



ESG PRESENTATION

DECEMBER 2023

DISCLAIMER

This presentation has been prepared by Swire Properties Limited (the “Company”, and together with its subsidiaries, the “Group”) solely for information purposes and the information contained herein has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the accuracy, fairness, completeness, reasonableness or correctness of the information or opinions presented herein or in any verbal or written communication in connection with the contents contained herein. Neither the Company or any of its affiliates or its or their respective directors, officers, employees, agents, advisers or representatives shall have any responsibility or liability whatsoever, as a result of negligence, omission, error or otherwise, for any loss howsoever arising in relation to any information presented or contained in this presentation. The information presented or contained in this presentation is subject to change without notice and shall only be considered current as of the date of this presentation.

This presentation may contain certain forward-looking statements that reflect the Company’s beliefs, plans or expectations about the future or future events. These forward-looking statements are based on a number of assumptions, current estimates and projections, and are therefore subject to inherent risks, uncertainties and other factors beyond the Company’s control. The actual results or outcomes of events may differ materially and/or adversely due to a number of factors, including, without limitation, the effects of COVID-19, changes in the economies and industries in which the Group operates (in particular in Hong Kong and the Chinese Mainland), macro-economic and geopolitical uncertainties, changes in the competitive environment, fluctuations in foreign exchange rates, interest rates and commodity prices, and the Group’s ability to identify and manage risks to which it is subject. Nothing contained in these forward-looking statements is, or shall be, relied upon as any assurance or representation (express or implied) as to the future or otherwise as a representation or warranty (express or implied). Neither the Company or any of its affiliates or its or their respective directors, officers, employees, agents, advisers or representatives assume any liability or responsibility to update these forward-looking statements or to adapt them to future events or developments or to provide supplemental information in relation thereto or to correct any inaccuracies.

This presentation is for information purposes only and does not constitute or form any part of, and should not be construed as, an offer to sell or a solicitation of or an invitation of offer to acquire, purchase or subscribe for securities nor is it calculated to invite any such offer or invitation, whether in Hong Kong, the Chinese Mainland, the United States, or elsewhere.

This presentation does not constitute, and should not be construed as, any recommendation or form the basis for any investment decisions regarding any securities of the Company. Potential investors and shareholders of the Company should exercise caution when investing in or dealing in the securities of the Company.

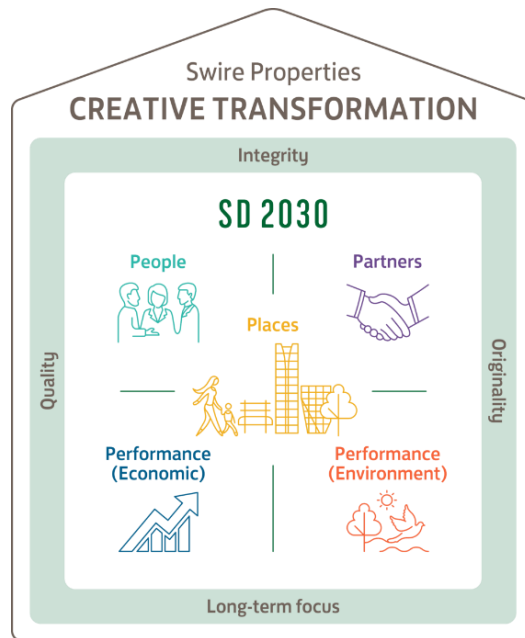
AGENDA

1. Performance (Environment)
2. Partners
3. Performance (Economic)
4. Places
5. People

SD 2030 STRATEGY

ADVANCING TOWARDS 2025 & 2030 KPI

SD Vision: “To be the leading SD performer in our industry globally by 2030”



¹ Compared to the 2019 baseline

² Compared to the 2018 baseline

³ Measured by occupied lettable floor area (“LFA”) of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui in Guangzhou.

⁴ Arranged by Hong Kong head office

Performance (Environment)

1.5°C-aligned Science-Based Target



| | 2022 Progress | 2025 KPI |
|---|---------------|----------|
| Scope 1 & Scope 2 ¹ | ↓28% | ↓25% |
| Scope 3 ² (Downstream Leased assets) | ↓40% | ↓28% |

Partner

Green Performance Pledge (“GPP”)

| 2022 Progress | 2025 KPI |
|--|---|
| 37.9% of office tenants ³ signed up to | 50% of office tenants in our wholly-owned portfolios ³ sign up to GPP |

People

Maintain Lost Time Injury Rate

| | 2022 Progress | 2025 KPI |
|-------------------------|---------------|-------------|
| Non-hotel operations | 0.57 | ≤1.2 |
| Hotel operations | 1.56 | ≤2 |

Performance (Economic)

Green Financing

| 2022 Progress | 2030 KPI |
|---|--|
| ~60% of current bond and loan facilities from green financing | 80%⁴ of bond and loan facilities from green financing |

GLOBALLY LEADING SUSTAINABILITY PERFORMANCE & AWARDS

Member of

**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

Ranked **2nd Globally** in 2023
DJSI World since 2017



Hang Seng Corporate
Sustainability Index
Series Member 2023-2024



Top company since 2018



G R E S B
★★★★★ 2023



G R E S B
REAL ESTATE
sector leader 2023

Global Sector Leader since 2017¹



FTSE4Good

最佳 1%

中国企业标普全球 ESG 评分 2022

S&P Sustainability
Yearbook (China)



HONG KONG
SUSTAINABILITY
AWARD 香港可持續發展獎

HKMA Sustainability Award 2023
Grand Award



50
YEARS
ANNIVERSARY

2023 BEST
ANNUAL REPORTS
AWARDS

HKMA 2023 Best Annual Reports Awards:
Excellence Award in the Environmental,
Social and Governance Reporting



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

2023最佳企業管治及ESG大獎
Best Corporate Governance and ESG Awards

HKICPA 2023 Best CG and ESG Awards:
ESG Award in the Non-Hang Seng Index
(Large Market Capitalization) Category



green
building
award 2023
環保建築大獎

2019 Green Building Leadership (Developer) –
Pioneer Award

2021 Green Building Leadership (Facilities
Management) – **Pioneer Award**

2023 **Grand Award** – Citygate and Six Pacific Place



RICS Awards 2023:
Winner – “Sustainability Award”



CIBSE Building Performance Awards
2017 Winner
2018, 2020, 2022 Finalist
2023 – Best Digital Innovation – Winner



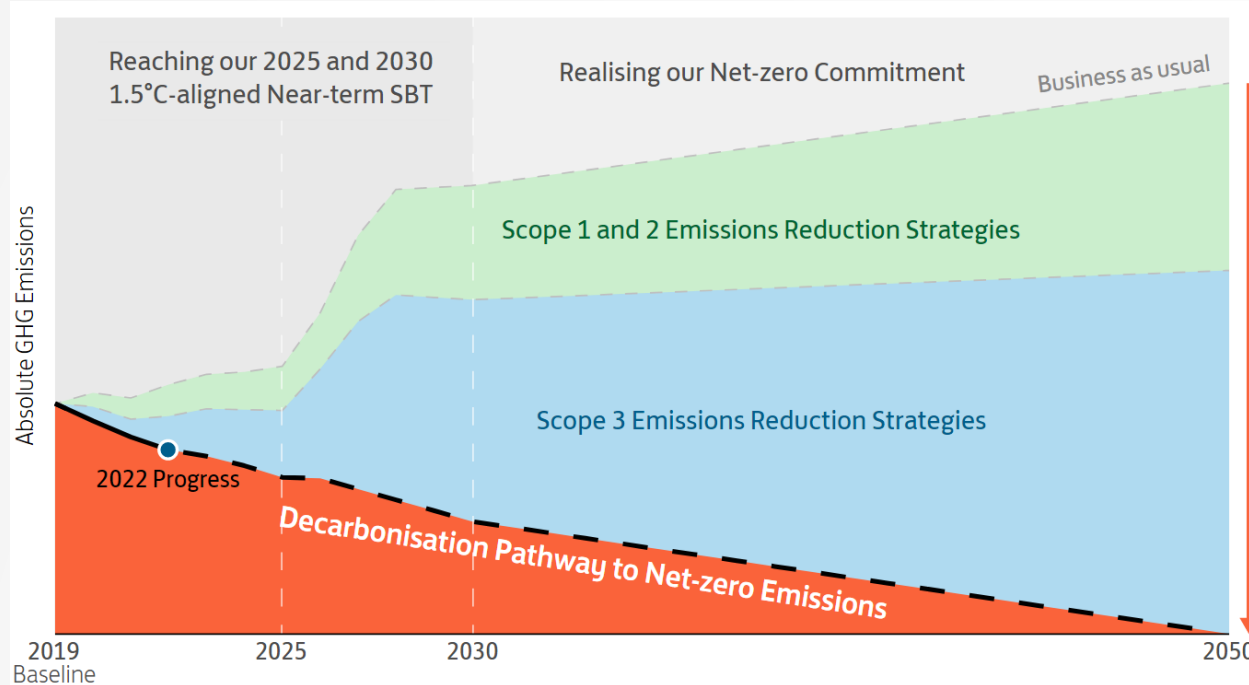
ASHRAE Technology Awards
Global First Place (2021, 2023)

¹ Global Sector Leader – Others in 2017, 2018 and 2019 and Global Sector Leader – Mixed Use in 2020, 2021, 2022, 2023

Performance (Environment)



SWIRE PROPERTIES NET ZERO ROADMAP



| | |
|-------------------|--|
| Financial Returns | Rental premium from certified green buildings ➤ Increased tenant demand for green and energy-efficient properties |
| | Projected annual savings through green financing instruments such as sustainability-linked loans |
| | Projected annual savings from potential carbon tax by achieving the SBT-aligned emission targets |

Remarks:

[1] Graph shown is for illustration purpose only. Information presented are not drawn to scale.

[2] The Business As Usual ("BAU") scenario takes into account the Company's HKD100 billion investment plan. Projected changes in carbon emissions (under BAU scenario) primarily reflect the addition and removal of buildings from our portfolio. The performance of our 2019 baseline is based on our already well-established energy management programmes (including control optimisation, retro-commissioning, equipment replacement, and innovative technologies). BAU scenario assumes no additional energy saving measures are to be implemented across our portfolios and value chain and no further improvements from energy source decarbonisation after 2019.

Major Emissions Reduction Strategies

Scope 1 and 2 Emissions

Decarbonising our direct operation

- Net-zero design in new buildings and retrofits
- Digitalisation and electrification of existing buildings

Energy source decarbonization

- Expand on-site renewable energy generation
- Explore opportunities for off-site renewable electricity procurement
- Portfolio in Hong Kong and Chinese Mainland expected to be benefited from grid decarbonisation

Scope 3 Emissions

- Expanding the adoption of low-carbon procurement specifications for construction materials, supplies, and services
- Engage with suppliers, tenants, and value chain partners to improve data sharing and best practices for climate resilience
- Zero waste to landfill commitment and transition to a circular economy
- Pledge to achieve water neutrality by 2050

NEW

Established Internal Carbon Pricing to reallocate capital towards low-carbon investment and activities

SWIRE PROPERTIES' PARTICIPATION IN HKGBC'S ZERO-CARBON-READY BUILDING CERTIFICATION SCHEME

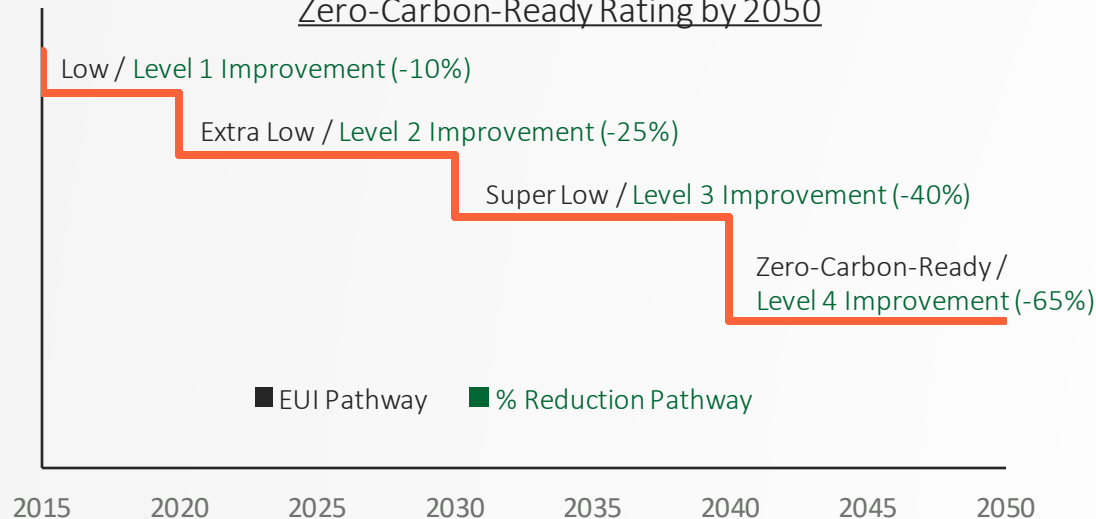


- Zero-Carbon-Ready Building (ZCRB) Certification Scheme forms part of the Hong Kong Green Building Council (HKGBC) Climate Change Framework for Built Environment
- Swire Properties was involved in the development of the Scheme and with 13 certified buildings – the largest number among all participants

Energy Performance Certificate – Energy Utilisation Index (EUI) Pathway

| | Buildings | Landlord | Whole building |
|--------|---------------------|-----------|----------------|
| Office | One Taikoo Place | Super Low | Super Low |
| | Two Pacific Place | Super Low | Super Low |
| | Dorset House | Super Low | Extra Low |
| | One Pacific Place | Super Low | Low |
| | PCCW Tower | Super Low | Low |
| | Oxford House | Extra Low | Super Low |
| | Devon House | Extra Low | Extra Low |
| | Three Pacific Place | Low | Extra Low |
| | Cambridge House | Low | Low |
| | One Island East | Low | Low |
| Retail | Citygate Mall | Super Low | N/A |
| | Pacific Place Mall | Extra Low | Low |
| | Cityplaza Mall | Extra Low | Low |

Trajectory for Commercial Buildings to achieve Zero-Carbon-Ready Rating by 2050



GREEN BUILDING PERFORMANCE

GREEN BUILDING LEADER RECOGNISED BY AWARDS AND CERTIFICATIONS

By 2025, **100%** wholly-owned new development¹ and **90%** wholly-owned existing developments¹ to achieve the highest environmental building assessment scheme rating

2022 Progress



of projects under development² achieved **highest** green building certification ratings



of wholly-owned existing buildings³ are **certified green** buildings, of which 98% achieved the highest ratings



of 2022 gross rental income was contributed by **certified green** buildings



Grand Award

in Existing Buildings Category: Facilities Management

Grand Award

in New Buildings Category: Projects under Construction and/or Design – Commercial

Merit Award

in New Buildings Category: Completed Projects – Commercial

Citygate being transformed from the 20 years+ outlet mall into a sustainable and vibrant hub in Hong Kong

Six Pacific Place with best-In-Class sustainability provisions, obtained pre-certified Platinum ratings for LEED, WELL and BEAM Plus

Taikoo Li Qiantan being the **1st** shopping mall in China to achieve WELL Platinum

¹ Exclude joint venture projects and trading properties.

² "Projects under development" refers to projects that are under construction or in the precertification stage and does not include joint venture projects and trading properties.

³ "Wholly-owned existing buildings" do not include joint venture projects and trading properties and are measured as the percentage of total GFA.

NATURE AND BIODIVERSITY INTEGRATION

Commitment on TNFD



Taskforce on Nature-related Financial Disclosures

- Swire Properties is an official **member of the Taskforce on Nature Related Financial Disclosures (TNFD)**, a global initiative comprising 40 organisations, and actively participates in the framework formulation, as well as in Infrastructure and Real Estate Working Group and Supply Chain Working Group of TNFD
- Target to publish** our nature-related impacts, dependencies, risks, and opportunities **in the SD Report 2023**, aligning with the TNFD recommendations



Collaboration with WBCSD

- Collaborated with **World Business Council for Sustainable Development (WBCSD)** to conduct a **pilot test** and **launch the industry the Roadmaps to Nature Positive: Foundations for the Built Environment System**, which provides step-by-step guidance for companies to implement nature positive initiatives



Partners



TENANT ENGAGEMENT – OFFICE TENANTS

NEW FLAGSHIP PLATFORM TO FOSTER LANDLORD-TENANT COLLABORATION



Green Performance Pledge (GPP)

Market-Leading Landlord-Tenant Partnership towards shared ESG Goals building on the basic premise of a green lease

Latest Progress ¹

88 tenants participating
>3.5M sq ft / 41% of our HK & CM office occupied LFA

1 Commitment & Collaborate

3 Take Action to Meet SD Goals

4 Benchmarking & Recognition

2 Fit-out

Energy

Water

Waste

Wellness

Materials

Office Operation:

Environmental Data Sharing

Energy

Water

Waste

Review baseline performance

Collective Achievements of GPP Tenants

>10%

Energy saving potential from energy audits for >650k sqft of tenanted spaces
 (Since Jul 2021)

40%

Overall waste diversion rate achieved
 (Jan-Nov 2023)²

GPP Academy

Offer **quarterly capacity building events** to enhance tenants' sustainability capabilities to drive energy, water and waste reduction

Sep 2023, Workshop #1 – Advancing Towards Net-zero: Strategies for Companies and Workplaces to Decarbonise

50+ participants from **20** companies



¹ As at Nov 2023. Measured by occupied lettable floor area ("LFA") of wholly-owned office portfolios, which are Taikoo Place and Pacific Place in Hong Kong, and Taikoo Hui Guangzhou in the Chinese Mainland.

² Refers to GPP tenants participating in the Smart Waste Reduction Challenge

TENANT ENGAGEMENT – RETAIL TENANTS

JOINTLY ADVANCE ENVIRONMENTAL PERFORMANCE THROUGHOUT TENANCY LIFECYCLE

Green Kitchen Initiative

Bespoke platform to keep sustainability top-of-mind in fit-out & renovations in F&B outlets

108

F&Bs in HK & Chinese Mainland received Green Kitchen Awards (Nov 2023)

35

Recognized with

Three-Leaf rating



Pre-Fitout



Energy Efficiency



Operations Management

Fitout



Water Efficiency



Kitchen Environment

Operation



Resource Recycling

Case Study - Thai Basil, Pacific Place



THAI BASIL



Before and After Renovation compared to the 2020-21 baseline



7% Increased efficiency - electricity



26% Increased efficiency - Towngas



59% Increased efficiency - water usage



14% Reduced overall carbon emissions

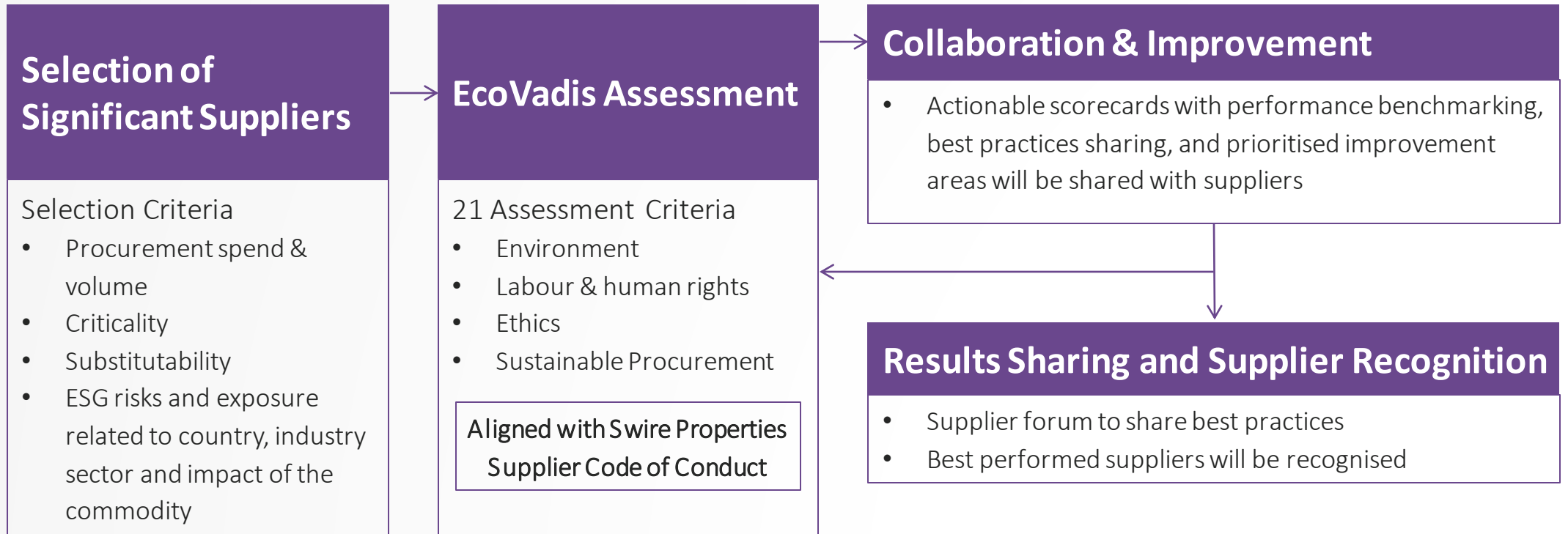


37% Waste diversion rate

SUPPLY CHAIN ESG PERFORMANCE ASSESSMENT AND IMPROVEMENT

NEW

First Hong Kong & Chinese Mainland developer to deploy **ecovadis** Supply Chain ESG Assessment Platform to understand and track sustainability performance and Scope 3 carbon emissions



Performance (Economic)



GREEN FINANCING

INCREASING USE OF SUSTAINABILITY-LINKED LOANS AND GREEN BONDS

~60% of our current bond and loan facilities come from green financing (as of 30 Sep 2023)

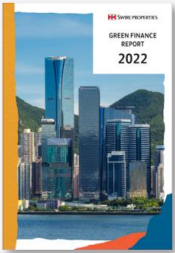
2030 TARGET

Achieve a minimum of **80%** of bond and loan facilities from green financing

As at December 2022

2023

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



secured sustainability-linked loan facilities totalling
HK\$7.1 billion
(Sep 2023)

secured green bonds of approximately
HK\$5.9 billion
(Sep 2023)

Green Dim Sum Bonds
RMB3.2 billion

Issued on 25th July 2023

- First Hong Kong corporate to issue a RMB-denominated public green bond
- Largest-ever corporate green dim sum bonds issuance in Hong Kong

NEW

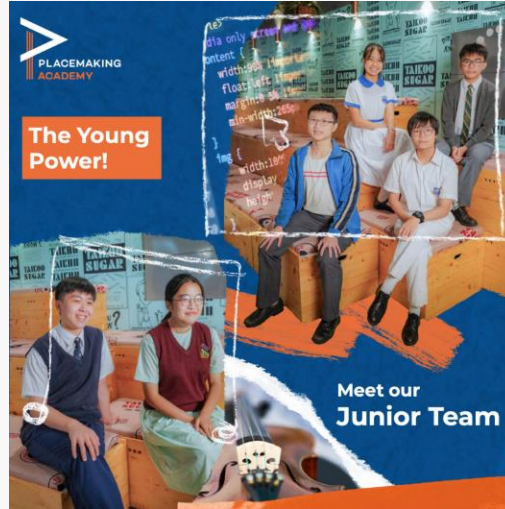
Awarded the Best Sustainable Finance Deal and Best Issuer – ESG by the FinanceAsia Achievement Awards 2023

Places



WHITE CHRISTMAS STREET FAIR 2023

INVESTING IN YOUTH EMPOWERMENT



Swire Properties Placemaking Academy (SPPA)

10
Students from
local university

6 months
Paid apprenticeship

80 hours
Mentorship

24
Masterclass lectures

NEW

7
secondary school students
joined the SPPA Junior
Programme



White Christmas Street Fair: Working Towards Zero Waste

- F&B booths: adopting reusable tableware for all F&B
- Provide digital F&B coupons
- Collecting paper, metal, plastic and food waste at designated recycling points
- Using fully recyclable D-Board for most signages and decorations
- Conduct carbon and waste audits for the event

QUARRYSIDE NEW COMMUNITY SPACE STRENGTHENING SHARED VALUES

- A collaboration between Government, St. James' Settlement, Swire Trust and Swire Properties to transform a vacant government land into a community space that offers diverse experiences to promote a creative, healthy and sustainable lifestyle
- “Quarryside Summer Fest” was organised as a “Happy Hong Kong” Supporting Event in August 2023



People



FOCUS ON OUR PEOPLE

INCREASING DIVERSITY AND CREATING AN INCLUSIVE WORKPLACE

NEW

Established **Workplace Wellbeing Framework** designed to cultivate a healthier, happier and more productive work environment. Identified **5 Key Areas**: Work Process, Resource, Communication, HR Policy and Practice and Physical Environment.

NEW

Conduct **IBED (Inclusion, Belonging, Equity, Diversity) Assessment** to assess IBED maturity, identify key strengths and gaps, and to develop a **roadmap** to enhance IBED maturity.

Support **LGBTQ+ Community & Women Empowerment** through series of events and campaigns



5km Pride Road Race



Pride Happy Hour



Pink Friday

Taikoo
WIN
Women's Inspire Network

MALE ALLIES



SUSTAINABLE DEVELOPMENT REPORT 2022

sd.swireproperties.com

HOME / SD 2020 STRATEGY / 2020 AND 2030 TARGETS / FIVE PILLARS / ABOUT THIS REPORT / DOWNLOAD CENTRE

CLIMATE-RELATED FINANCIAL DISCLOSURES

GRI 302-30, 303, 305
HXEX Aspect A2, A3, A4, KPI A3.1, A4.1

In 2015, the Financial Stability Board ("FSB") established the Task Force on Climate-related Financial Disclosures ("TCFD") to develop consistent climate-related financial risk disclosures for use by companies when providing information to investors, lenders, insurers and other stakeholders. In 2017, the TCFD published a set of recommendations for voluntary climate-related financial disclosures that are consistent, comparable, reliable, clear and efficient, and which aim to provide decision-useful information to lenders, insurers and investors.

We recognise the risks and opportunities presented by climate change to our business. In accordance with our Climate Change Policy, we are committed to communicating our management approaches and strategies for climate mitigation, adaptation and resilience to our stakeholders. In 2016, we started to publish climate-related financial disclosures with reference to the recommendations of the TCFD under the four core categories of Governance, Strategy, Risk Management and Metrics and Targets. In 2020, we completed the climate risk assessment for physical and transition risks and opportunities to our global portfolio.

This is our fifth set of climate-related financial disclosures. They are set out in the following pages.

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

[Governance](#)
[Strategy](#)
[Risk Management](#)
[Metrics and Targets](#)

Swire Properties' governance around climate-related risks and opportunities

Board of Directors

ESG Steering Committee

- Formulate and review climate strategy
- Approve targets and initiatives related to climate
- Review and monitor risks and opportunities related to climate issues

ISSB Exposure Draft IFRS S2 Climate-related Disclosures Content Index

We support the latest international reporting standard to provide consistent, timely and comparable information related to climate-related issues. In 2022, we began mapping our climate disclosures to the recommendations of the International Sustainability Standards Board's (ISSB) Exposure Draft IFRS S2 Climate-related Disclosures.

| Disclosure Description | References and Remarks <small>(Unless otherwise specified, references are made to sections of the Sustainable Development Report 2022)</small> |
|--|--|
| Governance | |
| (4) The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reporting to understand the governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities. | |
| (5) To achieve this objective, an entity shall disclose information about the governance body or bodies (which can include a board, committee or equivalent body charged with governance) with oversight of climate-related risks and opportunities, and information about management's role in those processes. | |
| 5(a) The identity of the body or individual within a body responsible for oversight of climate-related risks and opportunities; | SD Governance Climate-related Financial Disclosures Annual Report 2022 – Corporate Governance |
| 5(b) how the body's responsibilities for climate-related risks and opportunities are reflected in the entity's terms of reference, board mandates and other related policies; | SD Governance Climate-related Financial Disclosures Performance (Economic) Annual Report 2022 – Corporate Governance Annual Report 2022 – Risk Management Corporate Website – Terms of Reference for Environmental, Social and Governance Steering Committee Corporate Website – Climate Change Policy |
| 5(c) how the body ensures that the appropriate skills and competencies are available to oversee strategies designed to respond to climate-related risks and opportunities; | Climate-related Financial Disclosures Annual Report 2022 – Corporate Governance |
| 5(d) how and how often the body and its committees (audit, risk or other committees) are informed about climate-related risks and opportunities; | SD Governance Climate-related Financial Disclosures |
| 5(e) how the body and its committees consider climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions, and its risk management policies, including any assessment of trade-offs and analysis of sensitivity to uncertainty that may be required; | SD Governance Climate-related Financial Disclosures Performance (Economic) |

Fighting Climate Change, Together We Can!

Your actions matter. Join Team 1.5°C and do more.



Sustainability
We All Count



Learn More About
Our Initiatives



Taikoo Li Qiantan, Shanghai

APPENDIX

2025 & 2030 TARGETS

People



2025 KPI

Gender pay ratio:
1 to 1

Lost Time Injury Rate
(LTIR):

≤ 1.2

Non-hotel operations

≤ 2.0

Hotel operations

Partners



2025 KPI

25% of products and services purchased¹ shall be sustainable

50% of tenants in our office portfolios² sign the **Green Performance Pledge** to jointly improve environmental performance

Performance (Environment)



2025 KPI

Scope 1 and 2³
↓ 25% of absolute GHG emissions



Hong Kong portfolio⁷
↓ 20%
Chinese Mainland portfolio⁸
↓ 13%

2030 KPI

Decarbonisation

Scope 1 and 2³
↓ 46% of absolute GHG emissions

Scope 3 –
Capital
Goods⁴

↓ 25% per sqm

Scope 3 –
Downstream
Leased Assets³

↓ 28% per sqm

Energy Reduction⁶

Hong Kong portfolio⁷
↓ 40%
Chinese Mainland portfolio⁸
↓ 35%

Performance (Economic)



2025 KPI

Achieve a minimum of **50%** of bond and loan facilities⁸ from **green financing**

2030 KPI

Achieve a minimum of **80%** of bond and loan facilities⁸ from **green financing**

¹ For wholly owned new and existing investment portfolios.

² Measured by occupied lettable floor area ("LFA") of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui in Guangzhou

³ From a 2019 baseline.

⁴ From a 2016-2018 baseline.

⁵ From a 2018 baseline.

⁶ Energy reduction refers to a reduction in energy use intensity.

⁷ Hong Kong portfolio refers to our office and retail portfolios and hotels in Hong Kong.

⁸ Chinese Mainland portfolio refers to our office and retail portfolios and hotels in the Chinese Mainland.

⁹ Loans and bonds arranged at Hong Kong Head Office level.

