

Performance Review & Looking Ahead

GOVERNANCE, POLICIES AND MANAGEMENT

Key Areas and Targets for 2004	2004 Progress and Performance Indicators	Future Targets (2005+)
<p>Internal Communication</p> <ul style="list-style-type: none"> Distribute EHS information to staff Share EHS data with Swire Pacific Group of companies <p>External Communication</p> <ul style="list-style-type: none"> Participate in external forums Share knowledge and findings Provide EHS feedback channel 	<ul style="list-style-type: none"> Continued publishing environmental information in the dedicated Environmental Column in the staff newsletter <i>CornerStone</i> Actively facilitated and participated in the Swire Group Energy and Waste Management Task Forces and the Loss Prevention Task Force Provided 10 presentations on environmental topics such as waste management, sustainable building, building innovation and environmentally responsible demolition Established internet feedback platform Established EHS specific email box and responded 100% to all external enquiries received via this channel 	<ul style="list-style-type: none"> To extend scope of dedicated column in <i>CornerStone</i> to cover health and safety elements To continue to facilitate and participate in the Swire Group Task Forces To participate in the planned Swire Group Climate Change Task Force To improve EHS data by revisiting and verifying data collection methods To promote EHS philosophy to students
<p>Environmental Training</p> <ul style="list-style-type: none"> Complete Environmental Awareness Training for all staff by end of 2004 <p>Health and Safety Training</p> <ul style="list-style-type: none"> Arrange for staff members and safety committee members to complete training on accident investigation and report writing 	<ul style="list-style-type: none"> Incorporated staff feedback and requested topics in updated training materials, such as environmental procurement and sustainable development Provided tailored training to 94% of all 2004 current building attendants and technicians (including newly joined staff not yet passed probation period) as well as 96% of 2004 current higher grade staff (also including newly joined) 37 sessions of external environmental / sustainability training courses were attended by staff Completed training for all Safety Management System (SMS) Steering Committee members and most of the Safety Sub-committee members 289 sessions of external H&S courses were attended by staff (e.g. accident investigation, confined space and metal scaffolding competent person certificates) 	<ul style="list-style-type: none"> To undertake training needs analysis to identify areas for group training and workshop To organise environmental outings to raise awareness and maintain staff interest in the environment
<p>Environmental Procurement</p> <ul style="list-style-type: none"> Establish an Environmental Procurement Task Force 	<p>Established an Environmental Procurement Task Force consisting of members of all major departments</p>	<p>To establish an Environmental Procurement Policy and outline guidelines for use by all departments for selected most environmentally significant products and services</p>
<p>Strategic Health & Safety Management Plan</p> <ul style="list-style-type: none"> Achieve an overall score of over 90% in future external audits for our Safety Management System 	<p>Achieved a score of 88.6% in the July 2004 audit</p>	<p>To maintain an equivalent high mark in future audits in 2005</p>
<p>Health & Safety</p> <ul style="list-style-type: none"> Produce a pocket-sized Safety Handbook for all technicians 	<p>Issued a Safety Handbook to every technician and security supervisor as a hands-on safety reference to facilitate their daily safety duty</p>	<p>To hold an inter-departmental H&S competition in August 2005 to refresh staff's memory of safety requirements and further raise awareness</p>
<p>Risk Management</p> <ul style="list-style-type: none"> Conduct risk surveys to minimise risks to levels 'As Low As Reasonably Practicable' (ALARP) 	<p>Insurance underwriter completed risk surveys in July 2004</p>	<p>To have insurance underwriter conduct next round of surveys in 2005</p>

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PROPERTY DEVELOPMENT

Key Areas and Targets for 2004	2004 Progress and Performance Indicators	Future Targets (2005+)
<p>Building Environmental Assessments</p> <ul style="list-style-type: none"> Apply the HK-BEAM assessment criteria to new developments and refurbishment projects Ensure all new buildings completed and submitted for HK-BEAM assessment achieve the highest rating of HK-BEAM 	<p>Three Pacific Place was awarded an excellent rating under HK-BEAM</p>	<p>To apply the HK-BEAM assessment criteria in new projects including 16 Westlands Road and Seymour Road</p>
<p>Historical Conservation / Neighbourhood Revitalisation / Sustainable Planning</p> <ul style="list-style-type: none"> Preserve, conserve and support initiatives that utilise and revitalise historical and culturally important buildings / geographical elements 	<p>Provided the following submissions to the Government : 'Hong Kong Cultural Harbour' proposal - Jun 2004 'Sustainable Concept Masterplan for Kai Tak' - Nov 2004</p>	<p>To continue applying our concepts for various development proposals</p>
<p>Life Cycle Costing (LCC) & Life Cycle Assessment (LCA) Studies</p> <ul style="list-style-type: none"> Assess alternative designs and different types of building materials and systems, to enhance and, where possible, improve environmental performance 	<p>Used LCC & LCA for the Parkside renovation to select certain types of materials and systems. See Case Study No. 3</p>	<ul style="list-style-type: none"> <i>Seymour Road</i> – To use LCC & LCA studies to evaluate and select electrical & mechanical systems, finish materials and renewable energy devices <i>16 Westlands Road</i> – To study the façade amongst other elements <i>Taikoo Hui</i> – To identify areas for further LCC & LCA study
<p>Value Management (VM) Workshops</p> <ul style="list-style-type: none"> Hold VM workshops at an early stage in project development process to balance various economic, environmental and social values and costs in light of project constraints, challenges and requirements 	<p>Held a number of workshops with consultants and contractors for our new projects:</p> <p><i>16 Westlands Road</i> - start-up workshops held to facilitate design team selection to achieve an integrated building process. Several innovative environmental ideas discussed for investigation, including sustainable energy sources, sky gardens and natural ventilation</p> <p><i>Parkside renovation</i> - partnering workshops identified; common goals such as working towards a 'zero accident' target and good environmental site management</p>	<ul style="list-style-type: none"> <i>Seymour Road</i> – To hold at least one VM workshop to facilitate the selection of design options, materials and electrical & mechanical systems with EHS consideration <i>16 Westlands Road & Taikoo Hui</i> – To conduct VM workshops in 2005
<p>District Cooling Concept</p> <ul style="list-style-type: none"> Explore the application of district cooling concepts to centralise chiller plants to reduce the number of units required for stand-by 	<p>District cooling concepts under discussion with government authorities for 16 Westlands Road and TaiKoo Place</p>	<p>To investigate sea water cooling feasibility for 16 Westlands Road</p>
<p>Pilot Schemes (Building Materials, Features, Construction & Demolition Waste)</p> <ul style="list-style-type: none"> Explore and test new building elements, features or services 	<p><i>Parkside renovation</i> - indoor air quality was improved with ultra-violet light inside the air ducts that sterilised the re-circulated air at typical lift lobbies. Energy consumption was reduced by automatic temperature control for air handling units and fan coil units, and a master switch for lighting control in guest rooms</p>	<ul style="list-style-type: none"> <i>16 Westlands Road</i> – To use the 4-D digital modeling systems for pre-fabricated and pre-assembly construction to reduce waste and improve construction safety; To develop the façade with the aim of reducing energy consumption <i>Seymour Road</i> – To investigate the use of day light reflectors, photovoltaic and solar panels, rainwater recycling, private terraces and 4-D modeling <i>Taikoo Hui</i> – To investigate the use of ice storage for additional cooling system (retail), grey water recycling, double skin/active skin, semi-precast construction and off-site prefabrication, energy recovery system, air quality control system and renewable energy/photovoltaic panels
<p>Environmental Auditing</p> <ul style="list-style-type: none"> Require all of our main contractors to appoint an independent environmental consultant, from our approved consultants list, to carry out environmental audits at new construction sites 	<p>Introduced the requirements for an Independent Environmental Consultant and a 'Pay for the Environment' scheme in our contracts for contractors since October 2004</p>	<p>To continue implementing the requirements for an Independent Environmental Consultant and the 'Pay for the Environment' scheme</p>

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PROPERTY MANAGEMENT

Key Areas and Targets for 2004	2004 Progress and Performance Indicators	Future Targets (2005+)
<p>Environmental Management</p> <ul style="list-style-type: none"> Prepare an environmental management manual for the main operating centres 	<ul style="list-style-type: none"> Initiated the preparation of selected sections of the environmental management manual, focusing on the development of standalone practical procedures or checklists to align practices at the various main operating centres Initiated an upgrade to the EHS database. Started preparation of a data collection manual for the EHS database pilot upgrade to re-verify and document data collection methods 	<ul style="list-style-type: none"> To continue developing standalone procedures to form parts of an environmental management manual To complete data collection manual for the EHS Database pilot items. Roll-out to additional items to be considered To align environmental data collection methods of all managed residential properties to support future reporting needs
<p>Energy</p> <ul style="list-style-type: none"> Continue to implement the 4-year energy plan to achieve an additional saving in 2004 	<p>Achieved 8.5M kWh (\$8.5M equivalent) annual saving in 2004 based on various energy initiatives completed since 2002. Major initiatives implemented in 2004 include:</p> <ul style="list-style-type: none"> Conversion of air cooled chillers to water cooled system at Island Place Innovative chiller control strategy at Festival Walk. See Case Study No. 1 Replacement of exit signs with Light Emitting Diode (LED) type Automatic temperature control for chillers at Somerset House 	<p>To increase annual saving from 8.5M kWh to 10.4M kWh (\$10.4M equivalent) planned for 2005 Major initiatives include:</p> <ul style="list-style-type: none"> Replacement of motors by high efficiency type Upgrade of Variable Air Volume (VAV) control from pneumatic to Direct Digital Control (DDC) at Pacific Place Temperature reset for air side system Pressure reset for chiller plant system
<p>Waste Separation</p> <ul style="list-style-type: none"> Extend our waste separation techniques to all of our operating commercial centres 	<ul style="list-style-type: none"> Based on existing system constraints, the feasibility is still under investigation 	<p>To reconsider constraints and explore new technological options</p>
<p>Waste Reduction and Reuse</p> <ul style="list-style-type: none"> Continue to implement innovative waste reduction and reuse programmes, including the reuse of wooden pallets, composting of food waste 	<ul style="list-style-type: none"> Continued our various recycling programmes such as paper, aluminum, glass and textile recycling and moon cake container recovery Started company-wide computer replacement programme, replaced computers were donated to Taikoo Primary School and other non-governmental organisations <p>Through the Swire Group Waste Task Force,</p> <ul style="list-style-type: none"> Facilitated the recycling of waste wooden pallets from Swire Coca-Cola factory into mulch at Oriental Landscapes (Swire Properties subsidiary) by a newly procured shredding machine 	<p>To continue to identify and investigate into the feasibility of new initiatives, e.g. recycling of fluorescent light tubes</p>
<p>Ozone Depletion Substances (ODS)</p> <ul style="list-style-type: none"> Send all ozone depletion substances (e.g. refrigerants, fire extinguishing agents) that were previously decommissioned for decomposition 	<ul style="list-style-type: none"> Stored all refrigerants scheduled to be decommissioned from all company sources in a designated ODS store 	<p>To continue sending refrigerants to Environment Protection Department's Chemical Waste Treatment Centre for decommissioning in phases</p>