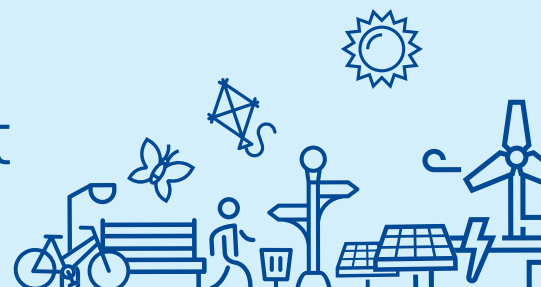




The Creative Transformation of Island East and Development of Taikoo Place



PLACES IMPACT REPORT

Why This Impact Report?

In 2016, Swire Properties launched its Sustainable Development (SD) 2030 Strategy. It details our comprehensive approach to managing the Company’s environmental, social and governance (ESG) performance over time and sets out a number of ambitious targets.

Over the past four years, we’ve made significant progress and hit key milestones including: committing to the Science-Based Targets initiative to reduce carbon emissions; conducting climate risk analyses; issuing our first green bond to fund green projects; establishing our Diversity & Inclusion Committee, and much more.

Today, Swire Properties’ SD 2030 Strategy includes 80 targets and more than 25 focus areas that sit across the five pillars: Places, People, Partners, Performance (Environment) and Performance (Economic).

As a property developer with investments across Hong Kong, Mainland China, Singapore and the U.S., we recognise that the ultimate impact we have on society, can be found in our Places.

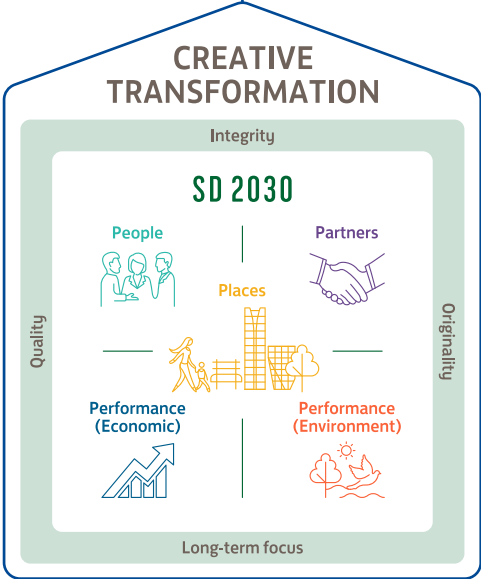
This is why “Places” sits at the heart of our SD 2030 Strategy.

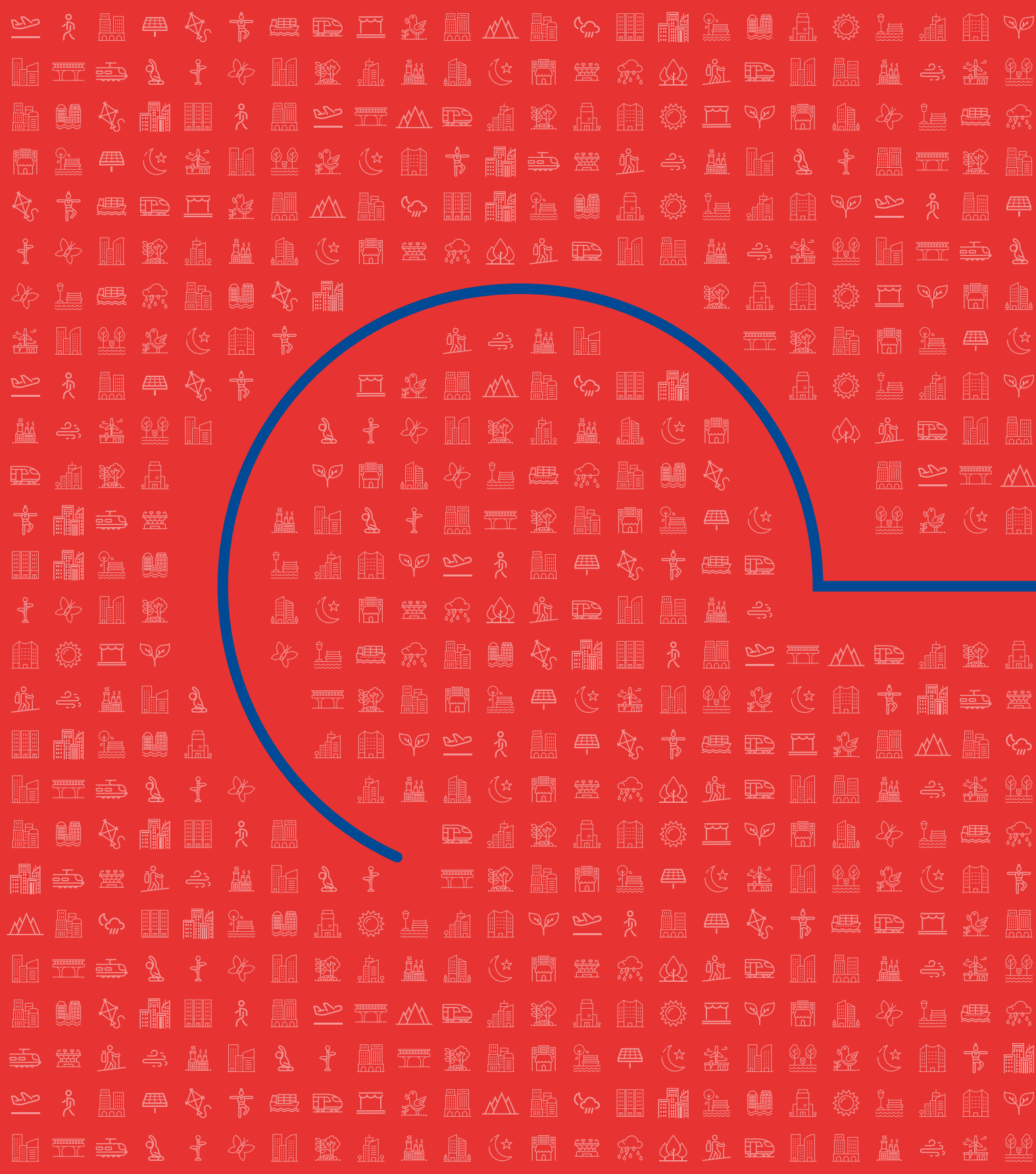
Understanding the impact of Places, therefore, is critically important and yet there is no industry standard to measure this impact. At the same time, we recognise that the more we understand the impacts of our placemaking and placekeeping efforts, the more equipped we are to provide better-quality places, in addition to creating better communities, and improve the lives of our tenants, visitors and staff.

SO WHY FOCUS ON ISLAND EAST AND TAIKOO PLACE?

We conducted this inaugural impact study on Hong Kong’s Island East as this is an area in which Swire has been invested for 135 years. It’s an area that has transformed over time and has changed the face of Hong Kong, as it is one of the city’s most dynamic districts that comprises multiple uses, from residential, to commercial and entertainment.

What we found from our research is that Island East has become a unique commercial hub in Hong Kong, that is vibrant and full of diverse activity. There is a good balance between residents and workers that form a moderately dense daily population. There is also close access to nature, good connectivity and an integrated community supporting its resilience.





“What makes a great place?”

This seemingly simple premise serves as the inspiration for this study, and has given rise to many more questions:

“How do we use placemaking and long-term placekeeping to bring out the best in a place?”

“What attributes are necessary to deepen a community’s connection to a place?”

“How can we build and maintain places that meet the needs of the community, while at the same time support the sustainable development of the city?”

Our purpose is to create and nurture high-quality places that translate to vibrant and sustainable communities in the long term. In practice, this involves effective placemaking and placekeeping, enabling us to transform places while retaining their character.

We call this process, **Creative Transformation.**

It's only by
closely assessing
impact that we can
continually improve
the quality of our
places over time.

Measuring the Impact of our Places



Places are multi-dimensional and there are many overlapping themes and attributes, some of which are tangible – such as the number of visitors or established businesses and availability of green space, and others that are more intangible – such as the quality of green space or the ‘buzz’ felt in a dynamic social and business environment.

Understanding the different components of a place, and how they combine and interact is critically important to making a great place. Places are complex and influence a vast range of stakeholders from investors, to residents, workers, visitors and the city as a whole.

Taking into account leading research and international best practices, we’ve developed a “Places Impact Framework” which

can be applied to a variety of places. We believe this approach, which considers pathways to various impacts at different levels and through diverse dimensions, best reflects the complexities involved. Measuring any kind of “impact” requires a comparison of one situation to another. As such, in this report we assess changes over time and use comparisons to other places as much as possible.

APPROACH TO MEASURING PLACE IMPACT

- Develop a “Places Impact Framework”;
- Select impact indicators based on available information;
- Explain pathways to impact;
- Measure and compare impacts to other similar places.

A Places Impact Framework



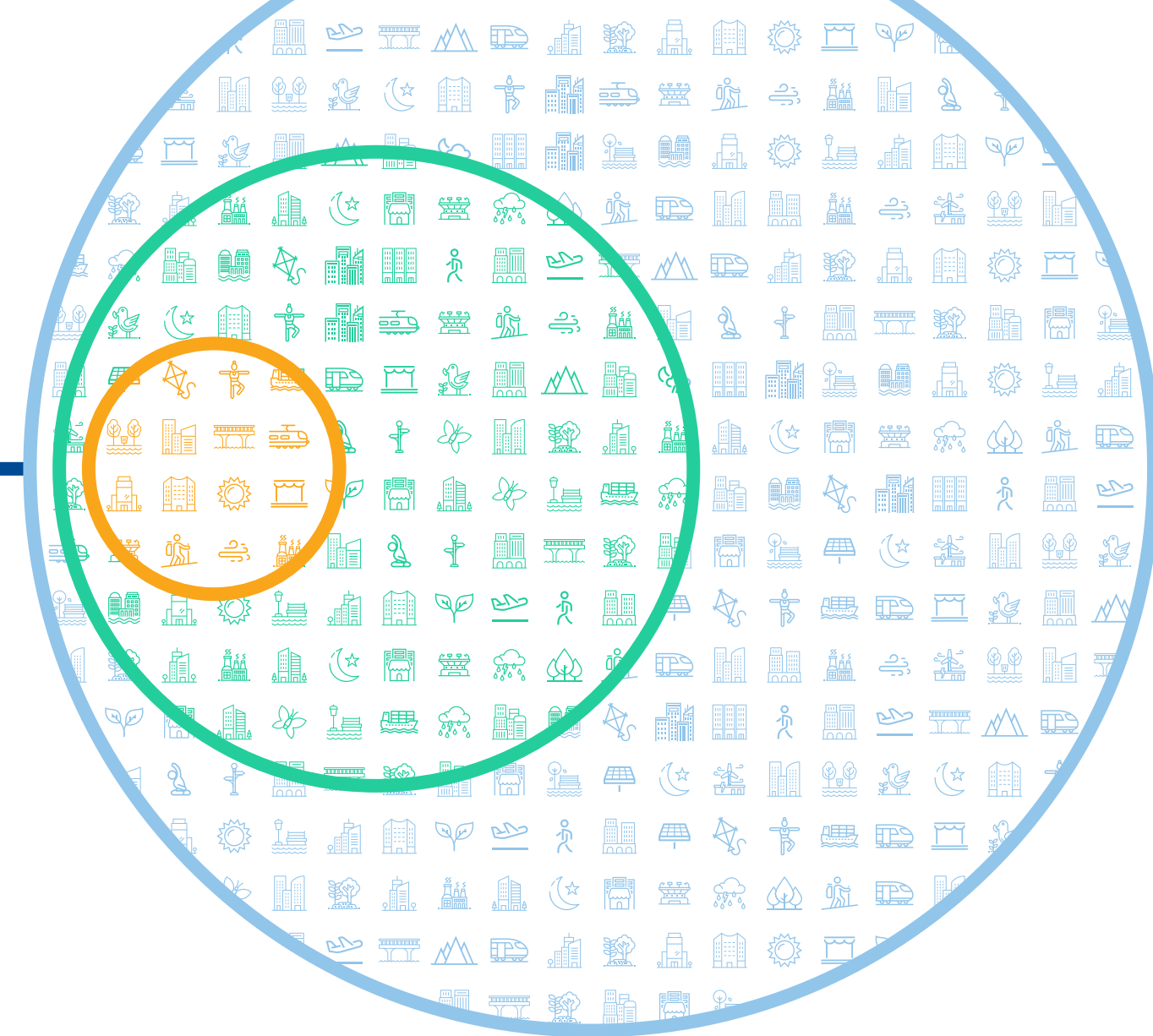
Swire Properties’ “Places Impact Framework” takes our SD 2030 Strategy to the next level by helping us better understand and measure the impact of our ongoing SD investments.

Designed to help us understand impact for all types and scales of places, the framework has three levels:

Investment Level – these Swire Properties investments include the “hardware”, such as buildings, infrastructure and public spaces; and the “software”, which encapsulates engagement with our tenants and community through events and social initiatives.

Place Level – we have defined the Four Dimensions of Place, which together capture the economic, social and environmental character and impacts of the chosen area.

City Level – zooming out, we aim to understand how the place contributes to city-wide objectives.



INVESTMENT

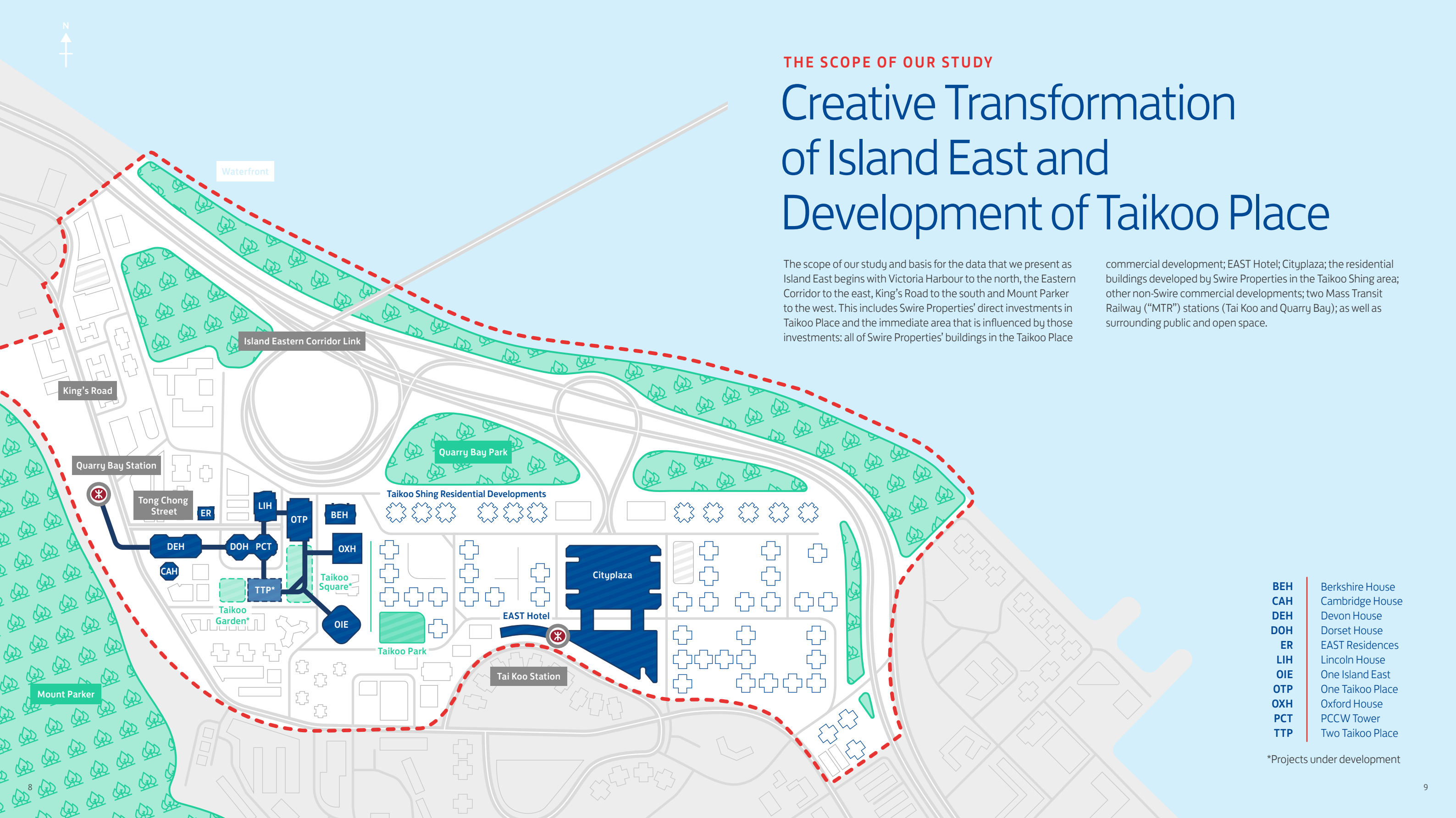
Hardware
Software

PLACE

Livelihood
Vibrancy
Wellbeing
Resilience

CITY

City-Wide Objectives

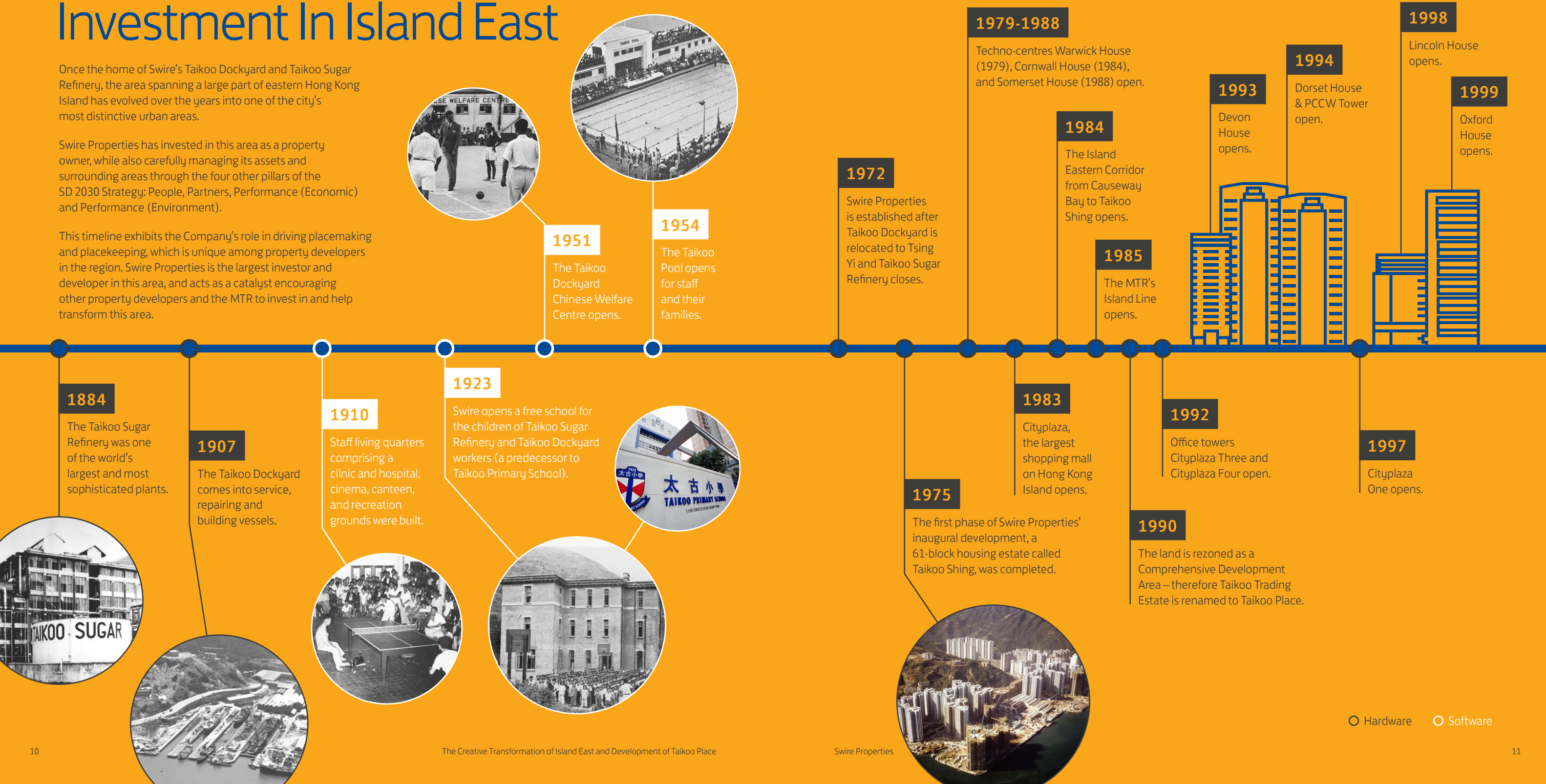


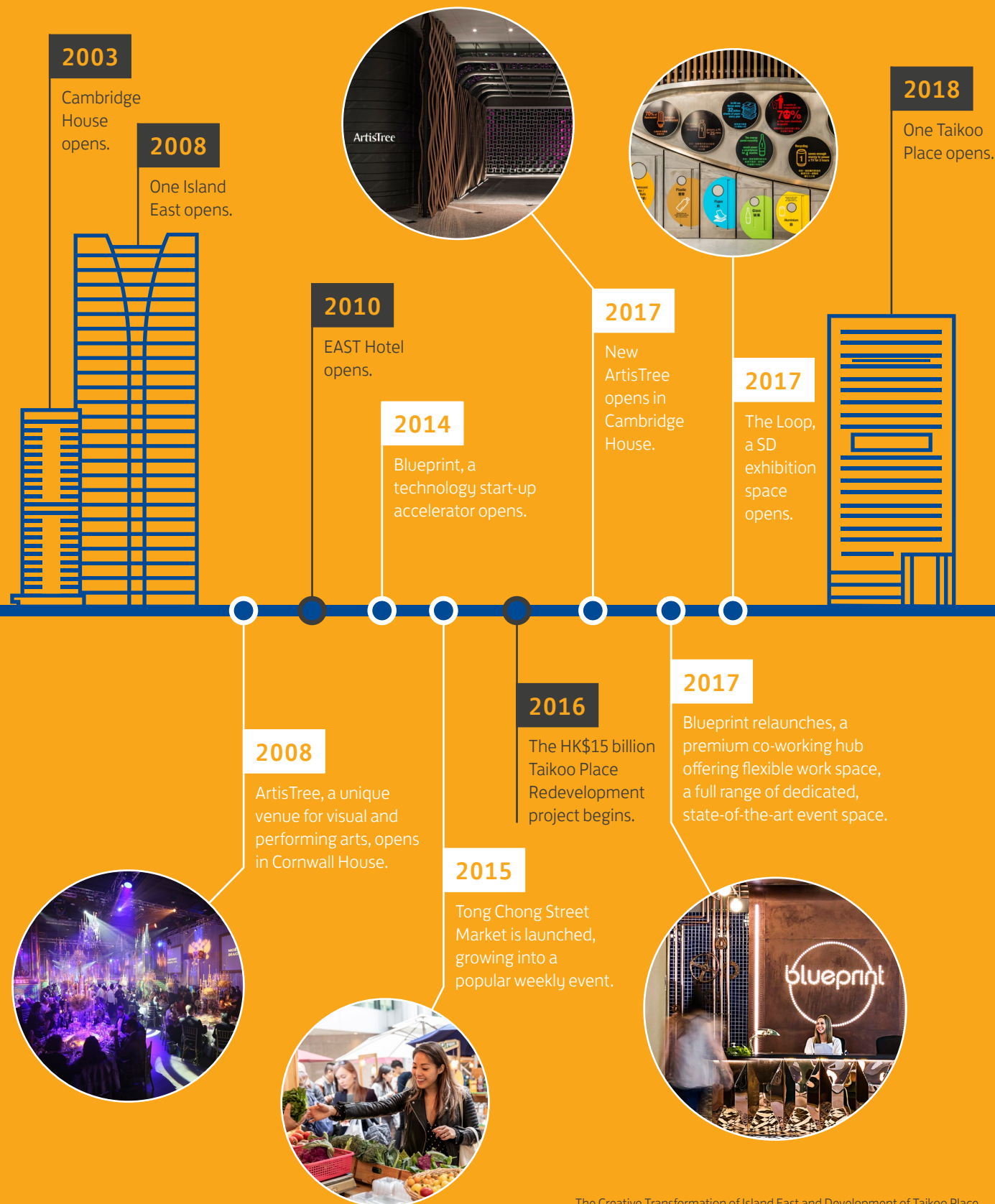
Investment In Island East

Once the home of Swire's Taikoo Dockyard and Taikoo Sugar Refinery, the area spanning a large part of eastern Hong Kong Island has evolved over the years into one of the city's most distinctive urban areas.

Swire Properties has invested in this area as a property owner, while also carefully managing its assets and surrounding areas through the four other pillars of the SD 2030 Strategy: People, Partners, Performance (Economic) and Performance (Environment).

This timeline exhibits the Company's role in driving placemaking and placekeeping, which is unique among property developers in the region. Swire Properties is the largest investor and developer in this area, and acts as a catalyst encouraging other property developers and the MTR to invest in and help transform this area.

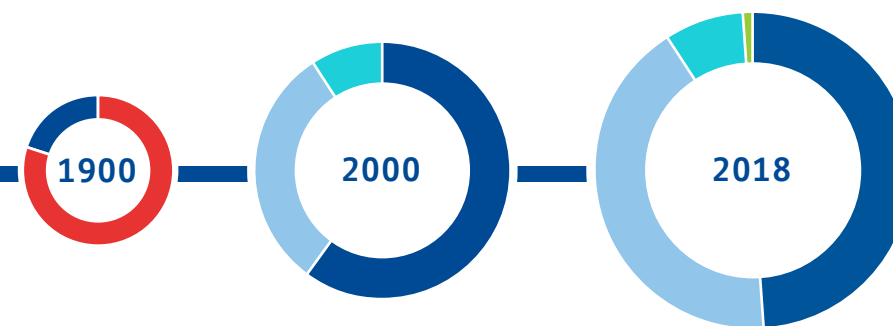




INVESTMENT

As the years passed, Swire Properties continued to invest in and transform the Quarry Bay area. Milestones include the completion of One Island East, where the Company is headquartered, in 2008 and EAST Hotel in 2010. And in 2016, the Company announced the HK\$15 billion Taikoo Place redevelopment project with the first Triple Grade-A office tower One Taikoo Place completed in 2018.

Around the same time, the Central-Wan Chai bypass was completed, dramatically enhancing connectivity from Taikoo Place and Island East to the traditional central business district ("CBD"). This has helped drive the decentralisation movement and has brought a significant number of office-based businesses to Island East.



Industrial Residential Office Retail Hotel

ESTIMATED GROSS FLOOR AREA (GFA) DISTRIBUTION

by property type in Island East

Island East has transformed from an industrial to an office-led mixed-use place.



Artist's impression

○ Hardware ○ Software

The Four Dimensions of Place

When placemaking and placekeeping are done well, people thrive.

That is to say, these two actions bring socio-economic benefits that feed into the surrounding areas and improve the lives of residents, workers and visitors.

Looking at the bigger picture, when these four dimensions – which are not mutually exclusive – come together to combine and interact, they create impact. This process is called “pathways to impact”. We must also keep in mind that there are multiple pathways that interact, and ultimately contribute to placemaking and placekeeping. It is as much about the physical connectivity as it is about the social and digital connectivity.

For this study, we defined four ‘evaluating’ dimensions – Vibrancy, Livelihood, Wellbeing and Resilience. Together, these create a place’s distinct “character”.



Vibrancy



Livelihood



Wellbeing



Resilience





Areas for Context and Comparison

Towards Hong Kong International Airport



- Airport Express
- MTR Island Line
- MTR Kwun Tong Line
- MTR Tseung Kwan O Line
- MTR Tsuen Wan Line
- Tram Line
- MTR Station

The measurement of impact requires both context and comparison to give performance indicators and statistics meaning.

We determined that the best way to approach this challenge in the Island East area was to select other areas in Hong Kong for comparison, as well as to consider how the place contributed to city-level objectives.

We have selected three other major commercial nodes – Central, Wan Chai and the Kwun Tong Business Area, as they have similarities.

KWUN TONG BUSINESS AREA

71 HECTARES
1,000 RESIDENTS
165,000 WORKERS

ISLAND EAST

80 HECTARES
58,000 RESIDENTS
88,000 WORKERS

CENTRAL

117 HECTARES
16,000 RESIDENTS
200,000 WORKERS

WAN CHAI

65 HECTARES
32,000 RESIDENTS
71,000 WORKERS

The Four Dimensions of Place

Island East, with Taikoo Place as a key component, is a high-density mixed-used hub in Hong Kong with a unique mix of residents, workers and visitors. With over a century of placemaking and placekeeping, and a rich and varied history, the district has formed a strong sense of community with distinct characteristics.

Island East is singular as it has evolved from an industrial to residential and now commercial cum residential area – a journey that is different from other Hong Kong commercial nodes. And with the Taikoo Place redevelopment project in progress, this area will continue to thrive and evolve in the years to come. Let us first look at Island East's Four Dimensions:



Vibrancy

Island East is a high-density area with a diverse breadth of residents, workers and visitors. Vibrancy is also further increased by well-designed walkways and convenient transport infrastructure for pedestrians.



Livelihood

Island East has emerged as a key employment hub for Hong Kong and now has a significant cluster of office-based financial and professional services. Island East continues to support the evolving needs of Hong Kong's economy.



Wellbeing

Island East offers easy access to nature and an extensive waterfront to the north. What's more, public art, community programmes and high quality public spaces and amenities, including the sports and recreation facilities at Quarry Bay Park, drive social contact and interaction. A well thought-out design that offers protection from the elements and user comfort have also driven wellbeing.



Resilience

We have conducted a thorough climate risk study of the Taikoo Place and Cityplaza areas, and determined that Island East – similar to the other commercial nodes in this study – is exposed to climate change-induced physical risks. However, Island East's local character and long-standing history of economic and social transformation make it uniquely resilient.



PLACEKEEPING

Events and activities in 2018 and 2019 were attended by more than 440,000 people; and included world-class and innovative arts at **ArtisTree**, our flagship engagement programme **PROJECT AFTER 6**, and other events that reinforced Taikoo Place as a vibrant and dynamic office hub.

The annual White Christmas Street Fair attracts more than **80,000 visitors** each year; and 40 shopping booths are available as a platform for local businesses to sell their products.



DENSITY

Daily on-site 'population' divided by area

(number of people per hectare)

Island East has a high density and a good balance between workers and residents compared to other areas.

Residents ■ Workers ■

DIVERSITY

An entropy index of diversity across all employment sectors

(scale of 1-100, where high values indicate more varied employment types)

Employment in Island East is more diverse than Central and Kwun Tong but less so than Wan Chai.

STREET LAYOUT DESIGN

Density of pedestrian network (metres per hectare)

In the built-up area of Island East there is a high pedestrian network and intersection density resulting in ease of movement and walkable streets. However, Island East is severed from the waterfront by a barrier that is the Island Eastern Corridor.

INCLUSIVE DESTINATION ACCESSIBILITY

Percentage of pedestrian network that is barrier-free

Nearly the entire pedestrian network is designed to be accessible and inclusive.

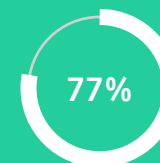
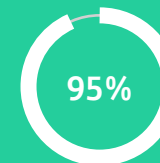
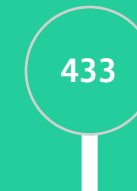
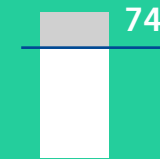
DISTANCE TO TRANSIT

Percentage of pedestrian network within 500m of transit access points

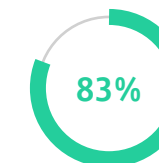
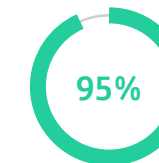
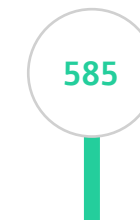
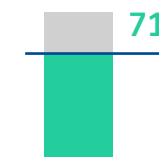
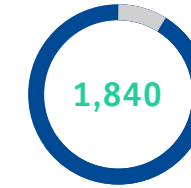
The MTR coverage in Island East exceeds Wan Chai and Kwun Tong. Bus and tram* coverage are similar across places.

*Not available in Kwun Tong

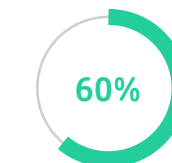
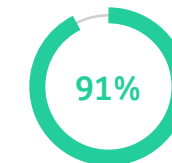
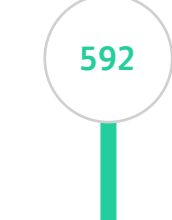
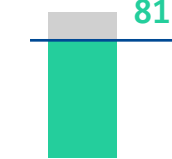
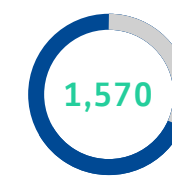
ISLAND EAST



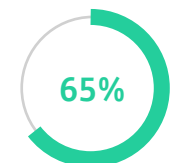
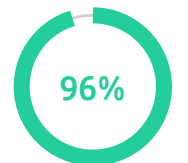
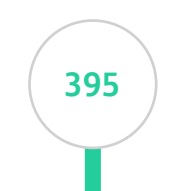
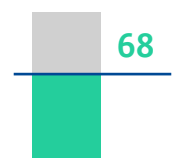
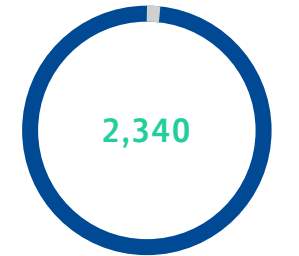
CENTRAL

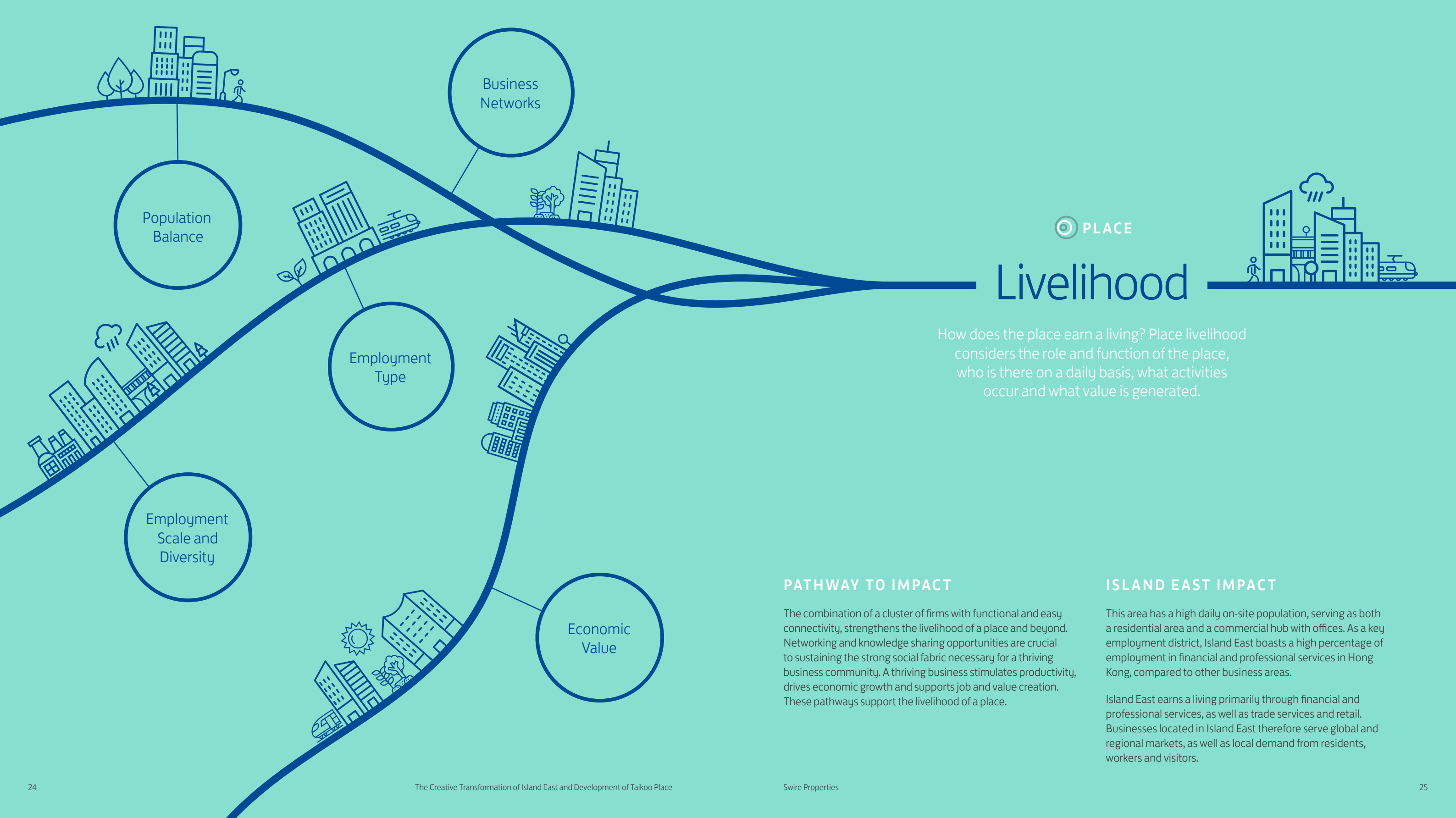


WAN CHAI



KWUN TONG





Livelihood

How does the place earn a living? Place livelihood considers the role and function of the place, who is there on a daily basis, what activities occur and what value is generated.

PATHWAY TO IMPACT

The combination of a cluster of firms with functional and easy connectivity, strengthens the livelihood of a place and beyond. Networking and knowledge sharing opportunities are crucial to sustaining the strong social fabric necessary for a thriving business community. A thriving business stimulates productivity, drives economic growth and supports job and value creation. These pathways support the livelihood of a place.

ISLAND EAST IMPACT

This area has a high daily on-site population, serving as both a residential area and a commercial hub with offices. As a key employment district, Island East boasts a high percentage of employment in financial and professional services in Hong Kong, compared to other business areas.

Island East earns a living primarily through financial and professional services, as well as trade services and retail. Businesses located in Island East therefore serve global and regional markets, as well as local demand from residents, workers and visitors.



GRADE A OFFICE

By the end of 2018, Island East accounted for about **7% of Grade-A offices** in Hong Kong. Of the additional Grade-A office space built since 2000, **Island East accounts for about 10%.**

BUSINESS NETWORKS

Taikoo Place has two business network membership organisations and a business membership club, The Refinery. These organisations aim to foster business relationships, by hosting networking events and talks. The goal is to create a 'local business ecosystem' and greater sense of community among the working population, which is unique in Hong Kong.



POPULATION BALANCE

Residents and workers breakdown

Island East has over 57,000 residents and almost 90,000 workers. The balance of residents and workers supports a wide range of economic activities.

TOTAL EMPLOYMENT: SCALE AND DENSITY

Total number of jobs and job density (number of jobs per hectare)

Island East has moderate employment scale and density reflecting its mixed-use character.

FINANCIAL AND PROFESSIONAL SERVICES: SCALE

Total number and proportion of total jobs in financial and professional services

Island East has a significant number and highest proportion of employment in financial and professional services.

FINANCIAL AND PROFESSIONAL SERVICES: DIVERSITY

Distribution of jobs across the five financial and professional services (scale of 1-100, where high values represent an even spread across five sectors)

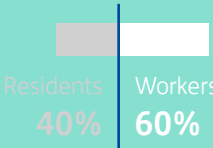
Island East has strong diversity across these sectors.

ECONOMIC VALUE

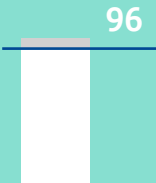
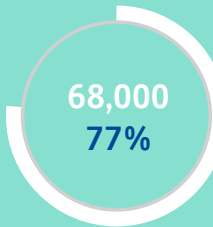
Gross Value Added ("GVA") and percentage contributed to city's overall GDP

The economic value measured by GVA in Island East lags behind Central and Kwun Tong due to the mixed-use nature of the area.

ISLAND EAST

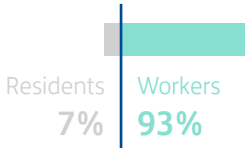


88,000
1,100/ha

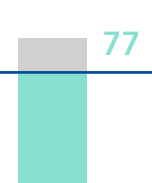


88bn
3%

CENTRAL

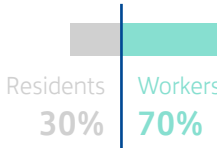


200,000
1,710/ha

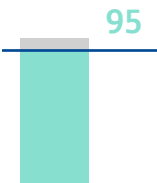


222bn
8%

WAN CHAI

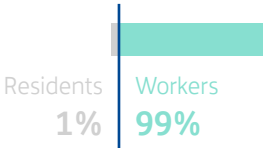


71,000
1,090/ha

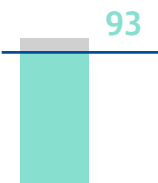


60bn
2%

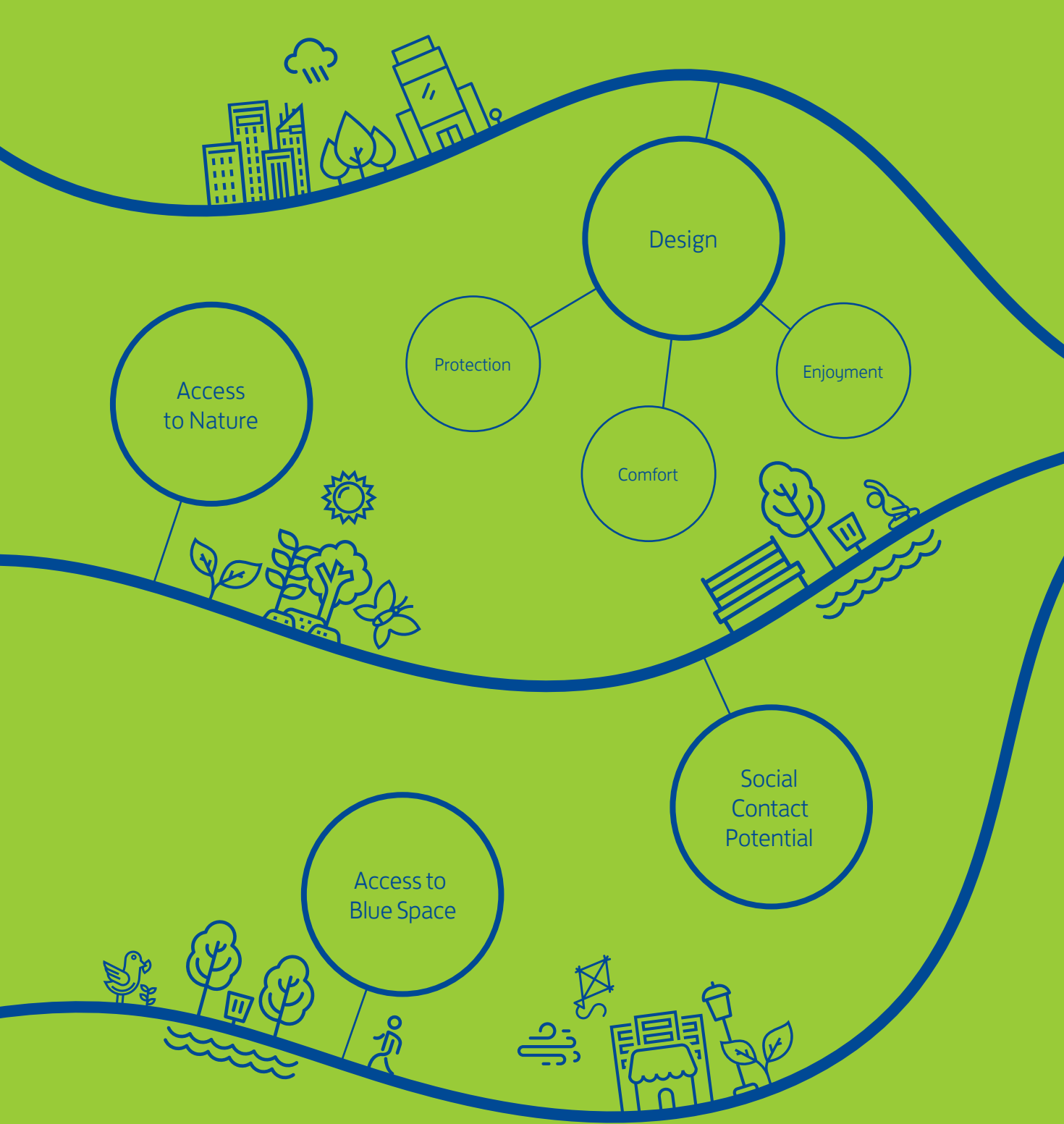
KWUN TONG



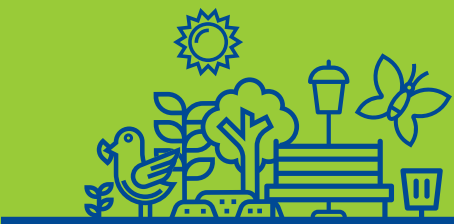
165,000
2,330/ha



118bn
4%



PLACE Wellbeing



Can placemaking and placekeeping create quality spaces that contribute directly to people’s health, happiness and wellbeing? Place wellbeing considers how people use physical spaces and how social interactions occur between people and the place to drive wellness.

PATHWAY TO IMPACT

Individual wellbeing and the feeling of being part of a community is a result of choosing to participate in physical, social, intellectual, creative and spiritual pursuits. Interaction matters! There is increasing evidence that the place where people live and work can have a profound influence on their wellbeing.

Wellbeing can be influenced by a place’s inherent value and design – its closeness and ease of access to nature and blue space; its ability to provide diverse ‘social support amenities’ for meetings; the opportunities for social contact; and the place’s overall aesthetics.

ISLAND EAST IMPACT

Island East has unique elements including a nearby country park and an extensive waterfront. The Quarry Bay extension of the Tai Tam Country Park is easily accessible, actively drawing users to spend time outdoors and enjoy nature. Compared to other study areas, Island East has the largest amount of green and open space with a diverse range of uses. Public art, art venues, art in the community programmes, and extensive high-quality spaces on offer are seamlessly incorporated in Island East’s fabric – making it an exceptional place to live, work and play in Hong Kong.

THE LOOP

Inspired by the well-known recycling phrase “close the loop”, The Loop is a 4,000 sq ft sustainability exhibition space that features a recycling centre, green wall and dedicated space for urban farming.



DESIGN
Protection and comfort

- Approximately HK\$700 million is being invested into the construction of an additional 675 ft of elevated and climate-controlled walkways. Upon completion, there will be a total of 1,120 ft of elevated walkways connecting nine buildings in the Taikoo Place office portfolio.
- The indoor air quality (IAQ) of the public areas in all Taikoo Place office buildings is rated “Excellent Class” under the Hong Kong IAQ Standard, ensuring protection against any variations in outdoor air quality.
- Upon completion of the Taikoo Place redevelopment project, the commercial hub will offer 70,000 sq ft of parks and pedestrianised space, and more than 480 trees featuring 56 species.
- Swire Properties’ master planning process includes extensive stakeholder engagement and careful selection of designers and architects.



The Creative Transformation of Island East and Development of Taikoo Place

ACCESS TO NATURE

An index of the size and quantity of green spaces within 400m of the pedestrian network (on a scale of 1-100

where high values indicate better access to nature)

Island East has the largest amount of green space and is one of the most diverse in size and type. It is also the closest to the entrance of a country park trail.

ACCESS TO BLUE SPACE

Percentage of pedestrian network that is within a 400m distance from the waterfront promenade

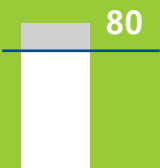
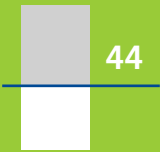
Given the comparable lengths of water’s edge in both Island East and Kwun Tong, pedestrian access to blue space in Island East is blocked by the Island Eastern Corridor and can be improved.

SOCIAL CONTACT POTENTIAL

An entropy index of diversity across public amenities (on a scale of 1-100 where high values indicate more public amenities)

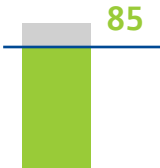
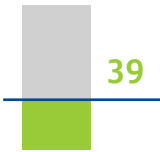
Island East has a high quantity and diverse set of public amenities.

ISLAND EAST

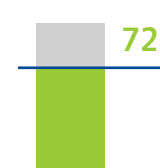
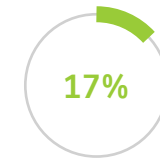
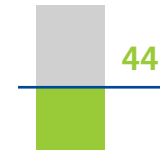


Swire Properties

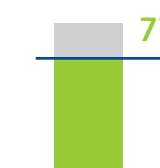
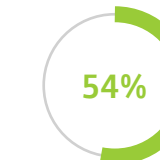
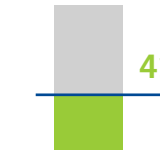
CENTRAL



WAN CHAI

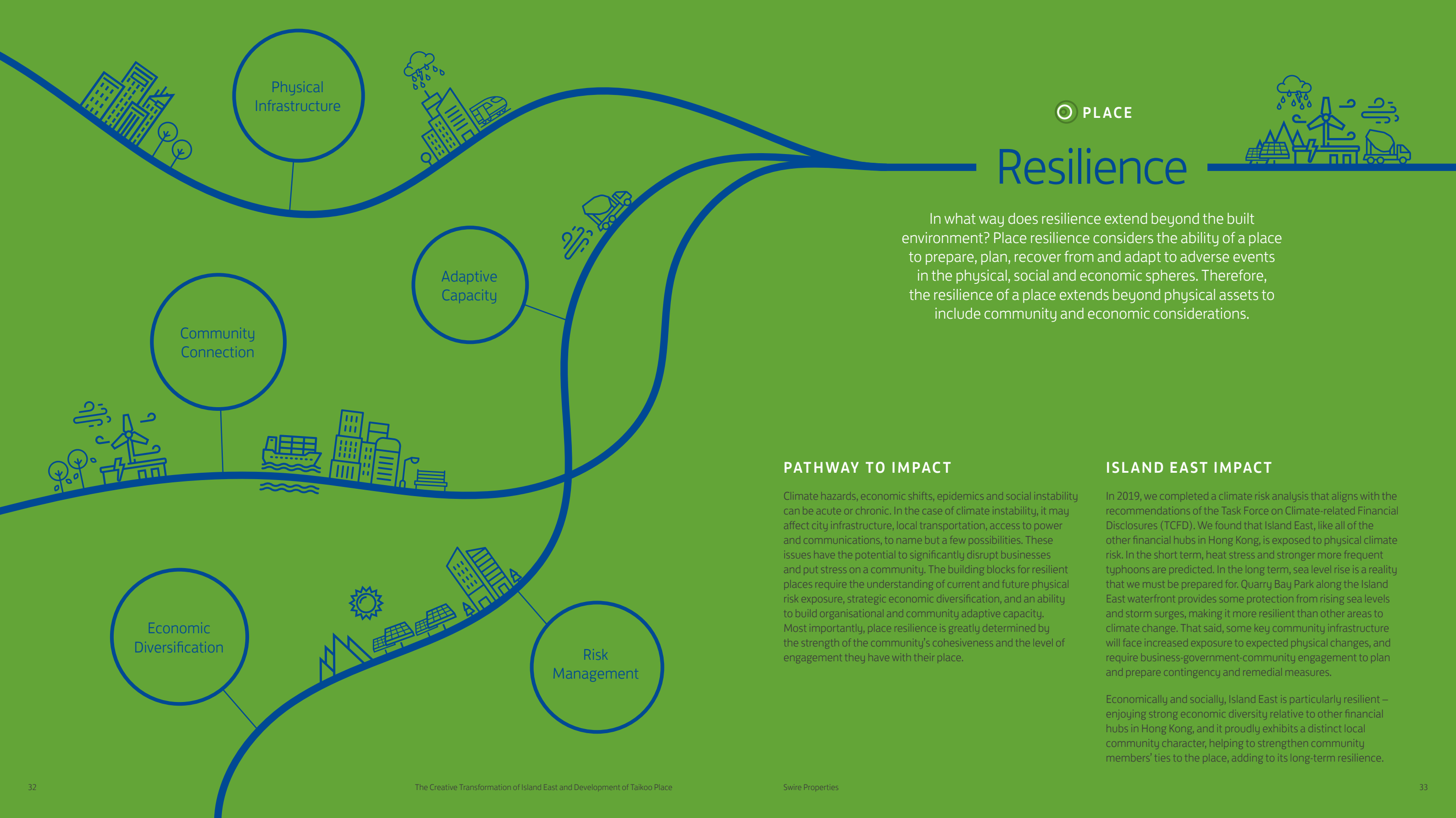


KWUN TONG



DESIGN
Enjoyment

Encouraging interaction with public art and art in the community help break down social barriers. Swire Properties aims to make art a part of everyday life, and continues to offer arts and culture initiatives that drive social contact and unique experiences.



Resilience



In what way does resilience extend beyond the built environment? Place resilience considers the ability of a place to prepare, plan, recover from and adapt to adverse events in the physical, social and economic spheres. Therefore, the resilience of a place extends beyond physical assets to include community and economic considerations.

PATHWAY TO IMPACT

Climate hazards, economic shifts, epidemics and social instability can be acute or chronic. In the case of climate instability, it may affect city infrastructure, local transportation, access to power and communications, to name but a few possibilities. These issues have the potential to significantly disrupt businesses and put stress on a community. The building blocks for resilient places require the understanding of current and future physical risk exposure, strategic economic diversification, and an ability to build organisational and community adaptive capacity. Most importantly, place resilience is greatly determined by the strength of the community's cohesiveness and the level of engagement they have with their place.

ISLAND EAST IMPACT

In 2019, we completed a climate risk analysis that aligns with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We found that Island East, like all of the other financial hubs in Hong Kong, is exposed to physical climate risk. In the short term, heat stress and stronger more frequent typhoons are predicted. In the long term, sea level rise is a reality that we must be prepared for. Quarry Bay Park along the Island East waterfront provides some protection from rising sea levels and storm surges, making it more resilient than other areas to climate change. That said, some key community infrastructure will face increased exposure to expected physical changes, and require business-government-community engagement to plan and prepare contingency and remedial measures.

Economically and socially, Island East is particularly resilient – enjoying strong economic diversity relative to other financial hubs in Hong Kong, and it proudly exhibits a distinct local community character, helping to strengthen community members' ties to the place, adding to its long-term resilience.

COMMUNITY AMBASSADORS

An employee-led volunteer initiative established in 2001. Ambassadors organise and participate in activities, contributing their time and skills towards various social and environmental causes in the community.



NATURAL VENTILATION

While planning for the Taikoo Place redevelopment project, we tested designs that enhance sunlight and thermal comfort for outdoor spaces in Island East.

Buildings have been situated to create new wind corridors that introduce natural ventilation and cooling breezes.



ADAPTIVE CAPACITY

The ability of Swire Properties and Island East communities to adjust to climate-related variability, and cope with its consequences, are being addressed at multiple levels.

COMMUNITY CONNECTION

Every investment in hardware (buildings and infrastructure) and software (initiatives and programmes) touches the surrounding community in some way. Swire Properties conducts ongoing programmes to deepen its relationship with community members.

ECONOMIC DIVERSIFICATION

Island East is an established office node outside the core CBD. An alternative to Central, office tenants are mainly medium or large organisations, and co-working spaces are available.

PHYSICAL INFRASTRUCTURE

Swire Properties has conducted a detailed physical risk assessment of Taikoo Place and Cityplaza assets.

RISK MANAGEMENT

Swire Properties employs best practice risk management procedures at the corporate and asset-level, including the area of climate risk.

Building Code and Adaptability to Extreme Weather

Climate Change Policy

Typhoon Emergency Process

Community Residents Associations

Community Ambassadors

HOMETOWN HEROES

Tong Chong Street Market

Art Programmes and Public Art

Contribution to Office Decentralisation

Diverse Tenant-Mix

Master Planning

Natural Ventilation

Green Built Environment

ERM System – SD Integration

TCFD – Physical and Transitional Risks

Climate Risk and Water Risk Analyses

Business Continuity Plan

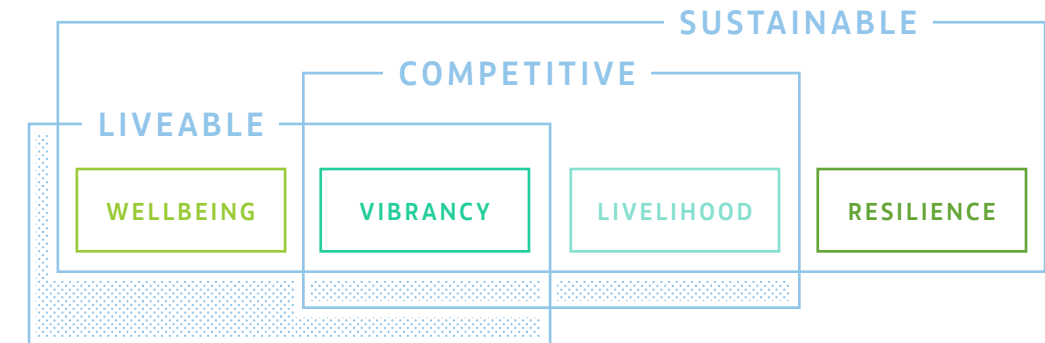


City-Wide Objectives

The Four Dimensions of Place demonstrate the impact of Island East on workers, residents and visitors within its sphere of influence. But what does this mean for the rest of Hong Kong citizens? To answer this question, we have looked at the city's spatial plan, Hong Kong 2030+, to see how Island East's vibrancy, livelihood, wellbeing and resilience impacts contribute to wider city objectives.



In addition to Hong Kong city objectives, investments in Island East support the UNSDGs.



Three main building blocks have been proposed as part of the territorial development strategy to achieve a vision for Hong Kong, as the city aims to continue to be recognised as “Asia’s World City” – a place that is liveable, competitive and sustainable. Under each building block, we have considered the contribution of Island East to city-wide objectives.

BUILDING BLOCK 1: LIVEABLE

“Planning for a liveable high-density city”

Typically, a high-density city is not particularly liveable. However, it is accepted that there are in fact places within high-density cities that are liveable and inclusive, and Island East is a good example.

BUILDING BLOCK 2: COMPETITIVE

“Embracing new economic challenges and opportunities”

Economies are constantly changing and evolving to remain competitive. Island East has been provided the necessary hardware and software to embrace challenges, capture economic opportunities and continue to transform.

BUILDING BLOCK 3: SUSTAINABLE

“Creating capacity for sustainable growth”

Evolving sustainable planning and urban design are key components of a smart, green and resilient city. Island East has contributed to sustainability through the governance and urban regeneration of this area over 100 years through placemaking and placekeeping.

The Transformation Continues

This is our first report to measure the impact of a Place.

This helps us to identify and quantify where possible, the factors that make a great Place. The report provides evidence and analysis to understand how a Place impacts the people who visit and use it, and the city that it is a part of, so that we can continually bring positive change.

We believe that our Places Impact Framework, which looks at impact on three levels – Investment, Place and City – is a starting point for this complex and integrated subject.

To recap, Investment includes hardware – such as buildings, infrastructure and public spaces, as well as software – such as stakeholder engagement, events and social initiatives. The Four Dimensions of Place – Vibrancy, Livelihood, Wellbeing and Resilience – define a Place’s distinct character and the user experience. And finally, City shows how a Place affects all citizens, by contributing to city-wide objectives.

One of the main challenges, when considering Places, is that everything is interconnected. The proper hardware facilitates software – the interaction between people that strengthens social networks and cohesion. Hardware and software define

a Place’s character and the overall experience that people have living, working and visiting there. This is why placemaking and placekeeping are central to creating a great Place; and for Swire Properties, it is an essential part of our SD 2030 Strategy. To evolve successfully, a Place must play to its strengths and bolster its weakness. The Places Impact Framework and assessment of Island East helps us understand what those strengths and weaknesses are. Using this clear and well-defined ‘picture’, we can better plan for the future to make our Places better. And more importantly, this model serves as a benchmark for our industry to build upon.

INVESTMENT

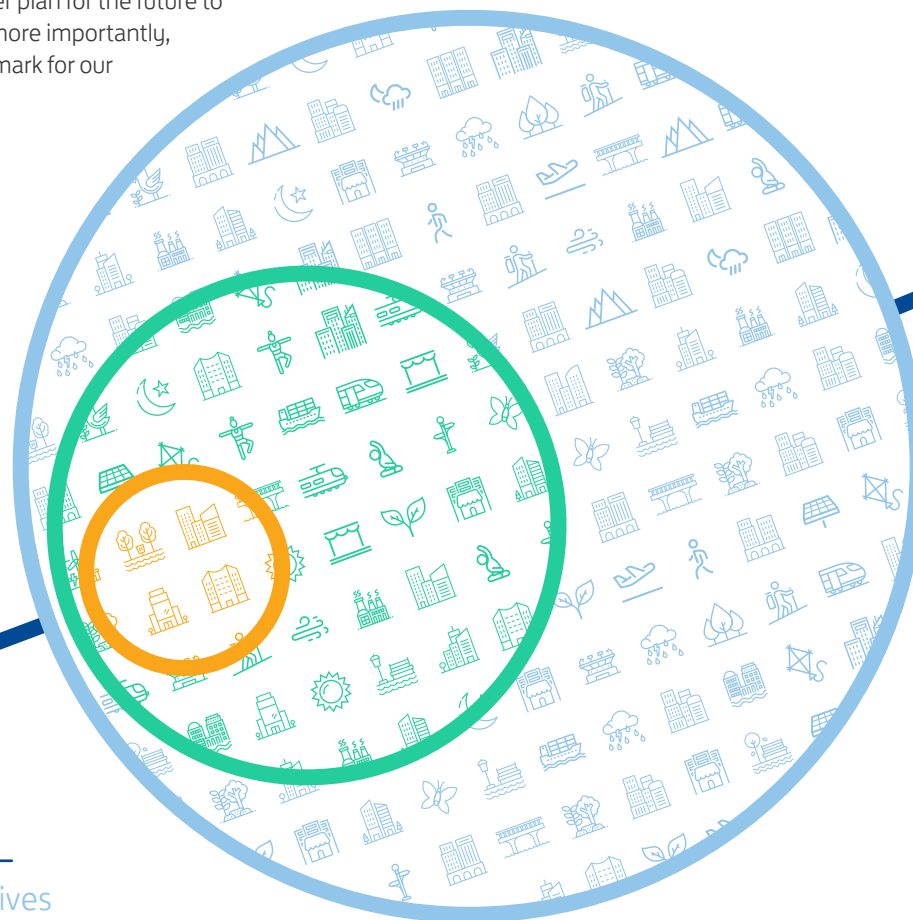
Hardware
Software

PLACE

Livelihood
Vibrancy
Wellbeing
Resilience

CITY

City-Wide Objectives



WHAT’S NEXT?

As our city evolves, so will Island East. For the past 135 years, Swire has made Hong Kong and Island East a part of its fabric. It will be interesting to see what sort of changes the Company’s investments such as Two Taikoo Place, the second Triple Grade-A office building part of the Taikoo Place redevelopment project – which will offer 1 million sq ft or approximately a 12% increase of office space, increased connectivity via additional elevated pedestrian walkways as well as an additional 70,000 sq ft or approximately a 6% increase of open space – will bring to Island East. What’s more, Swire Properties recognises that connectivity to green spaces is a key factor in improving the Island East landscape (www.swireproperties.com/harbourfront/eng/quarry_bay.html), and the Company will continue to support initiatives to promote sustainable development in the area.

COLLABORATION

As Island East evolves, Swire Properties looks forward to being a driver of change. We will partner with our stakeholders to ensure that our community continues to evolve and hopefully thrive. We’re always open to opportunities to partner because we believe that together, we can make Island East a great Place.

* This concept proposal was made in response to the Government’s call for submissions to enhance the Island East harbourfront (2009).

Glossary

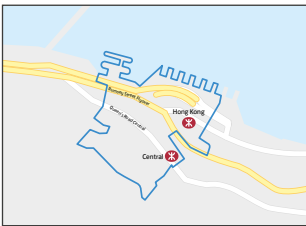
PLACES IMPACT REPORT – APPENDIX I: AREAS FOR COMPARISON



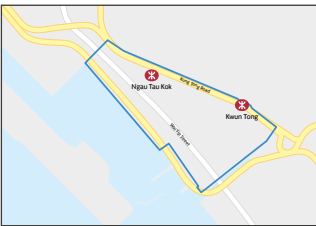
Island East (TPU* partial 155 and 157)



Wan Chai (TPU* 131 and 134)



Central (TPU* 114, 121 and 122)



Kwun Tong (TPU* 295)

PLACES IMPACT REPORT – APPENDIX II: GLOSSARY AND INDICATORS EXPLAINED

RESEARCH PRINCIPLES AND STRATEGIES

In developing the Places Impact Framework and this Places Impact Report, the research principles and approaches broadly adopted the following:

- Recognising and accounting for Hong Kong’s unique characteristics – very high density, hilly topography, typhoon prone sub-tropical climate, very high rates of public transportation usage, a cosmopolitan society where east meets west.
- Using available data, either already collected by Swire Properties or publicly available data sets and analyses as much as possible.
- Reviewing existing literature on these topics about Hong Kong and in cities overseas whilst being mindful of what is applicable to Hong Kong’s unique character.
- Acknowledging the difficulty of identifying suitable areas for comparison and to provide context, while avoiding a selection that would exhibit statistical bias and affect the analysis results. This is known as the modifiable area unit problem (MAUP) and it is recognised that selecting a smaller study area (usually 100ha-400ha) will decrease the effect of MAUP to an acceptable level. The selection of study areas for this Places Impact Report ranges from 65ha to 117ha, which is well below the 400ha threshold. Criteria for similarity and contrast have also been used to select areas for comparison in order to provide readers with sufficient context about the city.

SELECTION OF INDICATORS

Vibrancy – key indicators come from the 5Ds – density, diversity, design, destination accessibility, and distance to transit. They measure travel behaviour, vitality, urban design, and is influenced by mandatory activities – activities that need to happen (the commute to work, school, shopping, etc.).

Livelihood – keys indicators that combine economic activity and knowledge economy and place interaction with travel behaviour and the economic mass associated with vibrancy.

Wellbeing – key indicators come from health and social interactions that are a result of the built environment and place configurations that promote interactions, social activities and aesthetic experiences.

Resilience – key indicators from adaptation versus general adaptability to climate change and more generally to disturbance of both place and people: resilience for whom, what, when, where and why.

*Tertiary Planning Units
Map data © 2020 Google

VIBRANCY

ArtisTree – This dynamic multi-purpose space in Cambridge House, Taikoo Place is a destination for world-class arts, exhibitions and cultural experiences which welcomes new art forms, fresh ideas and live performances. Read more about ArtisTree [here](#).

Density – Density is expressed by the number of people per hectare. This indicator uses the daily on-site population of residents and workers divided by total area.

Distance to Transit – This indicator is expressed as a percentage, and it represents the proportion of total pedestrian network length that is within 500m of transit access points. The pedestrian network map retrieved from the [GeolInfo Map](#), Lands Department, Hong Kong.

Diversity – The diversity index is calculated using a measure of entropy and graded on a scale from 1 to 100 – where high values indicate more varied types of employment. For this indicator, we assessed the number of workers in each of the economic sectors.

Economic Sectors – These refer to the 16 employment sectors that are included in the Census and Statistics Department data.

Inclusive Destination Accessibility – In hyper dense mixed-use areas like Hong Kong, most destination and facilities are in close proximity to each other. Therefore, we intentionally selected this indicator to assess the provisions for a barrier-free pedestrian network and measure accessibility design. This was analysed using data retrieved from the [GeolInfo Map](#), Lands Department, Hong Kong.

PROJECT AFTER 6 – Our flagship engagement initiative aims to connect office workers after work through a variety of arts, cultural, sport and leisure programmes. Read more about the programme [here](#).

Residents – Residents refer to the population counted in the study area as recorded by the 2016 Population By-Census, Census and Statistics Department, Hong Kong.

Street Layout Design – This indicator is expressed as the length of available walkway per hectare. This was calculated using the total pedestrian network length in the study area divided by the total size of the study area. The pedestrian network map retrieved from the [GeolInfo Map](#), Lands Department, Hong Kong.

Workers – Workers refer to persons engaged in employment in the study area in 2018. This is recorded by the number of entities and organisations and persons engaged (other than those in the civil service), analysed by industry. Data was retrieved from Census and Statistics Department, Hong Kong.

LIVELIHOOD

Economic Value – This indicator is expressed by Gross Value Added (GVA), which is a measure of the value of goods and services produced in an area. The GVA is estimated using:

- 1) GVA of each industry sector
- 2) Total employment in each industry sector
- 3) Employment in Island East and the other areas

The estimated percentage is the proportion of Hong Kong’s total GDP in 2018 that can be attributed to the study area.

Financial and Professional Services – Financial and professional services are comprised of the following five top-level industries: information and communications; financing and insurance; real estate; professional, scientific and technical services; administrative and support services, as defined by the Hong Kong Standard Industrial Classification.

Financial and Professional Services: Scale – Scale refers to the total number of workers in financial and professional services and their proportion of total employment in the study area.

Financial and Professional Services: Diversity – The diversity index is calculated using a measure of entropy and graded on a scale from 1 to 100 where high values indicate more varied types of employment. For this indicator, we analysed the number of workers and their spread in each of the five financial and professional services industries.

Population Balance – This indicator shows the proportion of residents and workers that form the daily on-site population.

Residents – Residents refer to the population counted in the study area as recorded by the 2016 Population By-Census, Census and Statistics Department, Hong Kong.

Total Employment: Scale and Density – Total employment scale refers to the total number of workers in the study area in 2018.

Total employment density refers to employment levels in the study area and is calculated as the number of workers per hectare to provide insight into the level of density of jobs in the study area.

Workers – Workers refer to persons engaged in employment in the study area in 2018. This is recorded by the number of entities and organisations, and persons engaged (other than those in the civil service), analysed by industry. Data was retrieved from Census and Statistics Department, Hong Kong.

WELLBEING

Access to Nature – This indicator is expressed as a composite index of access to various sizes of greenspace. The greenspace in the area was sorted into four categories by size. For each of those categories, the proportion of pedestrian network within 400m from the entrances of greenspace was analysed.

The pedestrian network and greenspace data were retrieved from the HKSAR Lands Department’s [GeolInfo Map](#), complimented by site-visits and aerial map observations.

Access to Blue Space – This indicator is expressed as a percentage, and it represents the proportion of pedestrian network within a 400m distance from the waterfront promenade. The waterfront promenade is defined as the pedestrian network that is within 50m buffer of the water’s edge.

The pedestrian network map retrieved from the [GeolInfo Map](#), Lands Department, Hong Kong.

Public Amenity Categories – Public amenities are classified in [HK Planning Standards and Guidelines](#) and include educational facilities, medical and health facilities, art venues, community halls, and social welfare facilities. The facilities profile and numbers in this study area have been retrieved from the [GeolInfo Map](#), Lands Department, Hong Kong.

Social Contact Potential – The diversity of social contact potential is an index calculated using entropy and graded on a scale from 1 to 100 where high values indicate strong social contact potential. For each study area, we analysed the number of public amenities in each category and assessed the degree to which they are balanced across those categories.

RESILIENCE

Building Code – The Buildings Department of the Government the HKSAR regulates how structures should be designed according to wind effects through the publication of a Code of Practice on Wind Effects. For example, the adoption of gust velocity as the basis for design and consideration of strong winds for high-rise buildings.

Climate Change Policy – Swire Properties established a [Climate Change Policy](#) in 2018.

Natural Ventilation – Natural ventilation refers to buildings in Taikoo Place which have been situated to create new wind corridors that will introduce natural ventilation and cool breezes

Community Ambassadors – Our Community Ambassador programme enables our employees to contribute their time and skills towards various social and environmental causes. Read more about the programme and activities [here](#).

HOMETOWN HEROES – This is a community-building initiative that aims to connect and engage people in the communities in which they work, live and stay, and provide them with an opportunity to contribute to their community. Read more about the programmes under this initiative [here](#).

Tong Chong Street Market – The Tong Chong Street Market is a Sunday market in Taikoo Place selling fresh, locally produced foods grown by local farmers. I addition to supporting local Hong Kong farmers, the market aims to engage our employees, tenants, and neighbours at Taikoo Place on the importance of food cycles and sustainable production.

Green Built Environment – Green Built Environment refers to the buildings in Island East that meet the green building requirements of assessments and certifications such as LEED, BEAM Plus, and WELL. Read more about Swire Properties’ performance in this area [here](#).

ERM System – SD Integration – After completing a review of our ERM system in 2017, we updated our Corporate Risk Register in 2018 to incorporate additional SD-related risks. We have also integrated SD factors into our corporate risk analysis.

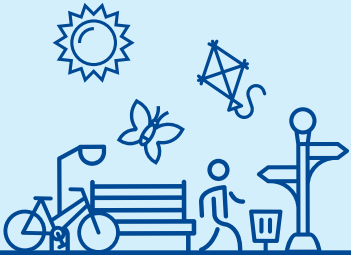
TCFD (Task Force on Climate-related Financial Disclosures) – We communicate our management approaches and strategies for climate mitigation, adaptation, and resilience to our stakeholders. We publish climate-related financial disclosures with reference to the recommendations of the TCFD under the four categories on Governance, Strategy, Risk Management, and Metrics and Targets.

ABOUT SWIRE PROPERTIES

Swire Properties develops and manages commercial, retail, hotel, and residential properties, with a particular focus on mixed-use developments in prime locations at major mass transportation intersections. Swire Properties in is listed on the Main Board of the Stock Exchange of Hong Kong and its investment portfolio in Hong Kong comprises Taikoo Place, Cityplaza and Pacific Place as its core holdings. In addition to Hong Kong, the Company has investments in Mainland China, the United States, Singapore and Jakarta.

ACKNOWLEDGMENTS

This report reflects the views of Swire Properties. The use of “The University of Hong Kong I FoA I DUPAD” does not imply the University’s endorsement of or responsibility for the particular activity, product, or publication involved.



This report is produced by the
Swire Properties SD 2030 ‘Places’ Pillar Working Group.
With contribution from and thanks to:

Alain JF Chiaradia
Associate Professor
The University of Hong Kong I Faculty of Architecture I DUPAD
alainjfc@hku.hk

Fiona Waters
Managing Director
Waters Economics Ltd
fiona.waters@waterseconomics.com

What makes a great place?

This seemingly simple question serves as the premise and inspiration for this study.

Currently, there is no industry standard to measure this impact. Yet the more we understand the impacts of placemaking and placekeeping, the more equipped we are to provide better-quality places and communities, and improve the lives of the people who work, live and stay there.

This report provides evidence and analysis to understand how a Place – using Island East and Taikoo Place as a basis – impacts the people and the city that it is a part of; and offers a look at Swire Properties' "Places Impact Framework", which examines impact on three levels – Investment, Place and City.



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