65.8%	48.0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	57.7%	

	Swire Properties				
	2021	2020	2019	2018	2017
Governance					
Convicted cases of corruption	0*	0	0	0	0
Composition of the Board of Directors					
Total number of Directors	13	12	12	11	12
By gender					
Male	9 69.2%	8 66.7%	8 66.7%	7 63.6%	8 66.7%
Female	4 30.8%	4 33.3%	4 33.3%	4 36.4%	4 33.3%
By age group					
Under 30 years old	0 0%	0 0%	0 0%	0 0%	0 0%
30 to 50 years old	3 23.1%	3 25.0%	3 25.0%	4 36.4%	4 33.3%
Over 50 years old	10 76.9%	9 75.0%	9 75.0%	7 63.6%	8 66.7%
By local or non-local					
Local	7 53.8%	8 66.7%	6 50.0%	5 45.5%	6 50.0%
Non-local	6 46.2%	4 33.3%	6 50.0%	6 54.5%	6 50.0%

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.

- 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.
- Rate of high-consequence injuries represents the number of high-consequence injuries per 100 employees per year. It is calculated as "total number of high-consequence injuries multiplied by 200,000 and then divided by total hours worked". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.
- Lost day rate ("LDR") represents the number of lost scheduled working days per 100 employees per year. It is calculated as "total days lost multiplied by 200,000 and then divided by total hours worked." The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.
- Absentee rate is calculated as number of actual days lost divided by number of scheduled work days in the reporting year. Lost days due to work-related injuries has been included in the calculation of absentee rate since 2019.
- An employee fatality is a loss of life of an employee as the result of a work-related incident.
- Rate of fatalities represents the number of fatalities per 100 employees per year. It is calculated as "total number of fatalities multiplied by 200,000 and then divided by total hours worked". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.
- Calculated based on percentage of employees.
- Included training received in the past three years.
- Included Hong Kong secondees working in Singapore, Jakarta and U.S.A.
- Excluded EAST, Miami, U.S.A. employees

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 ("SPROPS") to perform a limited assurance engagement in relation to certain sustainable development data (the "Data Points") included in its Sustainable Development ("SD") Report for the year ended 31 December 2021 (the "SD Report 2021") and selected by SPROPS.

Data Points

The Data Points are listed below:

Data Points	Scope of assurance
Energy consumption	Total*
Carbon emissions (Scopes 1 & 2) - Location-based	Total*
Carbon emissions (Scopes 1 & 2) - Market-based	Total*
Water consumption – municipal	Total*
Commercial waste	Hong Kong portfolio
Construction and demolition waste	Hong Kong portfolio
Number of fatalities (employee)	Total*
Lost time injury rate	Total*
Lost day rate	Total*
Convicted cases of corruption	Total*

* In this instance, "Total" refers to the total of the Hong Kong, Chinese Mainland and U.S.A. portfolios as well as 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 2021.

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 2021 (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 as well as applicable legal and regulatory requirements.

Responsibilities

Deloitte Touche Tohmatsu

It is our responsibility to express a limited assurance conclusion on the Data Points based on our work performed and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility or accept liability to any other person for the contents of this report.

Swire Properties Limited

The Directors of SPROPS are responsible for the preparation and presentation of the Data Points in accordance with the Reporting Criteria. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Data Points, applying an appropriate basis of preparation, making estimates that are reasonable in the circumstances and ensuring the accuracy and completeness of the Data Points.

Reporting Framework

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised), *"Assurance Engagements other than Audits or Reviews of Historical Financial Information"*, and the International Standard on Assurance Engagements 3410, *"Assurance Engagements on Greenhouse Gas Statements"* (the "Standards"), issued by the International Auditing and Assurance Standards Board.

The Standards require that we comply with ethical requirements, and plan and perform the engagement to obtain limited assurance as to whether any matters that come to our attention cause us to believe that the Data Points do not comply in any material respects with the Reporting Criteria.

Objectives

The overall objective of our procedures was to assess whether the Data Points were prepared, in all material respects, in accordance with the Reporting Criteria.

Procedures Performed

Our work comprised the following limited procedures:

- Interviews with relevant management and personnel involved in providing information relating to the Data Points for inclusion in the SD Report 2021;
- Sample testing of documentary evidence at SPROPS's corporate and site levels;
- Analytical procedures; and
- Recalculation.

We have not performed any procedures in relation to other data included in the SD Report 2021. In addition, our work performed is not for the purposes of expressing an opinion on the effectiveness of SPROPS's internal controls.

The procedures performed in a limited assurance engagement vary in nature and timing from those associated with, 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

February 21, 2022

Global Reporting Initiative Content Index

Statement of use	Swire Properties has reported in accordance with the GRI Standards for the period from 1st January 2021 to 31st December 2021.
GRI used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

GRI Standard	Disclosure	References and Remarks
The organization and its reporting practices		
2-1	Organizational details	Cover Page Profile of Swire Properties Limited Places Annual Report 2021 – Company Profile
2-2	Entities included in the organization's sustainability reporting	GRI and HKEX ESG Reporting Annual Report 2021
2-3	Reporting period, frequency and contact point	About this Report GRI and HKEX ESG Reporting Table of Contents
2-4	Restatements of information	Performance Data Summary
2-5	External assurance	GRI and HKEX ESG Reporting Assurance Report
Activities and workers		
2-6	Activities, value chain and other business relationships	Profile of Swire Properties Limited Places Partners GRI & HKEX ESG Reporting Annual Report 2021 – Company Profile Annual Report 2021 – Management Discussion & Analysis – Review of Operations – Portfolio Overview Corporate website – About Us Corporate website – Partners Corporate website – Supplier Code of Conduct There were no significant changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.
2-7	Employees	People Performance Data Summary
2-8	Workers who are not employees	People Performance Data Summary

GRI Standard	Disclosure	References and Remarks
Governance		
2-9	Governance structure and composition	SD Governance People Performance (Economic) Annual Report 2021 – Corporate Governance
2-10	Nomination and selection of the highest governance body	Annual Report 2021 – Corporate Governance – Appointment and Re-election
2-11	Chair of the highest governance body	SD Governance Performance (Economic) Annual Report 2021 – Corporate Governance – The Board of Directors
2-12	Role of the highest governance body in overseeing the management of impacts	SD Governance Performance (Economic) Annual Report 2021 – Corporate Governance
2-13	Delegation of responsibility for managing impacts	SD Governance Performance (Economic) Annual Report 2021 – Corporate Governance – Delegation by the Board
2-14	Role of the highest governance body in sustainability reporting	SD Governance
2-15	Conflicts of interest	Performance (Economic) Annual Report 2021 – Corporate Governance – Conflicts of Interest
2-16	Communication of critical concerns	SD Governance Performance (Economic) Annual Report 2021 – Corporate Governance – Conflicts of Interest
2-17	Collective knowledge of the highest governance body	SD Governance Annual Report 2021 – Corporate Governance Annual Report 2021 – Corporate Governance – Board Processes and Continuous Professional Development
2-18	Evaluation of the performance of the highest governance body	Annual Report 2021 – Corporate Governance
2-19	Remuneration policies	Performance (Economic) Annual Report 2021 – Corporate Governance – Remuneration Committee
2-20	Process to determine remuneration	Annual Report 2021 – Notes to the Financial Statements – Note 9 Directors' and Executive Officers' Emoluments Corporate website – Corporate Governance – Terms of Reference
2-21	Annual total compensation ratio	People Annual Report 2021 - Notes to the Financial Statement – Note 9 Directors' and Executive Officers' Emoluments

GRI Standard	Disclosure	References and Remarks
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Chief Executive's Message SD 2030 Strategy
2-23	Policy commitments	SD Governance Performance (Economic) Annual Report 2021 – Risk Management Swire Pacific Human Rights Policy Corporate website – Corporate Code of Conduct Corporate website – Sustainable Development Policy Corporate website – Respect in the Workplace Policy Corporate website – Staff Grievance Policy
2-24	Embedding policy commitments	SD Governance Performance (Economics) Performance Data Summary Corporate website – Sustainable Development – Policies
2-25	Processes to remediate negative impacts	Materiality Corporate website – Whistleblowing Policy
2-26	Mechanisms for seeking advice and raising concerns	Materiality Performance (Economic) Corporate website – Whistleblowing Policy Corporate website – Staff Grievance Policy Corporate website – Corporate Code of Conduct
2-27	Compliance with laws and regulations	In 2021, we were not subject to significant fines or nonmonetary sanctions for non-compliance with such laws or regulations.
2-28	Membership associations	External Charters and Memberships
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Materiality
2-30	Collective bargaining agreements	There are no formal collective bargaining agreements in place within our Company. In Chinese Mainland, 72% of our employees are represented by trade unions. In Hong Kong, all of our employees have the right and freedom to form and join trade unions.

GRI 3: Material Topics 2021

GRI Standard	Disclosure	References and Remarks
3-1	Process to determine material topics	Materiality GRI and HKEX ESG Reporting
3-2	List of material topics	

Material Topics (Economic) & Management Approach

GRI Standard	Disclosure	References and Remarks
GRI 201: Economic Performance 2016		
3-3	The management approach and its components	Performance (Economic) Annual Report 2021 – Key Business Strategies Annual Report 2021 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
201-1	Direct economic value generated and distributed	Performance (Economic) Annual Report 2021 – Management Discussion & Analysis – Review of Operations – Portfolio Overview Annual Report 2021 – 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		
3-3	The management approach and its components	Places Annual Report 2021 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
203-1	Infrastructure investments and services supported	Places
203-2	Significant indirect economic impacts	Places Annual Report 2021 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
GRI 205: Anti-corruption 2016		
3-3	The management approach and its components	Performance (Economic) Corporate website – Corporate Code of Conduct
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
GRI 206: Anti-competitive Behavior 2016		
3-3	The management approach and its components	Performance (Economic) Corporate website – Corporate Code of Conduct Corporate website – Whistleblowing Policy
206	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Performance (Economic)

Material Topics (Environmental) & Management Approach

GRI Standard	Disclosure	References and Remarks
GRI 301: Materials 2016		
3-3	The management approach and its components	Partners Performance (Environment) Corporate website – Environmental Policy Swire Group website – Swire Pacific Sustainable Procurement Policy
301-1	Materials used by weight or volume	Partners Performance (Environment) Performance Data Summary
GRI 302: Energy 2016		
3-3	The management approach and its components	Performance (Environment) Corporate website – Energy Policy
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		
3-3	The management approach and its components	Performance (Environment) Corporate website – Water Policy
303-1	Interactions with water as a shared resource	Performance (Environment) Performance Data Summary
303-2	Management of water discharge-related impacts	Performance (Environment) Performance Data Summary
303-3	Water withdrawal	Performance Data Summary 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 Standard	Disclosure	References and Remarks
GRI 304: Biodiversity 2016		
3-3	The management approach and its components	Partners Performance (Environment) Corporate website – Biodiversity Policy
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Partners Performance (Environment)
304-2	Significant impacts of activities, products and services on biodiversity	Partners Performance (Environment)
GRI 305: Emissions 2016		
3-3	The management approach and its components	Performance (Environment) Climate-related Financial Disclosures Performance Data Summary Corporate website – Climate Change Policy
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)
G4-CRE3	GHG emissions intensity from buildings	Climate-related Financial Disclosures Performance Data Summary
305-5	Reduction of GHG emissions	Performance (Environment) Performance Data Summary
GRI 306: Waste 2020		
3-3	The management approach and its components	Performance (Environment) Corporate website – Resource and Circularity Policy
306-1	Waste generation and significant waste-related impacts	Performance (Environment)
306-2	Management of significant waste-related impacts	Performance (Environment) Corporate website – Resource and Circularity Policy
306-3	Waste generated	Performance (Environment) Performance Data Summary
306-4	Waste diverted from disposal	Performance (Environment) Performance Data Summary
306-5	Waste directed to disposal	Performance (Environment) Performance Data Summary
GRI 308: Supplier Environmental Assessment 2016		
3-3	The management approach and its components	Partners Corporate website – Partners Corporate website – Supplier Code of Conduct Swire Group website – Swire Pacific Sustainable Procurement Policy
308-1	New suppliers that were screened using environmental criteria	Partners

Material Topics (Social) & Management Approach

GRI Standard	Disclosure	References and Remarks
GRI 401: Employment 2016		
3-3	The management approach and its components	People Corporate website – People Corporate website – Working with us Corporate website – Diversity and Inclusion Policy
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		
3-3	The management approach and its components	People Partners Corporate website – Health & Safety Policy
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 Partners
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 Partners
403-8	Workers covered by an occupational health and safety management system	People Performance Data Summary
G4-CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised occupational health and safety management system (ISO 45001 or OHSAS 18001)	
403-9	Work-related injuries	People Performance Data Summary
403-10	Work-related ill health	Performance Data Summary

GRI Standard	Disclosure	References and Remarks
GRI 404: Training and Education 2016		
3-3	The management approach and its components	People
404-1	Average hours of training per year per employee	People Performance Data Summary
404-2	Programs for upgrading employee skills and transition assistance programs	People
404-3	Percentage of employees receiving regular performance and career development reviews	Performance Data Summary
GRI 405: Diversity and Equal Opportunity 2016		
3-3	The management approach and its components	People Corporate website – Diversity and Inclusion Policy Corporate website – Board Diversity Policy Corporate website – Corporate Code of Conduct
405-1	Diversity of governance bodies and employees	People Performance Data Summary Annual Report 2021 – Corporate Governance & Sustainability – Directors and Officers Corporate website – Directors and Officers
405-2	Ratio of basic salary and remuneration of women to men	People Performance Data Summary
GRI 406: Non-discrimination 2016		
3-3	The management approach and its components	People Performance (Economic) Corporate website – Corporate Code of Conduct Corporate website – Diversity and Inclusion Policy Corporate website – Respect in the Workplace Policy Corporate website – Whistleblowing Policy
406	Incidents of discrimination and corrective actions taken	Performance (Economic)
GRI 413: Local Communities 2016		
3-3	The management approach and its components	Places People
413-1	Operations with local community engagement, impact assessments, and development programmes	Places People

GRI Standard	Disclosure	References and Remarks
GRI 414: Supplier Social Assessment 2016		
3-3	The management approach and its components	Partners Corporate website – Partners Corporate website – Supplier Code of Conduct
414-1	New suppliers that were screened using social criteria	Partners
GRI 416: Customer Health and Safety 2016		
3-3	The management approach and its components	Performance (Environment)
416-1	Assessment of the health and safety impacts of product and service categories	Performance (Environment)
GRI 417: Marketing and Labelling 2016		
3-3	The management approach and its components	Performance (Environment)
417-1	Requirements for product and service information and labelling	Performance (Environment) This disclosure has been made with respect to certification for our buildings under relevant environmental building assessment schemes.
G4-CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	Performance (Environment) Awards and Certifications
GRI 418: Customer Privacy 2016		
3-3	The management approach and its components	Partners Performance (Economic) Corporate website – Corporate Code of Conduct Corporate website – Privacy Policy Corporate website – Whistleblowing Policy
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Partners Performance (Economic)

HKEX ESG Reporting Guide Content Index

Mandatory Disclosure Requirements	References and Remarks
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 Corporate website – Climate Change Policy Corporate website – Resource and Circularity Policy Corporate website – Water Policy In 2021, 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) - Profile of Environmental Impacts 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.
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.

Aspects, General Disclosure, KPIs	Description	References and Remarks
Aspect A1	Emissions	
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	2025 & 2030 Targets Performance (Environment) - Profile of Environmental Impacts Performance (Environment) – Climate Change Performance (Environment) – Energy
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	2025 & 2030 Targets Performance (Environment) – Resource and Circularity
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 Corporate website – Environmental Policy Corporate website – Energy Policy Corporate website – Resource and Circularity Policy Corporate website – Water Policy Swire group website – Swire Pacific Sustainable Procurement Policy
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) – Profile of Environmental Impacts Performance Data Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Performance (Environment) – Profile of Environmental Impacts Performance Data Summary
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	2025 & 2030 Targets Performance (Environment) – Energy
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	2025 & 2030 Targets Performance (Environment) – Profile of Environmental Impacts Performance (Environment) – Water In 2021, we did not encounter any problems in sourcing water for daily operations.
KPI A2.5	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced	In 2021, the total amount of packaging material used by Swire Properties, mainly by Swire Restaurants for food packaging is 18 tonnes.

Aspects, General Disclosure, KPIs

Description

References and Remarks

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 Corporate website – Environmental Policy Corporate website – Climate Change Policy Corporate website – Energy Policy Corporate website – Resource and Circularity Policy Corporate website – Water Policy Corporate website – Supplier Code of Conduct
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	2025 & 2030 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 Change Performance (Environment) – Energy Climate-related Financial Disclosures Corporate website – Climate Change Policy Corporate website – Energy Policy
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	2025 & 2030 Targets Performance (Environment) – Climate Change Climate-related Financial Disclosures

Aspects, General Disclosure, KPIs	Description	References and Remarks
B. Social		
Employment and Labour Practices		
Aspect B1		
Employment		
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 compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	People Corporate website – People Corporate website – Corporate Code of Conduct Corporate website – Diversity and Inclusion Policy Corporate website – Board Diversity Policy Corporate website – Parental Leave Policy and Guidelines Corporate website – Respect in the Workplace Policy Corporate website – Staff Grievance Policy In 2021, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	People - Employment Profile 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	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	People - Occupational Health and Safety Corporate website – Health & Safety Policy In 2021, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	People - Occupational Health and Safety Performance Data Summary
KPI B2.2	Lost days due to work injury	People - Occupational Health and Safety Performance Data Summary
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	People - Occupational Health and Safety

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 - Talent Management
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 - Talent Management 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 - Suppliers Corporate website – Corporate Code of Conduct Corporate website – Supplier Code of Conduct In 2021, 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 - Suppliers Corporate website – Corporate Code of Conduct Corporate website – Supplier Code of Conduct Corporate website – Staff Grievance Policy Corporate website – Whistleblowing Policy
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Partners - Suppliers Corporate website – Corporate Code of Conduct Corporate website – Supplier Code of Conduct Corporate website – Staff Grievance Policy Corporate website – Whistleblowing Policy In 2021, 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 – Suppliers Corporate website – Partners Corporate website – Supplier Code of Conduct
KPI B5.1	Number of suppliers by geographical region	Partners – Suppliers
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Partners – Suppliers Corporate website – Partners Corporate website – Supplier Code of Conduct Corporate website – Whistleblowing Policy
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 – Suppliers Corporate website – Partners Corporate website – Supplier Code of Conduct
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Partners – Suppliers
Aspect B6		
Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Partners Performance (Environment) Performance (Economic) Corporate website – Corporate Code of Conduct Corporate website – Privacy Policy Corporate website – Whistleblowing Policy In 2021, there were no confirmed incidents of material non-compliance with such laws or regulations, which have a significant impact on Swire Properties. We are in the course of updating our policies for compliance with the new Personal Information Protection Law (PIPL) in the Chinese Mainland which came into effect in November 2021 and the related applicable measures and regulations issued subsequent to the promulgation of the PIPL.

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 2021, 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 2021, 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
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, and how they are implemented and monitored	Partners – Customers Performance (Economic) – Corporate Governance Corporate website – Corporate Code of Conduct Corporate website – Privacy Policy Corporate website – Whistleblowing Policy
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 Governance Corporate website – Corporate Code of Conduct Corporate website – Whistleblowing Policy In 2021, 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) – Corporate Governance Performance Data Summary In 2021, 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, and how they are implemented and monitored	Performance (Economic) Corporate website – Corporate Code of Conduct Corporate website – Whistleblowing Policy
KPI B7.3	Description of anti-corruption training provided to directors and staff	Performance (Economic) – Corporate Governance

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 – Volunteering Corporate website – Community Ambassador Programme Corporate website – Community Caring Fund Corporate website – Community Programmes
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Places People – Volunteering
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Places People – Volunteering