



# Thriving together



SUSTAINABLE DEVELOPMENT REPORT **2021**



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## INTRODUCTION

# Overview

Swire Pacific Limited (Swire Pacific or the Group) is a Hong Kong-based international conglomerate with a diversified portfolio of market leading businesses. This report covers its subsidiaries in five divisions (Property, Beverages, Aviation, Trading & Industrial and Marine Services). Operating companies which it does not control are excluded. Its business activities are predominantly in Greater China, where it has been established for over 150 years.

Sustainable development has always been a core principle for the Group. We invest in sustainable development because it is the right thing to do, and because it supports the creation of long-term shareholder value through innovation and improved efficiency.

We have published sustainability reports since 2007. This report deals with our approach and performance in the five areas of our sustainable development strategy, SwireTHRIVE (Climate, Waste, Water, People and Communities) and with secondary environmental, social and governance (ESG) topics that have been identified as material.

This report was published in May 2022. It is additional to the Sustainable Development Review in the Swire Pacific Annual Report 2021. Key performance data has been independently assured by Deloitte.

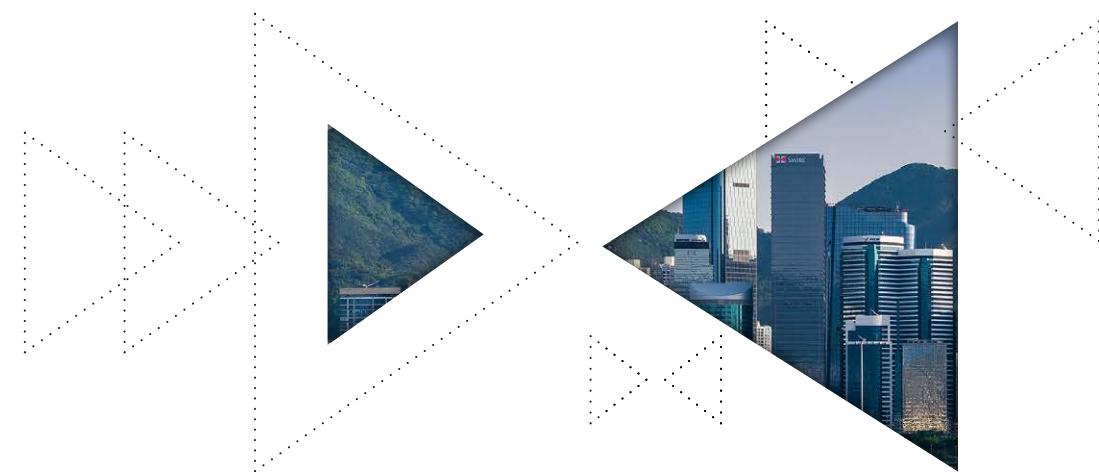
## Explore more

[More about SwireTHRIVE](#)

[Other ESG disclosures](#)

[About this report](#)

[How we identify material topics](#)



## INTRODUCTION

# Chairman's statement

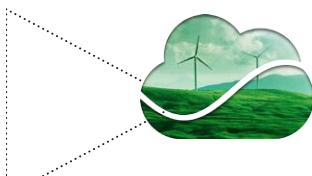


Guy Bradley

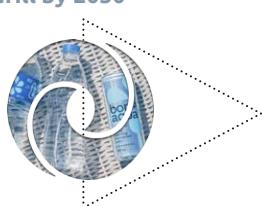
For over 150 years, Swire has been committed to delivering value and growth in its core markets by taking the right decisions for the long term. It is why our business has stood the test of time. Today, this approach is more relevant than ever. The operating environment is becoming increasingly complex and volatile, as businesses are increasingly expected to look beyond simply generating returns to solving global challenges like climate change and inequality.

With the launch of SwireTHRIVE 2.0 last year, we have set ambitious goals that challenge our businesses to eliminate their environmental footprint, enhance safety on their sites, and empower their people and communities to thrive. With full support from our executive leadership and the Board, we have committed to achieving:

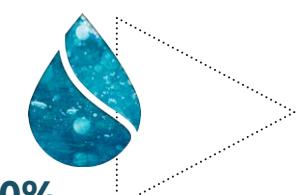
- 50% reduction in scope 1 and 2 emissions by 2030, and Net Zero by 2050
- 65% waste diverted from landfill by 2030, and Zero Waste to Landfill by 2050
- 30% reduction in water withdrawal from a 2018 frozen efficiency baseline by 2030, and Water Neutrality by 2050
- 30% women in senior management roles by 2024



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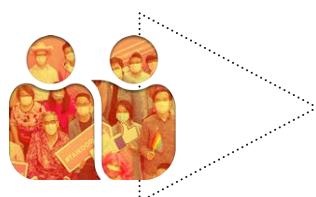


**65%**  
waste diverted from landfill  
by 2030, and **Zero Waste to  
Landfill by 2050**



**30%**  
reduction in water withdrawal  
from a 2018 frozen efficiency  
baseline by 2030, and **Water  
Neutrality by 2050**

**30%**  
women in senior  
management roles by 2024



These objectives will drive the investments we make today, and help shape our business so it is fit for the future. We will track and regularly disclose our progress through annual sustainable development reports, so that our stakeholders can hold us to account.

In 2021, the Group adopted an enhanced risk governance model, which includes an additional layer of oversight and assurance to the Board that sustainability-related risks are being managed appropriately.

Climate change is one of the top risks identified in our corporate risk register. Our businesses are taking steps to decarbonise by setting science based targets, investing in improved efficiency, and shifting to renewable energy. In 2021, we also made substantial investment in assessing and quantifying the financial implications of climate change on our physical assets and operations. With support from the Group's sustainable development fund, our companies are testing some of the most innovative cleantech solutions to identify opportunities to unlock radical decarbonisation.

We continue to invest in our people and the communities in which we operate. In 2021, the Swire Trust disbursed HK\$63 million, with over HK\$9 million going to projects supporting COVID-19 relief efforts in Hong Kong. This in addition to the HK\$60 million contributed by our operating companies.

The next few years will be critical. As Chairman, I will continue to do everything possible to ensure that we achieve our targets and to support the long-term sustainable growth of Swire Pacific.

## INTRODUCTION

# From our Department Heads



**Dr. Mark Watson**  
Group Head of Sustainability

There has never been such focus or importance placed on corporate sustainability and it is incumbent on us, given our belief in the power of business as a force for good, to create positive change to the benefit of our people, customers, investors and the wider communities which we serve.

SwireTHRIVE 2.0 represents the culmination of many years of trust and belief invested in our sustainability teams by senior leaders and the efforts of those involved in making it happen on the ground. With our commitment to Net Zero by 2050, we are now clearly on the path to decarbonisation. Going forward, our efforts will be heavily focused on areas that offer the greatest opportunities

to achieving that goal. To this end, we will produce our first decarbonisation roadmap in 2022. In 2021, we reduced our operational emissions by 18% compared with 2018 levels by improving efficiency and purchasing more renewable electricity.

I am incredibly proud of what we as a team, both at our headquarters and operating companies, have achieved over the past year in such challenging circumstances and as sustainability issues become more pressing and complex. Delivering SwireTHRIVE will require bold decision making, investment, drawing on our experience and expertise and working with others. Our success will be judged by actions, not words.



**Olivia Wong**  
Group Head of Diversity and Inclusion

The business case for diversity and inclusion (D&I) is stronger than ever as COVID-19 continues to pose significant challenges to our colleagues and partners. We are proud of our continued efforts to cultivate an inclusive working environment for all. This year, we rolled out our Parental Leave Policy, which recognises and supports all parents regardless of gender, sexual orientation and family unit background. Swire Pacific was one of 14 corporations in Hong Kong to receive an Equal Opportunity Employer Gold Award from the Equal Opportunities Commission (EOC) for our stance on gender, diverse abilities, family status and race. The award reinforces our commitment to D&I in the workplace, highlights Swire's market

leadership, and shows how we are using our influence to make a positive impact in the Hong Kong community.

As we move into the third year of our five-year plan, we will leverage staff data to develop our diverse talent pipeline, review our policies and progress, and strengthen collaboration between employee resource groups to enhance engagement while educating and raising awareness of D&I. Building a diverse and inclusive workplace is a collective effort that requires participation from everyone. Through SwireTHRIVE, we strive to engage every Swire employee to be an ambassador for inclusion and to celebrate diversity.

## Overview

## Chairman's statement

## From our Dept. Heads



**Tom Cohen**  
**Head of Group Risk Management**

Health and safety is a top priority for us as we strive towards our aspirational goal of achieving zero harm. This objective underpins our approach to safety management.

The challenges of dealing with COVID-19 have been significant. Our commitment to protecting the health of our stakeholders has remained steadfast, so we have adapted by introducing effective mitigations during these extraordinary times. We have worked hard to keep the company and all with whom we do business safe and healthy. These efforts have strengthened our business resilience and resulted in an increased focus on staff wellbeing.

Our refreshed approach to risk governance has seen the launch of a new risk forum which oversees both human resources and health and safety. Its focus is to identify emerging risk issues and opportunities in these two interrelated areas.

We recognise the importance of ensuring contractor safety. This is reflected in enhanced monitoring and reporting on contractor safety programmes as we continue to adopt a more holistic and integrated approach to our safety strategy.

As we look forward, we are committed to continuously improving safety training throughout the company as we believe this is a fundamental component to building a sustainable safety culture.



**Tina Chan**  
**Group Head of Philanthropy**

2021 was an exciting year when we fully rolled out the TrustTomorrow initiative in celebration of Swire's 150th anniversary in Hong Kong. The additional HK\$150 million injected to the Swire Trust has enabled us to partner with 30 more NGOs and change makers in over 50 projects supporting our core areas of education, marine conservation, and the arts. Our help goes beyond monetary support. We facilitate strategic collaboration opportunities between our NGO partners, their beneficiaries, our different operating companies and our people. Positive change can only be long-lasting when everyone takes part, and when each individual is empowered to contribute and give back to their own communities.

Reflecting the vision of a collective strategy in SwireTHRIVE, we launched TrustTomorrow activities to create more opportunities to connect our people across the Group with the meaningful programmes and community partners we support. On top of the contributions of volunteer teams at our individual businesses, we organised a total of 58 group level activities, contributing an additional 2,385 hours. In the year ahead, we look forward to creating more synergy by connecting stakeholders from within and outside of our group.

## OUR BUSINESS

# About Swire Pacific

Swire Pacific is a Hong Kong-based international conglomerate with a diversified portfolio of market leading businesses. The Company has a long history in Greater China where the name Swire or 太古 has been established for over 150 years.

Our aims are to deliver sustainable growth in shareholder value, achieved through sound returns on equity over the long term, and to return value to shareholders through sustainable growth in ordinary dividends.

Swire Pacific is listed on the Stock Exchange of Hong Kong (HKSE: 00019/00087). Operating with three core divisions (Property, Beverages and Aviation), Swire Pacific undertakes a wide range of commercial activities. It is the largest shareholder in two other listed companies in Hong Kong: Swire Properties Limited (Swire Properties, HKSE: 1972) and Cathay Pacific Airways Limited (Cathay Pacific, HKSE: 293).

## Property

**Swire Properties** is a leading developer, owner and operator of mixed-use, principally commercial, properties in Hong Kong and the Chinese Mainland (Beijing, Chengdu, Guangzhou and Shanghai), and the US (Miami).



## Beverages

**Swire Coca-Cola** has the exclusive right to manufacture and distribute products of The Coca-Cola Company (TCCC) in 11 provinces and the Shanghai municipality in the Chinese Mainland and in Hong Kong, Taiwan and an extensive area of the western US. It is the fifth largest bottler for TCCC by sales volume.

## Aviation

The Aviation Division comprises the wholly-owned Hong Kong Aircraft Engineering Company (HAECO) group and an associate interest in the Cathay Pacific group<sup>1</sup>.

**Hong Kong Aircraft Engineering Company (HAECO)** is a leading provider of international aircraft maintenance and repair services, operating from bases in Hong Kong, the Chinese Mainland and the US.

**Cathay Pacific**, with its subsidiaries HK Express and Air Hong Kong, had 234 aircraft at the end of 2021. Before the onset of COVID-19, the airlines directly connected Hong Kong to 119 destinations

worldwide. It has an 18.13% interest in Air China and interests in companies providing flight catering, laundry, and passenger and ramp handling services, and owns and operates a cargo terminal at Hong Kong International Airport.

## Trading & Industrial

**Swire Resources** retails and distributes footwear, apparel and related accessories in Hong Kong, Macau and the Chinese Mainland. It operated 170 retail outlets at the end of 2021.

**Taikoo Motors** sells passenger cars, commercial vehicles, motorcycles and scooters, almost all of them in Taiwan.

**Qinyuan Bakery** is a leading bakery chain in southwest China, with 538 stores at the end of 2021.

**Taikoo Sugar** packages and sells sugar in Hong Kong and the Chinese Mainland.

**Swire Waste Management Limited** has waste management contracts in Hong Kong.

<sup>1</sup>Swire Pacific holds less than half (45%) of the voting rights of Cathay Pacific. It is accounted for as an associated company and therefore excluded from this report (except under scope 3 emissions). Cathay Pacific produces its own standalone sustainable development report which is available on its corporate website.

## Marine Services (Discontinued operations)

The Marine Services Division comprised investments in Swire Pacific Offshore and Hongkong United Dockyards (HUD) group.

**Swire Pacific Offshore** owned and operated a fleet of vessels supporting the offshore energy industry in every major offshore production and exploration region outside the US.

With the disposal of its interest in Swire Pacific Offshore in April 2022 and the sale of its 50% interest in the HUD group in September 2021, the Group will no longer operate any marine services business.

Swire Pacific is one of Hong Kong's largest and oldest employers, where we have over 30,000 employees. In the Chinese Mainland, we also have over 34,000 employees. Globally, we employ over 80,000 people<sup>2</sup>.

For further information about our group structure and financial performance, please refer to the Swire Pacific Annual Report 2021.

### Further reading

[Swire Pacific Factsheet](#) 

[Swire Pacific Annual Report 2021](#) 

## Swire Pacific Group overview 2021

	Property	Beverages	Aviation	Trading & Industrial	Marine Services
Total revenue <sup>3</sup> (HK\$M)	<b>15,848</b>	<b>53,925</b>	<b>11,464</b>	<b>9,553</b>	<b>1,601</b>
Recurring profit/ (loss) (HK\$M)	<b>5,824</b>	<b>2,549</b>	<b>(1,852)</b>	<b>88</b>	<b>(176)</b>
Tax paid (HK\$M)	<b>1,635</b>	<b>735</b>	<b>42</b>	<b>43</b>	<b>14</b>
Total employees <sup>4</sup>	<b>6,202</b>	<b>32,382</b>	<b>12,235</b>	<b>6,799</b>	<b>1,242</b>
Total scope 1 & 2 GHG emissions (thousand tonnes CO <sub>2</sub> e)	<b>199</b>	<b>343</b>	<b>62<sup>5</sup></b>	<b>29</b>	<b>51</b>
Total water withdrawal <sup>6</sup> (thousand cbm)	<b>1,776</b>	<b>15,619</b>	<b>398</b>	<b>311</b>	<b>39</b>
Total waste generated (tonnes)	<b>45,164</b>	<b>35,074</b>	<b>6,584</b>	<b>1,162</b>	<b>1,243</b>

<sup>2</sup>Includes associate companies not covered by this sustainable development report (e.g. Cathay Pacific and Hong Kong Aero Engine Services Limited (HAESL)).

<sup>3</sup>Revenue figures exclude the revenues of associate companies (e.g. Cathay Pacific and Hongkong United Dockyards).

<sup>4</sup>Total employees are those at 31st December 2021 and include staff of all employment types (permanent full time staff, permanent part time staff and, in the Chinese Mainland, fixed contract staff, fixed term and temporary contract staff). On the same date, there were 48 employees directly employed by Swire Pacific (head office). Employee figures exclude Cathay Pacific group and HAESL.

<sup>5</sup>Following a review of our reporting boundary in 2021, emissions from the Cathay Pacific group have been reclassified under the Group's scope 3 emissions and emissions from HAESL have been excluded.

<sup>6</sup>Total water withdrawal refers to the sum of water drawn from municipal water and groundwater. Virtually all water withdrawal by the Swire Pacific Group is from municipal water supplies provided by local water supply authorities.

## OUR BUSINESS

# Our approach to sustainable development

Sustainable development is a strategic objective for Swire Pacific. Using natural resources responsibly, minimising waste and pollution, and investing in our people and communities are fundamental to our ability to create long-term value for shareholders.

To promote sustainability in our businesses and management practices, we have a sustainable development strategy (SwireTHRIVE) and environmental, social and governance (ESG) policies.

## SwireTHRIVE

A group level strategy facilitates best practice sharing and consistent implementation of sustainability. It also allows us to better communicate the impact we are having as a group. SwireTHRIVE addresses five areas and is supported by policies and targets. All operating companies are expected to make progress in the five areas.



## ESG policies

Our Sustainable Development Policy aims to ensure our companies act in a manner consistent with the 1987 Brundtland Commission's definition of sustainable development: meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Our ESG policies go beyond the five SwireTHRIVE areas, covering, for example, human rights, biodiversity and sustainable procurement.

Policies are reviewed regularly. In 2021, we updated our sustainable development and climate change policies to reflect our updated strategy and net zero commitment.

All policies related to sustainable development can be downloaded from our corporate website.

## Transparent and reliable data

As a conglomerate, we acquire and dispose of businesses. This makes it difficult to track sustainability performance and set targets. To address this, we have a reporting methodology which deals with the scope, boundaries and calculations of the relevant data. Our data collection protocols for carbon, waste and water include variance checks and procedures for dealing with abnormal data.

### Further reading

Sustainable development policies

## Sustainable development fund

Our sustainable development fund offers financial support to operating companies for projects which can provide long-term environmental benefits but cannot be justified by reference to our cost of capital targets. Up to HK\$100 million is available annually to support projects that reduce the carbon, water and waste footprints of our operating companies, in line with our targets.

Since 2019, the fund has supported trials of innovative cleantech solutions. Operating companies invite cleantech companies to pitch solutions to sustainability problems. Successful applicants receive funding to pilot the solution. If the pilots are successful, they can be scaled up for wider use in the Group. The fund allows us to test new technologies quickly and at relatively low cost, to determine the solutions most suited to our operations and quantify their actual environmental benefits before implementation at scale. In 2021, the fund allocated approximately HK\$8 million to projects at four operating companies.

### Explore more

- Climate
- Waste
- Water
- People
- Communities



## Sustainable finance

Linking ESG performance metrics to our financing mechanisms demonstrates that we are serious about being a sustainable business. In 2020, Swire Pacific converted a five-year revolving credit facility of HK\$2 billion into its first sustainability-linked loan. The interest payable is reducible by reference to indicators of our ESG performance. There are targets for energy consumption, water usage, and diversity and inclusion. We must also remain in the Dow Jones Sustainability Asia Pacific Index. In June 2021, we converted two more revolving credit facilities totalling HK\$2.2 billion into sustainability-linked loans. Sustainable finance represented 18% of total financing across the Group at the end of 2021.

Swire Properties targets for at least 80% of its bond and loan facilities to come from green financing by 2030. Around 30% of its current financing is from green bonds, green loans and sustainability-linked loans. Funds are used for green building developments and the adoption of technologies that will save energy and water and reduce waste. New Life Plastics Limited, a joint venture to which Swire Coca-Cola is a party, has obtained a sustainability-linked loan.

## Governance of sustainable development

Our Board, led by its Chairman, is ultimately accountable for sustainability matters. The Board is kept informed of sustainability risks and performance by the Group Risk Management Committee (GRMC), which reports to the Board

via the Audit Committee. The Board monitors performance through detailed monthly reports on health and safety, and quarterly reports on other ESG matters. It also reviews internal and external audit reports and feedback from external stakeholders. The Group Head of Sustainability briefs the Board and Division Heads twice a year on sustainability matters.

Responsibility for achieving sustainability objectives and implementing SwireTHRIVE and our ESG policies on a day-to-day basis is delegated to division management, with oversight from specialist Group departments. The Sustainable Development Office (SDO), the Group Risk Management and Diversity & Inclusion departments and the Group Head of Philanthropy are jointly responsible for SwireTHRIVE. Each operating company has adopted an appropriate organisational structure to manage its most material sustainability issues and to monitor and report on its performance.

Group departments convene committees and working groups comprising subject matter experts from our operating companies to exchange information on best practices, with a view to developing specific policy recommendations, improving efficiency, tracking progress against targets and managing risks. Formal committees relevant to SwireTHRIVE include the Swire Group Environment Committee (SGEC) and the Health and Safety Committee (both of which are overseen by the GRMC) and the Diversity & Inclusion Steering Committee (which reports directly to the Chairman).

The SDO, led by the Group Head of Sustainability, advises senior management of key developments and emerging risks related to sustainable development, and is responsible for setting group environmental policies and targets, monitoring the implementation of SwireTHRIVE and our ESG policies, and internal and external reporting on ESG matters. The SDO reports to an Executive Director of Swire Pacific.

The SDO coordinates the SGEC and five working groups responsible for defining our climate, waste, water and sustainable supply chain approaches and our response to the Task Force on Climate-related Financial Disclosures (TCFD).

In 2021, Swire Pacific formally adopted the three lines of defence risk governance model, which resulted in the establishment of four new risk forums to support the GRMC and a separate Swire Pacific Risk Management Committee, which identifies risks that have a Group dimension (see Risk management).

The management of risks and the implementation of ESG policies are subject to scrutiny by our internal audit department, with support from specialist external consultants where necessary.

### Explore more

Risk management 

Governance 

## Policy review process

We regularly review our policies relating to sustainability. Where we identify policy gaps, we create new policies to guide the Group's approach. In 2021, we updated our Sustainable Development Policy and Climate Change Policy to ensure they are aligned with our updated strategy and net zero commitment.

Policies are developed at the working group level, before review by the SGEC and the GRMC, and approval by senior management.

## Indices and rankings

Swire Pacific responds to ESG questionnaires from investors, rating agencies and sustainable stock indices. This enables us to assess our ESG performance having regard to the concerns of sustainability focused investors and to identify emerging sustainability risks and opportunities.

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

### Dow Jones Sustainability Index

In 2021, Swire Pacific was included in the DJSI Asia Pacific Index. Swire Pacific has been included in DJSI indices since 2001.

 Hang Seng Corporate Sustainability Index Series Member 2021-2022

### Hang Seng Corporate Sustainability Index Series

In 2021, Swire Pacific received an AA rating from the Hang Seng Corporate Sustainability Index. Swire Pacific is included in the Hang Seng Corporate Sustainability Benchmark and Hang Seng ESG 50 indices.

 2021 MSCI ESG Leaders Indexes Constituent

### MSCI Constituent MSCI Global SRI Indexes

In 2021, Swire Pacific received an AAA rating from MSCI ESG Research, making us one of the top performers in our sector.

 CDP  
DISCLOSURE INSIGHT ACTION

### CDP

In 2021, Swire Pacific received a score of B for CDP Climate Change and a score of A- for CDP Water Security.

 Sustainability Yearbook  
Member 2022

 S&P Global

### S&P Global Sustainability Yearbook

Swire Pacific was included in the S&P Global Sustainability Yearbook 2022, which recognises top performers in corporate sustainability based on assessments of over 7,500 companies across 61 sectors. Companies must be within the top 15% of their industry to be included.



### Bloomberg Gender-Equality Index

Swire Pacific was included in the 2022 Bloomberg Gender-Equality Index. This is the first year we participated. We were the only Hong Kong-headquartered company to be included.

## OUR BUSINESS

# Risk management

Effective risk management is key to ensuring the long-term viability of the Group. It is embedded within all our operating companies. It is essential that every Swire Pacific employee works together to address the risks to which our Group is exposed.

The Board and the management of each division are responsible for identifying, analysing and managing the risks to us associated with achieving our business objectives, including those relating to sustainability.

Two key management committees monitor the risks affecting the Group, the Group Risk Management Committee (GRMC) and the Finance Committee.

In 2021, the Group's risk governance structure was reviewed and a three lines of defence model was adopted.

The first line of defence manages risk and comprises executive management committees at Group and operating company level, as well as functional committees.

The second line of defence consists of the GRMC, supported by four new risk forums that provide specialist oversight and support to operating companies in implementing the enterprise risk management process, advise the GRMC on emerging risks, analyse risk events that have materialised and develop best practices for managing risks.

In addition, a new Swire Pacific Risk Management Committee (SPACRMC) has been established to oversee risks specific to Swire Pacific itself. It identifies risks that have a Group dimension and proposes approaches to the management of such risks to the GRMC.

The third line of defence is the internal audit function.

## About the GRMC

The GRMC provides oversight on all the risks to which the Group is exposed, except for those expressly covered by the Finance Committee. It includes divisional chief executives, is chaired by the Finance Director and reports to the Board via the Audit Committee.

### The GRMC:

- Reviews divisional risk registers which set out current and emerging risks, including ESG risks
- Sets group risk management policies and strategies
- Oversees functional committees and working groups

The members of the functional committees and working groups are specialists in their respective areas. Each committee is chaired by an individual with relevant experience. Part of the role of the functional committees and working groups is to identify risks and opportunities which fall within their respective areas and to draw up policy recommendations for GRMC review and approval.

The policies approved by the GRMC apply to all companies in which Swire Pacific has a controlling interest. The boards of these operating companies are required to adopt these policies and to establish procedures to ensure compliance. Joint venture and associated companies are encouraged to adopt Group policies.

## Enterprise risk management

We use an enterprise risk management (ERM) process to identify, assess, monitor and manage risks. The ERM process is aimed at ensuring robust and effective risk management by the Group and at fostering a risk aware culture. The implementation and execution of the ERM process follows our Enterprise Risk Management Policy. Each division and major operating company is required to implement the ERM process.

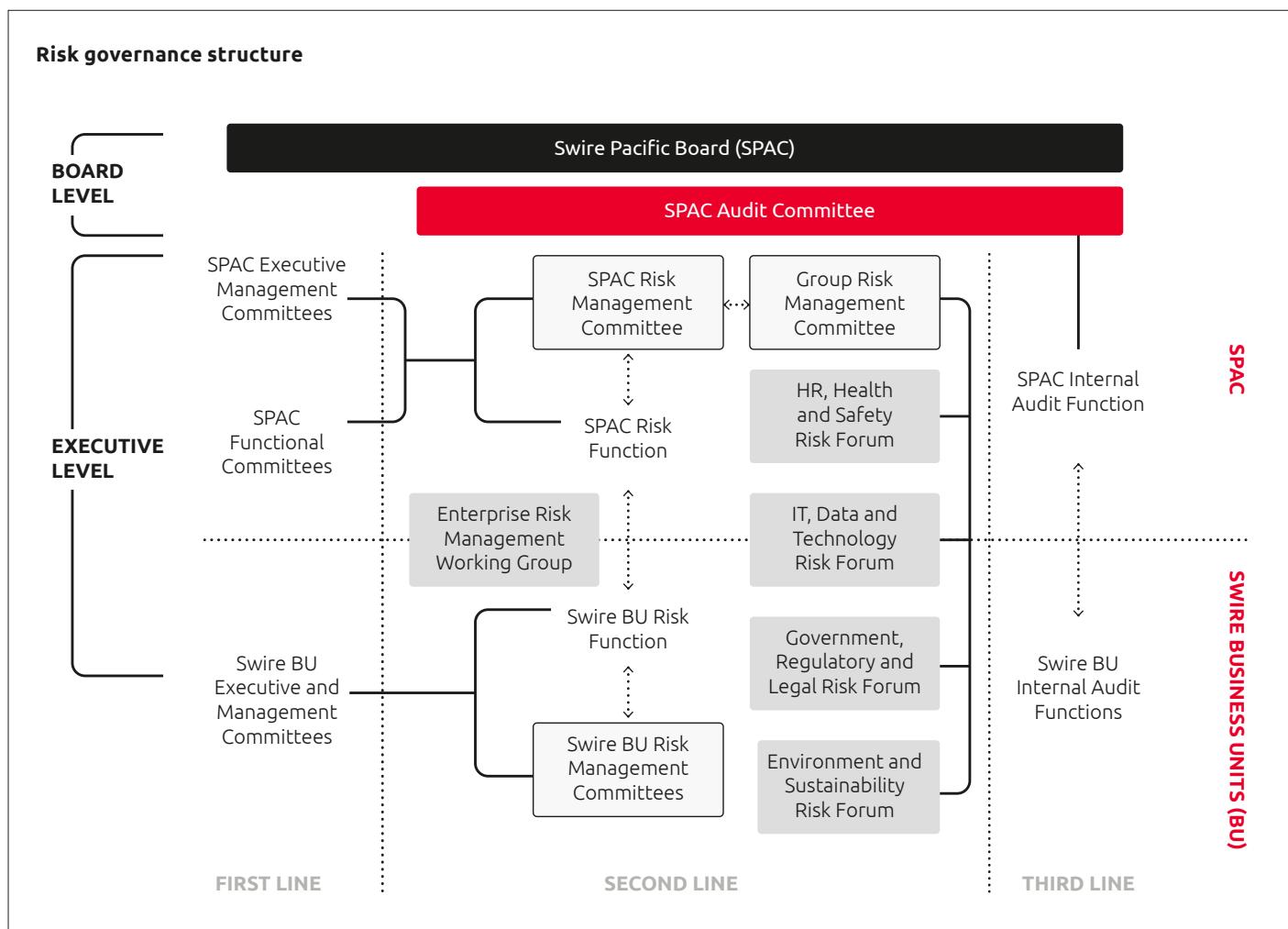
As part of this policy, operating companies must regularly submit corporate risk registers and changes in risk profiles to Swire Pacific. To ensure consistency of approach, these registers are prepared using a standard methodology and format and standard risk ranking criteria.

In 2021, our key risk management focus areas included: evolution of Hong Kong, regulatory changes, political – international tensions, climate change, crisis management, protection and use of data, portfolio discipline, people and culture. More details of our ERM process and our risk mitigation measures can be found in our Annual Report.

### Further reading

[Swire Pacific Annual Report 2021 – Risk Management](#)

[Group ERM process](#)



## Cybersecurity

Swire Pacific has, and monitors compliance with, a cybersecurity and information security policy, and conducts regular cybersecurity maturity assessments based on the recognised US National Institute of Standards and Technology (NIST) Cybersecurity Framework. Several major operating companies also reference the ISO 27001 standard.

We have dedicated governance related to cybersecurity, including a GRMC risk forum to oversee IT, data and technology risks and to recommend best practice. Regular cybersecurity reports are provided to the IT Committee, GRMC and to the Audit Committee. Our IT Committee oversees the cybersecurity programmes of our operating companies. A working group

of cybersecurity professionals, which reports to the committee, meets regularly to promote the sharing of cybersecurity studies and best practices, and to enhance cybersecurity awareness across the Group.

In 2021, we appointed a Chief Information Security Officer. We are building a dedicated team at group level to provide leadership, best practices, research and support to our operating companies. The central team is developing a Group cybersecurity strategy, managing cybersecurity programmes and projects, and establishing Group cybersecurity lines of service. These lines of service include threat and vulnerability management, a managed security operation centre, endpoint detection and response, and web application firewalls among others.



## OUR BUSINESS

# Task force on climate-related financial disclosures

Swire Pacific supports the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and started producing annual disclosures that consider these recommendations in 2018.

The following statement, structured in line with the recommended disclosures of the TCFD, details the risks and opportunities presented by climate change, their implications for our businesses and actions we are taking to respond.

- The Swire Pacific Risk Management Committee (SPACRMC) and four risk forums, including the Environment and Sustainability Risk Forum, were introduced to strengthen oversight of risks, including climate change-related risks (see Risk management).
- The GRMC, SPACRMC and the new risk forums form the second line of defence, providing oversight and assurance to the Board and the Audit Committee that risks are being managed effectively.
- The third line of defence is the Group Internal Audit function.

## Further reading

[The Task Force on Climate-related Financial Disclosures](#)

## Governance



## Describe the organisation's governance around climate-related risks and opportunities.

- The Swire Pacific (SPAC) Board, led by an Executive Chairman, has ultimate accountability for climate change-related strategies and the decarbonisation performance of all subsidiaries under Swire Pacific.
- The Board is kept informed of climate risks by the GRMC, which reports to the Board via the Audit Committee.
- In 2021, Swire Pacific initiated a three lines of defence risk governance structure. The first line of defence includes the Swire Group Environment Committee (SGEC) and five subject specific working groups, including the Climate and TCFD working groups. They comprise representatives from our divisions and are responsible for identifying and managing specific areas of risk, proposing policies and reporting performance to the GRMC.

## FIRST LINE

Swire Group Environmental Committee

SwireTHRIVE Working Groups

- Formulate and review climate strategy
- Approve targets and initiatives
- Executive authority over and accountability for the management of climate risk

## SECOND LINE

Group Risk Management Committee (GRMC)

Swire Pacific Risk Management Committee (SPACRMC)

Environment and Sustainability Risk Forum

- Plan and implement climate change mitigation and adaptation policies and measures
- Facilitate the integration of climate-related issues into daily operations
- Oversee the management of risks relating to climate change and to the sustainability of the businesses, products and services of the Company and its business units
- Review any significant climate change risks and opportunities
- Provide objective support, feedback and ultimately assurance to the Group via the GRMC, that all climate risks have been identified and are being managed

## THIRD LINE

Group Internal Audit Department

- Provide a second opinion as to whether the internal controls, mitigations and crisis response measures are effective

## Overview

## Our approach

## Risk management

## TCFD

- We use an enterprise risk management (ERM) system. We have corporate risk registers, in which climate change is included as a key risk.
- To provide additional oversight and direction, the Group Head of Sustainability reports periodically to the Board and leadership team on sustainability matters.
- Both the Board and leadership team have sufficient knowledge of climate-related issues and the impacts of such issues on the company's business and operations. In January 2021 and January 2022, the Board received training on climate change and climate-related risks.
- In 2021, we conducted a "double materiality" review to gather feedback from internal and external stakeholders through qualitative interviews and focus groups. The topics of energy efficiency, decarbonisation, climate adaptation and resilience, as well as water and waste management were identified as material issues for our business continuity and development. These issues align with the environmental priorities under SwireTHRIVE.

### **Describe management's role in assessing and managing climate-related risks and opportunities.**

- The Chairman, Finance Director and divisional chief executives meet twice a year to consider sustainability matters. These meetings provide direction and oversight to the SGEC, which comprises divisional sustainability heads and is chaired by an Executive Director of Swire Pacific. The SGEC meets three times a year. It has the following responsibilities related to climate change:
  - Oversee and implement SwireTHRIVE (including on climate) and sustainability policies
  - Report on Group sustainability activities and performance to the GRMC (including emissions and energy use) and on compliance with sustainability policies
  - Review and report on legislative, regulatory and other sustainability developments

- Our Climate Change Policy guides our approach to climate change mitigation, adaptation and resilience
- Climate change and the management of waste and water resources are priorities under the SwireTHRIVE strategy

### **Strategy**



### **Describe the climate related risks and opportunities the organisation has identified over the short, medium, and long term.**

- Climate change carries risks for our business. Flooding, extreme weather events and increasing temperatures can adversely affect our assets, operations, employees and suppliers. There are also regulatory, market and reputational risks.
- Climate change appears on our risk registers at both Group and operating company levels and is discussed in our 2021 annual and sustainability reports.
- Climate change stimulates business innovation and facilitates the transition to a lower carbon economy. By developing low-carbon and climate-resilient buildings, products, and services, we can meet increasing market demand and mitigate the potential operational costs from extreme weather conditions, such as maintenance and insurance premiums. We have sustainability-linked loans and are committed to integrating sustainability considerations into our future financing mechanisms.

### **Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.**

- We conducted an analysis of physical risks for over 850 of our highest value (by insured value) immovable assets and projected Modelled Average Annual Loss (MAAL) of the different physical climate risks associated with the four Representative Concentration Pathways (RCP 2.6, 4.5, 6 and 8.5) used by the Intergovernmental Panel on Climate Change (IPCC). These pathways broadly represent comprehensive climate scenarios related to three projected global average temperature increases: 1.5°C, 2°C and 3°C.

### **Explore more**

- Risk management →
- Assessing materiality →
- Waste →
- Water →

### **Further reading**

- Swire Pacific Annual Report 2021 ↗
- Climate Change Policy ↗



- For Swire Pacific, MAAL is calculated using the insured value of each asset. It is the sum of climate-related expenses (cost to repair or upgrade facilities), decreased revenue from business

interruption, and is represented as the percentage (or amount) of loss relative to total asset value, as shown in the table below.

## Physical risks

Risk category	Risk	Financial implications	MAAL 2030 (US\$ million)	MAAL 2030 (%)	MAAL 2050 (%)
Acute	• Coastal flooding	• More spending to improve the adaptive capacity of our assets and to mitigate adverse effects	195.3 – 204.1	0.60 – 0.62	1.82 – 2.48
	• Fluvial flooding		31.0 – 45.4	0.09 – 0.14	0.14 – 0.25
	• Drought		25.3 – 29.2	0.08 – 0.09	0.10 – 0.15
	• Wildfire		15.1 – 17.8	0.05 – 0.06	0.08 – 0.10
	• Water stress		6.4 – 22.6	0.02 – 0.08	0.02 – 0.07
	• Tropical cyclones		0.2 – 0.6	0.0006 – 0.003	0.0006 – 0.002
Chronic	• Extreme temperatures and heat stress	• Lower productivity due to extreme heat • More spending on cooling	94.0 – 103.9	0.29 – 0.32	0.40 – 0.56

## Transition risks

Risk category	Risk	Financial implications
Policy and regulations	• Carbon pricing for shipping and construction	• Carbon taxes and more spending on offsets
	• More ambitious national decarbonisation plans	• More spending to improve energy efficiency • Lower operating costs because of higher energy efficiency
	• Tighter building energy codes	• More spending on compliance
Technology and innovation	• More use of green and low-carbon technology	• More spending on technology • Lower operating costs because of higher energy efficiency
	• More use of renewable energy	• More spending on renewable energy systems • Sales of renewable energy to power companies
Reputational damage	• Increased reputation and litigation risks	• Less revenue due to changes in what consumers want • Litigation costs
Markets	• Increase in insurance premiums	• Higher insurance costs



## Investments

Due to the high levels of associated emissions in our aviation investments, we have included a summary of their potential climate-related risks.

- We are working on a methodology to quantify the financial implications of climate change to our mobile assets, such as aircraft.
- See the 2021 sustainability reports of Swire Properties, Cathay Pacific and Swire Coca-Cola for details of their climate risk assessments

**Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.**

- We are assessing the implications of different long-term climate scenarios. Our Sustainable Development Office and risk functions are working together to assess the robustness of our climate strategy and the uncertainties associated with its execution.

Risk category	Risk	Financial implications
<b>Physical risks</b>		
Acute	<ul style="list-style-type: none"> <li>• Coastal flooding</li> <li>• Tropical cyclones</li> </ul>	<ul style="list-style-type: none"> <li>• Flight delays and diversions due to flooding at airports, customer compensation and physical damage to aircraft and other assets</li> <li>• Flight delays and diversions, customer compensation and physical damage to aircraft and other assets (e.g. hangars at airports)</li> </ul>
Chronic	<ul style="list-style-type: none"> <li>• Extreme temperatures and heat stress</li> </ul>	<ul style="list-style-type: none"> <li>• Lower productivity due to extreme heat</li> <li>• Restrictions on working outside</li> </ul>
<b>Transition risks</b>		
Policy and regulations	<ul style="list-style-type: none"> <li>• Carbon pricing for aviation</li> </ul>	<ul style="list-style-type: none"> <li>• Carbon taxes and more spending on offsets</li> </ul>
Reputational damage	<ul style="list-style-type: none"> <li>• Vilification of aviation – flight shaming</li> </ul>	<ul style="list-style-type: none"> <li>• Less demand for and therefore revenue from air travel</li> </ul>
Markets	<ul style="list-style-type: none"> <li>• Changes in demand for products and services</li> </ul>	<ul style="list-style-type: none"> <li>• Less demand for and therefore revenue from air travel, particularly from executives doing more video conferencing</li> </ul>

# Risk Management



## Describe the organisation's processes for identifying and assessing climate-related risks.

- We are assessing how vulnerable our businesses are to flood, heat stress, water stress and extreme weather events.
- We are using the Climanomics tool developed by The Climate Service (TCS) to assess the climate risks to our businesses and the resulting financial implications
  - We have assessed the physical climate-related risks to and opportunities for over 850 of the Group's most valuable assets (by insured value), under four climate change scenarios (RCP 2.6, 4.5, 6 and 8.5). This data has allowed us to accurately evaluate the exposure of specific assets and operations in selected timeframes, from the intermediate (2030) to the long-term (2050).
  - We have considered the impact of carbon pricing transition risks based on the carbon pricing models included in IPCC Shared Socioeconomic Pathways SSP3-60 and SSP3-45.
  - In 2022, via the Climate and TCFD working groups we are working with a consultancy to incorporate the results from the Climanomics assessment into a broader climate scenario analysis. A summary of the results of this exercise will be made available in future sustainability reports.
- The findings will be incorporated into the Group's ERM system.

## Describe the organisation's processes for managing climate-related risks.

- Our Climate Change Policy deals with decarbonising our businesses and managing and adapting to climate risk.

- Through the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, we manage our operational risks related to climate change, carbon and energy management. For example, our Property Division manages its daily operational risks related to climate change, carbon and energy management. As of 31st December 2021, approximately 86% of its properties (measured by GFA) in Hong Kong and the Chinese Mainland are certified to the ISO 14001 and ISO 50001 management systems.
- We have set ambitious 2030 decarbonisation targets (see metrics and targets section below). Our goal is to achieve net zero carbon emissions by 2050.
- Our sustainable development fund (SD Fund) makes available up to HK\$100 million per year for sustainable development projects. The money is available for investments in sustainability technologies and solutions that would not otherwise meet our financial targets. In 2021, we funded trials of new technologies intended to help our operating companies meet their carbon, water and waste targets.
- Our business continuity plans cover extreme weather events. We have a Business Recovery Plan in place to ensure that we maintain critical crisis planning and execution capabilities in the event of major incidents, including extreme weather events. Swire Properties has local crisis response plans for all its buildings.
- To reduce embodied carbon from its development projects and construction activities, our Property Division has established performance-based targets on embodied carbon for concrete, rebar and structural steel for future projects in Hong Kong. They have also specified that low-carbon materials should be adopted in their 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.

- Swire Properties is a leader in developing certified green buildings that are energy-efficient and low-carbon by design and in operation. In 2021, 100% of its new projects under development achieved the highest green building rating, 96% of its existing buildings were certified green buildings, and over 98% of its 2021 gross rental income came from certified green buildings.
- Since 2011, we have worked with Tsinghua University's Joint Research Centre for Building Efficiency and Sustainability, to develop and test methods to increase energy efficiency and improve environmental performance in our businesses. 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.
- Swire Properties integrates sustainability criteria into the risk assessment process for new acquisitions, including climate adaptation and resilience, flood risk assessment, energy efficiency and carbon emissions.
- Swire Coca-Cola uses independent third parties to assess water risk for its bottling plants, so as to form source vulnerability assessments. The findings are integrated into source water protection plans and are regularly reviewed.
- We support the efforts of the Hong Kong Business Environment Council to promote awareness of climate change in the business community.

## Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.

- Climate-related risks are identified and managed as part of our ERM system. Climate change has been identified as one of our top risks in our risk register.

## Metrics and Targets



**Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.**

- We measure:

Metric	Unit of Measure	2019	2020	2021
Carbon emissions (Scope 1 and 2) – market-based method	tonnes of CO <sub>2</sub> e	-	763,000	662,000
Total electricity used by the Group	million kWh	1,409	861	833
Total renewable electricity generated on our sites	million kWh	16.2	20.7	20.5
Total renewable electricity procured	million kWh	0	11.5	31.4
Proportion of Group financing from sustainable finance	%	-	14.6	18.1
Proportion of existing buildings which are certified green buildings <sup>^</sup>	%	97	97	96
Proportion of projects under development which are certified green buildings <sup>^</sup>	%	100	100	100

<sup>^</sup>Includes portfolios under Swire Properties only

- The methodology used to calculate the above KPIs can be found in our Reporting Methodology
- The metrics used by our operating companies can be found in their own sustainability reports

**Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.**

- We measure and report our energy consumption and the Scope 1, 2 and some Scope 3 carbon emissions from our operations in accordance with the listing rules of The Stock Exchange of Hong Kong Limited and in line with the GHG Protocol

**Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.**

- Our goal is to achieve net zero carbon emissions by 2050.
- Our group target is to reduce our Scope 1 and 2 emissions by 50% by 2030, compared with a 2018 baseline.

- Swire Coca-Cola's science-based targets (approved by SBTi in 2020) are:
  - By 2030, reduce carbon emissions by 70% in its core operations (Scope 1 and 2) from a 2018 baseline
  - By 2030, reduce carbon emissions by 30% from its value chain (Scope 1, 2 and 3) from a 2018 baseline
- Swire Properties and Swire Coca-Cola have signed up to Business Ambition for 1.5°C
- We encourage the use of renewable energy. Our Beverages Division have committed by 2026 to have transitioned to electricity derived from 100% renewable energy for core operations. Renewable electricity accounted for 6% of the Group's total electricity usage in 2021.
- Cathay Pacific (our investment in the aviation sector) has set emission reduction targets for 2030 and has the goal of achieving net zero carbon emissions by 2050. It targets for sustainable aviation fuel (SAF) to constitute 10% of its total fuel consumption by 2030.

### Explore more

Climate

### Further reading

Reporting methodology

Our operating companies' targets are science-based targets or are set by reference to Nationally Determined Contributions (NDCs) or, in the case of our aviation and shipping businesses, international industry commitments

- Swire Properties was the first real estate developer in Hong Kong and the Chinese Mainland to set science-based targets. The targets are these:
  - Reduce absolute Scope 1 and 2 GHG emissions by 46% by 2030 (compared to a 2019 baseline)
  - Reduce Scope 3 GHG emissions from downstream leased assets by 28% per sqm by 2030 (compared to a 2018 baseline)
  - Reduce Scope 3 GHG emissions from capital goods by 25% per sqm by 2030 (compared to a 2016-2018 baseline)

## SWIRETHRIVE

# Overview

We believe that when the world in which we operate thrives, so do we.

Swire has a longstanding commitment to sustainable development. We aim to create long term value for our shareholders. We recognise that our success in doing so is dependent on our people, the communities in which we operate and the natural environment.

A group level sustainable development strategy provides a framework that facilitates collaboration among our operating companies with a view to achieving common goals. It helps us to communicate more clearly what we stand for and what we do.

In 2020, we undertook a comprehensive internal review of our strategy, involving multiple departments and senior management. SwireTHRIVE was relaunched with five priority areas where, as a group, we aim to mitigate operational risk and build long term resilience for our businesses by improving standards and efficiency and by innovation. They are:

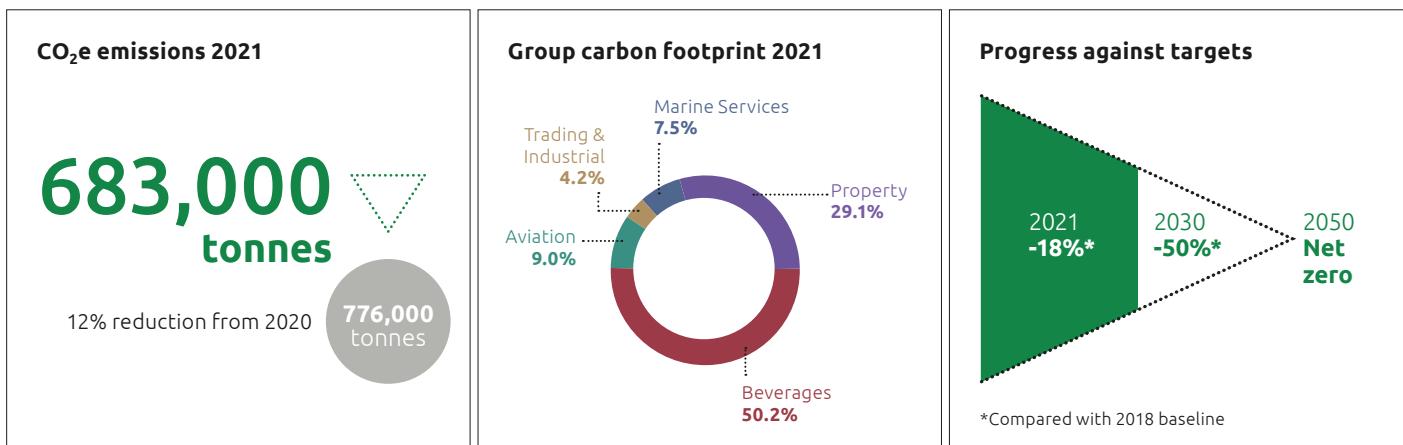
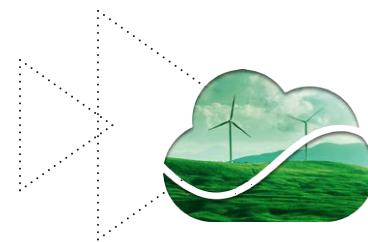
- **Climate** – Decarbonise our business and build climate resilience
- **Waste** – Turn today's waste into tomorrow's resource
- **Water** – Use and manage water responsibly
- **People** – Foster a corporate culture that is accessible, inclusive and safe
- **Communities** – Position our community initiative as part of our core business value





## SWIRETHRIVE – CLIMATE

# Decarbonise our business and build climate resilience



Climate change is one of the biggest challenges facing the world today. The science is clear: unless global emissions reach 'net zero' by 2050, the devastating heatwaves, storms and floods we have seen in recent months will only get worse. Achieving net zero requires unprecedented levels of decarbonisation across all sectors, starting immediately. Pledges made by global governments and financial institutions at the 2021 UN climate summit (COP26) send a clear message to business that the transition to a low-carbon economy is accelerating, and that legislation, access to capital and new markets will favour those taking action to address climate change. Everyone must play their part to limit global temperature rise to 1.5°C, in line with the Paris Agreement.

Decarbonising our operations is a strategic imperative. But global warming is already shifting weather patterns, threatening water and food supply and affecting human health. To remain resilient, our businesses and the communities in which we operate must be prepared to withstand or respond to these changes.

Our Climate Change Policy outlines what we will do to reduce our emissions and adapt to climate change. It was updated in 2021 to reflect our net zero goal.

## Reducing GHG emissions

Our ambition is to achieve net zero emissions by 2050. This will not be easy. We operate and invest in the carbon intensive aviation and shipping sectors, which are difficult to decarbonise without breakthroughs in alternative fuel technology.

Our interim target is to halve our scope 1 and 2 emissions by 2030, compared with a 2018 baseline. Each of our businesses has individual targets aligned with science-based targets, nationally determined contributions, or international industry commitments. **Swire Properties** and **Swire Coca-Cola** have set science-based targets aligned with the 1.5°C pathway and approved by Science Based Targets Initiative (SBTi). Both companies have signed up to Business Ambition for 1.5°C.

To reduce emissions, we are:



Improving energy efficiency



Using more renewable energy



Choosing low-carbon and energy efficient products and materials



Encouraging our suppliers and customers to decarbonise

### Further reading

Climate Change Policy



Carbon removal and verified carbon offsets will form part of our strategy, particularly in aviation and shipping where low-carbon solutions are not yet available at scale. But our priority is to reduce our absolute GHG emissions as much as we can first.

## Group performance: Scope 1 and 2 emissions

The Group generated 683 thousand tonnes of GHG emissions in 2021, a 12% decrease from 2020.

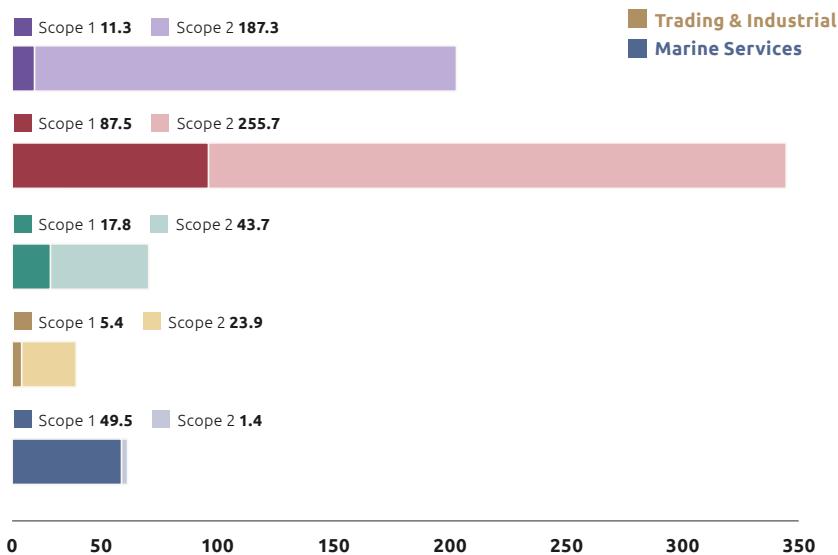
The Beverages and Property divisions accounted for almost 80% of the Group's emissions in 2021. Despite using more energy overall, Swire Coca-Cola and Swire Properties reduced their absolute GHG emissions by 4% and 8% respectively. Increased procurement of renewable electricity in the Chinese Mainland contributed to this improvement.

The emissions of the Aviation and Marine Services divisions decreased by 10% and 52% respectively compared with 2020. This was in part due to COVID-19 related reductions in business activity, reduced fleet size, as well as the divestment of HUD in September 2021 and the 2020 listing of Cadeler A/S (formerly Swire Blue Ocean), which is no longer included in our 2021 performance data. For full details of the scope of our data, please see our Reporting methodology.

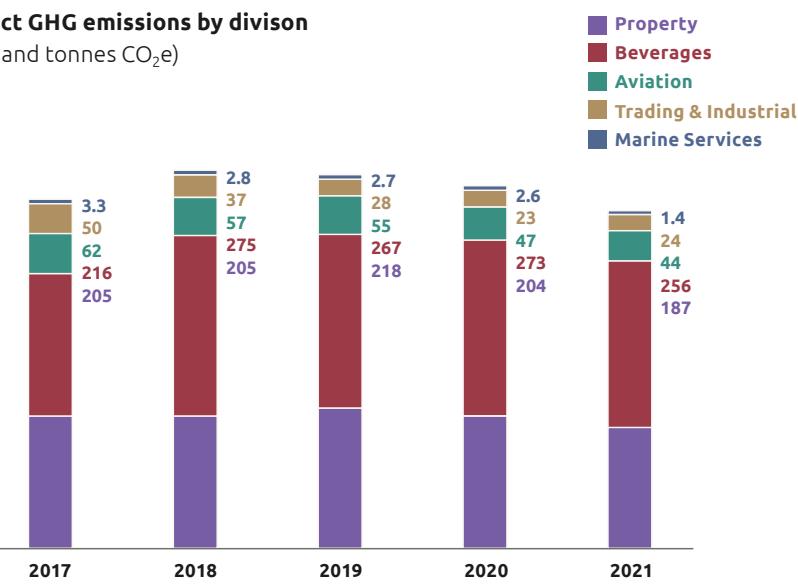
Emissions from the Trading & Industrial Division increased by 4%. Hotter weather led to increased demand for cooling at Taikoo Motors and Taikoo Sugar opened its new Kwai Chung plant in Hong Kong in 2021.

Electricity consumption is our largest source of GHG emissions. We used almost 900 million kilowatt-hours of electricity in 2021 and generated 512 thousand tonnes of indirect (scope 2) emissions, a decrease of 7% from 2020.

### Total GHG emissions (Scope 1 and 2) by division 2021 (thousand tonnes CO<sub>2</sub>e)



### Indirect GHG emissions by division (thousand tonnes CO<sub>2</sub>e)



#### Further reading

[Reporting methodology](#)

The Group generated **683 thousand tonnes of GHG emissions** in 2021, a 12% decrease from 2020



## 2030 target

By 2030, we aim to reduce our scope 1 and 2 emissions by 50%, compared with 2018 levels. In 2021, we achieved a 18% reduction compared to our baseline. We have adjusted the baseline and performance figures shown to reflect the divestment of HUD group and other businesses between 2018 and 2021.

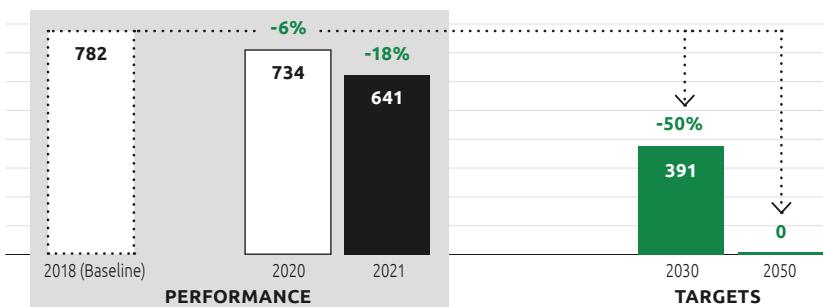
In 2021, **Swire Properties** optimised heating, ventilating and air conditioning systems, installed high-efficiency chillers and variable speed drives for water pumps, modernised lifts and escalators, and replaced lighting with LEDs. Approximately 86% of its assets (by gross floor area) in Hong Kong and the Chinese Mainland are certified to the ISO 14001 and ISO 50001

standards for environmental and energy management.

Swire Properties is rolling out a cloud-based smart energy management platform across all its properties in Hong Kong and the Chinese Mainland. Developed with Schneider Electric, the platform uses the Internet of Things, big data analysis, artificial intelligence and cloud computing to generate energy saving insights and optimise energy consumption. At the end of 2021, the platform had been implemented at six of its commercial properties. The system at Cityplaza generated over 200,000kWh in energy savings between June and September 2021.

### Progress towards 2030 target

Absolute scope 1 and 2 (thousand tonnes CO<sub>2</sub>e)



## Energy efficiency

As the cost of electricity rises, making our buildings and operations more energy efficient is a priority.

### Designing efficient buildings

Our Sustainable Building Design Policy requires new and substantially renovated buildings to obtain the highest or, as a minimum, the second highest international or local building environmental certification.

At the end of 2021, 96% of **Swire Properties'** existing buildings have been certified as green buildings under HK BEAM, BEAM Plus, LEED, WELL, China Three Star or Green Mark independent rating systems. 100% of its projects under development have achieved the highest ratings. **Swire Coca-Cola** has five LEED certified bottling plants in the Chinese Mainland and the US.

### Energy saving measures

Across the Group, we continued to upgrade our lighting, cooling, boiler and refrigeration systems to more energy efficient models.



### CASE STUDY

#### Trialling cutting edge technology solutions

With support from the Swire Pacific Sustainable Development Fund, Swire Properties is developing trials of two cutting edge technology solutions that could achieve significant energy savings. They include:

- Designing and testing integrated direct current (DC) microgrid infrastructure, which reduces electricity conversion loss between

systems and supports PV panels and low-carbon fuel cells; and

- Piloting a sub-micron heat transfer fluid technology, which uses aluminium oxide nanoparticles to increase chiller efficiency.

Should these trials prove successful, the technology will be adopted at scale.

**Swire Coca-Cola** partnered with Tsinghua University to install a more energy effective refrigeration system at its Jinqiao Shanghai plant that is expected to save 2.6 million kWh of electricity per year. Combined with other upgrades to cooling, compressors refrigeration and wastewater treatment systems at its Hefei, Jiangsu and Huizhou plants, the initiatives are expected to generate more than HK\$2 million in annual cost savings. A separate study of three plants in the Chinese Mainland identified opportunities to reduce electricity and steam demand by an average of 16% and 20% respectively.

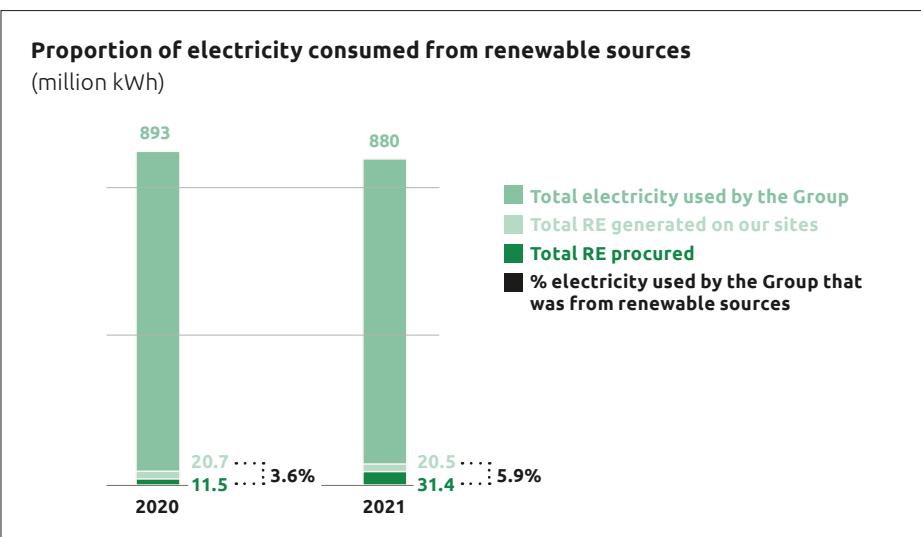


Electricity saved through more **efficient refrigeration** at Swire Coca-Cola Jinqiao Shanghai plant

## Renewable energy

Shifting our energy mix to renewable sources is a crucial part of our decarbonisation strategy. We encourage our businesses to explore opportunities to generate and purchase more renewable electricity. Swire Properties and Swire Coca-Cola have set renewable energy targets.

More than 20 million kWh of electricity was generated from renewable sources at Swire Properties, Swire Coca-Cola and HAECO Xiamen in 2021. **Swire Coca-Cola** completed the installation of a new solar PV system at its plant in Wenzhou, Chinese Mainland, which is expected to generate 2 million kWh of electricity per



year. In Colorado Springs, US, it installed a PV system with 900 kW solar capacity, which covers more than 100% of the energy needed to power the building. EIGHT STAR STREET is **Swire Properties'** first residential project to adopt solar panels, which will produce 2,110kWh of electricity annually, and in early 2022, it completed installation of a 65kW PV system at its Dorset House commercial building in Hong Kong.

Our major subsidiaries are taking advantage of changing regulation in the Chinese Mainland to purchase more renewable electricity. Swire Properties now procures 100% renewable electricity for Taikoo Hui, Sino-Ocean Taikoo Li Chengdu and The Temple House, increasing its mix of renewable electricity in the Chinese Mainland to about 47%. Swire Coca-Cola's plants in Yunnan, Hubei and Shanghai Jinqiao are powered by 100% renewable electricity. It is developing a comprehensive roadmap to increase renewable energy use across its operations in the Chinese Mainland.

## Low-carbon and energy efficient products and materials

Since 2020, **Swire Properties** has 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 or ground granulated blast furnace slag, rebar and structural steel with recycled content. It is the first real estate developer in Hong Kong to contractually require low-carbon building materials for new projects and is exploring extending this practice to its developments in the Chinese Mainland.

All new **Swire Coca-Cola Hong Kong** trucks can use B7 biodiesel and comply with Euro VI emission standards. In 2021, **Swire Coca-Cola** replaced existing biomass boilers at its Huizhou and Guangxi plants with ones that run on natural gas, which produces fewer emissions.



## Overview

## Climate

## Waste

## Water

## People

## Communities

Material value chain emissions	Swire Pacific's interest At 31 Dec 2021	100% Total emissions (thousand tonnes CO <sub>2</sub> e)		Attributed to Swire Pacific (thousand tonnes CO <sub>2</sub> e)		
		2021	2020	2021	2020	% change
Cathay Pacific Group	45%	6,060	7,589	2,727	3,415	-20%

## Scope 3 emissions

The majority of our GHG emissions occur outside our direct operations. We do not control these assets and activities, but through our decisions and relationships we can work to reduce material scope 3 emissions. Swire Pacific has a significant interest in **Cathay Pacific**, and accounts for a proportion of its GHG emissions under our scope 3. This proportion is equivalent to the Group's ordinary shareholding interest in the company.

Cathay Pacific has committed to achieving net zero carbon emissions by 2050, and for sustainable aviation fuel (SAF) to constitute 10% of its total fuel consumption by 2030. Its carbon reduction strategy includes modernising its fleet to improve fuel efficiency, improving operational efficiency, and providing Gold Standard accredited offsets through its Fly Greener programme. See Cathay Pacific's Sustainable Development Report for details.

Representatives from Cathay Pacific are active members of our SwireTHRIVE working groups and committees, and benefit from the collective experience, expertise and best practice sharing between our companies. We also support carbon and waste reduction projects at Cathay Pacific through our sustainable development fund.

We plan to conduct a mapping exercise to identify other material sources of emissions in our investments and in the value chains of our businesses and will disclose more in future reports.

## Decarbonising our value chain

Tenant electricity consumption accounts for 50 to 60% of **Swire Properties'** total building energy consumption. Swire Properties helps tenants to reduce their electricity use by offering free energy

audits. Since 2008, free energy audits have covered 5.8 million square metres of commercial space, identifying potential annual energy savings of 9.1 million kWh. The 100% renewable electricity procured for Taikoo Hui in Guangzhou and Sino-Ocean Taikoo Li Chengdu, improvements in tenants' energy-use intensity and COVID-19-related remote working arrangements for some tenants also contributed to the reduction observed in 2021.

Embodied carbon in capital goods is another major source of emissions for Swire Properties. It uses software tools to incorporate low-carbon considerations at the project design stage, sets procurement specifications for carbon intensive key materials, and works with contractors to source these materials and optimise energy management on its construction sites.

Emissions from packaging and the electricity consumed by its cold drinks equipment (CDE) accounted for around 60% of **Swire Coca-Cola's** total value chain emissions in 2018. To meet its 2030 target, Swire Coca-Cola needs to reduce its emissions from packaging by increasing its recycled content and promoting post-consumption recovery and recycling. In 2021, it used 100% recycled PET for Bonaqua water bottles in Hong Kong and recycled aluminium constituted 9.6% of cans in Chinese Mainland and 72% of cans in the US. The label length of several aseptic PET products in Hong Kong was redesigned to encourage recycling.

In 2021, Swire Coca-Cola upgraded its one-door 398L coolers to more efficient split cooler models and are developing plans to adopt static cooling technologies in their CDEs. All new CDE will have high energy efficiency ratings and use natural refrigerants.

## Offsets

We have had a Carbon Offsetting Policy in place since 2009. It requires all Swire Pacific subsidiaries to offset the emissions associated with staff business air travel. Offsets purchased must, at a minimum, meet the Verified Carbon Standard or Gold Standard. In 2021, we purchased more than 860 tonnes of carbon offsets through Fly Greener.

Swire Pacific Offshore is committed to reducing its emissions in line with the International Maritime Organisation (IMO) target of at least a 50% reduction in GHG emissions by 2050 compared with 2008. The IMO estimates that around 64% will need to come from alternative

### Further reading

[Carbon Offsetting Policy](#)

[Cathay Pacific Sustainable Development Report 2021](#)

Swire Properties Scope 3 emissions	2030 Target	Progress in 2021
Downstream leased assets	Reduce carbon intensity from the tenant-controlled portion of downstream leased assets by <b>28%</b> per square metre, from 2018 baseline	<b>34.6%</b> reduction
Capital goods	Reduce embodied carbon intensity from new major developments by <b>25%</b> per square metre (construction floor area), from 2016-2018 baseline	To be reported on completion of Two Taikoo Place in 2022



Fuels, which currently are not available at scale. To meet its reduction target, Swire Pacific Offshore has invested in a Verra certified carbon offset REDD+ project in Paraguay since 2010, designed to generate 10,000 carbon credits per year for 20 years. It also purchases other certified carbon credits that provide environmental and social benefits for communities.

We will review our carbon offsetting approach in 2022.

## Adaptation

We need to prepare for the physical risks of climate change. This means designing buildings capable of withstanding extreme weather. Seaports and airports where we operate must be prepared to deal with the consequences of rising sea levels. Climate change can disrupt our operations and supply chains.

Stabilising global temperature increase at 1.5°C will require drastic action far beyond business as usual. Businesses will be expected to reduce emissions and to limit and adapt to climate change, which is likely to lead to stricter regulation and potentially carbon taxes. Energy availability and affordability will be affected. Regulators and investors increasingly expect companies to measure and report their exposure to climate risks to avoid financial shocks.

We have a climate working group, which supports the implementation of our Climate Change Policy and the delivery of our climate change related targets and commitments. A TCFD working group comprising sustainability, finance and risk team members was formed in 2020. It is developing Group disclosure guidelines, reviewing information about risks and determining a timeline for full disclosure to TCFD. See the TCFD section for more information.

We have started to assess the physical risks that climate change poses to our businesses. We use a specialised cloud-based platform provided by The Climate Service (TCS) to assess the financial implications of climate-related risks and opportunities under different climate scenarios. This assessment will help us to



Artist's impression

align our climate change disclosures with the recommendations of TCFD. In 2021, we began development of a group-wide scenario analysis framework and initiated a study on the feasibility on internal carbon pricing.

We require our operating companies to consider climate change risks when compiling their risk registers, and to take appropriate precautionary measures. Climate change is included in our risk register. Some of our operating companies build climate resilience into their operations. Swire Coca-Cola assesses water access, quality and quantity risks for all new bottling plants. Swire Properties completed a study of its exposure to risks and opportunities under different climate scenarios. The study indicated that its properties are exposed to low to moderate levels of physical risk, due to its relatively robust mitigation measures. Improvements for individual buildings were identified, including upgrading flood protection measures and alert systems, chiller efficiency improvements, glass facade inspections and smart monitoring systems.

## Building adaptive capacity

We want to improve the capacity of our businesses, our employees and the communities in which we operate to adapt to climate change. This involves having, and helping to provide access to, information, skills and physical resources.

Swire Pacific, Swire Properties and Swire Coca-Cola support the Business Environment Council (BEC) Low Carbon Charter in Hong Kong.

### CASE STUDY

#### **Swire Properties – Designing For Climate Resilience**

Swire Properties' Savyavasa development in Jakarta incorporates measures to mitigate the risk of frequent flooding in the low-lying city. They include:

- Designing level 1 of the development at one metre above the projected flood level
- Using a 45% greenery ratio, permeable flooring materials for the tennis court and jogging track and a 3-metre soil depth to accommodate large trees, which improves absorption of rainwater
- Building soak wells and soak pits to collect rainwater and control its discharge to public canals to ensure they are not overwhelmed
- Upgrading to a nearby canal to improve water flow, sanitation and drainage

### Explore more

TCFD



Risk management



### Further reading

Annual Report 2021 – Risk management section





#### CASE STUDY

#### HAEKO – Launching Hong Kong's largest solar PV project

In 2021, HAEKO partnered with EcoSmart Energy to begin installation of a 3MW solar PV system on two of its aircraft maintenance hangars at Hong Kong International Airport. To be completed in April 2022, it will be one of Hong Kong's largest solar projects, with expected renewable electricity output of over 2.8 million kWh per year,

reducing over one thousand tonnes of GHG emissions. A portion of the rebates received from the electricity provider's feed-in-tariff scheme will be used to support WWF Hong Kong. The project seeks to encourage more companies to make use of idle rooftop space to increase renewable energy supply in Hong Kong.

In 2021, **Swire Properties** signed BEC's Power Up Pledge, which commits the company to sharing knowledge and best practices and collaborating to promote electrification of construction sites and transition away from diesel generators.

**Swire Coca-Cola** provides bottled water to people affected by natural disasters as part of The Coca-Cola Company's Clean Water 24 emergency plan. Within 24 hours of a natural disaster, Swire Coca-Cola will identify the nearest warehouse and arrange delivery, in collaboration with local governments, supporting organisations and NGOs. In 2021, Swire Coca-Cola donated 310,000 cases of drinking water and other beverages in the Chinese Mainland, Hong Kong, Taiwan and the US.

#### Looking forward

Over the next two years, our climate working group will build on our 2030 decarbonisation plans to develop a roadmap to Net Zero by 2050. We are developing carbon offsetting guidelines and are studying the feasibility of internal carbon pricing. We will strengthen our TCFD reporting and will map our scope 3 emissions. We will build on our renewable purchasing guidelines and will facilitate the sharing of information about renewable energy purchase agreements.



#### CASE STUDY

#### Swire Properties – Taking Action to Preserve the Miami Coastline

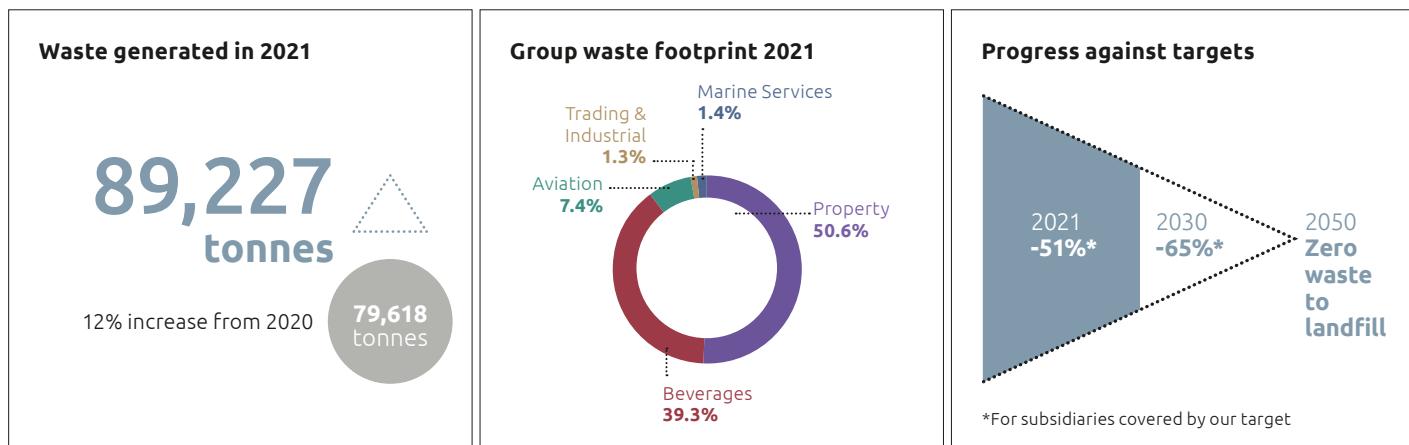
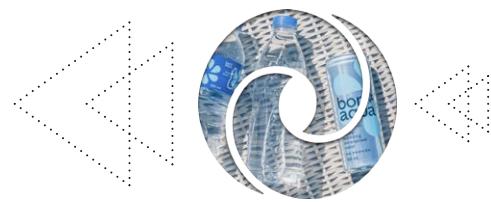
To address the increasing risk of storm surges and sea level rise in Biscayne Bay and the Miami downtown area – areas near Swire Properties' Brickell City Centre development – local authorities considered building a physical flood barrier. Swire Properties engaged an engineering firm to research, design and propose an alternative plan that uses nature-based solutions. These include a series of barriers to dissipate

wave energy using a combination of submerged oyster reefs and flood protection earthen berms in the Bay. The alternative plan considers extreme weather events of the next 30 to 50 years, and is more adaptable, cost effective and aesthetically appealing. The county has decided to rethink its approach and will work with communities to develop a plan that includes nature-based solutions.



## SWIRETHRIVE – WASTE

# Turn today's waste into tomorrow's resource



As the world's population and affluence increases, so does waste. Landfills are reaching capacity. States are imposing regulations and financial penalties aimed at curbing waste generation. There is growing public awareness of recycling and the need for responsible disposal of materials. This is particularly true for plastics.

By reducing and recycling our waste we lower the cost of packaging, waste management and disposal, and potentially create new revenue streams. We aim to turn today's waste into a resource for tomorrow and to contribute to the creation of a circular economy. As a Group, we have set a goal of sending zero waste to landfill by 2050.

Our Waste Management Policy sets out the Group's approach to managing and reducing waste across its operations. This is what we do:

Waste management is not possible without collaboration. Opportunities need to be taken to design out waste, to reduce the use of resources and materials used can easily be recycled. Using recycled materials, instead of virgin materials, creates demand for recovery and recycling. It also reduces carbon emissions. The ability to recycle is affected by local policies and infrastructure. We support the Hong Kong government's municipal solid waste charging scheme and the implementation of producer responsibility schemes in our markets. We work with others to reduce waste in our operations and to promote a circular economy. The management and use of waste can provide business opportunities.

## Further reading

Waste Management Policy



Reduce waste at source



Promote recycling, reuse and recovery in order to divert as much waste as possible from landfill



Manage hazardous and potentially hazardous waste in an appropriate, responsible and transparent manner



Reduce the impact of our beverage packaging



Explore opportunities to contribute to the circular economy

## Group performance

In 2021, the Group generated a total of 89,227 tonnes of waste, 12% more than in 2020. Of this, 81,161 tonnes (91%) was non-hazardous waste and 8,067 tonnes (9%) was hazardous waste. Overall, 53% of the total waste generated by the Group in 2021 was recycled, reused or recovered.

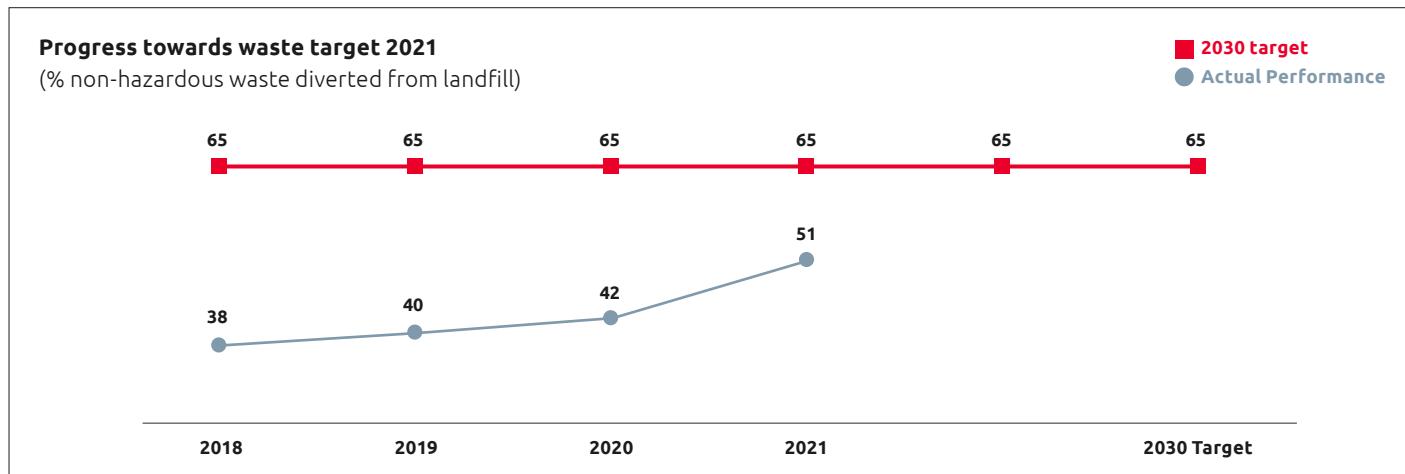
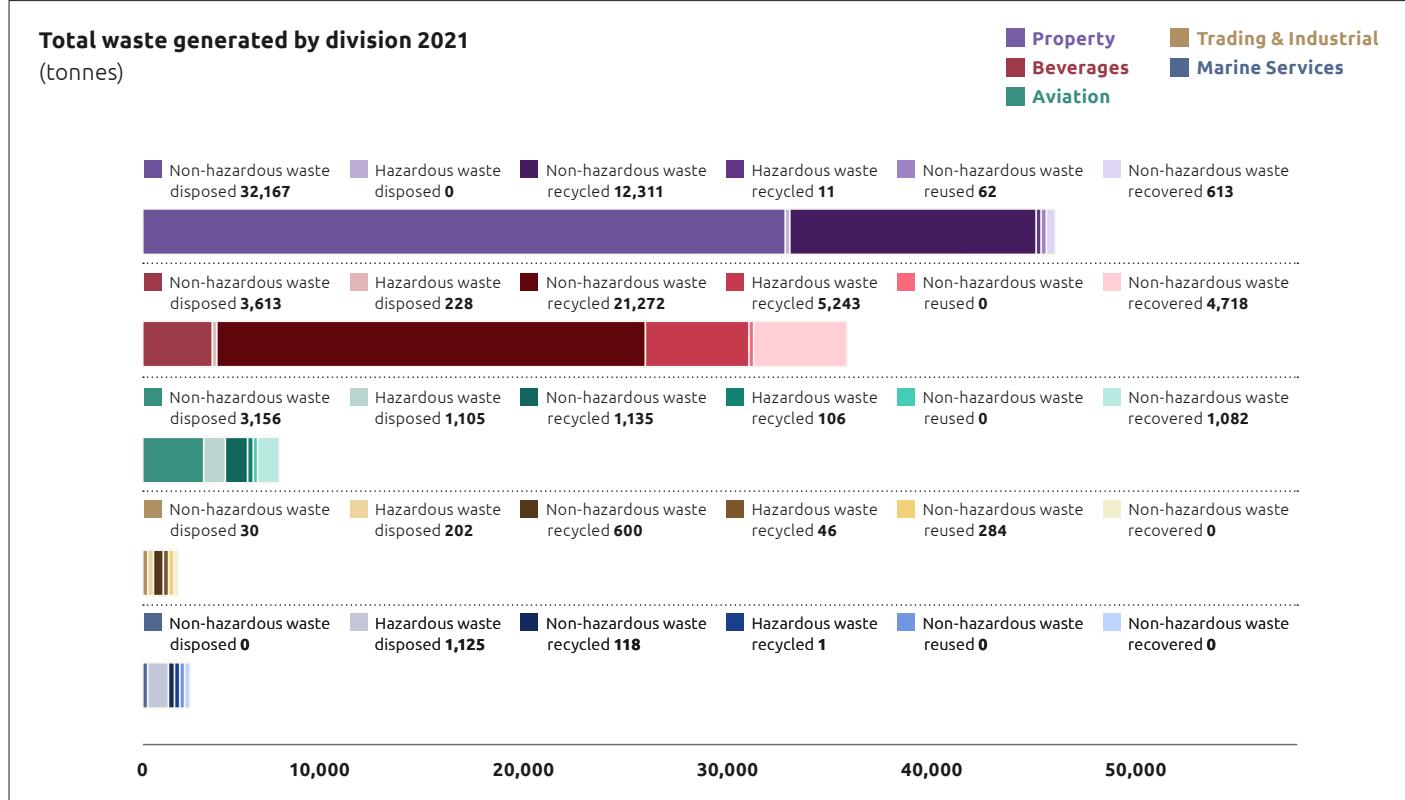
Our Property and Beverages divisions accounted for 56% and 33% of the Group's total non-hazardous waste in 2021 respectively.

Swire Properties' commercial waste diversion rates for its Hong Kong and Chinese Mainland portfolios were 23.6% and 41.6% in 2021 respectively. Tenants in Hong Kong and the Chinese Mainland were encouraged to reduce and recycle waste. Swire Coca-Cola's waste diversion rate was 88% in 2021, compared to a 79% in 2020. HAECHO's waste diversion rate increased primarily due to the improved waste recycling strategies for wood and metal, and adoption of waste-to-energy in parts of its Chinese Mainland operations. The 43% increase in waste generated by the Trading & Industrial Division is primarily due to improved data collection.

## 2030 target

By 2030, we target for 65% of our waste to be diverted from landfill. The target covers non-hazardous waste generated by Swire Properties, Swire Coca-Cola and HAECHO, which together made up 98.7% of the Group's total waste footprint in 2021. Hazardous waste is not included in the target. It is treated in line with local regulations.

Subsidiaries covered by our target diverted 51% of their waste from landfill in 2021, an improvement from 44% in 2020.



## Reduce waste at source

The easiest way to reduce waste is not to use single-use materials and packaging, where possible. We collect data about our waste. We encourage employees and customers to minimise waste. We try to take account of waste prevention when we design and buy things.

In 2021, our waste working group developed an internal handbook on single-use plastics. It provides subsidiaries with information about different types of plastics and alternative materials, and guidance to inform procurement decisions, including the need to consider whether the material can be recycled or composted, whether local recycling infrastructure exists to ensure it is recycled, and whether there is market demand for the recycled material, which would facilitate its collection and recycling. The handbook was shared with members of our supply chain working group.

**Swire Properties'** waste management policy deals with the design, planning, construction and operation of its buildings. It evaluates the management of resources, analyses information about waste and tries to promote the circular economy.

Tenants and other building users generate over 90% of the waste generated in Swire Properties' offices and shops. Engaging with tenants is critical to reducing waste. Swire Properties collects data about more than 20 types of waste produced by tenants, hotel guests and serviced apartment occupants.

In 2021, Swire Properties expanded its smart reusable cup concept and network at Taikoo Place. In partnership with a start-up company, the initiative enabled customers to borrow and return reusable cups at a total of eight food and beverages outlets across the portfolio. Cups are washed and sanitised at a Swire Hotels outlet, fully "closing the loop" within the Taikoo Place. Since its launch, the system has helped avoid the disposal of over 12,000 single-use coffee cups.



### Swire Hotels:

- Retrofitted over 800 rooms at EAST Hong Kong, EAST Beijing and the Upper House with an in-room water filtration system to phase out plastic water bottles
- Made check-in and check-out processes completely paperless at East Beijing
- Introduced a digital menu at EAST Hong Kong which can reduce about 70% of menu paper usage

**Swire Resources** supports the Hong Kong Green Building Council's Green Shop Alliance Programme. It avoids excessive promotional decoration and packaging. Since 2020, it has encouraged customers to bring their own bags on its "No Shopping Bag Day". It will donate HK\$ 0.50 to an environmental NGO for every bag-free transaction on the second Tuesday of each month. It will also donate all shopping bag levies collected on that day. Swire Resources introduced reusable nets to replace single use plastic wrap used in moving goods inside its warehouse.

### Further reading

Swire Properties Sustainable Development Report 2021

### CASE STUDY

#### Swire Properties – Engaging employees and tenants with smart waste technology

In 2021, Swire Properties launched its Smart Waste Reduction Challenge. Smart scales and a digital engagement platform are used to encourage employees and tenants to reduce waste. Participants could track their performance in real-time and benchmark their progress against other teams. Online and offline engagement activities were organised.

The six-month challenge engaged 3,400 employees from ten office tenants in Taikoo Place, Pacific Place and Citygate and Swire Properties' own offices. The overall waste diversion rate achieved was 41% and waste per employee was reduced by 14%.

This project was funded by the Swire Pacific Sustainable Development Fund.

**Overview****Climate****Waste****Water****People****Communities**

## Divert waste from landfill

We collect and sort different types of waste and work closely with recycling partners to provide credible outlets for the recyclables we collect.

In 2021, we developed Group standards for waste separation at source. They require the provision of separate receptacles for five main categories of waste: paper, metals, plastic bottles, general plastics and general waste. Glass and food receptacles should be placed at strategic locations, where appropriate. Guidance on the density and placement of receptacles is provided. Three types of facilities are covered by the standards, including:

- Customer facing operations including shopping malls and hotels
- Non-customer facing operations including our offices, warehouses and factories
- Premises let to third parties (tenants)

We have started to implement the standard in Hong Kong, where we aim for full adoption in 2022. Having a consistent approach across the Group will prepare us for the city's upcoming municipal solid waste charging scheme and support materials supply to Swire Coca-Cola's recycling joint venture New Life Plastics. We engage our waste contractors and landlords to send collected material to recycling facilities.

**Swire Coca-Cola** aims to send no waste to landfill or incineration from its core operations by 2025 and for co-packers by 2030. This does not include waste generated from finished goods. In 2021, it prepared a detailed whitepaper to facilitate the delivery of its 2025 waste target.

**Swire Properties** diverted 23.6% of its commercial waste, 84.5% of its construction waste and 94.6% of its demolition waste in Hong Kong in 2021. In the Chinese Mainland, it diverted 41.6% of its commercial waste, and up to 84.5% of its construction waste.

In September, the company relaunched the "Save Your Plastics" campaign at Starstreet Precinct. The campaign offered lifestyle and F&B rewards to encourage people to recycle their cleaned and emptied plastics. The recycling pop-up collected over 500kg of plastics from 700 members of the community over a three-week period.

Old bed linen at **Swire Hotels** is used as cleaning cloths or donated to design students for upcycling. Lightly used linen and towels, and unused or partially used soap, bodywashes, lotions and hair products, are given to disaster relief and humanitarian aid organisations.

In 2021, **HAEKO** utilised inverters and portable devices to collect the residual energy from aircraft batteries due to be discharged. This energy can be used to power aircraft system test equipment or charge portable power sources used in aircraft maintenance in outside-hangar areas with limited access to a fixed power supply. Energy salvaged is estimated to provide over 109,000 Ah battery capacity per year. **HAEKO Hong Kong** segregates waste and sends waste wood to a recycler. 179 tonnes of wood were recycled in 2021. It also sends waste lead acid batteries to specialised recyclers.

 179 tonnes

**HAEKO Hong Kong recycled 179 tonnes of wood in 2021**

Working with NGOs, **Swire Resources** recycles Chinese New Year red packets, old books, clothes and electronic waste.

## Food waste

In 2021, Swire Properties, Swire Coca-Cola Hong Kong and HAEKO Hong Kong sent 1,352 tonnes of food waste and organic by-products to an organic resource recovery centre (ORRC) for conversion into compost and biogas.



### CASE STUDY

#### Swire Coca-Cola - Whitepaper on Zero Waste

Swire Coca-Cola undertook a comprehensive review of its total waste footprint and sources of waste across its operations, which identified existing gaps and investments needed to achieve zero waste to landfill or incineration in its core operations by 2025.

The study made 37 recommendations to improve waste diversion across ten waste categories, including:

- Enhance waste measurement and reporting
- Minimise sources of non-recyclable waste at manufacturing sites and distribution centres
- Work with local authorities to address the lack of treatment facilities and economic incentives for certain processing waste
- Manage the environmental performance of downstream recyclers for cold drink equipment and other waste

A five-year plan was developed. Swire Coca-Cola will seek external verification of zero waste at all manufacturing sites and selected distribution centres.

**Swire Properties** collected more than 9,200 tonnes of food waste from its Hong Kong and Chinese Mainland portfolios and its hotels. At Citygate Outlets, Cityplaza, Island Place Mall, Pacific Place and Taikoo Place in Hong Kong, 70% of F&B tenants recycled food waste. Efforts to engage its tenants in waste recycling initiatives have resulted in a 30% increase of the number of tenanted office floors recycling food waste compared to 2020. The majority of food waste collected in Hong Kong is sent to the ORRC. Some properties also have food waste digesters.



food waste from Swire Properties, Swire Coca-Cola and HAEKO **converted to compost and biogas** in Hong Kong

EAST Hong Kong partnered with a local brewery to turn 30kg of surplus bread from its restaurants into its own branded craft beer.

## Ship recycling

**Swire Pacific Offshore** has a sustainable ship recycling policy. It states that all vessels at the end of their working lives will be recycled at shipyards certified by a reputable independent third party. This is in compliance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships. Over the past 10 years four ships were responsibly recycled at the end of their economic lives without any safety or environmental pollution incidents. The recycling process was independently overseen and audited.



## Reducing post-consumer waste from beverage packaging

**Swire Coca-Cola** does not control what happens to its packaging after consumption. But it wants to transform the way waste is dealt with and to promote a circular economy. It supports the Ellen MacArthur New Plastics Economy Global Commitment and The Coca-Cola Company's World Without Waste goals. This is what it does.

- Reduces single use packaging as much as possible by cutting its amount and weight and by using refill stations
- Redesigns packaging so that it is easy to recycle, has value when recycled and itself includes recycled materials
- Facilitates better recovery of packaging by clear labelling and disposal instructions
- Recycles packaging materials into the highest value end-products as possible
- Collaborates with government, industry, waste management companies and non-profit organisations to promote the transition to a circular model

## Reduce

Swire Coca-Cola reduces the amount of plastic used in its packaging of bottled brands. In 2021, this saved 73 tonnes of resin. In Hong Kong, it intends to install 300 water stations, so as to save an estimated 20 tonnes of plastic per year. Around 160 water stations have been installed at strategic locations around the city.

### CASE STUDY

#### Swire Coca-Cola – First label-less and fully recyclable bottle in Hong Kong

Swire Coca-Cola launched its first locally produced label-less Bonaqua bottle in Hong Kong. The bottle comprises of 100% recycled PET and is fully recyclable. The new design improves recycling efficiency by eliminating one type of packaging material, but still including clear information about the resin types to facilitate their proper recycling.

## Redesign

Swire Coca-Cola's goal is for 100% of its primary packaging to be technically recyclable by 2025. It will stop selling Aquarius powder in non-recyclable aluminium pouches in Hong Kong, because they are not recyclable. Its Sprite and Schweppes bottles are being changed to colourless bottles. They are worth more and easier to recycle than coloured bottles. By 2030, Swire Coca-Cola aims for its primary packaging to contain 50% recycled material. In 2021, it started to offer 600ml sparkling drinks packaged in 25% recycled PET (rPET) in Hong Kong.

## Recover and recycle

In line with The Coca-Cola Company's (TCCC) World Without Waste targets, Swire Coca-Cola has committed to collect and recycle one bottle or can for every one it sells. With TCCC, it is working to put recycling instructions on its drinks labels. It has formed a joint venture with ALBA Group Asia Limited and Baguio Waste Management & Recycling Limited to build and operate New Life Plastics, Hong Kong's first food-grade ready plastics recycling facility. It will be able to process around 35,000 metric tonnes of PET and HDPE annually, turning the waste into reusable raw materials for consumer and industrial products.

Swire Coca-Cola has installed 10 reverse vending machines (RVMs) in Hong Kong. Each bottle returned to a RVM entitles the returner to a HK\$ 0.10 cash rebate via an Octopus card. Bottles are cleaned, compressed and collected by authorised recyclers. Through this scheme, Swire Coca-Cola aims to increase consumer awareness of recycling. It donates HK\$ 0.10 per bottle returned to environmental protection education. Over 4 million bottles had been collected by the end of 2021.

## Collaboration

Swire Coca-Cola works with other parties in the waste value chain. In Hong Kong, Swire Coca-Cola helped to establish Drink Without Waste (DWW), a coalition of NGOs, beverage producers and bottlers, retailers and companies in the waste business. The aim is to reduce the amount of beverage waste and the amount of soft drinks packaging going to landfills.

In 2021, DWW launched a pilot Neighbourhood Bottle Rewards Scheme with support from partners and the HKSAR Government's Recycling Fund. The scheme aimed to develop a cost-efficient collection and return network for beverage bottles by recognising the role of informal collectors and recycling shops, whilst boosting collection and recycling rates and building capacity and trust in the local recycling chain. 50 million bottles were collected. Insights gained from the pilot informed policy recommendations for the future Producer Responsibility Scheme.

Elsewhere, Swire Coca-Cola is:

- Working with the governments in Colorado and Washington on a deposit return scheme and extended producer responsibility systems to increase capture rates of post-consumer material.
- Supporting the China Beverage Industry Association's research on post consumed bottles and sharing knowledge with other bottlers.
- Collaborating with the National Food and Fermentation Institute to facilitate the use of recycled aluminium from used beverage cans in the Chinese Mainland.

For more information, please see Swire Coca-Cola's sustainable development report.

## Looking ahead

This year, we will monitor the implementation of the waste source separation guidelines at our Hong Kong operations. We aim for full adoption by the end of 2022. We will develop roadmap to our 2050 target of Zero Waste to Landfill.

### Further reading

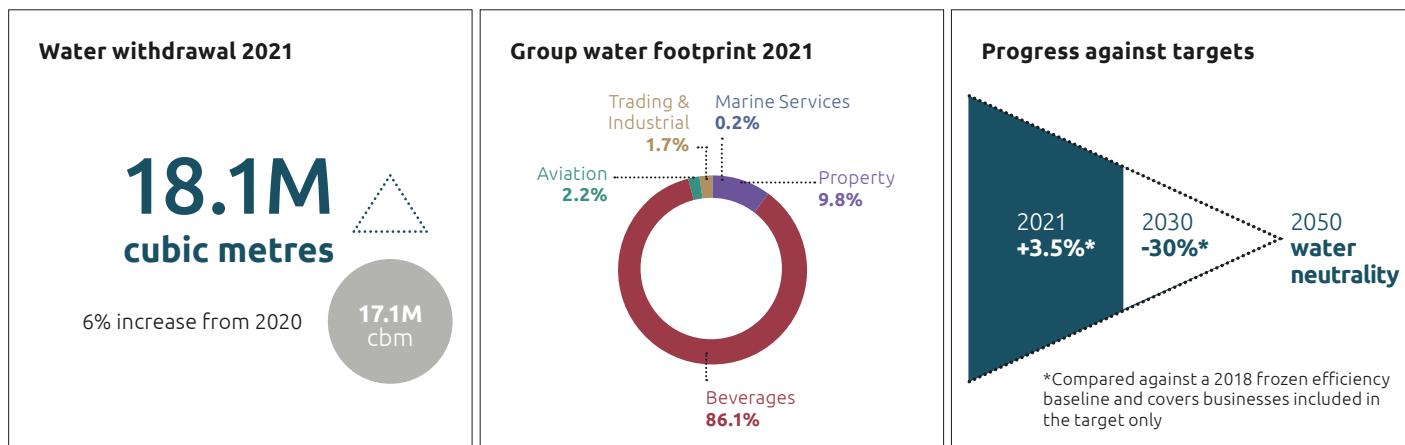
[Drink Without Waste](#) 

[Swire Coca-Cola Sustainable Development Report 2021](#) 



## SWIRETHRIVE – WATER

# Use and manage water responsibly



Companies, communities and ecosystems depend on access to reliable supplies of clean water. Population growth and economic development are putting increased pressure on the planet's limited freshwater resources, with the UN forecasting a 40% shortfall by 2030. Today, climate change is primarily felt in changes to water, with extreme weather events and unpredictable rainfall impacting the availability and quality of freshwater.

We use water in the beverages we make, to clean and cool our facilities and in providing services to our customers. Our goal is to be water neutral by 2050. This means that, at a minimum, our business activities should have no net negative impact on local water systems. Our Sustainable Water Policy outlines what we will do to use water responsibly and protect local water sources for the future.

Our approach is to:



**Reduce our water use by improving efficiency and adopting new technologies**



**Recycle water and use alternative sources of water**



**Ensure our wastewater is safely discharged back to nature**



**Replenish natural water sources through partnerships**

## Further reading

[Sustainable Water Policy](#)



The Group received an A- rating in the 2021 CDP Water Security questionnaire. Swire Coca-Cola was included in the CDP Water A List for a second consecutive year.

## Group performance

In 2021, the Group withdrew 18.1 million cubic metres of fresh water, a 6% increase from 2020. Almost all (99%) of the water we used came from municipal water sources. Swire Coca-Cola withdrew the rest from groundwater sources.

Swire Coca-Cola accounts for the majority (86%) of the Group's water use. It tracks the efficiency of its manufacturing process using the water use ratio (WUR) metric (litres of water used per litre of finished product produced) and aims to achieve a WUR of 1.45 by 2030. In 2021, its overall WUR was 1.81, a marginal improvement from 1.82 in 2020. Testing and commissioning new production lines in the Chinese Mainland, Hong Kong and Taiwan, and increased product variation impacted the water demand.

Swire Properties is the second largest water user, accounting for almost 10% of the Group's water footprint in 2021. Water intensity at Swire Properties increased by 4.7% and decreased by 20.1% in its Hong Kong and Chinese Mainland portfolios respectively, compared to a 2016 business-as-usual base year. At its hotels, water intensity increased by 6.6% compared to a 2018/2019 levels. Overall, it used 1% more water in 2021 than in 2020.

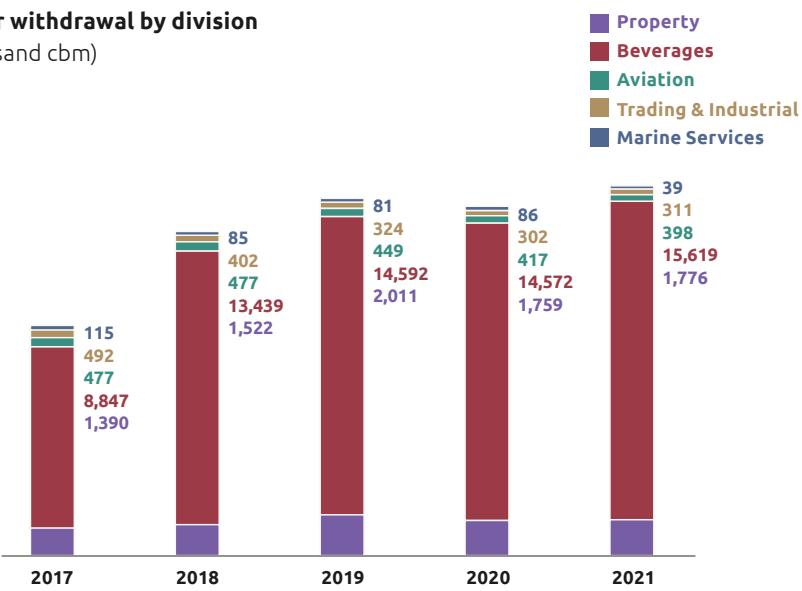
Water use decreased by 5% at HAEKO and 55% at HUD and increased by 3% in the Trading & Industrial Division year on year. We do not collect data on Swire Pacific Offshore's water use as it is not material.

## 2030 target

To drive efficient water use in our operations, we have set a target to reduce water use by 30% by 2030, compared to a 2018 frozen efficiency baseline. The baseline assumes our water use efficiency remains fixed at 2018 levels but allows us to factor in the projected increase in overall water demand as our business grows. There are trade-offs. Water-cooled chillers are more energy efficient than air-cooled chillers and so reduce carbon emissions. They are a central part of our decarbonisation strategy but will increase our water footprint.

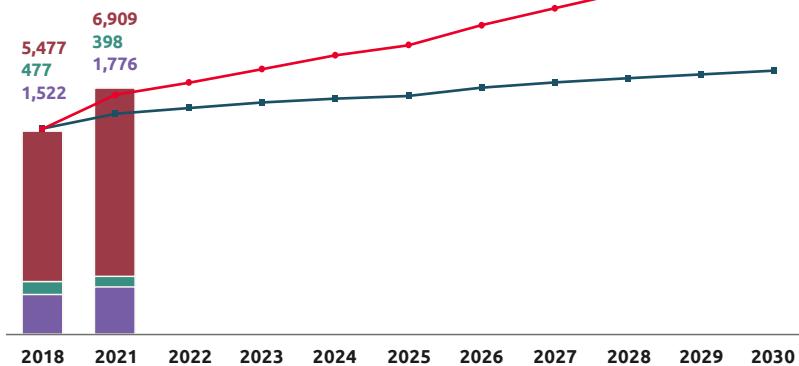
### Water withdrawal by division

(thousand cbm)



### Performance towards 2030 water target\*

- Swire Properties
- HAEKO group (excluding HAESL)
- Swire Coca-Cola (w/o bottling volume)
- Frozen Efficiency Scenario (w/o bottling volume)
- 2030 Target



\*Following the review of our report boundary in 2021, the 2018 baseline has been recalculated to exclude Cathay Pacific Group and HAESL.

Our target currently covers Swire Coca-Cola, Swire Properties and HAEKO, which together make up 98% of the Group's total water footprint. It reflects our efforts to reduce water use in our operations. The water in the beverages produced by Swire Coca-Cola (production volume or water consumption) is excluded (see replenishment initiatives for how we address water consumed).

## Reduce water use in our operations

We monitor our water use to identify opportunities to adopt more efficient processes, repair leaks, install water flow regulators and use technologies that use less or no water.

**Swire Coca-Cola** has water sub-meters installed at 95% of its bottling plants in the Chinese Mainland and uses water-free alternatives such as dry lubricants and ionised air where possible. In 2021, Swire Coca-Cola installed new high efficiency water treatment systems at its plants in Huizhou, Guangxi, Denver and Salt Lake City. Swire Coca-Cola piloted a water treatment system that uses reverse osmosis to purify water in the Chinese Mainland. The pilot demonstrated a 50% reduction in the number of chemical cleanings required for the same water productivity as well as a 30% drop in energy use. Replacing a chiller at the Hong Kong plant reduced water consumption. Swire Coca-Cola plans to engage a technical consultant to study water efficiency and recommend specific actions for individual plants.

**Swire Properties** has engaged Tsinghua University to study ways to reduce water use in its cooling towers. Building on adjustments to the cleaning schedule trialled in 2021, simulations will be used to analyse water-use patterns and recommend optimal practices in different portfolios. In 2021, Swire Properties renovated bathrooms at its Taikoo Hui mall in Guangzhou. Newly installed waterless urinals and low-flush toilets will save an estimated 2,400cbm of water per year. Cityplaza will start using water leakage detection sensors covering plant rooms and tenancy areas in 2022.

**HAEKO** successfully reduced its water use in 2021 through a water reduction campaign in staff canteens in Hong Kong and Xiamen and by fixing leaks.

**Taikoo Motors** uses an automatic car wash system that recycles up to 40% of the water used in each wash. **Taikoo Sugar** replaced a water heat exchange system used in syrup production with an air-cooling system, which reduced water consumption by around 3.5cbm per tank. Water saving taps installed in its pantry at the Guangzhou plant reduced water consumption by almost half.



water **recycled** by Swire Coca-Cola in 2021

## Use alternative sources of water

We use recycled water and rainwater to reduce our need to draw on freshwater supplies.

**Swire Coca-Cola** recycled 809,576 cubic metres of water in 2021, 61,440 cubic metres less than in 2020. Wastewater from manufacturing is reused for cleaning, irrigation and toilet flushing. Water used in cooling lines and systems is reused in condensing towers.

**Swire Properties** treats and reuses pantry wastewater and rainwater for toilet flushing and irrigation. It has greywater treatment and recycling systems at several of its properties. At Oxford House in Taikoo Place, about 300cbm per year of wastewater from office tenant pantries is collected, treated and reused for cleaning. Taikoo Hui, INDIGO, Sino-Ocean Taikoo Li Chengdu, HKRI Taikoo Hui and One Taikoo Place collect rainwater.

**HAEKO Engine Services** is building a bigger water treatment system that will be able to process 150 tonnes of wastewater per day. Treated wastewater is used for irrigation, vehicle cleaning, toilet flushing and apron watering. Rainwater is used for toilet flushing in Hong Kong.

### CASE STUDY

#### Swire Coca-Cola – Improving water recovery in the US

Swire Coca-Cola installed more efficient filtration systems at its Denver and Salt Lake City facilities. The new filtration systems use a double filtration process to improve the quality of treated water, which results in higher proportion of water recovered. A reduction in 53 million litres (53,000 cbm) of water per year is expected. WUR improved by 10%.

## Engage with others to reduce water use

Going beyond our direct operations, we seek to positively influence the behaviour of our suppliers, customers and other water users in our local communities.

In 2021, **Swire Coca-Cola** worked with its co-packer to develop a platform that gathers data on water consumption and production volume, to improve the co-packer's water reporting efficiency. Shanghai Shenmei Beverage Co., Ltd. sells reclaimed water to nearby electronics and machinery manufacturing plants for cooling, irrigation, car washing and toilet flushing. Approximately 31.8 million litres of reclaimed water were sold in 2021.



**Swire Properties** encourages tenants to adopt guidelines on the use of fresh and flushing water, to support compliance the Hong Kong government's voluntary "Quality Water Supply Scheme for Buildings".

## Safely discharge wastewater back to nature

Pollution affects the quality of local water sources, so it is important to ensure that all water we discharge back to nature is safe and, at a minimum, meets local regulatory requirements.

All of **Swire Coca-Cola's** bottling plants meet the wastewater quality standards of The Coca-Cola Company and the World Health Organisation. Performance is monitored. In the Chinese Mainland, an online monitoring system is used to track wastewater compliance.

Where necessary, Swire Coca-Cola bottling plants and companies in the HAEKO group have onsite wastewater treatment facilities. **HAEKO Xiamen** uses heavy metal monitoring equipment and detectors to check effluents before discharge.



### CASE STUDY

#### Swire Properties – Water Saving Pilot Scheme

Swire Properties concluded a pilot with 14 office tenants to monitor water usage patterns. Smart water meters and water-efficient fittings were installed, and opportunities to reduce water were identified. The scheme received a positive response, and insights gained have been used to develop green performance pledge for tenants. In future, Swire Properties plans to provide all office tenants with free smart water meters, starting with Taikoo Place.

### CASE STUDY

#### Swire Coca-Cola – Water replenishment projects in the US

Swire Coca-Cola supports three replenishment projects in the US:

- Provo River Flow Restoration Replenish Project (Utah) will replenish 256 million litres of water per year to the Provo River in central Utah by reducing water withdrawal and increasing flows in the summer. Low flows can cause stress to fish and other aquatic species and stop them going where they want to go.
- Colorado River Connectivity Channel (Windy Gap) (Colorado) will replenish 74 million litres of water per year reconnecting and restoring the river channel and establishing a natural river flow to mitigate the negative impact of the Windy Gap Reservoir dam. The project aims to deliver environmental benefits, such as wetland restoration, together with social and economic benefits including providing public access for recreational activities and enhancing the water security of nearby communities.
- Eureka Ditch Project (Arizona) will replenish 10.9 million litres of water per year to the Verde River Valley by reducing leakage and water loss. This will enhance river flows and support fish habitats.

## Replenish water through partnerships

**Swire Coca-Cola** commits to returning a litre of clean water to natural water systems for every litre of water used in its beverages. It collaborates with The Coca-Cola Company on community and watershed protection projects to replenish water in the Chinese Mainland and the US. In 2021, the Coca-Cola System replenished 293.3 billion litres of water, equivalent to 167% of the water used in its beverages. Water replenishment data is independently reviewed by Limno Tech and reported on by EY.



## Understanding our water risks

Water availability is highly location dependent. Each watershed may be exposed to different risks depending on its climatic conditions and changing demand of all water users drawing from it. Understanding location specific water risks can inform a more targeted and strategic approach to water management, allowing focus on sites with the highest risks.

We use the World Resources Institute's (WRI) Aqueduct Water Risk Atlas to assess the baseline water stress across our global operating locations. About 22% of the freshwater we use is drawn from sources that are classified as high or extremely high stress – indicating that demand from local water users is at risk of exceeding supply. When considering a 2030 business as usual scenario, 40% of our water demand is from highly stressed basins. Regions with high water stress in 2030 include locations in the Chinese Mainland (Beijing, Shanghai and Chengdu) and the

US (Arizona, Colorado, Idaho and Utah). Hong Kong will also experience increasing water stress.

Our water working group has started to study how the water stress in our operating locations is expected to change over time. In addition to water availability, we are also studying the impact of emerging water risks (flooding, drought, extreme weather events, sea level rise). This will help us to strengthen our water security and build capacity, adaptability and resilience.

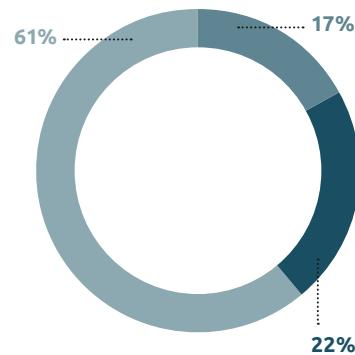
**Swire Coca-Cola** evaluates site-specific water risks, including water quality and availability, for each bottling plant using The Coca-Cola Company's Source Vulnerability Assessments (SVAs). SVAs are done by water resources experts with at least five years' experience. Following SVAs, plants prepare water management plans (WMPs), which are updated every five years or as required by The Coca-Cola Company. Swire Coca-Cola aims to have SVAs and WMPs externally verified by 2025.

### Proportion of total water withdrawal in 2021 by level of water stress (%)

LOW (<20%)

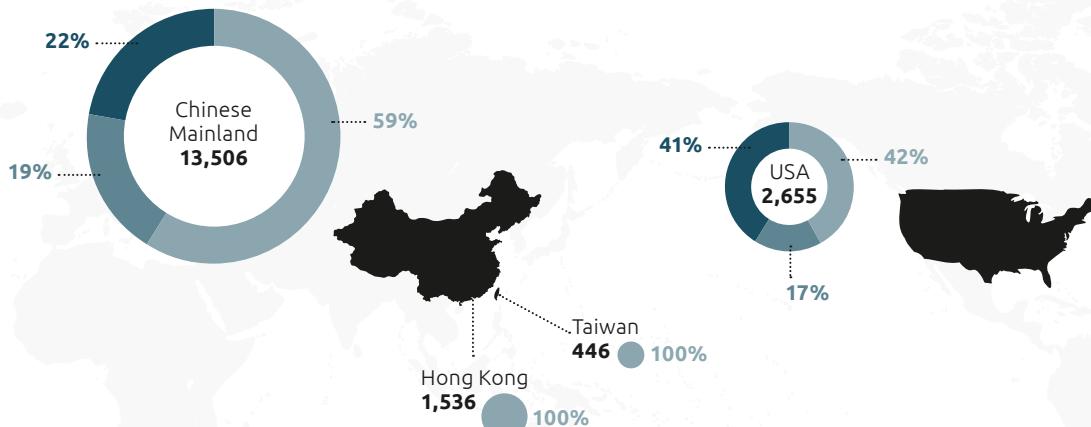
MEDIUM (20%-40%)

HIGH (>40%)



**Water withdrawn by level of water stress and region**  
(thousand cbm)

LOW (<20%)  
MEDIUM (20%-40%)  
HIGH (>40%)



\* Water withdrawal of Swire Pacific Offshore and Swire Pacific head office are immaterial so not included

**Swire Properties** has done water risk assessments in Hong Kong, the Chinese Mainland and Miami, USA. Availability of water, operational risks associated with water use, the efficiency of its buildings and the risk of higher water tariffs were assessed.

## Looking forward

The water working group will continue to improve the collection and monitoring of our water data, will develop a roadmap for achieving our 2050 target and will work towards understanding the water risks where we operate in more detail.



### CASE STUDY

#### Swire Coca-Cola – SVAs and WMPs

Swire Coca-Cola aims to review the SVA and WMPs of all its bottling plants and have them verified by independent technical experts by 2025. In 2021, assessment updates were conducted at four sites in the Chinese Mainland and one site in Taiwan. Risks were examined and mitigation plans proposed.

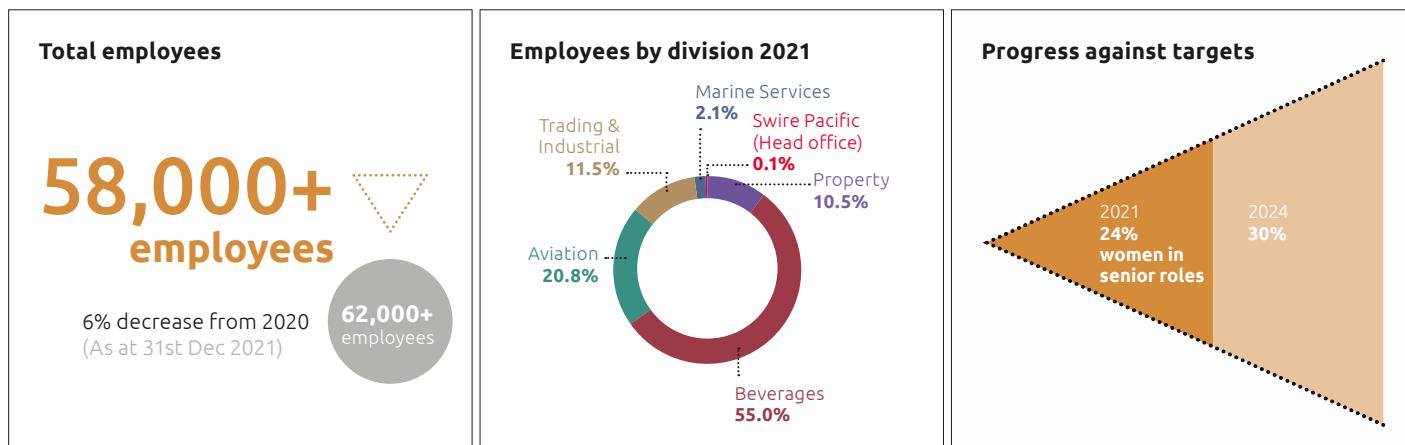
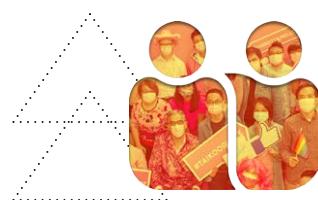
In Guangxi for example, risks considered included the potential for water prices to be adjusted, which could increase production costs, and

accidental damage to water supply infrastructure, which could cause leaks and disruptions to operations. Mitigation measures included close monitoring of water prices, enhancing water-saving initiatives, installing protective covers on mains pipes, and scheduling regular maintenance.

Swire Coca-Cola is considering evaluating water management practices of its plants in Yunnan or Hefei using the internationally recognised AWS Standard in 2022.

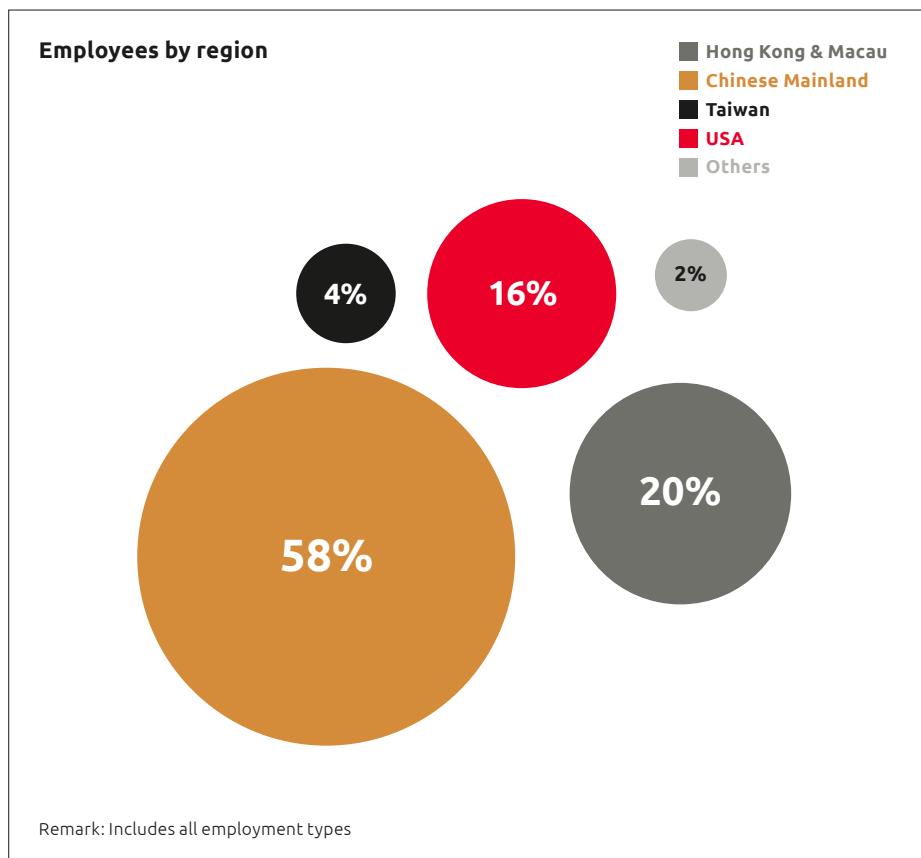
## SWIRETHRIVE – PEOPLE

# Foster a culture that is accessible, inclusive and safe



Diversity and inclusion are key to our long-term success. It is the right thing to do, and we believe that it will enable us to make better decisions and help to attract and retain top talent. Our workplaces and facilities must be safe. Promoting the physical and mental wellbeing of our staff can improve their productivity and enrich their quality of life.

At the end of 2021, the Group employed more than 58,000 people, a 6% decrease from 2020. 78% of our people are based in Hong Kong and the Chinese Mainland. Our Beverages and Aviation divisions are our biggest employers.



## Diversity and inclusion

Embracing diversity and inclusion is essential for business and for cultivating a resilient society. In the past year, we have continued to create an inclusive and supportive working environment through policies, education and communication. Our Parental Leave Policy supports all parents, regardless of their gender, sexual orientation or family unit backgrounds, in their endeavour to pursue successful careers while parenting. Our Flexible Working Policy allows our people to balance work and other priorities when appropriate. Campaigns focusing on the different areas of diversity help to educate and broaden perspectives and mutual understanding. A group-wide Diversity and Inclusion Survey gave us deeper insight into the diversity of our people. All Swire Pacific staff completed a mandatory training module on respect in the workplace. Taken together, these initiatives lay the groundwork for us to foster an inclusive culture where differences are accepted and celebrated.

## Our approach

To guide our diversity and inclusion efforts, we have three goals and five diversity areas.

### Our goals:

1. Build a diverse and inclusive workplace environment
2. Be recognised and ranked as a diversity and inclusion leader in the areas where we operate
3. Use our influence to promote diversity and inclusion in our supply chain

## Our governance structures

The Swire Diversity and Inclusion Steering Committee (DISC) formulates policies and guidelines for the Group, taking account of circumstances in the places where we operate. It is jointly chaired by the Finance Director of Swire Properties and the Staff Director. The Group Head of Diversity and Inclusion, who reports to the Staff Director, leads a team that supports the work of the DISC.

## Policies

### Group Diversity and Inclusion Policy

We believe in equal opportunities for all our employees and recognise that our businesses benefit from the diversity of our people.

### Board Diversity Policy

Diversity strengthens decision-making and makes us more agile and resilient. We consider a number of factors when deciding on appointments to our board of directors, to reflect an appropriate mix of skills, experience and a range of perspectives that are relevant to the Group's strategy, governance and business and contribute to the board's effectiveness.

### Respect in the Workplace Policy

We aim to ensure that all our people are treated, and treat others, with dignity and respect. Our respect in the workplace policy contains our commitment to providing a workplace free from harassment and bullying and includes

guidelines on how staff can report concerns without fear of retaliation. We train our staff to understand their duties under Hong Kong anti-discrimination legislation.

### Flexible Working Policy

It is our policy to encourage flexible working where it is practical and appropriate to do so. We believe flexible working helps create a more inclusive environment by allowing our people to balance work and other priorities better.

### Parental Leave Policy

The parental leave policy provides parents – regardless of their gender, sexual orientation or family unit background – with 14 weeks' leave for the primary caregiver and four weeks leave for the secondary caregiver.

## Further reading

Responsibilities of the Swire Pacific DISC

Group Diversity and Inclusion Policy

Board Diversity Policy

Flexible Working Policy

## Our five focus areas of diversity:



### Gender

We pledge to narrow the gender gap at all levels and to ensure that gender barriers and biases are eliminated.



### Age

We pledge to create an age-neutral and multi-generational workplace.



### Ethnicity

We pledge to build a workplace where people of all ethnic and cultural backgrounds are respected and encouraged to collaborate and contribute.



### Disability

We pledge to increase the accessibility of the workplace to create a comfortable environment for everyone.



### Sexual orientation

We pledge to create an inclusive environment where individuals are able to bring their full selves to work without fear of discrimination or recrimination.

## Group performance

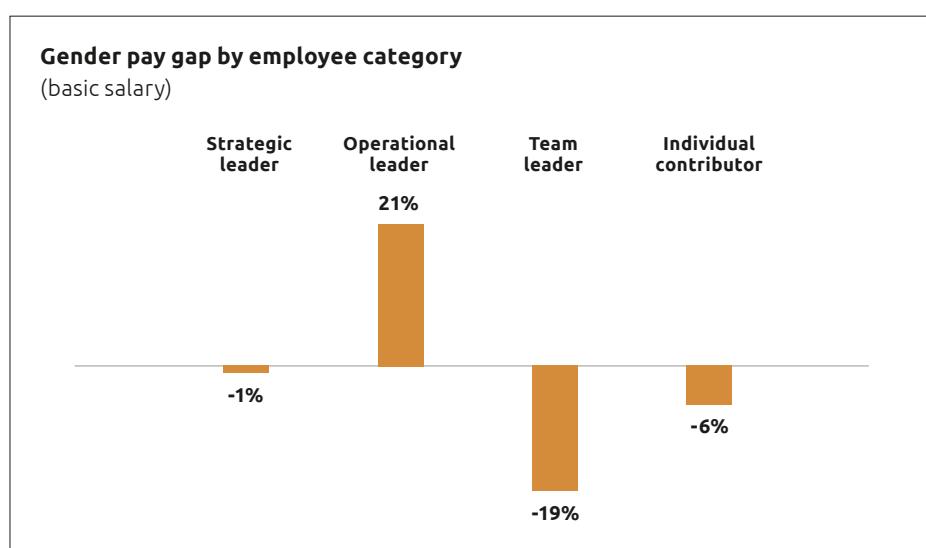
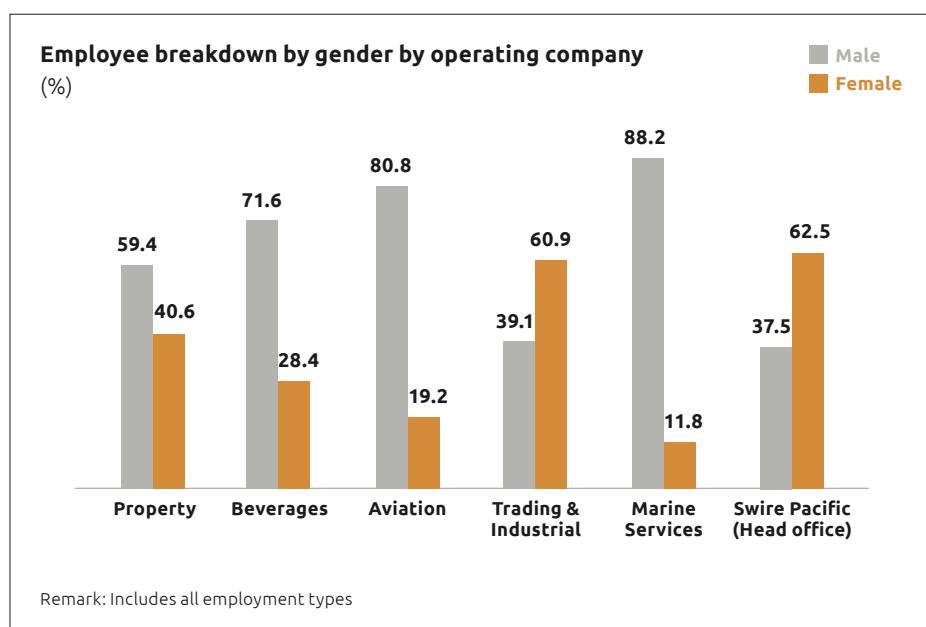
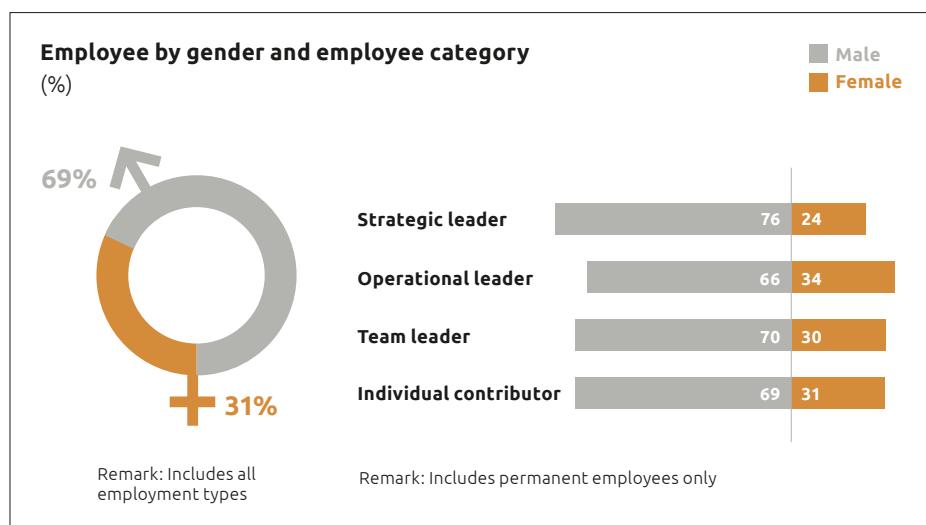
Some of the industries that we work in are historically more male-dominated. Our goal is for 30% of senior management roles to be filled by women by 2024. At the end of 2021, 24% of senior management roles were filled by women and 14% of our directors were women.

## Gender pay gap

Gender pay gap is the difference between the mean basic pay for men and women, expressed as a percentage of the former. This is not the same as equal pay, which is when men and women are paid the same for the same work. We review our gender pay gap annually.

In 2021, women in strategic leadership positions were paid 99% of the average pay of men in such positions. Women in operational management positions were paid 121% of the average pay of men in such positions. The corresponding percentages for team leaders and individuals (non-management) contributors were 81% and 94% respectively.

We pay men and women the same for doing the same jobs, but the gender pay gap indicates that we must do more to support and equip women to progress in their careers. One of the ways we do so is by emphasising diversity and inclusion in the recruitment, management and promotion of our people.





## Our progress – in actions

### CASE STUDY

#### D&I Survey

The Group is committed to creating an inclusive workplace where everyone can thrive and succeed regardless of age, gender, gender identity, disability, ethnicity, and sexual orientation. In October 2021, we launched the first diversity and inclusion (D&I) survey of all our people in Hong Kong, collecting feedback and demographic details. Participation was voluntary and responses were anonymous. Of the 12 questions, six asked for views on D&I in the workplace. The overall average response rate was 21%.

Key findings<sup>1</sup>:

- 70% of respondents agreed the company values and respects a variety of ideas, perspectives and working styles
- 70% of respondents agreed the company has created an

environment where people of diverse backgrounds can succeed

- 69% of respondents agreed our senior leadership publicly supports and promotes diversity initiatives
- 61% of respondents agreed policies and procedures are fairly enforced throughout the company
- 76% of respondents agreed the company has promoted inclusion through its internal communications and/or events
- 84% of respondents agreed D&I strategy is important to the long-term health of the company

The demographic of respondents are as follows:

- Around 82% of respondents self-identified as Chinese, while less than 5% self-identified as White, about 2% as Mixed, and 4% as Others. Approximately 7% preferred not to answer

**DIVERSITY + INCLUSION**

- Around 8% identified as LGBT+
- 2% of respondents self-identified as having a disability

Data collected will help facilitate next steps and curate future conversations around workplace inclusion.

<sup>1</sup> Figures presented are aggregated averages. Responses varied across different operating companies.



### CASE STUDY

#### Disability – DII Report

With support from TrustTomorrow, CareER launched the CareER Disability Inclusion Index (CareER DII), a comprehensive assessment tool that helps companies build a roadmap of measurable and tangible actions towards improving workplace disability inclusion. Eight aspects are assessed, from organisational policies and strategy to daily operations. Cathay Pacific, HAECO, HAESL, John Swire

& Sons (H.K.) Ltd., Swire Coca-Cola, Swire Properties, Swire Resources and Taikoo Motors participated in the 2021 process. The index allows us to understand our current level of inclusion and learn best practices from each other and externally.

[Watch the video](#)

**CASE STUDY****Age and Disability – Enlightened:  
The Holiday Edition**

Employees from our head office and operating companies in Hong Kong were invited to a festive celebration of age and disability inclusion. Our partner, Dialogue Experience, organised educational interactive activities and games including a human library, sign language class and silent experience among others. The key takeaway was that we should focus on the abilities, talents and unique experiences of a person, instead of on their differences or generational stereotypes.

In recognition of the Group's involvement in disability inclusion, Dialogue Experience presented us with their iCorp certification.

**CASE STUDY****Gender – 2022 Bloomberg Gender-Equality Index**

Swire Pacific has been included in the 2022 Bloomberg Gender-Equality Index (GEI) which recognises the company's commitment and achievement in gender equality. The index reflects our level of disclosure and achievement of best-in-class policies.

This year, 418 companies across 45 countries and regions were included in the 2022 Bloomberg Gender-Equality Index, which measures gender equality across five pillars: female leadership and talent pipeline, equal pay and gender pay

parity, inclusive culture, anti-sexual harassment policies, and pro-women brand. Swire Pacific scored well in inclusive culture, anti-sexual harassment policies and pro-women brand.

This is the first time Swire Pacific participated in the GEI. We are the only company headquartered in Hong Kong to be included on the index. We are proud to be recognised and will continue to promote equal opportunities in all our businesses.

**CASE STUDY****Sexual orientation – Showing pride and support for LGBT+ in the workplace**

Swire Pacific and its operating companies celebrate Pink Friday every November. This cross-industry initiative aims to promote LGBT+ inclusion in the workplace by encouraging participants to wear pink to show pride and support for their LGBT+ colleagues.

As part of this year's Pink Friday celebration, we hosted a panel discussion highlighting the importance of fostering a safe, accepting, and inclusive workplace environment



by being visible allies for the LGBT+ community. This allowed our colleagues to gain a deeper understanding of the initiative. On the day of celebration, staff from the Group came together with

tenants and other stakeholders at Taikoo Place to mark Pink Friday at an event at Tong Chong Street Market. Similar events took place across our operating locations in Hong Kong.

**CASE STUDY****Ethnicity – Developing the talent pipeline of diverse and underrepresented ethnic groups**

Our goal is to develop the talent pipeline for diverse and underrepresented ethnic groups. Across our businesses, this year's highlights include:

1. HAEKO established an Ethnicity Network and organised its first-ever Ethnicity Day in November 2021 to promote ethnic diversity

and inclusion in the workplace. Colleagues took part in a series of engagement activities to learn more about diverse ethnic groups through traditional snacks. The network also celebrated the festival of Diwali.

2. The Group head office and Swire Properties recruited four summer interns through the Zubin Foundation. Supported by the Equal Opportunities

Commission, the programme provides a platform for tertiary-level students from ethnic minority backgrounds to gain work experience and practice essential skills, while also giving participating companies valuable experience through discovering and working with untapped talent that otherwise has limited opportunities.

3. Our head office, Cathay Pacific, HAEKO, Swire Coca-Cola and Swire Properties were recognised as two-year charter signatories to the Racial Diversity & Inclusion Charter for Employers drawn up by the Equal Opportunities Commission. The Group and HAEKO were invited to share their vision and experience in promoting ethnic inclusion in the workplace.

[Watch the video](#)

**Looking forward**

In the coming year, we will continue to collect staff data to facilitate conversations and efforts in retaining and

developing our diverse talent pipeline while strengthening collaborations between employee resource groups and external organisations to enhance engagement and promote awareness.

## Health and safety

We never compromise on safety. In our operations, our first priority is to safeguard the health and safety of our employees, contractors, suppliers and customers, the visitors to our business premises and the communities in which we operate. Many of our operations involve high-risk activities. We apply robust risk management controls, create a strong safety culture and encourage transparent and timely reporting of incidents, so that we can investigate their root causes and implement preventative measures. Our ultimate goal is zero harm.

## Our approach

The Group, and each of its subsidiaries, has an occupational health and safety policy that is monitored by our internal audit department. We focus on the below key areas:

Achieving zero harm depends on a strong safety culture in which employees are responsible for the safety of others and themselves. We aim to identify and manage potential hazards by conducting regular safety audits and reporting all incidents, including those considered to be minor. We also encourage reporting of near misses.

Our health and safety committee is responsible for developing group health and safety policies and guidelines, monitoring divisional performance, promoting education and training, sharing best practices and developing internal health and safety capabilities.

Every division submits a quarterly health and safety report and sets annual safety targets, with a view to continuous improvement in safety performance. At every Group Risk Management Committee (GRMC) and Board meeting, there is an update on health and safety performance. A separate China health and safety working group deals with health and safety in the Chinese Mainland, where regulations frequently change and vary between provinces.

Safety leadership is key to a strong safety culture. Adequate knowledge and skills are required to manage health and safety effectively. Senior management receive industry specific and general health and safety training in accordance with our senior management health and safety policy. A new risk forum focussed on human resources, health and safety has been established under the Group's updated risk governance structure. It advises the GRMC on emerging risks which may affect the Group, helps to analyse health and safety-related risk events, develops best practices for managing risks and provides specialist oversight and support to our divisions.

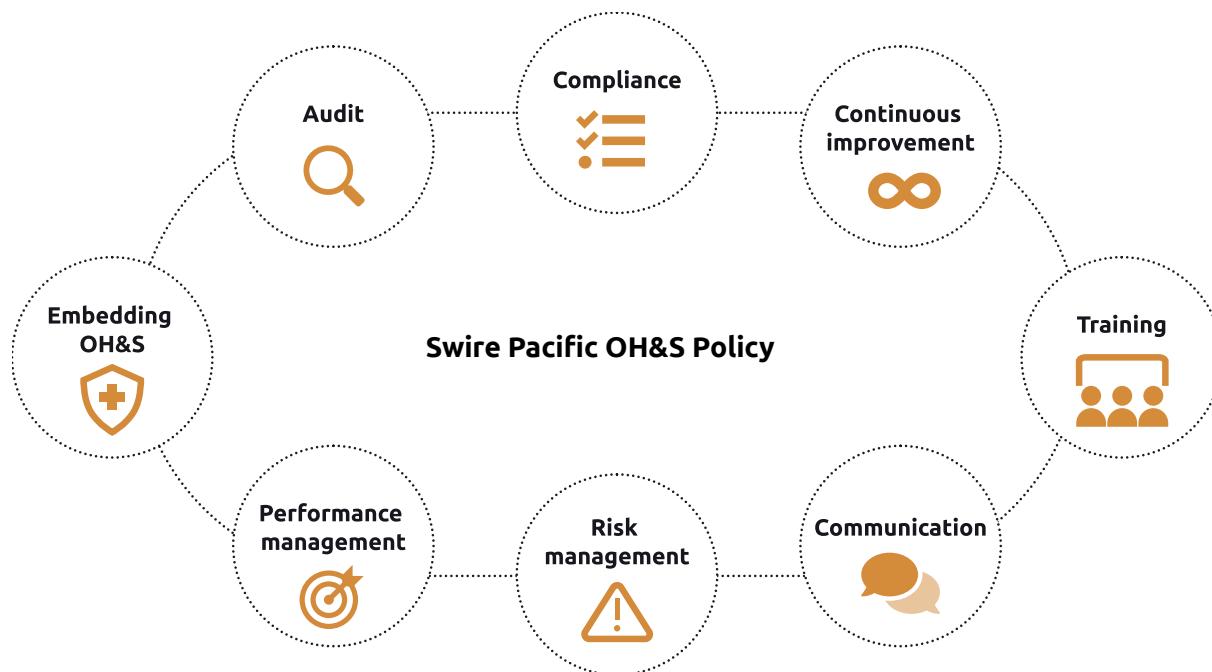
### Explore more

[Risk Management](#)



### Further reading

[Swire Pacific Health and Safety Policy](#)



## Group performance

We use two metrics to evaluate safety performance:

- Lost time injury rates (LTIR): the number of injuries per 100 full-time equivalent employees
- Lost day rates (LDR): the number of work days lost to injuries per 100 full-time equivalent employees

In 2021, our LTIR decreased by 3% to 0.62 from 0.64 in 2020. Significant improvements were observed at Swire Properties in the Chinese Mainland, Swire Hotels, Qinyuan Bakery, Taikoo Motors and Taikoo Sugar. Total hours worked in the group increased by 1% in 2021.

In 2021, our LDR increased by 11% to 31.49. The increase was due to prolonged recovery of a few injuries. With rehabilitation companies, we aim to improve injury management and to assist employees to return to work after recovering from injuries.

There were no fatalities among our employees in 2021.

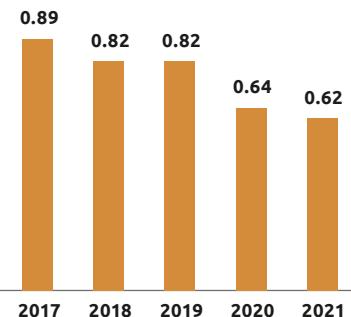
## Tracking contractor safety performance

We expect our contractors to observe high safety standards. In 2021, we began centrally tracking contractor safety data with a view to improving performance. Regrettably, there were two work-related fatalities of subcontracted workers in 2021. One incident occurred in the Chinese Mainland at Swire Properties and the other at Swire Coca-Cola in Taiwan. Following thorough investigations both companies have reviewed their on-site contractor control procedures, implemented enhanced mitigation measures and taken steps to prevent repeat incidents.

## Safety management systems

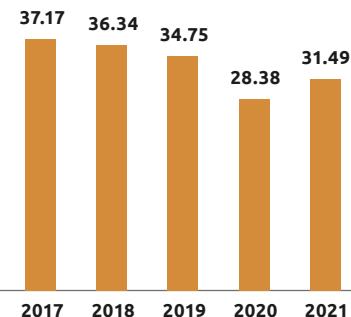
Our Zero Harm commitment requires everyone, regardless of seniority or job responsibilities, to go beyond compliance, proactively eliminate potential hazards and create a safe workplace. In 2021, we conducted a groupwide review of our

**Lost Time Injury Rate**  
(Number of injuries per 100 full-time equivalent employees)



Remark: Figures for 2017-2020 have been restated to reflect the change in the reporting boundary in 2021.

**Lost Day Rate**  
(Number of days lost per 100 full-time employees)



Remark: Figures for 2017-2020 have been restated to reflect the change in the reporting boundary in 2021.

subsidiaries' safety governance, processes and resources devoted to health and safety which was presented to the Audit Committee. Division heads have pay-linked safety performance objectives.

**Swire Properties, Swire Coca-Cola, HAEKO, Swire Pacific Offshore and Swire Waste Management** have safety management systems that are certified to the more stringent ISO 45001:2018 standard.

Swire Properties and HAEKO Hong Kong have "Management Safety Walks", where senior employees demonstrate their commitment to improving health and safety by walking around their facilities identifying potential hazards and speaking to frontline workers, who are encouraged to raise concerns or questions.

Swire Properties and HAEKO made progress in digitising their safety reporting systems. This makes it easier for operational staff to report hazards and incidents, and easier for supervisors to analyse the data collected.

## Safety awareness and training

We delivered occupational health and safety training, covering a range of topics including slip, trip and fall prevention, fire prevention, working at height, heatstroke awareness, manual handling, road safety and emergency response. In early 2021, senior executives from across

the Group completed a safety leadership course accredited by the Institution of Occupational Safety and Health (IOSH).

**Swire Properties** introduced a compulsory online health and safety training in 2019. By the end of 2021, all senior management, line managers, frontline and office staff had completed the training. In the Chinese Mainland virtual reality (VR) simulations of health and safety hazards and scenarios are used to enable staff to practice responding to emergencies. Smart safety helmets that can track whether contracted construction workers are wearing them correctly were tested on a site in Beijing.

**Swire Coca-Cola** continued to roll out the "Life Saving Rules" campaign across its four markets. The campaign, which includes videos, quizzes, self-assessment and gap analysis, is part of a global initiative by The Coca-Cola Company.

**HAEKO** launched a Safety and Quality Initiative Seed Fund to encourage business units to bring new methodologies and ideas for improving people safety and enhancing service quality. It shows safety announcements shared on television screens (Safety TV) to share the latest safety information videos with all staff including subcontractors.

**Swire Pacific Offshore** enhanced and simplified its Permit to Work application procedure. **Swire Resources** introduced a recognition scheme for safety ambassadors which rewards outstanding performance with coupons.

## Crisis management and COVID-19 response

We have a crisis reporting policy and crisis management guidelines, which help to build business resilience through crisis preparedness, business continuity and disaster recovery planning. Reporting and information exchanges within the Group have improved, facilitating a faster response and recovery. Since the start of the pandemic in 2020, Swire Pacific has activated its crisis management process and monitored the situation through its head office crisis management team. Regular reports have been produced throughout this period providing senior management with information on employees who have contracted COVID-19 across all of our operating territories.

Our businesses regularly updated COVID-19 guidelines and procedures intended to protect the health and safety of our people, our customers and those with whom we do business. This included work from home arrangements, provision of personal protective equipment such as face masks and rapid antigen tests, more frequent cleaning and disinfecting of facilities, special UV light and nano-coatings on surfaces, and frequent communication of procedures and updates to staff and tenants. Vaccine leave was introduced as part of a Vaccine Policy, to incentivise our people to get vaccinated.

## Staff health and wellbeing

We care about the mental and physical health and wellbeing of our people. We have 24-hour professional personal counselling and consultation (PPCC) hotlines to help employees deal with stress, relationships, parenting, trauma or grief, and preparation for retirement. Employees approaching retirement are invited to pre-retirement workshops. We use experienced counsellors, social workers and clinical psychologists. Information is kept confidential. We



promote work-life balance and encourage employees to lead active lifestyles by participating in our staff association's physical wellbeing programmes.

Many of our businesses ran campaigns to promote employee wellbeing and help our people feel more connected to the company and to each other. **Swire Properties** organised exercise sessions and special interest workshops introducing calming and mindfulness techniques. **Swire Coca-Cola Taiwan** conducted surveys to raise staff awareness of possible physical and mental health risks when working at home.

## Looking forward

We will build on the health-related initiatives which have been implemented in response to COVID-19, in particular those which enhance the mental health of our employees. We will promote wider use across the Group of a structured approach to post incident investigation and conduct related in-depth analysis of the root causes of incidents. We will maintain our focus on contractor safety performance which we see as integral to the overall safety of our businesses. We will continue to monitor and assess emerging health and safety risks through the recently established Human Resources and Health and Safety risk forum.

### CASE STUDY

#### Swire Coca-Cola – Enhancing road safety

Swire Coca-Cola promotes road and delivery safety awareness to all employees. In 2021, initiatives included:

- Introducing a telematics system in 100 vehicles in Hong Kong, which has led to a 43% improvement in driver safety performance compared with a 2019 baseline
- Fitting in-cab camera technology in 950 vehicles in the US, and rolling out a virtual reality training programme that enables new drivers and individuals requiring remedial training to practice their skills and build confidence in a controlled environment
- Centralising market safety guidelines in the Chinese Mainland, to facilitate clear communication of safe operating practices
- Installing safety lights and alert systems in its warehouse in Taiwan to protect pedestrians

SWIRETHRIVE – COMMUNITIES

# Position our community initiative as part of our **core business value**



**>500,000** people



helped through our programmes active in 2021

**~HK\$63 million**

distributed by the Swire Group Charitable Trust to support education, marine conservation and the arts

**~HK\$60 million**



in cash and in-kind donations to the community by our operating companies

Community is not separate from our business – it is core to it. We recognise that when the communities in which we operate prosper, so do we. As neighbours and employers, we want to be responsible and involved members of those communities.

The goal of our community work is to create a better future by building stronger communities. We envision a flourishing world of diversity where all members of society have opportunities for a meaningful life, and where resources are sustained for future generations.

We support the local communities in which we operate through the Swire Group Charitable Trust (the Trust). Operating companies also make direct contributions to the communities in which they operate.

## Swire Group Charitable Trust

The Trust aims to make positive changes in education, marine conservation and the arts through support for charitable organisations in Hong Kong.

The Trust is funded by annual contributions from companies in the Swire Pacific Group. It is overseen by the Philanthropy Council, which is chaired by a member of senior management, and has tax-exempt charitable status in Hong Kong. Guided by the Swire motto – Esse Quam Videri – the Trust is motivated by altruism and acts for the direct benefit of society and the greater good.

### Education

To enhance education equity, quality and innovation for disadvantaged children and youth.

### Marine conservation

To help create sustainable marine ecosystems in Hong Kong through policy change, public engagement and scientific research.

### Arts

To promote an inclusive arts sector, and to use arts to address social issues.



To celebrate Swire's 150th year in Hong Kong and reaffirm our commitment to the place that has helped us prosper for so many years, Swire has injected an additional HK\$150 million into the Trust to fund TrustTomorrow. This initiative has enabled the Trust to work with more than 40 organisations in Hong Kong, through multifaceted projects that connect the dots to build social capital and aim to drive lasting positive change in the community.

While our focus is on addressing long-term challenges, the additional funds also allowed us to extend practical and timely support to those in our community most affected by the global pandemic. Since 2020, we have contributed over HK\$33 million to COVID-19 relief programmes.

### Further reading

TrustTomorrow



[Overview](#)[Climate](#)[Waste](#)[Water](#)[People](#)[Communities](#)**CASE STUDY****First satellite tracking of Great Knots in Hong Kong**

Waterbirds are key indicators of wetland ecosystem change. To better understand migratory routes, stopover sites, breeding and wintering habitats of different waterbird species, TrustTomorrow is supporting the Hong Kong Bird Watching Society to launch its first satellite tracking project for Great Knots (listed as "Endangered" on the International Union for Conservation of Nature's (IUCN) Red List of Threatened Species) and other waterbirds.



The data collected will inform regional conservation strategies and provide further insight into the conditions and food availability of Asian coasts,

which is closely linked to the health of life under water.

[Learn more](#)**CASE STUDY****The Orchestra Academy bringing music to the community**

TrustTomorrow supported the establishment of the Orchestra Academy Hong Kong (TOA), in conjunction with the Hong Kong Philharmonic Orchestra and the Hong Kong Academy for Performing Arts (HKAPA), to promote an inclusive, vibrant

arts sector in which talented Hong Kong musicians can shine on the world stage. The programme aims to enhance professional training for distinguished graduates from HKAPA's School of Music and facilitate their career development in the orchestral field. Those who are admitted to TOA will contribute their talents to serve the

community through volunteering, for example, providing voluntary instruction to players of the Hong Kong Blind Orchestra. Six fellows and 19 young players have been selected for the first cohort.

[Learn more](#)

**CASE STUDY****The Swire Sky-Flyer Work-integrated Learning Programme**

In collaboration with the Vocational Training Council, the Swire Sky-Flyer Work-integrated Learning Programme aims to enhance vocational and professional education and training for secondary school leavers. In 2021, HAEKO and Swire Properties offered workplace experience and training in the specialised fields of aviation and hospitality, to enhance their employment prospects. Our support includes scholarships to students with outstanding performance and a subsistence allowance for those in need of financial support. Around 1,200 students will benefit from the programme over its three-year pilot.

**CASE STUDY****Building Community, Building Tung Chung**

Following the successful first phase of "Building Community, Building Tung Chung", TrustTomorrow continues to partner with the Hong Kong Council of Social Service and four local NGOs to enrich Tung Chung.

Through a community-based holistic service model which includes sports programmes, community playgrounds, career planning activities and upskilling programmes for ethnic minorities, we see further strengthening of social connections



and collaborations. One of the beneficiaries from the first phase also became a staff of one of the NGOs to give back to her community.

## Grants

In 2021, we supported 51 education, marine conservation, arts and COVID-19 relief programme grants.

<b>Arts</b> HK\$8,707,540	<b>Education</b> HK\$25,935,301	<b>Marine conservation</b> HK\$19,141,305	<b>COVID-19 relief</b> HK\$9,331,405
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## Grants

The following projects were active during 2021:

Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>Chiaphua Industries Ltd. (Germagic)</b>  <b>GERMAGIC</b>	Antiviral Coating for Vulnerable Groups	Provided antiviral coating for special education needs schools and those in subdivided residential units.	COVID	4,000,000	Completed
<b>Feeding HK Limited  Feeding Hong Kong</b> 	FHK Emergency: Feeding Hong Kong in a Crisis	Providing packages with two weeks' supply of staple food items to low-income families and seniors affected by the pandemic.	COVID	430,000	Completed
<b>Growth Foundation Limited</b>  	DreamStarter	Promoting experiential learning so as to foster students' ability to be creative for social good.	Education	2,700,000	Completed

<sup>1</sup>Projects are categorised by their main area of focus, but many projects support more than one area.



Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>Hong Kong Sheng Kung Hui Welfare Council</b>  H.K.S.K.H.Tung Chung Integrated Services 香港聖公會東涌綜合服務	Building Community, Building Tung Chung (Phase 1)	Provided food coupons to underprivileged families, including those from low-income ethnic minorities in Tung Chung.	COVID	2,024,500	Completed
<b>InspiringHK Sports Foundation Limited</b> 		Provided online activities to families and children to improve their wellbeing.			
<b>Playright Children's Play Association</b> 					
<b>The Hong Kong Council of Social Service</b> 					
<b>The Zubin Mahtani Gidumal Foundation Limited</b> 					
<b>Hong Kong Youth Arts Foundation</b> 	Spark! Arts Programme for Children in Small Group Homes	Providing free, high-quality visual and performing arts activities for children in small group homes.	Arts	2,306,000	Completed
<b>St James' Settlement</b> 	Short-term food assistance through Joyful Express Project	Provided underprivileged families and individuals (including those from ethnic minorities) with food, daily necessities and employment opportunities.	COVID	6,147,375	Completed
<b>The ADM Capital Foundation Limited</b> 	Hong Kong Sustainable Seafood Coalition (HKSSC)	Support for HKSSC's promotion of responsible seafood sourcing in Hong Kong.	Marine	2,250,000	Completed
<b>The Education University of Hong Kong</b> 	Supporting Unit for Special Education Needs (SuSEN) Phase 2	Continued support to SuSEN to enable it to develop into a regional special educational needs knowledge transfer centre.	Education	2,990,000	Completed

<sup>1</sup>Projects are categorised by their main area of focus, but many projects support more than one area.

Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>The Hong Kong Philharmonic Society Limited</b>  香港管弦樂團 Hong Kong Philharmonic Orchestra	General Funding	Supporting the orchestra's mission, development and activities, so as to inspire and expand musical appreciation in Hong Kong.	Arts	46,377,000	Completed
<b>The University of Hong Kong</b>  香港大學 THE UNIVERSITY OF HONG KONG	The Swire Institute of Marine Science (SWIMS) Expansion	Expanding and upgrading SWIMS facilities.	Marine	30,000,000	Completed
<b>World Wide Fund For Nature Hong Kong</b> 	Sea For Future II	Setting conservation targets for marine habitats and expanding marine protected areas in Hong Kong.	Marine	2,998,802	Completed
<b>Act Plus Education Foundation</b>  樂言社教育基金 Act Plus Education Foundation	Ani Ed – Young Animator Development	To foster the upward mobility for Underprivileged Youth in Hong Kong through tailored Animator Development Programmes to empower them becoming future assets in Digital Creative Industry.	Education	5,300,000	Ongoing
<b>Arts with the Disabled Association Hong Kong</b>  香港展能藝術會 Arts with the Disabled Association Hong Kong	General Funding	Continued support to promote the arts and artistic talent among persons with disabilities, so as to create equal opportunities for them in the arts sector and to foster social integration.	Arts	7,500,000	Ongoing
<b>Bloom Association Hong Kong Limited</b> 	114°E Hong Kong Reef Fish Survey 2.0	Supporting underwater surveys of reef fishes in Hong Kong waters and promoting long-term monitoring of marine protected areas.	Marine	2,415,300	Ongoing

<sup>1</sup> Projects are categorised by their main area of focus, but many projects support more than one area.



## Overview

## Climate

## Waste

## Water

## People

## Communities

Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>Bring Me A Book Hong Kong Limited</b>  BRING ME A BOOK® HONG KONG 書伴我行(香港)基金會	Taikoo Primary School – Build Reading Culture	Creating a culture of reading in schools and at home so as to promote mental and emotional development, imagination and language skills in children and their relationships with parents.	Education	555,940	Ongoing
<b>Hong Kong Teacher-Librarians' Association</b> 		Teacher-librarian capacity building and upgrading the school library to create a Learning Resource Centre.		379,400	Ongoing
<b>Ms Joyce Choi (Choi EE) parent-child reading enthusiast and consultant</b> 				1,338,000	Ongoing
<b>CareER Association Limited</b> 	Development of a Disability Inclusion Index and Strategy Framework for Employers in Hong Kong	Providing support to develop the city's first Disability Inclusion Index (DII) and toolkits for employers so as to promote employment opportunities for the disabled and to expand the talent pool for local companies.	Education	2,400,000	Ongoing
<b>Caritas Hong Kong</b> 	"Blessed Children, Happy Parents" – Project for Families having Children with Specific Learning Difficulties	Provide holistic services to children with specific learning difficulties, and their parents and teachers, to enhance the children's learning motivation, social skills and self-esteem.	Education	3,361,000	Ongoing
<b>Christian Concern for the Homeless Association</b> 	Relief and Support program for the underprivileged	Relief and support programme providing rental assistance, food coupons and counselling for the underprivileged, especially the homeless and people living in poor housing (Shum Shui Po and Cheung Sha Wan districts).	COVID	1,632,048	Ongoing
<b>Habitat For Humanity Hong Kong Limited</b> 	Project Home Works	Providing home improvements for children from 65 vulnerable families, so as to provide a decent living and study environment.	Education	1,494,000	Ongoing

<sup>1</sup>Projects are categorised by their main area of focus, but many projects support more than one area.



Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>Hong Kong Dignity Institute (HKDI)</b>   HONG KONG DIGNITY INSTITUTE 香港守護尊嚴中心	Refugee – HKDI Interdisciplinary Experiential Learning Programme	Support for HKDI's integrated services clinic for vulnerable populations in Hong Kong, as well as providing students with hands-on experience of the humanitarian issues faced by vulnerable populations in Hong Kong through experiential learning.	Education	600,000	Ongoing
<b>Hong Kong Maritime Museum Limited</b>   HONG KONG maritime museum 香港海事博物館	Swire Marine Discovery Centre (capital works) and Marine Science Learning Programme	Building of the Swire Marine Discovery Centre and creating a marine science learning platform to raise public awareness on marine conservation.	Marine	15,000,000	Ongoing
<b>Hong Kong Sheng Kung Hui Welfare Council</b>   H.K.S.K.H.Tung Chung Integrated Services 香港聖公會東涌綜合服務	Building Community, Building Tung Chung (Phase 2)	Empower the deprived remote community of Tung Chung through driving a 5-NGO-partnership community-based holistic service model; to strengthen career competence in Youth, engaging communities through sports, engaging families with young children through Play, and upskilling young Ethnic Minorities to promote an inclusive community.	Education	14,000,904	Ongoing
<b>InspiringHK Sports Foundation Limited</b>   InspiringHK Sports Foundation 凝聚香港體育基金					Ongoing
<b>Playright Children's Play Association</b>   playright 看 重 孩 子 看 得 起 世 界 VALUE CHILDREN VALUE PLAY					Ongoing
<b>The Hong Kong Council of Social Service (HKCSS)</b>   社會 服務 聯會 The Hong Kong Council of Social Service					Ongoing
<b>The Zubin Mahtani Gidumal Foundation Limited</b>   The Zubin Foundation					Ongoing
<b>Impact HK Limited</b>   同路舍 IMPACT HK	Community Centre for Homeless	A 3-year support to keep Impact HK's community centre, located at Tai Kok Tsui, open to service the homeless community.	COVID	2,799,374	Ongoing

<sup>1</sup> Projects are categorised by their main area of focus, but many projects support more than one area.



Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>InspiringHK Sports Foundation Limited</b>  	IHKSports Coaching for Youth Academy: Sports for Development Connection & Action	Setting up a centralised digital platform "CoachConnect" where qualified sport coaches, parents and teachers can connect to develop children and youths through organised sports activities.	Education	1,492,000	Ongoing
<b>Integrated Brilliant Education Limited</b>  	ActNOW for The Underserved Ethnic Minorities Children	Providing daily after-school educational support and extra-curricular activities to ethnic minority children.	Education	999,760	Ongoing
<b>Joshua Hellman Foundation for Orphan Disease</b>  	Art in Your Life   Yoga in Your Heart	Providing arts and yoga therapy sessions to children with rare diseases and special needs to address their physical, social and emotional needs.	Arts	1,999,000	Ongoing
<b>Life Education Activity Programme</b>  	General Funding	Continued support for LEAP's mission to prevent substance abuse by providing health-based education programmes for primary and secondary students.	Education	15,000,000	Ongoing
<b>Multiple NGOs</b>	Digital Transformation for Tomorrow – See You Online	To support NGOs to improve their digital capabilities to address challenges imposed by COVID-19, and lay groundwork for their longer-term development.	COVID	600,000	Ongoing
<b>Multiple organisations</b>	Arts Access Fund	Providing financial resources for disadvantaged persons to access arts and cultural events in Hong Kong.	Arts	250,000	Ongoing
<b>Multiple organisations</b>	Digital Campaign Fund	Supports NGO partners to better communicate their organisational mission and share information on TrustTomorrow projects through digital campaigns.	Others	2,500,000	Ongoing
<b>Multiple organisations</b>	Hong Kong Marine Policy Alliance	Consultancy in relation to Swire Trust's marine conservation work and assistance in forming a coalition that aims to achieve a public policy and legal framework for the protection of Hong Kong's marine ecosystem.	Marine	5,000,000	Ongoing

<sup>1</sup>Projects are categorised by their main area of focus, but many projects support more than one area.



Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>NGC Network Asia LLC</b>  	Oceans Tomorrow	A multi-media project that chronicles the diverse biodiversity found in Hong Kong waters, to educate, engage and motivate the Hong Kong public to protect Hong Kong's marine biodiversity.	Marine	7,000,000	Ongoing
<b>Operation Dawn Limited</b>  	Swire-CLP CSR Partnership Project on Sustainable Dawn Island	Empower people who suffer from substance abuse by building a self-sustaining shelter island.	Others	990,000	Ongoing
<b>Resolve Foundation Limited</b>  	disABILITIES Empowerment and Leadership Training for Community Inclusion	Supporting the 2020 Fellowship Programme, which aims to train future community leaders from the local disability community about leadership, rights awareness and campaigning skills.	Education	607,000	Ongoing
<b>RUN Hong Kong Limited</b>  	Refugee – PATHS for the Future Education Programme for refugees and asylum seekers	Empowering refugees and asylum seekers in Hong Kong through upskilling to help them improve their self-reliance and secure employment in their future country of resettlement.	Education	1,003,800	Ongoing
<b>Shakespeare4All Company Limited</b>  	S4A Community Theatre HUB	Fostering experiential learning for children through English drama education.	Arts	990,000	Ongoing
<b>Teach for Hong Kong Foundation Limited</b>  	TrustTomorrow 21st Century Education Fellowship	Placement of fellows from diverse background in high-need schools to bridge education inequity.	Education	3,094,750	Ongoing

<sup>1</sup>Projects are categorised by their main area of focus, but many projects support more than one area.

Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>The Hong Kong Bird Watching Society</b>  	Marine and Wetland Conservation in Hong Kong & the Chinese Mainland	Support to further enhance scientific knowledge and capacity building on seabird monitoring. Engage and educate the public to conserve marine and wetland environments.	Marine	2,993,000	Ongoing
	Waterbird Census and Wetland Conservation in the Chinese Mainland – Innovative waterbird research and public awareness outreach	Enabling local conservation groups to help conserve intertidal wetlands in the Chinese mainland through a bird census and public education.  Original project extended to include satellite tracking of Great Knots.	Marine	2,159,000	Ongoing
<b>The Hong Kong Philharmonic Society Limited</b>   香港管弦樂團 Hong Kong Philharmonic Orchestra	The Orchestra Academy	Enhancing professional training for distinguished graduates from HKAPA's School of Music, who will contribute their talents to serve the community.	Arts	8,996,000	Ongoing
<b>Hong Kong Academy for Performing Arts</b>  	General Funding	Continued support to strengthen the school's English and Mandarin language teaching and for special projects.	Education	9,000,000	Ongoing
<b>The Incorporated Management Committee of Taikoo Primary School (Taikoo Primary School)</b>  	Managing Pak Nai's Ecologically Important Habitats to Preserve its Natural Beauty and Sensitive Biodiversity	Supporting The Nature Conservancy through a partner-based (community, academic and various NGO partners) approach to protect, manage, and restore the mosaic of Pak Nai's critical habitats for the long-term benefit of native biodiversity and species of conservation importance.	Marine	3,577,000	Ongoing
<b>The Nature Conservancy Hong Kong Foundation Limited</b>   大自然保護協會	Foundations for Success	Providing peacebuilding leadership learning experiences for disadvantaged young people so as to cultivate compassionate and resilient citizens with a sense of community who will be effective contributors to Hong Kong.	Education	5,427,960	Ongoing

<sup>1</sup> Projects are categorised by their main area of focus, but many projects support more than one area.



Partner organisation	Project name	Project details	Area <sup>1</sup>	Grant approved (HK\$)	Project status (as at 31 Dec 2021)
<b>The University of Hong Kong (SWIMS)</b> 	SWIMS-FishBase/SeaLifeBase phase II Collaboration on International Marine Databases	Creating standardised and reliable data to assist the development of marine-related policies and strategies.	Marine	1,305,507	Ongoing
<b>The Zubin Mahtani Gidumal Foundation Limited</b> 	Supporting EM Youth with Scholarship Opportunities	Supporting scholarship opportunities for ethnic minorities and offering scholarships to financially disadvantaged ethnic minority students.	Education	1,158,000	Ongoing
<b>Time Auction Limited</b> 	Mobilizing Volunteers For Good	Creating a digital matching platform to help NGOs recruit skilled volunteers.	Education	2,913,000	Ongoing
<b>Vocational Training Council</b> 	The Swire Sky-Flyer Work-integrated Learning Programme	Equipping VTC students with professional knowledge and skills for future careers, and providing scholarships and subsistence allowances for work placements.	Education	5,379,000	Ongoing

<sup>1</sup>Projects are categorised by their main area of focus, but many projects support more than one area.

## Supporting our communities through our staff

In 2021, the Swire Trust launched a new volunteering programme which enabled staff across the Group to contribute 2,385 hours of service to 58 meaningful activities. Through these activities, our staff provided direct support to our community and gained a deeper understanding of various social needs.

### MEET OUR VOLUNTEERS

#### Victoria So – Serving people experiencing homelessness

Victoria is a flight attendant at Cathay Pacific and has always been an active member of the community. Out of all the TrustTomorrow volunteering activities she joined, the Kindness Walk has been the most profound experience

for her. Co-organised with ImpactHK, the activity took our staff volunteers on a guided tour of Tai Kok Tsui to visit and serve people experiencing homelessness.

Victoria was deeply moved during her visit to Tung Chau Street Park in Sham Shui Po, "I was shocked to see so many people struggling with homelessness in this city. They are usually those who have been forgotten by the society with limited opportunities to move up the social ladder. Through our interactions, I understand that what we can contribute is more than donations – it means a lot to show them our support and understanding."





### MEET OUR VOLUNTEERS

#### **Yale Leung – Learning to communicate with people with visual impairments**

Many of us may rely on sight to experience the arts, but it is different for people with visual impairments. Yale from John Swire & Sons (H.K.) Ltd. joined the Audio Description Workshop organised by our long-term partner Arts with the Disabled Association, where participants are taught basic techniques to describe details to people with visual impairments (PVI).

Blindfolded, Yale had a first-hand experience of the day-to-day inconvenience and difficulties faced



by PVI, which helped him with his audio description skills. "After the workshop, I have volunteered with other participants to join PVI in arts and leisure activities, such as heritage tours and non-visual

photography. Through audio description, we hope that everyone can appreciate the vibrancy and wonder in this world."

	Swire Trust	Property	Beverages	Aviation	Trading & Industrial	Marine Services
<b>Total value of cash contributions (HK\$)</b>	\$63,115,551	\$19,363,559	\$13,173,812	\$892,428	\$21,612	\$1,284,569
<b>Value of in-kind contributions (HK\$)</b>	–	\$13,742,066	\$7,828,222	\$83,310	\$3,237,428	–
<b>Volunteer hours</b>	2,385	4,811	30,098	763	200	67

### Supporting our communities through our businesses

Our operating companies contribute directly to the communities in which we operate. We want to connect our projects in order to learn from each other. We aim to operate in a way that builds our business, our people and the communities in which we operate.

### Looking forward

TrustTomorrow continues to support inspirational projects in education, marine conservation and the arts, connecting our people, our partners and the community to build social capital, create opportunities and motivate lasting positive change for a better tomorrow.

**ABOUT OUR REPORT**

# Overview

This is our 15th annual sustainable development report. It was published in May 2022 and covers the financial year from 1st January to 31st December 2021. We aim to provide an accurate and balanced account of the Group's performance and progress in material areas of sustainability.

This report focuses on the five areas of SwireTHRIVE – Climate, Waste, Water, People and Communities – as these are the Group's strategic sustainability priorities. We also deal with matters which are important to stakeholders, required for compliance with regulations or which rating agencies expect us to address (see Other ESG disclosures section).

This report deals with the Group as a whole. We also highlight information about individual subsidiaries. Some subsidiaries produce their own sustainability reports. They can be found on our corporate website.

The report is in English and traditional Chinese. It can be viewed online or downloaded as a PDF from the report website. Performance data can be downloaded as a CSV file.

This report has been approved by our Board.

## Report boundary

We have reassessed our report boundary, having given additional consideration to relevant requirements of the Listing Rules relating to board oversight of ESG matters. We have concluded that we should exclude companies which we do not control. The principal effect of this is to exclude Cathay Pacific, which we do not control because it is an associate. Cathay Pacific has its own board of directors, who are responsible for ESG related matters. Hong Kong Aero Engine Services Limited (HAESL), a joint venture between Rolls-Royce plc (50%) and HAECO (50%) will also

be excluded, as shareholders have joint control. Cathay Pacific and HAESL publish their own sustainable development reports, which can be accessed via their corporate websites.

We have restated past data so as to exclude data relating to Cathay Pacific and HAESL for comparative purposes. As recommended in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting & Reporting Standard, we have included a proportion of Cathay Pacific's carbon emissions under the Group's scope 3 (category 15) emissions given their materiality and their interest to readers of this report. The proportion is 45%, which is the same as our percentage ordinary shareholding interest in Cathay Pacific. The report continues to cover subsidiaries of Swire Pacific. Performance data (except as indicated above in respect of Cathay Pacific's carbon emissions) is reported on a 100% basis and has not been proportioned to reflect Swire Pacific's shareholdings in subsidiaries. We do not include newly acquired entities until we have a full calendar year's data from them. The scope, boundary and calculation methodology for specific data points are disclosed in a separate reporting methodology document.

## Explore more

- [About Swire Pacific](#) 
- [SwireTHRIVE](#) 
- [Other ESG disclosures](#) 
- [Assessing materiality](#) 
- [Performance data](#) 
- [GRI/HKEX Index](#) 
- [TCFD](#) 

## Further reading

- [Sustainable development reports of our operating companies](#) 
- [Cathay Pacific's sustainable development reports](#) 
- [HAESL's sustainable development reports](#) 
- [Reporting methodology](#) 

## Reporting frameworks

This report complies with the Environmental, Social and Governance Reporting Guide in Appendix 27 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong under Hong Kong Exchanges and Clearing Limited (HKEX). It has been prepared with reference to the Global Reporting Initiative (GRI) Standards. GRI and HKEX content indices are provided.

We refer to the Task Force on Climate-related Financial Disclosures (TCFD) and the GHG Protocol.

## External assurance

Certain data points are the subject of limited assurance by Deloitte. Please see the Limited Assurance Statement.

## Other disclosures

Our 2021 Annual Report deals with our financial and operational performance and corporate governance.

We respond to enquiries from investors and provide information to the CDP (Climate and Water), the DJSI, FTSE4Good, MSCI, Hang Seng Sustainability Indices and other organisations which assess the economic, environmental and social performance of companies.

## We value your feedback

We welcome views and feedback on our report. Please send your comments and other sustainability related enquiries to:

[sd@swirepacific.com](mailto:sd@swirepacific.com)

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## The Sustainable Development Office team



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**Iris Chan**

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Officer

### Further reading

Limited assurance statement

Swire Pacific Annual Report 2021

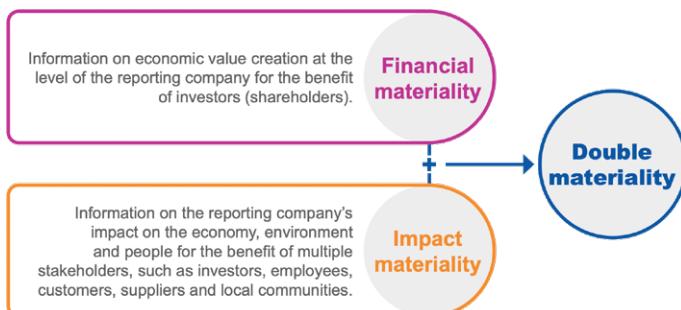
## ABOUT OUR REPORT

# Assessing materiality

The coverage of our annual sustainable development report is determined by reference to a detailed GRI-aligned materiality assessment. The assessment identifies and evaluates the sustainability issues most important to our businesses and stakeholders, for the year under review and in the near future.

## In-depth assessment

In 2021, we conducted a comprehensive materiality assessment that applied the concept of double materiality, which considers both financial materiality and impact materiality. The approach determines topics that positively or negatively influence enterprise value (financial materiality), as well as those that reflect the impacts we have on the economy, environment, and people (impact materiality).

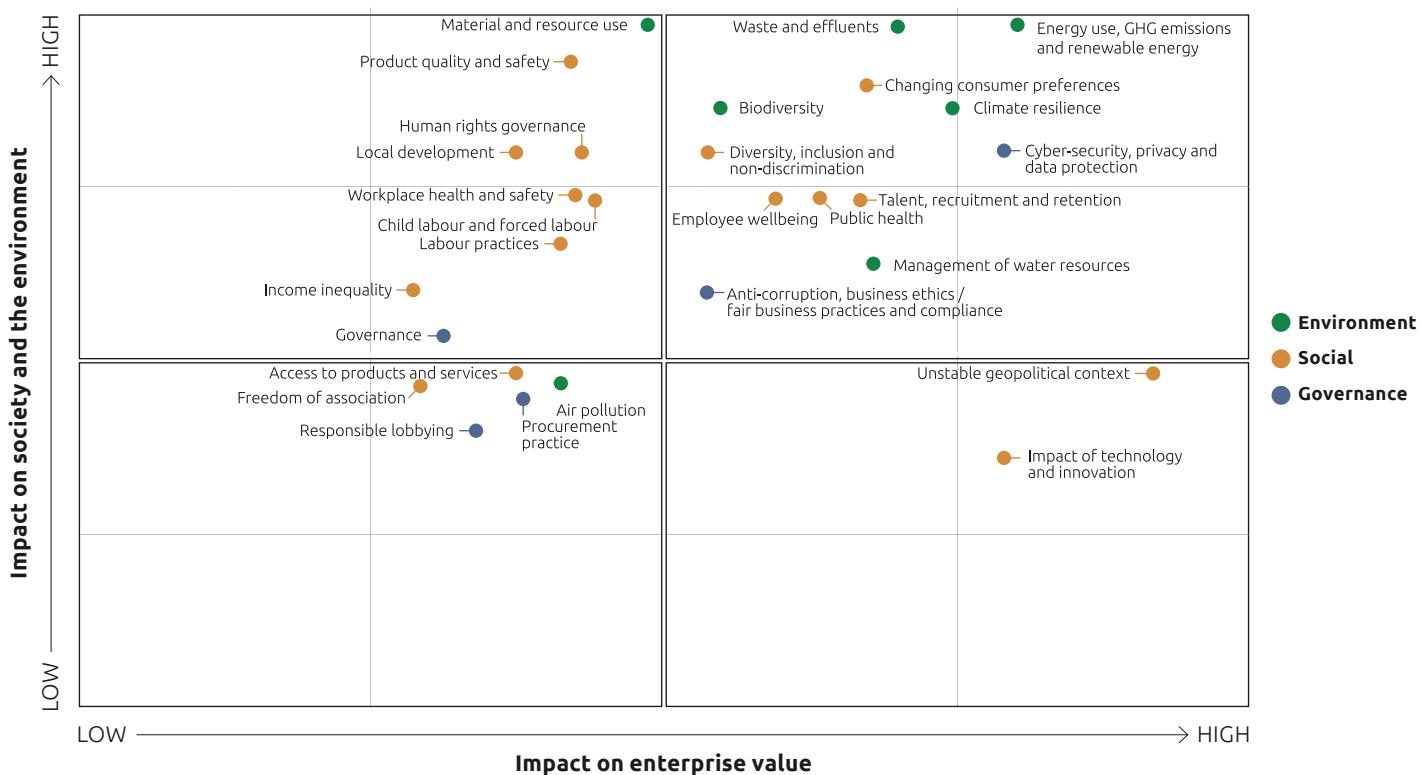


Source: GRI. (2022)

Our double materiality assessment had three phases:

1	2	3
<h3>Identification</h3> <p>A list of potential material issues was produced with reference to the GRI Standards, sustainability ratings questionnaires, the sustainability reports of our operating companies and global sustainability goals and priorities.</p>	<h3>Prioritisation</h3> <p>An external consultancy conducted one-on-one interviews and focus group discussions with our internal and external stakeholders.</p> <ul style="list-style-type: none"><li>• Members of management were asked to determine the actual or potential impact of each topic on the Group's enterprise value using the six areas of our enterprise risk management framework (financial, disruption, reputation, regulatory, human and strategic). They were also asked</li></ul> <p>to consider the Group's vulnerability to the impacts of each topic, taking account of the level of controls in place to manage the impacts, our readiness to respond and the degree to which we can control the impacts.</p> <ul style="list-style-type: none"><li>• Our business partners, investors, peer companies and civil society representatives were engaged to evaluate the severity and likelihood of the Group's positive and negative impacts for each topic, considering scale, scope and whether or not impacts are reversible.</li></ul>	<h3>Validation</h3> <p>Results were validated by those with management responsibilities for sustainable development, risk management, finance, public affairs and staff matters (see materiality matrix). Topics in the top right quadrant are considered material, and should be managed and reported on.</p>

## Materiality matrix



## Material topics

The table below shows the twelve material issues identified in 2021, their definitions and the GRI Standards we reference, where applicable.

Topic	Topic definition	GRI reference
<b>ENVIRONMENTAL</b>		
Energy use, GHG emissions and renewable energy	Energy efficiency of both direct and indirect energy consumed and GHG emissions produced in the company business operations and production processes, including transport. The use of and investment in renewable energy sources, which helps decrease emissions.	GRI 302 Energy GRI 305 Emissions
Waste and effluents	Implementation of a systematic and life-cycle approach to identify, manage, reduce, and responsibly dispose of or recycle effluents and waste, and shall assess all stages: manufacturing, sale, use and end-of-life; including food and packaging.	GRI 306 Effluents and waste
Climate resilience	The ability to prepare for and recover from physical and transition climate impacts (e.g., extreme weather events, flooding of roads and buildings, heatwaves that affect workers, carbon pricing, stakeholder expectations for action, etc.) in the regions of operations and distribution.	GRI 201-2 Financial and other climate risks
Management of water resources	Implementation of a systematic approach to conserve, reduce use of, and reuse water in company operations and supply chain, and to stimulate water conservation within its sphere of influence and contribute to water positivity.	GRI 303 Water



<b>Topic</b>	<b>Topic definition</b>	<b>GRI reference</b>
Biodiversity	Businesses dependency on biodiversity for their inputs and the ecosystem services they provide. The impacts on local ecosystems through the consumption of raw materials and land use, especially where operations are sited in biologically sensitive areas.	GRI 304 Biodiversity
<b>SOCIAL</b>		
Changing consumer preferences	The impact of consumer purchasing decisions on business, which is increasingly driven by sustainability values (e.g. rejection of plastic packaging, reduction in consumption), and meeting consumer needs through the development and offering of sustainable products and services (e.g. alternative materials, circularity, zero waste, and low-emissions lifestyles).	N/A
Talent recruitment and retention	Providing opportunities to promote professional growth and learning among new and existing employees, and matching employee skills with the needs of the business, in order to remain an employer of choice and retain key talent.	GRI 401 Employment GRI 404 Training and education
Public health	Public health and acute public health events including pandemics may disrupt business operations and supply chains, change consumer behaviour, and have physical and psychological impacts to employees.	N/A
Employee wellbeing	The part of an employee's overall well-being (physical and psychological) that they perceive to be determined primarily by work and can be influenced by workplace interventions.	GRI 403 Occupational health and safety
Diversity, inclusion and non-discrimination	Efforts to ensure that the company workforce (at all levels, including board) reflects not only the global business strategy in terms of R&D, operations and customer base, but also reflects the diversity of the workforce pool in the countries of operation. A commitment to a workforce free of unlawful discrimination involving any distinction, exclusion, or preference that has the effect of nullifying equality of treatment or opportunity, and where that consideration is based on prejudice rather than a legitimate ground.	GRI 405 Diversity and equal opportunity GRI 406 Non-discrimination
<b>GOVERNANCE</b>		
Cybersecurity, privacy and data protection	Mitigation, response, and disclosure measures with respect to matters involving cybersecurity risk and incidents, including cybersecurity policies and procedures and the application of disclosure controls and procedures. Approaches to the way employee and consumer data is captured, stored and transferred in a secure manner.	GRI 418 Customer privacy
Anti-corruption, business ethics / fair business practices, and compliance	Commitment to comply with voluntary and mandatory regulatory frameworks that are global in scope, as well as established local laws, regulations, standards, and ethical business practices that apply to the organisation including: promoting competitive behaviour; preventing anti-competitive practices; complying with regulatory authorities; working against corruption, extortion, and bribery.	GRI 205 Anti-corruption GRI 206 Anti-competitive behaviour GRI 419 Socioeconomic compliance

Scores for impact on enterprise value (x-axis) consider both vulnerability and impact. A high score may reflect areas where we already have robust management controls in place but where the financial impact is significant (e.g. Energy use, GHG emissions and renewable energy), or it could indicate an emerging issue where we may need to strengthen

our policies and practices to reduce our vulnerability (e.g. Biodiversity, Public health and Employee wellbeing).

Detailed stakeholder feedback is analysed and insights from the materiality assessment exercise are shared with the leadership team and relevant departments.



## ABOUT OUR REPORT

# Stakeholder engagement

Understanding the needs and concerns of our stakeholders informs our approach to sustainability and our future activity.

Since 2007, we have engaged with stakeholders to understand their expectations and their perceptions of our sustainable development performance. Dialogue maintains trust, gains support for our activities and occasionally reconciles differing interests. It also helps us focus on areas for improvement so that we can take corrective action.

We define stakeholders as internal and external interest groups who have a significant impact on our business or who are significantly affected by our operations.

## Engagement

We continue to engage with our investors and employees and with policymakers, NGOs, the communities in which we operate and other companies. Stakeholders are identified by reference to their expertise in issues material to us, their influence and their willingness to collaborate.

In 2021, we commissioned an external consultancy to conduct two separate engagement exercises:

- To gather targeted feedback on the refreshed SwireTHRIVE 2.0 strategy, we engaged 15 experts from academia, financial institutions, peer companies and civil society through focus group discussion and one-on-one interviews

- To identify material issues to be covered in this report, we conducted four focus groups and three interviews with 12 internal stakeholders (members of management, Board directors) and 13 external stakeholders (academia, civil society representatives, investors, peer companies)

The table shows main stakeholder types, mode of engagement and the main topics of interest to them.

### Explore more

[Assessing materiality](#)

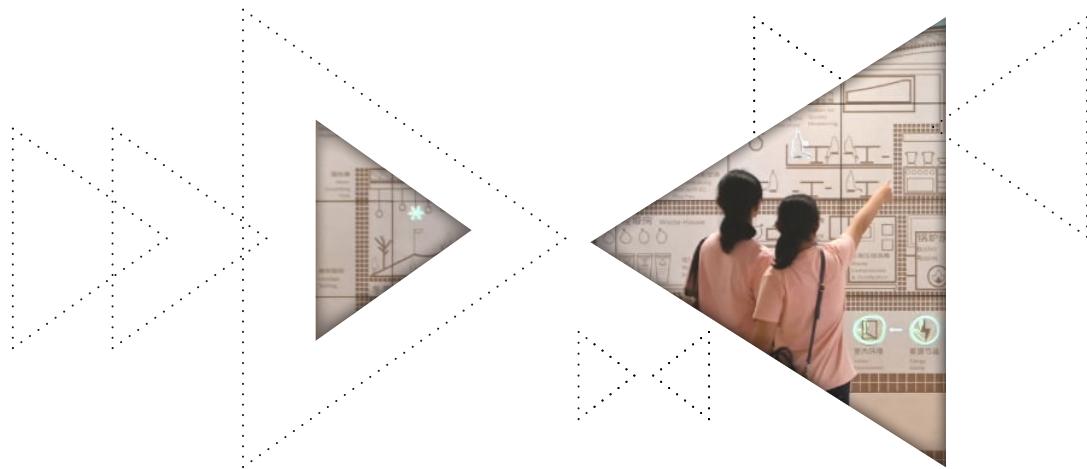


<p><b>Board members</b></p>  <p><b>Mode of engagement</b> Board meetings, interviews</p> <p><b>Sustainability topics</b> Energy use, GHG emissions and renewable energy; Waste and effluents; Impact of technology and innovation; Changing consumer preferences; Talent recruitment and retention.</p>	<p><b>Senior leadership</b></p>  <p><b>Mode of engagement</b> Interviews and executive meetings</p> <p><b>Sustainability topics</b> Energy use, GHG emissions and renewable energy; Impact of technology and innovation; Unstable geopolitical context; Waste and effluents; Changing consumer preferences; Talent recruitment and retention.</p>	<p><b>NGOs and activists</b></p>  <p><b>Mode of engagement</b> Focus groups, interviews, multi-stakeholder initiatives (e.g. Drink Without Waste)</p> <p><b>Sustainability topics</b> Biodiversity; Energy use, GHG emissions and renewable energy; Material and resource use; Waste and effluents; Product quality and safety; Changing consumer preferences; Cybersecurity, privacy and data protection.</p>
<p><b>Investors</b></p>  <p><b>Mode of engagement</b> Meetings, focus groups</p> <p><b>Sustainability topics</b> Energy use, GHG emissions and renewable energy; Material and resource use; Management of water resources; Waste and effluents; Procurement practices.</p>	<p><b>Peer companies and competitors</b></p>  <p><b>Mode of engagement</b> Focus groups, committees, events</p> <p><b>Sustainability topics</b> Climate resilience; Material and resource use; Waste and effluents; Unstable geopolitical context; Talent recruitment and retention; Workplace health and safety; Procurement practices.</p>	<p><b>Industry associations and chambers of commerce</b></p>  <p><b>Mode of engagement</b> Meetings, focus groups</p> <p><b>Sustainability topics</b> Material and resource use; Waste and effluents; Talent recruitment and retention; Cybersecurity, privacy, and data protection; Governance.</p>

## OTHER ESG DISCLOSURES

# Overview

This section contains information on ESG topics not covered by SwireTHRIVE, but where we feel it is important to disclose what we are doing. These topics are of interest to investors, ratings agencies, our employees and others. Some disclosures are required to comply with the HKEX ESG Reporting Guide or the GRI Standards.



## OTHER ESG DISCLOSURES

# Governance

We conduct our affairs in accordance with high ethical standards and our values of integrity, endeavour, excellence, humility, teamwork and continuity.

We must act with probity, transparency and accountability in order to achieve our long-term objectives. Doing this will maximise long-term shareholder value and benefit employees, those with whom we do business and the communities in which we operate. Our core principles include a commitment to sustainable development.

## Our approach

Our approach to corporate governance can be found in our Corporate Governance Code, our Memorandum and Articles of Association, our Board Diversity Policy and the Swire Pacific Annual Report 2021.

We are subject to the Corporate Governance Code in Appendix 14 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Hong Kong Listing Rules).

For details of our governance of sustainability matters, see Our Approach to Sustainable Development.

## Code of Conduct

Our Corporate Code of Conduct requires employees to maintain the highest standards of business ethics and to deal appropriately with each other, those

with whom we do business, and the communities in which we operate. The Code of Conduct includes operating principles covering business ethics, conflicts of interest, bribery, procurement, record keeping, whistleblowing, health and safety, the environment, equal opportunities, diversity and respect in the workplace and privacy.

Our representatives in joint venture and associated companies and contractors who are hired to conduct business on our behalf are expected to act in accordance with the Code of Conduct, and influence those with whom they are working with to follow similar standards of integrity and ethical behaviour.

The Code of Conduct and anti-bribery training is included in the induction programme of all employees. Our conditions of employment require compliance with the Code of Conduct.

We have policies and procedures for employees and others who deal with us to raise concerns about suspected or report actual improprieties including potential misconduct, malpractice or unethical behaviour. Confidential reports can be made to the Group Internal Audit Department or via a designated third-party service provider.

In 2021, there were six reports regarding breaches of the Code of Conduct. While there were 24 cases of whistleblowing, there were no convicted cases of corruption. All cases have been investigated and resolved. None of the

six breaches of the Code of Conduct in 2021 was material to the Group's financial statements or overall operations.

The number of breaches to specific principles within the Code of Conduct is shown below. Between 2020 and 2021, Swire Pacific did not have any breaches related to Business ethics, Competition and antitrust, Bribery, Political activities and contributions, Gambling, Health and safety and the environment.

## Explore more

[Sustainable development governance](#)

## Further reading

- [Our Values, Core Principles and Investment Principles](#)
- [Corporate Governance Code](#)
- [Memorandum and Articles of Association](#)
- [Board Diversity Policy](#)
- [Swire Pacific Annual Report 2021](#)
- [Corporate Code of Conduct](#)
- [Reporting of Improprieties](#)
- [Whistleblowing Policy](#)

Number of breaches to Code of Conduct Principles	2020	2021
Conflicts of interest	2	1
Bribery	0	3
Procurement	4	0
Diversity and inclusion and respect in the workplace	0	2

## Legal compliance

We operate in different jurisdictions with different legal and regulatory requirements. It is our policy to comply in full with all applicable laws and regulations, including those governing the environment, employment (including laws prohibiting child or forced labour), health and safety, products (including their advertising and labelling), bribery, privacy and discrimination. We have policies, codes, guidelines and practices in place to ensure that the Company and its subsidiaries comply with all applicable laws and regulations. Emerging regulations are closely monitored to ensure we are prepared for any changes.

The Audit Committee is responsible for reviewing the Code of Conduct and Swire Pacific's compliance with the Corporate Governance Code set forth in the Hong Kong Listing Rules.

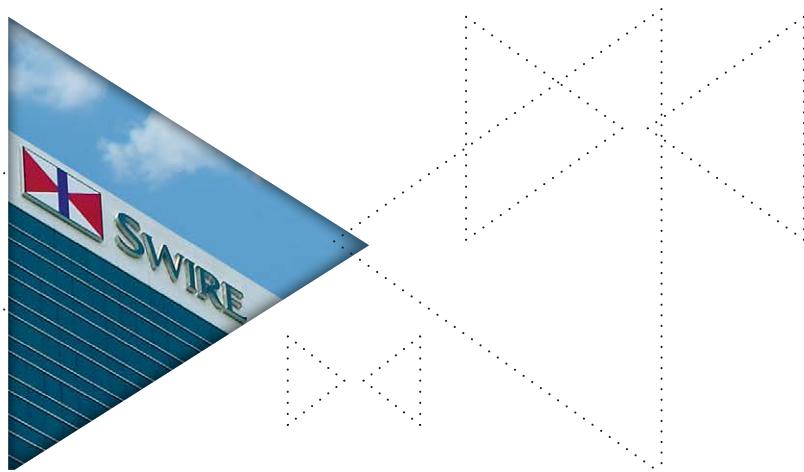
We have reviewed laws and regulations relating to sustainability to identify those where significant investment or expenditure would be required to ensure compliance. We have concluded that there are no such individual laws or regulations which currently have a material impact on the Group.

## Public policy and political contributions

Swire Pacific, as a normal business activity, will lobby government entities either directly or through trade associations to promote policies that encourage business and achieve workable legislation. All our public policy work must meet the ethical standards set out in our Code of Conduct and (where relevant) reflect our public sustainability commitments.

### Further reading

Swire Pacific Annual Report  
2021 (Risk Management) 





## OTHER ESG DISCLOSURES

# Supply chain

We aim to promote inclusive, ethical and sustainable procurement practices.

As supply chains become longer and more complex, sustainable sourcing limits the risk of disruption, protects our reputation and helps to ensure the continued availability of natural resources, on which our businesses depend.

We have thousands of suppliers. They provide goods and services including ships, aircraft parts, fuel, food products, packaging materials, cleaning services, office supplies and uniforms.

We aim to source all key materials responsibly and sustainably, in a way that does not degrade nature and ensures that the people who produce them are treated with dignity and respect. This is what our investors, those with whom we do business and the communities in which we operate expect. Consumers are demanding responsible products and looking for supply chain transparency.

## Our approach

We do not have a central procurement function. Each operating company is responsible for its own procurement. However, we have policies and guidelines that set out the Group's expectations of suppliers.

### **Supplier Corporate Social Responsibility Code of Conduct**

Our Supplier Corporate Social Responsibility Code of Conduct sets out the Group's expectations of all our suppliers and contractors. It covers regulatory compliance, no forced or child labour, health and safety, environmental issues, compensation and working hours, human rights, subcontractor management, and ethics and reporting.

Compliance with the code is assessed. The results determine which suppliers need to be audited to ensure compliance, with focus on those deemed high risk.

We are updating the code with reference to the latest internationally recognised standards.

## Further reading

- Supplier Corporate Social Responsibility Code of Conduct
- Sustainable Procurement Policy
- Human Rights Policy
- Swire Pacific Offshore's Modern Slavery and Human Trafficking Statement

## Our supply chain by division

 <b>Property</b> <p>Swire Properties' principal suppliers perform or assist in the planning, design, construction, marketing, sale, leasing, management, maintenance and demolition of properties</p>	 <b>Beverages</b> <p>Supplies obtained directly from TCCC include juices, concentrates and other ingredients, fountain packaging and advertising materials. Goods which TCCC authorises third parties to supply include packaging, speciality merchandise, sales and marketing equipment, sweeteners and carbon dioxide</p>	 <b>Aviation</b> <p>Principal suppliers are manufacturers of aircraft and engine components and suppliers of fuel and engineering services</p>	 <b>Trading &amp; Industrial</b> <p>The principal suppliers of footwear and apparel to Swire Resources and of vehicles to Taikoo Motors are international brand-owning companies, with their own sustainability policies and standards</p>	 <b>Marine Services</b> <p>The principal suppliers to Swire Pacific Offshore and Hongkong United Dockyards are shipyards, engine manufacturers and suppliers of fuel</p>
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**Sustainable Procurement Policy**  
Under our Sustainable Procurement Policy, our operating companies should, where possible, give preference to products which do not adversely affect the environment. The policy references the sustainable procurement guidance in ISO 20400:2017. Under the updated policy, we intend to strengthen our evaluation of sustainability risks in our supply chain, and to integrate the SwireTHRIVE principles and other material sustainability considerations into supplier selection and retention.

**Human Rights Policy**  
Our Human Rights Policy is informed by the International Bill of Human Rights and by the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. We comply with national laws where they conflict with human rights standards but still do our best to respect the latter. We seek to include, in our agreements with suppliers and contractors, provisions which encourage them to adhere to the principles in our policy.

In compliance with UK legislation, Swire Pacific Offshore issues annual statements on what they are doing to prevent modern slavery and human trafficking in their businesses and supply chains.

We have a Sustainable Supply Chain working group, which shares best practices and develops sustainability policies and guidelines for suppliers. The working group is made up of senior procurement managers from our operating companies. In 2021, the working group conducted a high-level review of supplier risk assessment tools and engaged a specialist consultant to deliver practical training in assessing sustainability risks in supply chains. The Group provided working group members with access to training materials and resources on modern slavery.

## Our actions

### Supply chain management

**Swire Properties** requires service providers to perform well in the areas of health and safety, the environment, procurement, management and quality. New suppliers must complete self-assessment questionnaires to confirm that they have appropriate policies and systems in place to comply with the supplier code of conduct. Due diligence is performed to verify the responses and sites in Hong Kong and the Chinese Mainland may be visited. Independent certification in accordance with internationally recognised standards, and the submission of environmental and health and safety management plans, may be requested for internal review. In 2021, Swire Properties assessed the compliance of over 300 Tier-1 suppliers (representing over half of its 2021 procurement expenditure) with the supplier code of conduct. None were considered high risk. No incidents of human rights violations were identified.

The compliance by **Swire Coca-Cola's** suppliers of critical materials and ingredients for beverages, packaging and any items with TCCC's logo with TCCC's Supplier Guiding Principles is audited by third parties. Knowledge is shared with other Coca-Cola bottlers in the Chinese Mainland in order to manage procurement better. This facilitates the identification and selection of suppliers who follow appropriate procurement principles.

**HAEKO** group identifies its critical suppliers based on volume and asks them to complete self-assessment surveys. It assesses their compliance with its requirements and engages with them on the basis of their responses. This is done every two years. Critical supplier audits are carried out periodically when necessary.

### Sustainable materials

**Swire Properties** tracks consumption of office supplies, building services equipment and building materials which have been certified or accredited by independent third parties. The data is used to evaluate its sustainable procurement performance and to identify opportunities for sourcing more sustainable products. In 2021, HK\$946 million of sustainable products were procured, representing 12% of its total 2021 procurement spend in Hong Kong and the Chinese Mainland.

Swire Properties specified low-carbon concrete, reinforcement bar (rebar) and structural steel in the contract for a new development in Hong Kong. It is working with Tsinghua University to explore the availability of low-carbon building materials in the Chinese Mainland. Swire Properties tracks the consumption and environmental impacts of specific construction materials such as timber, concrete and rebar, which enables benchmarking across its new developments. It aims to promote greater innovation and availability of low-carbon building materials by sharing its experience with primary contractors and building material suppliers through publications, presentations at conferences and other methods.

**Swire Coca-Cola** has committed that by 2025 key agricultural ingredients (sugar and corn) will come from sources verified by third parties to be sustainable. It estimates the carbon emissions associated with its packaging. A tracking system, introduced in 2020, helps identify improvement areas and communicate its decarbonisation strategy to suppliers.

**HAEKO** is developing sourcing policies for key materials to provide procurement and buying teams with guidance to make more responsible choices. Its sourcing policy for plastics was updated in 2021.

For more information on our operating companies' approaches to sustainable procurement, please refer to their 2021 sustainability reports.

## OTHER ESG DISCLOSURES

# Talent management

At Swire, we aim to provide rewarding and fulfilling careers where our people can reach their full potential. We provide competitive remuneration and benefits designed to attract, motivate and retain talent at all levels. We recognise the importance of personal and professional growth and invest in the development and wellbeing of our people.

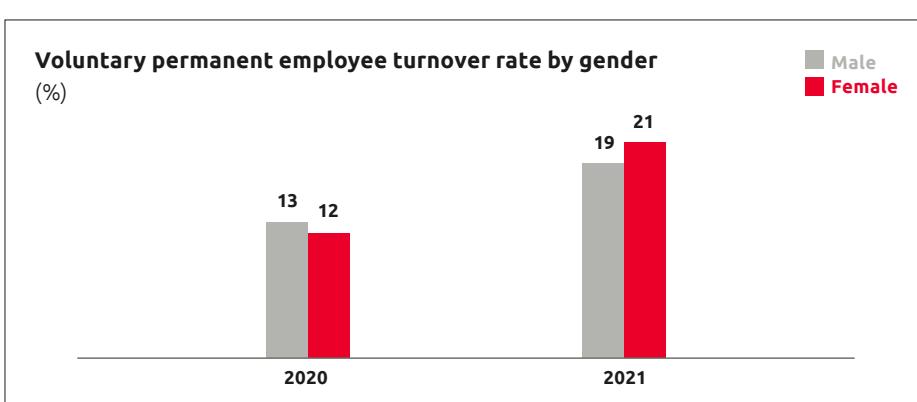
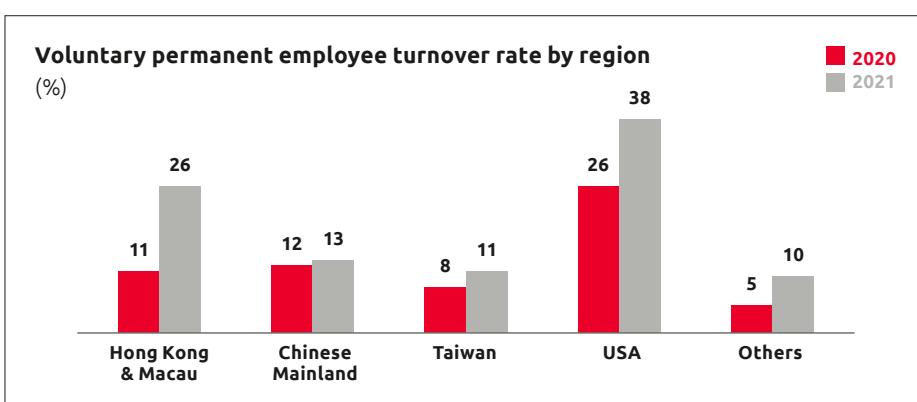
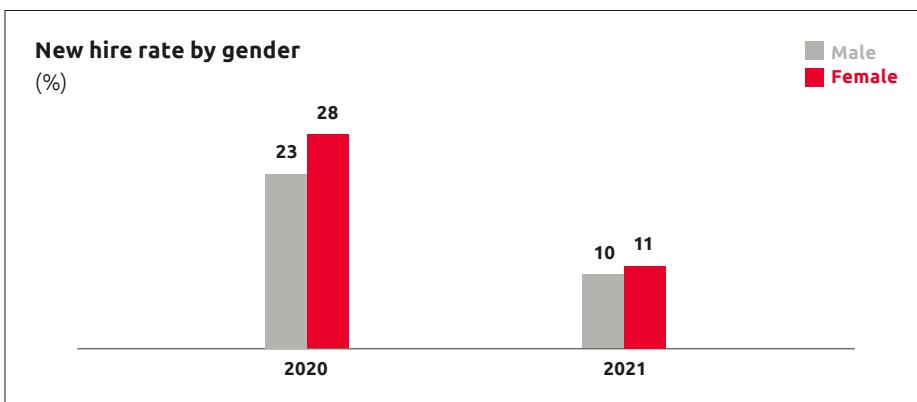
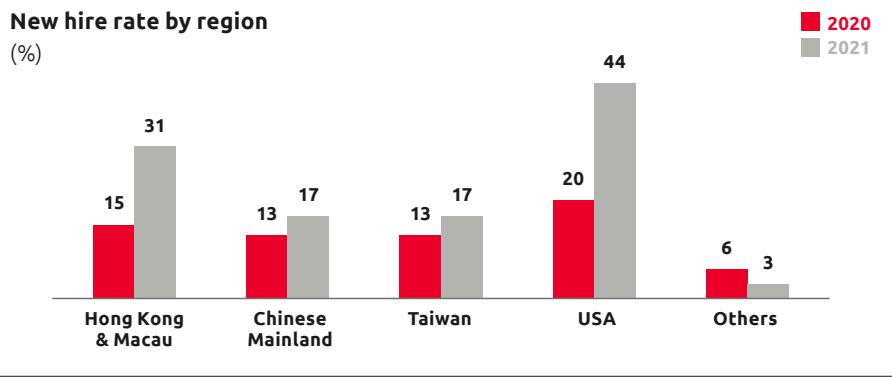
## Attracting and retaining talent

We offer competitive remuneration and employee benefits, including medical benefits, retirement schemes, and bonuses. The Group provides recreational facilities such as holiday homes and leisure boats.

Our new parental leave policy came into effect in 2021. It provides 14 weeks' leave for the primary caregiver and four weeks' leave for the secondary caregiver.

Remuneration decisions are based on roles and responsibilities, individual and business performance, and conditions in the employment markets and economies in which we operate. We try to recruit locally, searching locally before searching internationally. Normally, vacancies are open first to our own people, then locally and finally internationally.

In 2021, our new hire rate was 24% and the average staff tenure was 7.9 years. Staff turnover is monitored with a view to identifying and managing problems as they arise, and to retaining talent. The voluntary turnover rate for permanent staff was 20% in 2021, up from 12.5% in 2020.



[Overview](#)[Governance](#)[Supply chain](#)[Talent management](#)[Customers](#)[Biodiversity](#)

Our goal is to enable our employees to flourish, encouraging them to take pride in our culture and to give them an experience which inspires them to do their best for our businesses.

- Induction sessions for new staff cover our organisational structure, history, principal operations, code of conduct, sustainable development (including SwireTHRIVE), intranet and staff association
- We do our best to ensure that employees receive regular, objective, fair and open assessments of their performance and are rewarded accordingly. Depending on the operating company and job duties of the individual, between 63-100% of employees at Swire Pacific (head office), Swire Properties, Swire Coca-Cola Limited, HAEKO and our Trading & Industrial Division receive individual performance reviews.
- Employees who have received notice of termination of their employment can access professional counselling through our personal assistance and outplacement service for six months after termination. The service is designed to help them search for new jobs and to adjust to their change of circumstances

## Engaging with staff

We believe in open and timely communication with our employees on matters affecting them. We communicate with our people through our intranet, social media, newsletters, surveys, informal gatherings and staff forums. By doing so, we tell people what is happening in the Group. We do our best to build constructive and productive relations with employee representatives. In 2021, Swire Properties, Swire Coca-Cola, HAEKO group, Swire Resources, Taikoo Motors, Qinyuan Bakery and Taikoo Sugar conducted dedicated employee engagement surveys. Engagement levels were mostly above 75%.



In 2021, Swire Pacific organised a total of 10 Leadership Forums and Town Halls connecting our employees with internal and external leaders.

The Swire Hong Kong Staff Association organises and sponsors sports and recreational activities, classes for interest groups and community services for our employees. Subsidiaries also organise their own employee wellness and engagement activities (see People and Communities sections).

HAEKO Hong Kong's GoHAEKO app facilitates sharing, entertainment, learning and rewards. Over 2,000 employees have used the app. Swire Pacific (head office), Taikoo Motors and Swire Pacific Offshore regularly feature staff stories in internal newsletters.

### Explore more

People



Communities



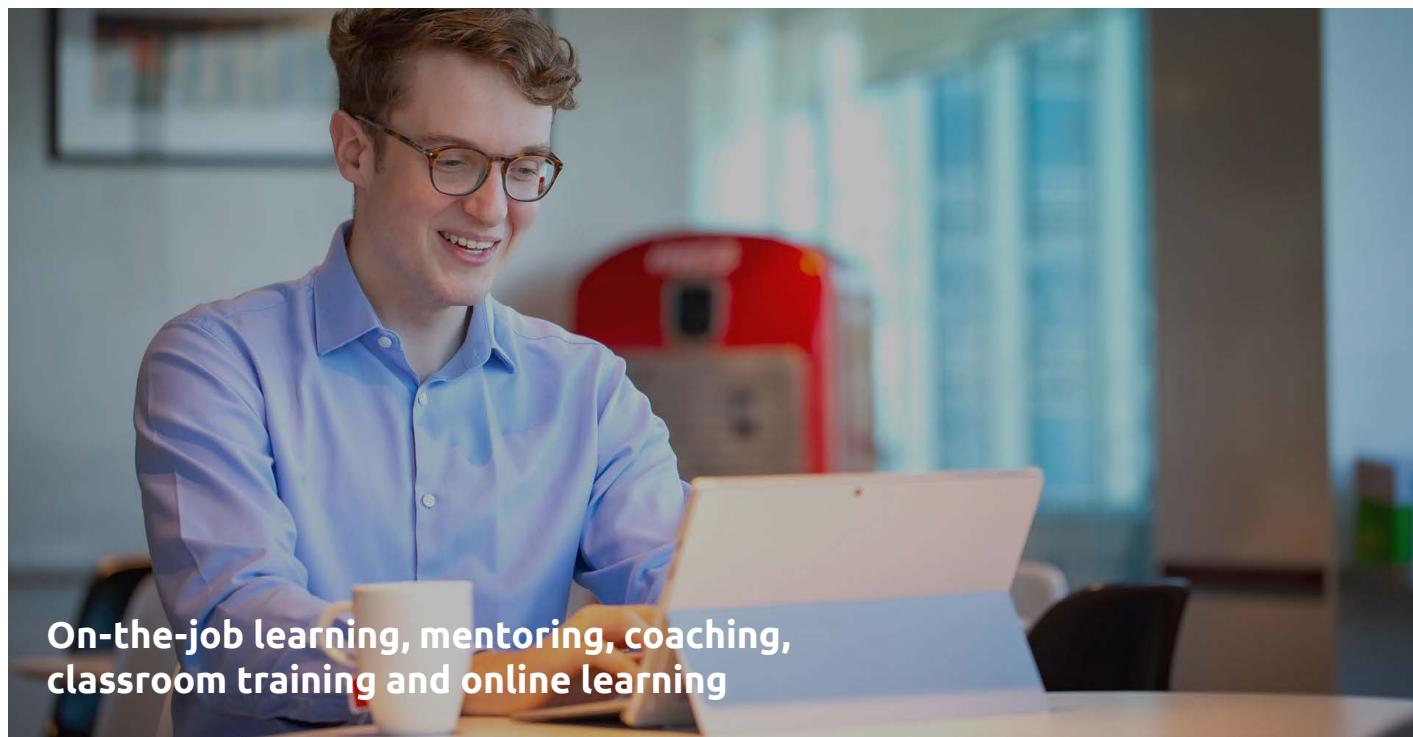
### CASE STUDY

#### Swire Properties – Actions to enhance employee engagement

Swire Properties has set a 2025 KPI of achieving an employee engagement rating of 90% or higher.

Following its 2020 People Engagement Survey, which engaged over 4,000 employees across Hong Kong and the Chinese Mainland, Swire Properties has 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.

In 2021, it formed a working group comprising employees of various levels, which meets twice a year to discuss improvement strategies and develop action plans with department heads. Focus groups were held in Hong Kong with a range of colleagues, from frontline staff to managers, seeking feedback on how to empower its people.



## On-the-job learning, mentoring, coaching, classroom training and online learning

### Training and development

We develop our people by on-the-job learning, mentoring, coaching, classroom training and online learning. In 2021, the average number of hours of training per employee was 34.7 hours, a 13% increase from the previous year. Overall, 98% of male staff and 96% of female staff received training in 2021. On average, we spent over HK\$1,700 per employee, compared with around HK\$1,900 in 2020. This does not include informal and on-the-job learning, where much of our employee training happens.

Operating companies have their own apprenticeship, traineeship and internship programmes.

Please see the sustainable development reports of our operating companies for more information.

### Building a pipeline of future leaders

Our in-house leadership development company, Ethos International, designs and delivers learning and development programmes for our management staff. Managers with high potential attend business management and executive programmes at INSEAD and Stanford University. Ethos International's training programmes emphasise sustainability and aim to develop a strong corporate culture and leadership style that is consistent with our values.

Every year, we recruit high-calibre individuals with a view to developing them into future leaders within the Group. Through three structured programmes, which focus on management, finance and human resources, we provide them with coaching, mentoring and various development initiatives. Sustainable development and the business opportunities it creates is covered in their training.

#### Further reading

SD reports of our operating companies

Leadership programmes

## OTHER ESG DISCLOSURES

# Customers

We are committed to providing high-quality products and services and to giving customers clear and complete information so that they can make informed choices. We advertise responsibly. We protect personal data in line with applicable regulations. Feedback helps us understand customer needs and improve our services. The approach of some of our major businesses to material customer issues is described below.

## Swire Coca-Cola

Consumers are increasingly conscious of health and nutrition when deciding what to eat and drink. Eating less sugar is increasingly important. Swire Coca-Cola aims to address this by:

- Gradually reducing the amount of sugar in its beverages portfolio, with a target to reduce the average sugar content in 100mL of beverages by 20% by 2025

- Offering smaller serving sizes to make controlling sugar intake easier, with packages containing 250mL or less available in all its markets
- Introducing diet, light, and zero-calorie drinks, reformulating recipes and finding alternatives to sugar which reduce sugar content without compromising taste
- With TCCC, exploring ways to make beverages more nutritious by adding vitamins, minerals, electrolytes or dietary fibre

Other material issues	Our approach
Responsible marketing	In line with TCCC's Responsible Marketing Policy, we will not advertise our products in media (television, print, websites, social media, movies or SMS/email marketing) targeting children under the age of 13. We do not advertise our products in primary schools.
Food safety	Swire Coca-Cola regularly audits hygiene and delivery procedures to ensure compliance with its food safety standards. All Swire Coca-Cola plants have FSSC22000 Food Safety Certification.
Clear labelling	Swire Coca-Cola includes caloric information on the front of its packaging. Nutritional information provided is factual and easy-to-understand, and fully compliant with regulations.

For more information, please see Swire Coca-Cola's Sustainable Development Report 2021

### Further reading

[Swire Coca-Cola Sustainable Development Report 2021](#)

[TCCC's Responsible Marketing Policy](#)





## Swire Properties

Swire Properties deals with three categories of customer: individual customers (retail customers and hotel guests); tenants of its commercial buildings; and those who own or occupy the residential properties which it owns or manages, or who occupy its serviced apartments. It regularly collects feedback from customers. In 2021, Swire Properties did the following:

- Did sentiment research, shopper research and a mystery shopper programme at its major retail properties in Hong Kong and the Chinese Mainland

- Provided a virtual comment box at several properties in Hong Kong, which facilitates timely action on issues such as heating, air-conditioning and turnstile malfunctions
- Surveyed guest satisfaction at EAST Hong Kong and utilised a custom-made mobile application to gather guest feedback
- Continued implementing its customer mapping plan, focused on defining how different customers use different spaces across our portfolio and identifying channels to gather continuous feedback from tenants

## Personal data

Under our Personal Data Policy, group companies are required to comply with applicable legal requirements relating to the handling of personal data (including its collection, holding, processing, disclosure and use) and to respect the privacy of others and the confidentiality of information received in the course of business.

To mitigate personal data risks, we have appointed a Chief Information Security Officer, adopted the NIST cybersecurity maturity standard and established a dedicated IT, Data and Technology Risk Forum under the GRMC. We provide training and engage experts to conduct penetration testing. Our operating companies have cyber incident response plans. Please see our 2021 Annual Report for details of our risk governance structure.

During 2021, there were no convictions for non-compliance with laws and regulations relating to customer privacy that would have a significant impact on the Group.

Where relevant, our subsidiaries have dedicated governance to oversee implementation and efficacy of data protection policies. Employees are required to follow internal guidelines covering the collection, processing, transfer, retention, and disposal of customers' personal data. Data protection obligations are included in contracts with third-party data processors.

### Other material issues Our approach

Responsible marketing	Marketing and communications materials comply with relevant government regulations and industry guidelines.
Occupant wellbeing	Buildings and workspaces are designed and operated in ways designed to promote the health and wellbeing of occupants.
Promoting sustainability	Help commercial tenants be more sustainable through a Green Performance Pledge, new fit-out and renovation guidelines for office and retail tenants, initiatives to engage them on environmental and social topics, and ensuring management office colleagues are well-informed of sustainability topics.

For more information, please see Swire Properties' Sustainable Development Report 2021.

### Explore more

Risk management 

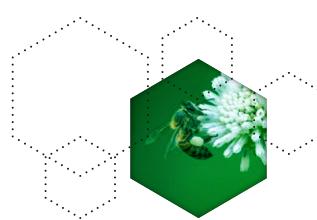
### Further reading

Swire Pacific Annual Report 2021 

Swire Properties Sustainable Development Report 2021 

## OTHER ESG DISCLOSURES

# Biodiversity



Biodiversity loss is among the top global risks. The ecosystem services that biodiversity provides, including crop pollination, water purification, carbon sequestration and flood protection, are estimated to be worth up to USD140 trillion per year.

The case for protecting and enhancing biodiversity is clear. Biodiversity is an important consideration the Group, and aspects of ecosystem protection are covered by our group priorities – nature-based solutions to reducing carbon (see Climate), watershed protection and replenishment (see Water), sustainable procurement (see Supply Chain) and support for marine conservation (see Communities). Where biodiversity is a material issue, our businesses have different approaches depending on what they do and where they are.

## Our approach

Our commitments are in the Group's Biodiversity Policy. We expect our businesses to identify biodiversity issues relevant to their facilities, operations and value chains, and to minimise adverse impacts. Our Biodiversity Working Group helps our businesses to identify key biodiversity concerns and opportunities, to plan mitigations and to report.

Under our Sustainable Food Policy, unsustainable food items (such as shark fin, bluefin tuna and black moss) should not be served at our own events, in our canteens or to customers. The policy is in line with the WWF Seafood Guide and the Convention on the International Trade in Endangered Species of Wildlife Fauna and Flora (CITES). The policy encourages procurement of sustainable food items certified by reputable bodies (the Marine Stewardship Council and the Aquaculture Stewardship Council) and of seafood recommended by WWF Seafood Guide.

## Our actions

**Swire Pacific Offshore** has identified biodiversity issues of concern and has a plan to mitigate adverse impacts. Its vessels have ballast water treatment systems, use TBT-free anti-fouling paints and its latest generations of vessels are certified by DNV for Clean or Clean Design notation (or equivalent) which have requirements to prevent oil pollution and reduce discharges to sea and emissions to air.

### Explore more

- Climate 
- Water 
- Supply chain 
- Communities 



**Swire Properties** has conducted assessments at all its existing properties and projects under development to determine the status of biodiversity and its importance to the places that it develops and the surrounding natural environment. None of its existing properties contain or are located adjacent to areas of globally or nationally important biodiversity. An urban biodiversity study was carried out in partnership with a professor at the University of Hong Kong for its Taikoo Place redevelopment project. Results have emphasised the importance of protecting local species and 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, and will inform guidelines for considering biodiversity in new developments.

### Further reading

- Biodiversity Policy 
- Sustainable Food Policy 

# Performance data

We support transparency and provide information and data in this report and on our website. Information about how we set our reporting boundaries and our data calculation methodology is in our reporting methodology.

We have clear standards and reporting requirements for our sustainability data. The table below presents a quantitative overview of our 2021 sustainable development performance. The 2021 data in these tables identified with the symbol [R] has been independently reported on by Deloitte.

## Further reading

Reporting methodology 

Independent Assurance Statement 

		Note	Property		Beverages		Aviation	
			Swire Properties		Swire Coca-Cola		Cathay Pacific group (Note 3)	
Statistics			2021	2020	2021	2020	2021	2020
<b>ENVIRONMENTAL</b>								
<b>Energy</b>								
Total Energy Consumption (thousand GJ)	Direct energy consumption		190	165	1,340	1,176	-	-
	Indirect energy consumption		1,058	1,050	1,833	1,884	-	-
	Total	1	1,247	1,215	3,174	3,060	-	-
	% Change year-on-year		3%		4%		-	-
On-site Renewable Energy Generation (thousands kWh)			300	294	18,913	19,156	-	-
<b>Emissions</b>								
Greenhouse Gas Emissions from Direct Operations (thousand tonnes CO <sub>2</sub> e)	Direct (Scope 1)		11	12	87	85	-	-
	Indirect (Scope 2), location-based method		187	204	256	273	-	-
	Indirect (Scope 2), market-based method		166	191	256	273	-	-
	Total (location-based method)	1	199	216	343	358	-	-
	% Change year-on-year		-8%		-4%		-	-
Greenhouse Gas Emissions Across Swire Pacific's Value Chain (thousand tonnes CO <sub>2</sub> e)	Indirect (Scope 3)	3, 4	-	-	-	-	2,727	3,415
	% Change year-on-year		-		-	-	-20%	
Total Biogenic Emissions (tonnes CO <sub>2</sub> e)			125	79	0.7	0.1	-	-
<b>Water</b>								
Total Water Withdrawal by Sources (thousands cbm)	Water Withdrawal - Municipal		1,776	1,759 <sup>(2)</sup>	15,425	14,382	-	-
	Water Withdrawal - Groundwater			-	194	190	-	-
	Total	1,7	1,776	1,759 <sup>(2)</sup>	15,619	14,572	-	-
	% Change year-on-year		1%		7%		-	-
Total Water Withdrawal by Water Stress Levels (thousands cbm)	Low (<20%)	8	1,040	1,045 <sup>(2)</sup>	9,331	8,610	-	-
	Medium (20-40%)		72	58	2,931	2,659	-	-
	High (>40%)		664	656	3,357	3,303	-	-
Total Water Consumption (thousands cbm)		9	-	-	8,620	7,995	-	-
<b>Waste</b>								
Total Waste by Type and Disposal Method (tonnes)	<b>Hazardous Waste</b>							
	Disposed		0	0	228	161	-	-
	Recycled		11.0	0.1	5,243	4,442	-	-
	Total Hazardous Waste Generated	1	11.0	0.1	5,470.9	4,603.2	-	-
	<b>Non-hazardous Waste</b>							
	Disposed		32,167	30,585	3,613	5,485	-	-
	Recycled		12,311	10,810	21,272	17,903	-	-
	Reused		62	47	0	0	-	-
	Recovered		613	0	4,718	2,592	-	-
	Total Non-hazardous Waste Generated	1	45,153	41,442	29,603	25,979	-	-
	Total Non-hazardous Waste Diverted	1	12,986	10,857	25,990	20,495	-	-
	<b>Total Waste Generated</b>	1	45,164	41,442	35,074	30,582	-	-
	% Change year-on-year		9%		15%		-	-

Aviation		Trading & Industrial		Marine Services							
HAEKO group (Note 5)		Swire Resources, Taikoo Motors, Swire Foods and Swire Environmental Services		Swire Pacific Offshore		HUD group (Note 6)		Swire Pacific (Head office)		Total (Note 1)	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
202	232	74	72	317	931	237	314	-	-	2,360	2,891
337	327	150	141	2	3	11	17	-	-	3,392	3,422
539	559	224	214 <sup>(2)</sup>	319	934	248	331	-	-	5,752 <sup>R</sup>	6,313
-3%		5%		-66%		-25%		-	-	-9%	
1,303	1,212	-	-	-	-	-	-	-	-	20,516	20,662
18	21	5	5	30	77	20	26	-	-	171	226
44	47	24	23 <sup>(2)</sup>	0.2	0.3	1.2	2.3	-	-	512	550
44	47	24	23	0.2	0.3	1.2	2.3	-	-	490	537
62	68	29	28 <sup>(2)</sup>	30	77	21	29	-	-	683 <sup>R</sup>	776
-10%		4%		-61%		-28%		-	-	-12%	
-	-	-	-	-	-	-	-	-	-	2,727 <sup>R</sup>	3,415
-		-		-		-		-	-	-20%	
-	-	-	-	-	-	-	-	-	-	126	79
398	417	311	302	-	-	39	86	-	-	17,948	16,946
-	-	-	-	-	-	-	-	-	-	194	190
398	417	311	302	-	-	39	86	-	-	18,143 <sup>R</sup>	17,136
-5%		3%		-		-55%		-	-	6%	
379	394	310	301	-	-	39	86	-	-	11,099	10,436
0.7	0.9	-	-	-	-	-	-	-	-	3,004	2,718
18	22	1	1	-	-	-	-	-	-	4,040	3,982
-	-	-	-	-	-	-	-	-	-	8,620	7,995
1,105	986	202	84	1,125	1,088	0	0	-	-	2,659	2,319
106	149	46	0	0	0	1	2	-	-	5,407	4,593
1,211.0	1,135.2	248.0	83.6	1,125	1,088	1.0	1.6			8,066	6,912
3,156	3,803	30	218	0	0	0	0	-	-	38,966	40,091
1,135	551	600	509	0.6	2	117	202	-	-	35,436	29,976
0	0	284	0	0	0	0	0	-	-	346	47
1,082	0	0	0	0	0	0	0	-	-	6,413	2,592
5,373	4,354	914	727	0.6	2	117	202			81,161	72,706
2,217	551	884	509	0.6	2	117	202			42,195	32,615
6,584	5,489	1,162	811	1,125	1,090	118	204			89,227	79,618
20%		43%		3%		-42%		-	-	12%	

Statistics	Note	Property		Beverages		Aviation	
		Swire Properties		Swire Coca-Cola		Cathay Pacific group (Note 3)	
		2021	2020	2021	2020	2021	2020
<b>HEALTH &amp; SAFETY</b>							
Thousand hours worked		12,980	13,141	74,405	69,271	-	-
Total lost time injuries		62	82	200	174	-	-
Lost time injury rate (LTIR)		0.96	1.25	0.54	0.50	-	-
% Change year-on-year (LTIR)		-23%		8%		-	-
Lost days due to injuries		2,327	3,208	8,365	7,734	-	-
Lost day rate (LDR)		35.86	48.82	22.49	22.33	-	-
% Change year-on-year (LDR)		-27%		1%		-	-
Total fatalities (employee)		0	0	0	1	-	-
Total fatalities (contractor)		1	-	1	-	-	-
<b>PEOPLE</b>							
<b>Staff (Including all employment types)</b>							
Total		11	6,202	6,334	32,382	32,846	-
Employees who are on Permanent Terms (%)			92%	92%	99%	95%	-
Permanent employees who work Full-time (%)			99%	98%	100%	96%	-
By gender (%)	Male		59%	60%	72%	73%	-
	Female		41%	40%	28%	27%	-
By age group (%)	Under 30 years old		23%	23%	19%	20%	-
	30 to 50 years old		57%	56%	70%	69%	-
	Over 50 years old		21%	21%	11%	11%	-
By region (%)	Hong Kong & Macau		50%	51%	4%	4%	-
	Chinese mainland		45%	43%	71%	71%	-
	Taiwan		0%	0%	3%	3%	-
	USA		5%	5%	22%	22%	-
	Others		0%	0%	0%	0%	-
By employee category (%)	Strategic Leader		1%	1%	0.2%	0.2%	-
	Operational Leader		9%	9%	6%	6%	-
	Team Leader		17%	17%	15%	14%	-
	Individual Contributor		72%	74%	79%	80%	-

Aviation		Trading & Industrial		Marine Services							
HAEKO group (Note 5)		Swire Resources, Taikoo Motors, Swire Foods and Swire Environmental Services		Swire Pacific Offshore		HUD group (Note 6)		Swire Pacific (Head office)		Total (Note 1)	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
27,837	28,596	13,717	13,257	7,649	10,286	1,113	1,703	84	77	137,785	136,330
117	125	40	47	6	6	1	1	0	0	426	435
0.84	0.87	0.58	0.71	0.16	0.12	0.18	0.12	0	0	0.62 <sup>R</sup>	0.64
-3%		-18%		33%		50%		-		-3%	
8,623	5,898	1,913	1,815	301	246	156	393	0	0	21,684	19,293
61.95	41.25	27.88	27.37	7.87	4.78	28.04	46.16	0	0	31.48	28.30
50%		2%		65%		-39%		-		11%	
0	0	0	0	0	0	0	0	0	0	0 <sup>R</sup>	1
0	-	0	-	0	-	0	-	0	-	2 <sup>R</sup>	-
<hr/>											
12,235	14,343	6,799	6,311	1,242	2,428	-	414	48	41	58,908	62,717
97%	96%	77%	83%	45%	31%	-	71%	100%	98%	94%	91%
99%	99%	87%	93%	99%	100%	-	100%	100%	100%	98%	97%
81%	82%	39%	40%	88%	92%	-	90%	38%	34%	69%	71%
19%	18%	61%	60%	12%	8%	-	10%	63%	66%	31%	29%
18%	20%	33%	30%	8%	13%	-	15%	8%	7%	21%	21%
60%	58%	57%	60%	73%	70%	-	36%	71%	59%	65%	64%
21%	22%	10%	9%	19%	17%	-	48%	21%	34%	14%	15%
40%	47%	34%	32%	0%	0%	-	100%	98%	100%	20%	22%
43%	38%	46%	47%	0%	0%	-	0%	2%	0%	58%	55%
0%	0%	20%	21%	1%	0%	-	0%	0%	0%	4%	4%
16%	16%	0%	0%	0%	0%	-	0%	0%	0%	16%	16%
0%	0%	0%	0%	99%	100%	-	0%	0%	0%	2%	4%
1%	1%	0.2%	0.2%	1.0%	0.3%	-	0.5%	25%	24%	0.4%	0.4%
2%	2%	1%	1%	2%	1%	-	0.5%	8%	10%	5%	5%
27%	13%	7%	7%	52%	44%	-	5%	56%	56%	18%	14%
70%	84%	92%	91%	44%	55%	-	94%	10%	10%	77%	81%



		Note	Property		Beverages		Aviation	
			Swire Properties		Swire Coca-Cola		Cathay Pacific group (Note 3)	
Statistics			2021	2020	2021	2020	2021	2020
<b>PEOPLE</b>								
<b>Staff (Include permanent employees only)</b>								
By employee category and age group (%)	<b>Strategic Leader</b>							
	under 30 years old		0%	0%	0%	0%	-	-
	30 to 50 years old		54%	52%	53%	34%	-	-
	Over 50 years old		46%	48%	47%	66%	-	-
	<b>Operational Leader</b>							
	under 30 years old		2%	2%	1%	1%	-	-
	30 to 50 years old		81%	81%	85%	85%	-	-
	Over 50 years old		17%	17%	14%	14%	-	-
	<b>Team Leader</b>							
	under 30 years old		22%	21%	12%	9%	-	-
	30 to 50 years old		73%	73%	77%	80%	-	-
	Over 50 years old		5%	6%	11%	11%	-	-
	<b>Individual Contributor</b>							
	under 30 years old		25%	26%	22%	24%	-	-
	30 to 50 years old		54%	52%	68%	66%	-	-
	Over 50 years old		21%	22%	10%	10%	-	-
By employee category and gender (%)	<b>Strategic Leader</b>							
	Male		54%	54%	82%	74%	-	-
	Female		46%	46%	18%	26%	-	-
	<b>Operational Leader</b>							
	Male		49%	48%	70%	72%	-	-
	Female		51%	52%	30%	28%	-	-
	<b>Team Leader</b>							
	Male		46%	47%	70%	72%	-	-
	Female		54%	53%	30%	28%	-	-
	<b>Individual Contributor</b>							
	Male		64%	64%	72%	73%	-	-
	Female		36%	36%	28%	27%	-	-
<b>Voluntary Permanent Employee Turnover Data</b>								
By age group	Under 30 years old		45%	25%	47%	36%	-	-
	30 to 50 years old		18%	11%	16%	14%	-	-
	Over 50 years old		12%	6%	10%	9%	-	-
By gender	Male		21%	12%	22%	19%	-	-
	Female		26%	15%	18%	14%	-	-
By region	Hong Kong & Macau		23%	10%	21%	15%	-	-
	Chinese mainland		21%	16%	14%	14%	-	-
	Taiwan		0%	0%	16%	6%	-	-
	USA		42%	20%	43%	32%	-	-
	Others		0%	0%	0%	0%	-	-
Total Voluntary Turnover Rate of Permanent Employees (%)			23%	14%	21%	18%	-	-



## Performance data

## External initiatives, charters and memberships

## GRI / HKEX table

## Glossary

Aviation		Trading & Industrial		Marine Services							
HAEKO group (Note 5)		Swire Resources, Taikoo Motors, Swire Foods and Swire Environmental Services		Swire Pacific Offshore		HUD group (Note 6)		Swire Pacific (Head office)		Total (Note 1)	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
0%	0%	0%	0%	0%	0%	-	0%	0%	0%	0%	0%
34%	28%	17%	43%	58%	67%	-	0%	58%	50%	46%	38%
66%	72%	83%	57%	42%	33%	-	100%	42%	50%	54%	62%
2%	1%	0%	0%	0%	0%	-	0%	0%	0%	2%	1%
63%	68%	45%	51%	62%	59%	-	100%	100%	75%	81%	82%
36%	31%	55%	49%	38%	41%	-	0%	0%	25%	17%	17%
5%	2%	5%	5%	3%	3%	-	15%	11%	14%	10%	9%
79%	75%	77%	80%	72%	71%	-	31%	78%	64%	77%	77%
16%	22%	18%	15%	25%	25%	-	54%	11%	23%	13%	14%
25%	25%	32%	30%	18%	16%	-	19%	20%	0%	24%	25%
54%	56%	58%	62%	67%	66%	-	47%	40%	50%	63%	62%
21%	19%	9%	8%	15%	18%	-	34%	40%	50%	13%	13%
87%	82%	75%	77%	83%	100%	-	100%	67%	60%	76%	72%
13%	18%	25%	23%	17%	0%	-	0%	33%	40%	24%	28%
76%	77%	45%	51%	62%	78%	-	100%	0%	25%	66%	67%
24%	23%	55%	49%	38%	22%	-	0%	100%	75%	34%	33%
77%	81%	52%	51%	94%	94%	-	77%	33%	27%	70%	71%
23%	19%	48%	49%	6%	6%	-	23%	67%	73%	30%	29%
82%	81%	40%	39%	30%	50%	-	88%	20%	25%	69%	71%
18%	19%	60%	61%	70%	50%	-	12%	80%	75%	31%	29%
21%	11%	93%	61%	18%	17%	-	3%	0%	0%	47%	28%
7%	4%	16%	14%	11%	7%	-	2%	7%	4%	14%	9%
7%	4%	12%	8%	6%	18%	-	14%	9%	0%	9%	5%
10%	6%	40%	29%	10%	10%	-	7%	0%	0%	19%	13%
9%	6%	36%	27%	13%	14%	-	3%	11%	4%	21%	12%
10%	5%	75%	54%	0%	0%	-	6%	7%	3%	26%	11%
5%	3%	19%	15%	0%	0%	-	0%	0%	0%	13%	12%
0%	0%	13%	12%	0%	0%	-	0%	0%	0%	11%	8%
20%	13%	0%	0%	0%	0%	-	0%	0%	0%	38%	26%
5%	13%	0%	0%	10%	11%	-	0%	0%	0%	10%	5%
10%	6%	38%	28%	10%	11%	-	6%	7%	3%	20%	12%



		Note	Property		Beverages		Aviation	
			Swire Properties		Swire Coca-Cola		Cathay Pacific group (Note 3)	
Statistics			2021	2020	2021	2020	2021	2020
<b>PEOPLE</b>								
<b>Employee New Hire Data</b>								
By age group	Under 30 years old		60%	36%	65%	35%	-	-
	30 to 50 years old		19%	14%	18%	12%	-	-
	Over 50 years old		11%	9%	7%	6%	-	-
By gender	Male		24%	18%	26%	15%	-	-
	Female		30%	19%	27%	18%	-	-
By region	Hong Kong & Macau		23%	14%	36%	23%	-	-
	Chinese mainland		25%	21%	19%	14%	-	-
	Taiwan		0%	0%	10%	8%	-	-
	USA		61%	35%	48%	21%	-	-
	Others		0%	0%	0%	0%	-	-
Total New Hires Rate (%)			26%	18%	26%	16%	-	-
<b>Average Tenure of Employee</b>								
By age group	Under 30 years old		1.9	1.9	2.0	2.1	-	-
	30 to 50 years old		6.0	5.5	7.5	7.2	-	-
	Over 50 years old		10.7	9.7	13.8	12.6	-	-
By gender	Male		6.4	5.8	7.5	6.9	-	-
	Female		5.3	5.0	6.2	6.1	-	-
Total Average Tenure of Employee (years)			5.9	5.5	7.1	7.0	-	-
<b>Employee Promotion Rate</b>								
By age group	Under 30 years old		19%	13%	10%	12%	-	-
	30 to 50 years old		8%	6%	6%	9%	-	-
	Over 50 years old		3%	2%	3%	3%	-	-
By gender	Male		9%	6%	7%	9%	-	-
	Female		11%	8%	6%	10%	-	-
Total Employee Promotion Rate (%)			10%	7%	6%	9%	-	-
<b>Employees Trained</b>								
By employee category (%)	Strategic Leader		91%	94%	59%	82%	-	-
	Operational Leader		96%	97%	94%	10%	-	-
	Team Leader		96%	99%	97%	26%	-	-
	Individual Contributor		99%	96%	101%	37%	-	-
By gender (%)	Male		97%	96%	100%	39%	-	-
	Female		98%	97%	99%	21%	-	-
Total Employees Trained (%)			98%	97%	100%	34%	-	-
<b>Average Employee Training Hours</b>								
By employee category	Strategic Leader		20.0	15.7	20.8	8.8	-	-
	Operational Leader		25.1	23.3	60.5	47.5	-	-
	Team Leader		30.5	18.5	37.0	35.1	-	-
	Individual Contributor		26.7	19.3	26.8	25.4	-	-
By gender	Male		25.4	17.9	30.0	27.1	-	-
	Female		29.7	21.8	31.1	30.5	-	-
Total Average Hours of Training (per employee)			27.2	19.5	30.3	28.0	-	-



## Performance data

## External initiatives, charters and memberships

## GRI / HKEX table

## Glossary

Aviation		Trading & Industrial		Marine Services							
HAEKO group (Note 5)		Swire Resources, Taikoo Motors, Swire Foods and Swire Environmental Services		Swire Pacific Offshore		HUD group (Note 6)		Swire Pacific (Head office)		Total (Note 1)	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
24%	10%	119%	66%	6%	17%	-	15%	0%	33%	64%	33%
4%	3%	18%	10%	3%	5%	-	10%	18%	4%	16%	10%
4%	3%	10%	5%	3%	4%	-	2%	20%	0%	7%	5%
8%	5%	52%	27%	3%	6%	-	7%	17%	14%	23%	10%
9%	4%	44%	24%	4%	6%	-	14%	17%	0%	28%	11%
4%	3%	97%	50%	0%	0%	-	8%	17%	5%	31%	15%
4%	2%	18%	11%	0%	0%	-	0%	0%	0%	17%	13%
0%	0%	21%	16%	0%	0%	-	0%	0%	0%	17%	13%
28%	15%	0%	0%	0%	0%	-	0%	0%	0%	44%	20%
6%	20%	0%	0%	3%	6%	-	0%	0%	0%	3%	6%
8%	4%	47%	25%	3%	6%	-	8%	17%	5%	24%	14%
3.6	3.4	1.9	2.6	4.5	3.9	-	3.2	3.5	3.3	2.3	2.4
12.3	12.0	6.8	7.1	10.1	8.5	-	8.7	9.0	12.9	8.3	8.1
18.7	18.4	12.9	12.4	14.9	10.6	-	14.7	15.6	22.6	14.9	14.1
12.5	11.9	6.5	6.8	11.4	8.9	-	10.0	8.2	11.8	8.6	8.2
10.7	9.5	6.6	6.9	7.5	4.1	-	9.0	10.9	17.2	7.1	6.8
12.2	11.4	6.0	6.3	10.9	8.6	-	9.8	9.9	15.3	7.9	7.7
35%	34%	6%	2%	0%	6%	-	9%	0%	0%	15%	16%
11%	7%	5%	1%	3%	6%	-	8%	3%	0%	7%	8%
3%	2%	2%	1%	2%	3%	-	0%	10%	0%	3%	3%
14%	12%	4%	2%	2%	5%	-	4%	11%	0%	9%	9%
13%	11%	5%	1%	3%	4%	-	14%	0%	0%	7%	8%
14%	12%	5%	2%	2%	5%	-	5%	4%	0%	8%	9%
59%	86%	58%	57%	100%	33%	-	0%	8%	30%	66%	80%
83%	89%	71%	75%	100%	41%	-	0%	25%	25%	93%	35%
96%	92%	95%	79%	93%	7%	-	62%	15%	23%	96%	51%
93%	95%	89%	67%	98%	32%	-	96%	0%	0%	98%	60%
95%	94%	86%	53%	93%	10%	-	100%	17%	29%	98%	59%
87%	95%	91%	78%	100%	42%	-	47%	10%	19%	96%	54%
94%	94%	89%	66%	95%	16%	-	94%	13%	23%	97%	57%
7.0	8.2	3.6	2.8	1.5	5.3	-	0.0	6.0	4.3	14.0	9.5
15.9	18.7	10.0	6.3	1.5	6.5	-	0.0	2.0	0.3	48.3	39.1
74.1	72.7	16.1	10.2	19.7	1.3	-	3.0	3.3	1.1	46.6	37.3
56.1	51.4	17.9	8.1	1.5	4.9	-	8.2	0.0	0.0	31.2	29.2
45.4	57.7	8.0	5.6	17.9	1.6	-	8.3	6.5	1.8	31.9	32.9
120.0	33.9	24.4	8.8	1.6	6.8	-	5.1	1.7	1.7	41.2	25.3
60.0	53.3	17.7	8.3	14.2	2.6	-	7.9	3.5	1.7	34.7	30.7

Statistics	Note	Property		Beverages		Aviation		
		Swire Properties		Swire Coca-Cola		Cathay Pacific group (Note 3)		
		2021	2020	2021	2020	2021	2020	
<b>PEOPLE</b>								
<b>Average Employee Training Spend (HKD)</b>								
By employee category	Strategic Leader		\$10,152	\$2,277	\$2,957	\$13,515	-	-
	Operational Leader		\$6,264	\$3,890	\$2,208	\$2,631	-	-
	Team Leader		\$1,643	\$1,306	\$1,909	\$1,786	-	-
	Individual Contributor		\$553	\$265	\$1,779	\$1,175	-	-
By gender	Male		\$963	\$650	\$1,829	\$1,338	-	-
	Female		\$2,043	\$1,007	\$1,821	\$1,460	-	-
Total Average Spend on Training (per employee)			\$1,402	\$794	\$1,827	\$1,370	-	-
<b>Absentee</b>								
By gender	Male		1%	1%	1%	1%	-	-
	Female		1%	2%	1%	1%	-	-
Total Absentee Rate (%)			1%	1%	1%	1%	-	-
<b>Salary Data</b>								
Basic Salary								
Gender pay gap by employee category (Basic Salary)	Strategic Leader		-5%	-	-6%	-	-	-
	Operational Leader		-14%	-	14%	-	-	-
	Team Leader		-11%	-	-18%	-	-	-
	Individual Contributor		0%	-	-36%	-	-	-
Remuneration								
Gender pay gap by employee category (Remuneration)	Strategic Leader		-15%	-	-6%	-	-	-
	Operational Leader		-13%	-	-3%	-	-	-
	Team Leader		-9%	-	-22%	-	-	-
	Individual Contributor		-9%	-	-28%	-	-	-

## Notes:

- Totals may not be the exact sum of numbers shown here due to rounding.
- The number included in the 2020 report (which was estimated) has been revised to actual.
- Swire Pacific currently reports scope 3 emissions associated with its investment in Cathay Pacific due to its significant contribution to the group's emissions portfolio. We account for a proportion of the Cathay Pacific Group's total GHG emissions under the Group's scope 3 emissions. The proportion is 45%, which is the same as our percentage ordinary shareholding interest in Cathay Pacific.
- For Cathay Pacific group's aviation turbine fuel associated emissions, only CO<sub>2</sub> (not CO<sub>2e</sub>) emissions are reported as there is no scientific consensus on the global warming effect of other GHGs emissions. Cathay Pacific monitors developments in these areas of atmospheric science, including studies from the UKs OMEGA aviation and environment project and the Institute of Atmospheric Physics at the German Aerospace Centre.
- Following a revision to our report boundary in 2021, HAEKO Group figures exclude Hong Kong Aero Engine Services Limited, a joint venture company between Rolls-Royce and HAEKO. The environmental and H&S figures for 2020 have been restated.
- For 2021, the environmental and H&S data for Hongkong United Dockyards Group (HUD) covers the period from January to September.
- Total water withdrawal refers to the sum of water drawn from municipal water and groundwater. Virtually all water withdrawal by the Swire Pacific Group is from municipal water supplies provided by local water supply authorities.
- We used the World Resource Institute (WRI) Aqueduct Water Risk Atlas tool to map our water withdrawal by water stress levels.
- According to GRI 303-5, water consumption is defined as volume of water that is drawn into the boundaries of the organization and not discharged back to the water environment or a third-party. Swire Coca-Cola is our largest consumer of water (>99%). It has provided its total water consumption.
- Staff data only relates to permanent staff (permanent full time staff, permanent part time staff and fixed contract employees in the Chinese mainland).
- For Swire Coca-Cola, the discrepancy with the 2020 SD report is due to the exclusion of dispatch employees, which is in principle aligned with the Annual Report.
- References in this document to Hong Kong are to Hong Kong SAR, to Macau are to Macao SAR and to Taiwan are to the Taiwan region.
- R. Denotes sustainability data that has been reported on by Deloitte. Please refer to the independent limited assurance report for further details.

Aviation		Trading & Industrial		Marine Services							
HAEKO group (Note 5)		Swire Resources, Taikoo Motors, Swire Foods and Swire Environmental Services		Swire Pacific Offshore		HUD group (Note 6)		Swire Pacific (Head office)		Total (Note 1)	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
\$3,937	\$888	\$33	\$299	\$-	\$-	-	\$-	\$12,733	\$30	\$5,112	\$4,660
\$1,626	\$1,071	\$177	\$238	\$-	\$-	-	\$-	\$1,136	\$-	\$2,918	\$2,653
\$1,014	\$1,729	\$483	\$144	\$3,559	\$7,579	-	\$562	\$10,570	\$5	\$1,607	\$1,957
\$3,001	\$4,546	\$106	\$99	\$-	\$7,827	-	\$881	\$-	\$-	\$1,685	\$1,838
\$2,774	\$4,433	\$197	\$168	\$3,198	\$9,162	-	\$914	\$18,028	\$-	\$1,907	\$2,159
\$1,083	\$2,689	\$95	\$62	\$35	\$69	-	\$432	\$3,941	\$15	\$1,394	\$1,292
\$2,444	\$4,107	\$137	\$105	\$2,485	\$7,329	-	\$855	\$9,224	\$10	\$1,748	\$1,905
<hr/>											
2%	2%	1%	1%	0%	1%	-	2%	0.3%	0.3%	1%	1%
34%	2%	0%	1%	1%	1%	-	1%	0%	1%	7%	1%
8%	2%	0%	1%	1%	1%	-	2%	0.4%	0.4%	3%	1%
<hr/>											
-31%	-	38%	-	47%	-	-	-	-15%	-	-1%	-21%
-19%	-	-7%	-	-13%	-	-	-	-	-	21%	-31%
-28%	-	-32%	-	-29%	-	-	-	0%	-	-19%	-17%
-17%	-	-53%	-	18%	-	-	-	41%	-	-6%	-15%
<hr/>											
-44%	-	29%	-	37%	-	-	-	-40%	-	-16%	-8%
-19%	-	-5%	-	-16%	-	-	-	-	-	8%	-29%
-31%	-	-35%	-	-39%	-	-	-	-10%	-	-25%	-18%
-23%	-	-54%	-	13%	-	-	-	41%	-	-12%	-22%



# External initiatives, charters and memberships

## External Initiatives and ESG Related Charters 2021

Operating company	External initiative/charter	Organisation
HAECO Americas	Youth Access to American Jobs in Aviation Task Force	Federal Aviation Administration, United States Department of Transportation
HAECO Hong Kong	Hong Kong International Airport 2050 Net Zero Carbon Pledge	Airport Authority Hong Kong
Swire Properties	4Ts Charter	Environment Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
Swire Properties	Advancing Net Zero	Hong Kong Green Building Council
Swire Properties	Business Ambition for 1.5°C	Science Based Targets Initiative and United Nations Global Compact
Swire Properties	Carbon Reduction Charter	Environmental Protection Department, Hong Kong SAR Government
Swire Properties	Carbon Neutrality Partnership	Environment Bureau, Hong Kong SAR Government
Swire Properties	Charter on External Lighting	Environment Bureau, Hong Kong SAR Government
Swire Properties	Clean Air Charter	Hong Kong General Chamber of Commerce and Hong Kong Business Coalition on the Environment
Swire Properties	Energy Saving Charter	Environmental Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
Swire Properties	Enterprises Cherish Water ("ECH2O") campaign	Water Supplies Department, Hong Kong SAR Government and Green Council
Swire Properties	Food Wise Charter	Environment Bureau, Hong Kong SAR Government
Swire Properties	Green Event Pledge	Environmental Protection Department, Hong Kong SAR Government
Swire Properties	Low Carbon Charter	Business Environmental Council
Swire Properties	Sustainable Procurement Charter	Green Council
Swire Coca-Cola	Drink Without Waste	Single-Use Beverage Package Working Group
Swire Coca-Cola	Green Event Pledge	Environmental Protection Department, Hong Kong SAR Government
Swire Coca-Cola	New Plastics Economy Global Commitment	Ellen MacArthur Foundation
Swire Coca-Cola	Recycle Colorado	/
Swire Coca-Cola	SOLVE Oregon	/
Swire Coca-Cola	Utah Sustainable Business Coalition	/
Swire Pacific Offshore	Employers' Pledge of Fair Employment Practices	Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP)



Operating company	External initiative/charter	Organisation
Swire Pacific Offshore	Neptune Declaration on Seafarer Wellbeing and Crew Change	Global Maritime Forum
Swire Pacific Offshore	Ship Recycling Transparency Initiative	/
Swire Pacific Offshore	Sustainable Shipping Initiative	/
Swire Resources Limited	No Fakes Pledge Scheme	Intellectual Property Department, Hong Kong SAR Government
Swire Waste Management Limited	Drink Without Waste	Single-Use Beverage Package Working Group
Swire Waste Management Limited	Green Event Pledge	Environmental Protection Department, Hong Kong SAR Government

## Membership of trade associations 2021

The top trade associations and industry groups (on the basis of fees paid by the Group) are highlighted in bold.

Operating company	Name of External Organisation	Membership
<b>HAECO Americas</b>	<b>Aeronautical Repair Station Association (ARSA)</b>	<b>Member</b>
HAECO Hong Kong	Business Environment Council	Corporate Member
HAECO Hong Kong & HAEKO Xiamen	International Airline Technical Pool (IATP)	Member
HAEKO Xiamen	Xiamen Environment Protection Industry Association	Member
Swire Properties	BEAM Society	Founding Member
Swire Properties	Business Environment Council	Board of Directors and Council Member
Swire Properties	China Green Building Council	Corporate Member and Committee Member
Swire Properties	Green Cross – Occupational Safety & Health Council	Group Member
Swire Properties	Hong Kong General Chamber of Commerce	Full Member General Committee & Chamber Council Member, Real Estate & Infrastructure Committee
<b>Swire Properties</b>	<b>Hong Kong Green Building Council</b>	<b>Platinum Patron Member</b>
Swire Properties	The Hong Kong Management Association	Executive Committee Member and Charter Member
<b>Swire Properties</b>	<b>The Real Estate Developers Association of Hong Kong</b>	<b>Board of Directors Executive Committee Member Member, Planning Environment and Lands Sub-Committee</b>
Swire Properties	Urban Land Institute	ULI Asia Pacific Corporate Member
Swire Properties	U.S. Green Building Council	Gold Member
Swire Properties	World Wide Fund For Nature Hong Kong	Pearl Member
Swire Coca-Cola	China Beverage Industry Association	Director
Swire Coca-Cola	Nanjing Association of Enterprises with Foreign Investment	Co-Chairman



Operating company	Name of External Organisation	Membership
Swire Coca-Cola	Shanghai Foreign Investment Association	Member
Swire Coca-Cola Hong Kong	The Hong Kong Beverage Association	Member
Swire Coca-Cola Taiwan	Taiwan Beverage Industry Association	Corporate
<b>Swire Coca-Cola USA</b>	<b>American Beverage Association</b>	<b>Corporate</b>
Swire Coca-Cola USA	Arizona Beverage Association	Corporate
Swire Coca-Cola USA	Colorado Beverage Association	Corporate
Swire Coca-Cola USA	Idaho Soft Drink Association	Board member
Swire Coca-Cola USA	National Safety Council	Member
Swire Coca-Cola USA	New Mexico Beverage Association	Corporate
Swire Coca-Cola USA	Oregon Beverage Association	Board member
Swire Coca-Cola USA	Oregon Trucking Association	Member
<b>Swire Coca-Cola USA</b>	<b>Washington Beverage Association</b>	<b>Board member</b>
Swire Coca-Cola USA	Washington Trucking Association	Member
Swire Pacific Offshore	British Chamber of Commerce (Singapore)	Member
Swire Pacific Offshore	Singapore Shipping Association	Member
Swire Pacific Offshore	WISTA Singapore	Member
Swire Pacific Offshore	World Ocean Council	Member
Swire Resources Limited	Hong Kong Institute of Human Resource Management	Corporate member
Swire Resources Limited	Hong Kong Retail Management Association	Corporate member
Swire Waste Management Limited	Hong Kong Waste Management Association	Organisation member
Taikoo Motors	British Chamber of Commerce in Taipei	Member
Taikoo Motors	European Chamber of Commerce Taiwan	Member
Taikoo Sugar (China) Ltd.	China Sugar Association	Member
Taikoo Sugar (China) Ltd.	廣東省食品安全學會	Member
Taikoo Sugar (China) Ltd.	廣州市黃埔區食品安全協會	Member
Taikoo Sugar (China) Ltd. Chengdu Branch	成都市食品商會	Member
Taikoo Sugar (China) Ltd. Shanghai Branch	上海市食品化妝品質量安全管理協會	Member
Taikoo Sugar (China) Ltd. Shanghai Branch	上海市嘉定區食品安全協會	Member

# GRI and HKEX index tables

This content index can be used to find disclosures relevant to the GRI Standards and the HKEX ESG Reporting Guide.

## GRI Standards General Disclosure

<b>GRI Standards</b>					
<b>General Disclosures</b>	<b>GRI Standards description</b>	<b>Item</b>	<b>HKEX ESG reporting guide reference</b>	<b>Report section</b>	<b>Remarks</b>
<b>Organisational profile</b>					
102-1	Name of the organisation			<a href="#">Our business</a>	
102-2	Activities, brands, products, and services			<a href="#">Our business</a>	<a href="#">Swire Pacific 2021 Annual Report - Corporate Statement</a>
102-3	Location of headquarters			<a href="#">Our business</a>	
102-4	Location of operations			<a href="#">Our business</a>	<a href="#">Swire Pacific 2021 Annual Report - Corporate Statement</a>
102-5	Nature of ownership and legal form			<a href="#">Our business</a>	
102-6	Markets served (including geographic breakdown, sectors served, types of customers, and beneficiaries)			<a href="#">Our business</a>	
102-7	Scale of the organisation			<a href="#">SwireTHRIVE – People</a>	<a href="#">Swire Pacific 2021 Annual Report - Corporate Statement</a>
					<a href="#">Swire Pacific 2021 Annual Report - 2021 Performance Review and Outlook</a>
102-8	Information on employees and other workers	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	<a href="#">Appendices – Performance data</a>	
102-9	Supply chain	KPI B5.1	Number of suppliers by geographical region.	<a href="#">Other ESG disclosures – Supply chain</a>	Swire Pacific does not have a centralised Procurement function. Each operating company is responsible for its own procurement, so we do not have group level supplier data.
		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.		
		KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		

<b>GRI Standards</b>					
<b>General Disclosures</b>	<b>GRI Standards description</b>	<b>Item</b>	<b>HKEX ESG reporting guide reference</b>	<b>Report section</b>	<b>Remarks</b>
<b>Organisational profile</b>					
102-10	Significant changes to the organisation and its supply chain		<a href="#">Other ESG disclosures – Supply chain</a>	<a href="#">Swire Pacific 2021 Annual Report - Chairman Statement</a>	<a href="#">Swire Pacific 2021 Annual Report - 2021 Performance Review and Outlook</a>
102-11	Precautionary Principle or approach		<a href="#">Our business – Risk management</a>	<a href="#">Swire Pacific 2021 Annual Report - Risk Management</a>	
102-12	External initiatives		<a href="#">Appendices</a>		
102-13	Membership of associations		<a href="#">Appendices</a>		
<b>Strategy</b>					
102-14	Statement from senior decision-maker		<a href="#">Introduction – Chairman's statement</a>		
102-15	Key impacts, risks and opportunities		<a href="#">Our business – Risk management</a>		
<b>Ethics and integrity</b>					
102-16	Values, principles, standards, and norms of behavior		<a href="#">Other ESG disclosures – Governance</a>		
<b>Governance</b>					
102-18	Governance structure		<a href="#">Our business – Our approach to sustainable development</a>	<a href="#">Swire Pacific 2021 Annual Report - Corporate Governance Report</a>	
<b>Stakeholder engagement</b>					
102-40	List of stakeholder groups		<a href="#">About our report – Stakeholder engagement</a>		



<b>GRI Standards</b>					
<b>General Disclosures</b>	<b>GRI Standards description</b>	<b>Item</b>	<b>HKEX ESG reporting guide reference</b>	<b>Report section</b>	<b>Remarks</b>
<b>Stakeholder engagement</b>					
102-41	Collective bargaining agreements				In Hong Kong there is no legal framework for collective bargaining arrangements with trade unions. In the Chinese Mainland, our operating companies are normally required to liaise with official trade unions. Employees can present grievances and report improprieties and breaches of the Code of Conduct through established channels. At Swire Pacific Offshore, relevant seagoing employees' pay negotiations are undertaken collectively with international or national bodies, and administered under collective bargaining agreements and enterprise bargaining agreements in accordance with Maritime Labour Convention 2006. See our operating companies' sustainability reports for details.
<b>Reporting Practice</b>					
102-42	Identifying and selecting stakeholders			<a href="#">About our report – Stakeholder engagement</a>	
102-43	Approach to stakeholder engagement			<a href="#">About our report – Assessing materiality</a>	
102-44	Key topics and concerns raised			<a href="#">About our report – Assessing materiality</a>	Also see <a href="#">Stakeholder engagement section</a>
102-45	Entities included in the consolidated financial statements				<a href="#">Swire Pacific Reporting Methodology 2021</a>
102-46	Defining report content and topic Boundaries			<a href="#">About our report</a>	<a href="#">Swire Pacific Reporting Methodology 2021</a>
102-47	List of material topics			<a href="#">About our report – Assessing materiality</a>	<a href="#">Swire Pacific Reporting Methodology 2021</a>
102-48	Restatements of information			<a href="#">Appendices – Performance data</a>	Following a review of our report boundary in 2021, we have restated past years' performance data so as to exclude data relating to Cathay Pacific and HAESL.

<b>GRI Standards</b>					
<b>General Disclosures</b>	<b>GRI Standards description</b>	<b>Item</b>	<b>HKEX ESG reporting guide reference</b>	<b>Report section</b>	<b>Remarks</b>
<b>Reporting Practice</b>					
102-49	Changes in reporting				<a href="#">Swire Pacific Reporting Methodology 2021</a>
102-50	Reporting period			<a href="#">About our report</a>	
102-51	Date of most recent report				Our 2020 Sustainable Development Report was published on 28 June 2021.
102-52	Reporting cycle			<a href="#">About our report</a>	
102-53	Contact point for questions regarding the report			<a href="#">About our report</a>	
102-54	Claims of reporting in accordance with the GRI Standards			<a href="#">About our report</a>	
102-55	GRI content index			<a href="#">Appendices – GRI and HKEX index tables</a>	
102-56	External assurance			<a href="#">About our report</a>	<a href="#">Independent Practitioner's Limited Assurance Report</a>

## GRI Standards and HKEX

GRI Standards topic-specific standard	GRI Ref.	Description	HKEX ESG Ref.	Description	Report section	Remarks
<b>HKEX Mandatory Disclosure Requirements</b>						
N/A	N/A	N/A	Governance Structure	A statement from the board containing the following elements:  (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	<a href="#">Introduction – Chairman's statement</a>	
N/A	N/A	N/A	Reporting Principles	Materiality	<a href="#">About our report – Assessing materiality</a>	<a href="#">Swire Pacific Reporting Methodology 2021</a>
				Quantitative	<a href="#">About our report – Overview</a>	
				Consistency	<a href="#">Appendices – Performance data</a>	
N/A	N/A	N/A	Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	<a href="#">About our report – Overview</a> <a href="#">Appendices – Performance data</a>	<a href="#">Swire Pacific Reporting Methodology 2021</a>



GRI Standards topic-specific standard	GRI Ref.	Description	HKEX ESG Ref.	Description	Report section	Remarks
<b>Economic</b>						
GRI 201: Economic Performance 2016	103-1	Explanation of the material topic and its boundary	General Disclosure A4	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	<u>SwireTHRIVE – Climate</u>	<u>Swire Pacific 2021 Annual Report - Financial Review</u>
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
	201-1	Direct economic value generated and distributed	KPI B8.2	Resources contributed (e.g. money or time) to the focus area	<u>SwireTHRIVE – Communities</u>	
	201-2	Financial implications and other risks and opportunities due to climate change	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.	<u>Our business – TCFD</u>	
GRI 205: Anti-corruption 2016	103-1	Explanation of the material topic and its boundary	General Disclosure B7	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	<u>Other ESG disclosures – Governance</u>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
	205-2	Communication and training about anti-corruption policies and procedures	KPI B7.3	Description of anti-corruption training provided to directors and staff.	<u>Other ESG disclosures – Governance</u>	
	205-3	Confirmed incidents of corruption and actions taken	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.	<u>Other ESG disclosures – Governance</u>	
			KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored.		<u>Whistleblowing Policy</u>



GRI Standards topic-specific standard		HKEX ESG Ref.		Report section		Remarks
GRI Ref.	Description	Ref.	Description			
<b>Economic</b>						
GRI 206: Anti-competitive Behaviour 2016	103-1 Explanation of the material topic and its boundary			<a href="#">Other ESG disclosures – Supply chain</a>		It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices					
<b>Environmental</b>						
GRI 301: Materials 2016	103-1 Explanation of the material topic and its boundary	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials.	<a href="#">Other ESG disclosures – Supply chain</a>		It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2 The management approach and its components		Policies on minimising the issuer's significant impact on the environment and natural resources			
	103-3 Evaluation of the management approach					<a href="#">Swire Pacific Sustainable Development Policy and related policies</a>
		KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.			This was deemed to not be material at group level, by our materiality assessment.
GRI 302: Energy 2016	103-1 Explanation of the material topic and its boundary	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials.	<a href="#">SwireTHRIVE – Climate</a>		It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2 The management approach and its components		Policies on minimising the issuer's significant impact on the environment and natural resources			
	103-3 Evaluation of the management approach					<a href="#">Swire Pacific Sustainable Development Policy and related policies</a>
	302-1 Energy consumption within the organisation	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).	<a href="#">Appendices – Performance data</a> <a href="#">SwireTHRIVE – Climate</a>		<a href="#">Swire Pacific 2021 Annual Report - Sustainable Development Review</a>
	302-4 Reduction of energy consumption	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.			



GRI Standards topic-specific standard	GRI Ref.	Description	HKEX ESG Ref.	Description	Report section	Remarks
<b>Environmental</b>						
GRI 303: Water and Effluents 2018	103-1	Explanation of the material topic and its boundary	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials.	<a href="#">SwireTHRIVE – Water</a>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components		Policies on minimising the issuer's significant impact on the environment and natural resources		
	103-3	Evaluation of the management approach				<a href="#">Swire Pacific Sustainable Development Policy and related policies</a>
	303-1	Interactions with water as a shared resource	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.	<a href="#">SwireTHRIVE – Water</a>	
			KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		
	303-2	Management of water discharge-related impacts			<a href="#">SwireTHRIVE – Water</a>	
	303-3	Water withdrawal	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	<a href="#">Appendices – Performance data</a> <a href="#">SwireTHRIVE – Water</a>	<a href="#">Swire Pacific 2021 Annual Report - Sustainable Development Review</a>
	303-5	Water consumption			<a href="#">Appendices – Performance data</a>	
GRI 304: Biodiversity 2016	103-1	Explanation of the material topic and its boundary	General Disclosure A2, A3	Policies on the efficient use of resources, including energy, water and other raw materials.	<a href="#">Other ESG disclosures – Biodiversity</a>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components		Policies on minimising the issuer's significant impact on the environment and other raw materials.		
	103-3	Evaluation of the management approach				<a href="#">Swire Pacific Sustainable Development Policy and related policies</a>
	304-2	Significant impacts of activities, products, and services on biodiversity	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		



GRI Standards topic-specific standard		GRI Ref.	Description	HKEX ESG Ref.	Description	Report section	Remarks
<b>Environmental</b>							
GRI 305: Emissions 2016	103-1	Explanation of the material topic and its boundary	General Disclosure A1, A3	Information on the policies and 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.	SwireTHRIVE – Climate		It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components		Policies on minimising the issuer's significant impact on the environment and natural resources.			
	103-3	Evaluation of the management approach					
	305-1	Direct (Scope 1) GHG emissions	KPI A1.1	The types of emissions and respective emissions data.	Appendices – Performance Data	Swire Pacific 2021 Annual Report - Sustainable Development Review	
	305-2	Energy indirect (Scope 2) GHG emissions	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).	SwireTHRIVE – Climate		
	305-5	Reduction of GHG emissions	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.			



<b>GRI Standards topic-specific standard</b>	<b>GRI Ref.</b>	<b>Description</b>	<b>HKEX ESG Ref.</b>	<b>Description</b>	<b>Report section</b>	<b>Remarks</b>
<b>Environmental</b>						
GRI 306: Waste 2020	103-1	Explanation of the material topic and its boundary	General Disclosure A1, A3	Information on the policies and 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.	<u>SwireTHRIVE – Waste</u>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components		Policies on minimising the issuer's significant impact on the environment and natural resources.		<u>Swire Pacific Sustainable Development Policy and related policies</u>
	103-3	Evaluation of the management approach				
	306-1	Waste generation and significant waste-related impacts				
	306-2	Management of significant waste-related impacts	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.		
	306-3	Waste generated	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<u>Appendices – Performance data</u> <u>SwireTHRIVE – Waste</u>	
			KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		
GRI 307: Environmental Compliance 2016	103-1	Explanation of the material topic and its boundary				It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
	307-1	Non-compliance with environmental laws and regulations				



GRI Standards topic-specific standard		HKEX ESG Ref.		Report section		Remarks
GRI Ref.	Description	Ref.	Description			
<b>Environmental</b>						
GRI 308: Supplier Environmental Assessment 2016	103-1 Explanation of the material topic and its boundary	General Disclosure B5	Policies on managing environmental and social risks of the supply chain.	<a href="#">Other ESG disclosures – Supply chain</a>	<a href="#">Swire Pacific Sustainable Procurement Policy</a>	
	103-2 The management approach and its components			<a href="#">Other ESG disclosures – Biodiversity</a>		
	103-3 Evaluation of the management approach	KPI B5.1	Number of suppliers by geographical region.			Swire Pacific does not have a centralised Procurement function. Each operating company is responsible for its own procurement, so we do not have group level supplier data.
		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.			This was deemed to not be material at group level, by our materiality assessment.
		KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.			
		KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.			
<b>Social</b>						
GRI 401: Employment 2016	103-1 Explanation of the material topic and its boundary	General Disclosure B1	Information on the policies and 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.	<a href="#">Other ESG disclosures – Talent management</a> <a href="#">SwireTHRIVE – People</a>	<a href="#">It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.</a>	
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
	401-1 New employee hires and employee turnover	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	<a href="#">Appendices – Performance data</a>		



GRI Standards topic-specific standard	GRI Ref.	Description	HKEX ESG Ref.	Description	Report section	Remarks
<b>Social</b>						
GRI 403: Occupational Health and Safety 2018	103-1	Explanation of the material topic and its boundary	General Disclosure B2	Information on the policies and 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.	<a href="#">SwireTHRIVE – People</a>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
	403-9	Work-related injuries	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	<a href="#">Appendices – Performance data</a> <a href="#">SwireTHRIVE – People</a>	Swire Pacific only reports on the lost day rate, lost time injury rate and fatalities of our employees. We do not disclose occupational health & safety data by gender and region.
			KPI B2.2	Lost days due to work injury.		
			KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.		
GRI 404: Training and Education 2016	103-1	Explanation of the material topic and its boundary	General Disclosure B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	<a href="#">Other ESG disclosures – Talent Management</a>	
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
	404-1	Average hours of training per year per employee	KPI B3.1	The percentage of employees trained by gender and employee category.	<a href="#">Appendices – Performance data</a>	
			KPI B3.2	The average training hours completed per employee by gender and employee category.	<a href="#">Appendices – Performance data</a> <a href="#">Other ESG disclosures – Talent management</a>	



GRI Standards topic-specific standard		HKEX ESG Ref.		Report section		Remarks
Social	GRI Ref.	Description	Ref.	Description		
<b>Social</b>						
GRI 405: Diversity and Equal Opportunity 2016	103-1	Explanation of the material topic and its boundary	General Disclosure B1	Information on the policies and 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.	<a href="#">SwireTHRIVE – People</a>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
	405-1	Diversity of governance bodies and employees	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	<a href="#">Appendices – Performance Data</a> <a href="#">SwireTHRIVE – People</a>	We currently do not have a definition of minority status in our workforce.
	405-2	Ratio of basic salary and remuneration of women to men			<a href="#">Appendices – Performance Data</a> <a href="#">SwireTHRIVE – People</a>	
GRI 406: Non-discrimination 2016	103-1	Explanation of the material topic and its boundary	General Disclosure B1	Information on the policies and 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.	<a href="#">SwireTHRIVE – People</a>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
	406-1	Incidents of discrimination and corrective actions taken				
GRI 408: Child Labour 2016	103-1	Explanation of the material topic and its boundary	General Disclosure B4	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	<a href="#">Other ESG disclosures – Supply chain</a> <a href="#">Other ESG disclosures – Governance</a>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.		This was deemed to not be material at group level, by our materiality assessment.
	103-3	Evaluation of the management approach	KPI B4.2	Description of steps taken to eliminate such practices when discovered.		



GRI Standards topic-specific standard		GRI Ref.	Description	HKEX ESG Ref.	Description	Report section	Remarks
<b>Social</b>							
GRI 409: Forced or Compulsory Labour 2016	103-1	Explanation of the material topic and its boundary	General Disclosure B4	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	<a href="#">Other ESG disclosures – Supply chain</a>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.	
	103-2	The management approach and its components	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	<a href="#">Other ESG disclosures – Governance</a>	This was deemed to not be material at group level, by our materiality assessment.	
	103-3	Evaluation of the management approach	KPI B4.2	Description of steps taken to eliminate such practices when discovered.			
GRI 413: Local Communities 2016	103-1	Explanation of the material topic and its boundary	General Disclosure B8	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.	<a href="#">SwireTHRIVE – Communities</a>		
	103-2	The management approach and its components					
	103-3	Evaluation of the management approach					
			KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).			
			KPI B8.2	Resources contributed (e.g. money or time) to the focus area.			



GRI Standards topic-specific standard		HKEX ESG Ref.		Report section		Remarks
GRI Ref.	Description	Ref.	Description			
<b>Social</b>						
GRI 414: Supplier Social Assessment 2016	103-1 Explanation of the material topic and its boundary	General Disclosure B5	Policies on managing environmental and social risks of the supply chain.	<a href="#">Other ESG disclosures - Supply chain</a>	<a href="#">Swire Pacific Sustainable Procurement Policy</a>	
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach	KPI B5.1 Number of suppliers by geographical region.				Swire Pacific does not have a centralised Procurement function. Each operating company is responsible for its own procurement, so we do not have group level supplier data.
		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.				This was deemed to not be material at group level, by our materiality assessment.
		KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.				
GRI 415: Public Policy 2016	103-1 Explanation of the material topic and its boundary			<a href="#">Other ESG disclosures - Governance</a>	<a href="#">This was deemed to not be material at group level, by our materiality assessment.</a>	
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
GRI 418: Customer Privacy 2016	103-1 Explanation of the material topic and its boundary	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.		<a href="#">Other ESG disclosures - Customers</a>		
	103-2 The management approach and its components					
	103-3 Evaluation of the management approach					
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data					

GRI Standards topic-specific standard	GRI Ref.	Description	HKEX ESG Ref.	Description	Report section	Remarks
<b>Social</b>						
GRI 419: Socio-Economic Compliance 2016	103-1	Explanation of the material topic and its boundary				It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
	103-2	The management approach and its components				This was deemed to not be material at group level, by our materiality assessment.
	103-3	Evaluation of the management approach				
	419-1	Non-compliance in laws and regulations in the social and economic area				
<b>Product responsibility</b>						
N/A	N/A	N/A	General Disclosure B6	Information on the policies and 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.	<u>Other ESG disclosures</u> <u>-Customers</u>	It is not considered that any individual laws or regulations have a significant impact on the Swire Pacific Group.
			KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.		This was deemed to not be material at group level, by our materiality assessment.
			KPI B6.2	Number of products and service related complaints received and how they are dealt with.		
			KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.		
			KPI B6.4	Description of quality assurance process and recall procedures.		

# Glossary

References in this document to Hong Kong are to Hong Kong SAR, to Macau are to Macao SAR and to Taiwan are to the Taiwan region.

A

## **Available tonne kilometres or ATK**

Overall capacity, measured in tonnes available for the carriage of airline passengers, excess baggage, cargo and mail on a flight sector multiplied by the sector distance

B

## **Biogenic emissions**

CO<sub>2</sub> emissions from the combustion or biodegradation of biomass

## **Building Environmental Assessment Method or BEAM**

A method of assessing building sustainability performance in Hong Kong

C

## **Carbon Dioxide Equivalent or CO<sub>2</sub>e**

A measure of the global warming potential of releases of the six greenhouse gases specified by the Kyoto protocol. These are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF<sub>6</sub>)

## **Carbon neutral**

The balancing of every unit of anthropogenic CO<sub>2</sub> emitted with an equivalent amount of CO<sub>2</sub> removed, for example by carbon sequestration

## **Carbon offsets**

Reduction, removal, or avoidance of GHG emissions from a specific project that compensates for GHG emissions occurring elsewhere

## **Carbon Offsetting and Reduction Scheme for International Aviation or CORSIA**

A scheme adopted by ICAO which aims to stabilise emissions from international civil aviation at 2020 levels

## **Certified sustainable seafood**

Seafood that comes from well managed and sustainable fisheries and is certified by the Marine Stewardship Council or other certification bodies

## **Circular economy**

An economic system in which resources are kept in use for as long as possible, recovered and reused at the end of their service lives

## **Climate-related risk**

The potential negative impact of climate change on an organisation

See also Physical risks, Transitional risks

## **Cold drink equipment or CDE**

Includes vending machines, coolers and fountains

## **Cubic metres or cbm**

A metric unit of volume or capacity equal to 1,000 litres or 1.0 metric tonne of water

D

## **Drink Without Waste or #DWW**

A coalition (of beverages producers and bottlers, waste management enterprises and NGOs) which wants to reduce waste generated from beverage consumption in Hong Kong

E

## **Ellen MacArthur Foundation's New Plastics Economy Group**

A group which aims to reduce the environmental footprint of plastics through better packaging and more recycling

## **Employee category**

Classification of employees into categories based on experience, seniority and responsibility

See also Individual Contributor, Team Leader, Operational Leader, Strategic Leader

## **Enterprise Risk Management or ERM**

The identification, assessment, monitoring and management of risks that may interfere with an enterprise's operations and objectives

## **Euro II / Euro III / Euro IIIA / Euro IV / Euro VI**

European emission standards that define the acceptable limits for exhaust emissions of vehicles

F

## **Fly Greener**

A voluntary carbon offset programme which offers Cathay Pacific passengers the opportunity to offset their carbon footprint from air travel

## **Frozen efficiency baseline**

A baseline from which performance is projected, assuming no improvement in current efficiencies

## **FSC certified**

Certification for timber products that indicates it was sourced from responsibly managed forests or recycled sources in accordance with the Forest Stewardship Council Principles and Criteria

## G

### **Gender pay gap**

Measures the difference in pay between women and men. It is a measure across all jobs within a particular category, not of the difference in pay between men and women for doing the same job. In Swire Pacific, gender pay gap is calculated as the percentage differences in annual pay between women and men by employee categories

### **Global Reporting Initiative or GRI**

An international standards organisation that helps businesses, governments and other organisations to understand and communicate their impact on critical sustainability issues such as climate change, human rights, governance and social wellbeing

### **Greenhouse gas or GHG**

A gas that contributes to the greenhouse effect by absorbing infrared radiation  
See also [Scope 1 emissions](#), [Scope 2 emissions](#), [Scope 3 emissions](#)

## H

### **High-density polyethylene (HDPE)**

A type of plastic commonly used as packaging for food, beverages, personal care products and household products

### **HKEX ESG Reporting Guide**

The Environmental, Social and Governance Reporting Guide in Appendix 27 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

## I

### **Individual Contributor**

Entry level and first-line employees with no direct reports

See also [Employee category](#), [Team Leader](#), [Operational Leader](#), [Strategic Leader](#)

### **Intergovernmental Panel on Climate Change or IPCC**

An intergovernmental body of the United Nations that provides scientific information relevant to understanding the scientific basis of the risk of human-induced climate change and its natural, political, and economic impacts

### **International Civil Aviation Organisation or ICAO**

A United Nations body which manages the administration and governance of the Convention on International Civil Aviation

### **International Maritime Organisation or IMO**

A United Nations agency with responsibility for the safety and security of shipping and the prevention of marine and atmospheric pollution by ships

## L

### **Leadership in Energy and Environmental Design or LEED**

A green building rating system devised by the United States Green Building Council

### **Location-based method**

A way of calculating Scope 2 emissions that reflects the average emissions intensity of the grids on which energy consumption occurs, using mostly local, subnational or national grid-average emission factors

### **Lost Day Rate or LDR**

Is the number of lost scheduled working days per 100 employees per year. It is calculated as the 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

### **Lost Time Injury Rate or LTIR**

Is the number of injuries per 100 employees per year. It is calculated as the total 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

## M

### **Market-based method**

A way of calculating Scope 2 emissions that reflects the emissions from energy that an organisation has specifically chosen to purchase. Emissions factors are derived from contractual instruments (i.e. contracts to purchase energy bundled with attributes about the energy generation, or unbundled attribute claims)

## O

### **Operational Leader**

Middle managers leading other managers within a function, product line or region  
See also [Employee category](#), [Individual Contributor](#), [Team Leader](#), [Strategic Leader](#)

## P

### **Physical risks**

Physical risks include extreme weather, changes in rainfall and temperature and increases in sea levels

See also [Climate-related risks](#), [Transitional risks](#)

### **Polyethylene Terephthalate or PET**

A type of plastic commonly used for water and other drink bottles and for food containers

## R

### **Representative Concentration Pathways or RCPs**

RCPs are prescribed pathways for greenhouse gas and aerosol concentrations (not emissions), together with land use change, that are consistent with a set of broad climate outcomes used by the climate modelling community. Four RCPs are used by the IPCC's fifth assessment report (RCP 2.6, 4.5, 6.0 and 8.5).

RCP 2.6 represents hard emissions cuts, which are likely to keep warming below 2°C.

RCP 4.5 and 6.0 are intermediate stabilisation scenarios.

RCP 8.5 represents a scenario where little effort is made to reduce emissions and curb warming by 2100. This is usually taken as the worst-case climate scenario.

### **Revenue tonne kilometres or RTK**

Traffic volume, measured in load tonnes from the carriage of passengers, excess baggage, cargo and mail on each sector multiplied by the flight sector distance

## S

### **SBTi**

Science Based Targets initiative. A collaboration between CDP, the United Nations Global Compact, World Resources Institute and WWF which encourages organisations to set science-based targets

### **Science-based target or SBT**

A target to reduce GHG emissions that is in line with the level of decarbonisation required to keep the global temperature increase below 2 degrees Celsius compared to pre-industrial temperatures

### **Scope 1 emissions**

Direct GHG emissions from sources that are owned or controlled by an organisation

See also [Greenhouse gas or GHG](#), [Scope 2 emissions](#), [Scope 3 emissions](#)

### **Scope 2 emissions**

Indirect GHG emissions from consumption by an organisation of purchased electricity, heat and steam

See also [Greenhouse gas or GHG](#), [Scope 2 emissions](#), [Scope 3 emissions](#)

### **Scope 3 emissions**

GHG emissions in an organisation's supply chain or generated by its customers

See also [Greenhouse gas or GHG](#), [Scope 2 emissions](#), [Scope 3 emissions](#)

### **Strategic Leader**

Managers leading functions, multiple functions, departments, regions or small operating companies

See also [Employee category](#), [Individual Contributor](#), [Team Leader](#), [Operational Leader](#)

### **SwireTHRIVE**

Swire Pacific's sustainable development strategy, which deals with climate, waste, water, people and communities

## T

### **Task Force on Financial Disclosures or TCFD**

An organisation which develops voluntary, consistent climate-related financial risk disclosures for use by organisations

### **TCCC**

The Coca-Cola Company Limited

### **Team Leader**

First-line supervisors and junior managers leading teams of Individual Contributors

See also [Employee category](#), [Individual Contributor](#), [Operational Leader](#), [Strategic Leader](#)

### **Total injuries**

The number of injuries in a year which result in lost time of a minimum of one scheduled working day

### **Transitional risks**

Risks associated with the transition to a lower carbon economy, which may arise from changes in policy, law, technology and markets and which include risks to reputation

See also [Climate-related risk](#), [Physical risks](#)

## U

### **United Nations Sustainable Development Goals or SDGs**

A set of 17 goals, adopted by all United Nations Member States in 2015 as part of the 2030 Agenda for Sustainable Development, which aim to provide a shared blueprint for peace and prosperity for people and the planet.

## W

### **Water consumption**

The volume of water that is used in products, in the production of crops, or has been consumed by humans or livestock, and is therefore not released back to the environment or a third-party.

### **Water replenishment**

Swire Coca-Cola works with TCCC to replenish its water use through partnership projects that help conserve, clean, store or make accessible an equivalent amount of water for nature and people. TCCC has a target to replenish 100% of its direct water use

### **Water stress**

According to WRI Aqueduct, baseline water stress measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. Higher values indicate more competition among users

### **Water use ratio or WUR**

The number of litres of water used to produce a litre of product. It is calculated as total water used divided by total production volume

### **Water withdrawal**

The sum of all water drawn from surface water, groundwater, or a third party for any use over the course of the reporting period

### **World Resources Institute or WRI**

A research organisation that focuses on challenges that must be addressed to reduce poverty, increase economic growth and protect natural systems