



Sustainable
Development
Report
2014

 SWIRE PROPERTIES

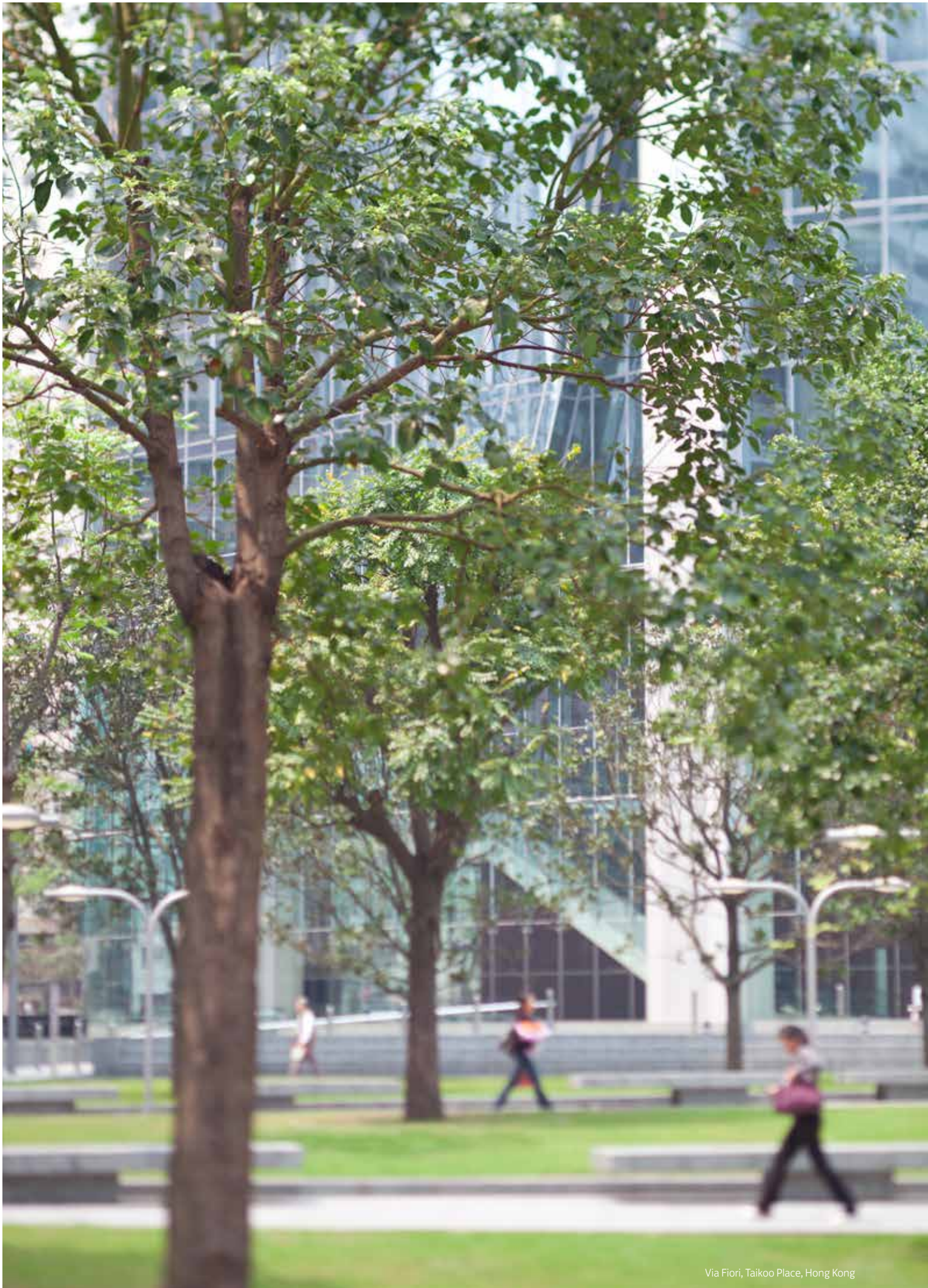
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Via Fiori, Taikoo Place, Hong Kong

As a leading developer, we have spent the past 40 years creating places where people work, live and play. Long-term thinking lies at the heart of this work. We make sustainable choices in our properties throughout their life cycle, from research and planning to design, in order to create long-term value for our developments. In our day-to-day building management, Swire Properties collaborates with our stakeholders to extend this sustainable vision, which includes working with tenants and residents to achieve green benefits.

We are a firm believer of giving back to our communities. Our corporate social responsibility efforts focus on education, arts and culture, and community care – the latter of which is best represented by our staff-driven volunteering team, the Community Ambassadors. This expansive long-term approach has helped us take a leadership role in sustainability in Asia, and we're very proud of what we have accomplished so far.

2014 was a year of good progress for us. On the energy saving front, we achieved our targeted 40 million kWh saving per year – a full two years ahead of schedule – as part of our 2020 Energy Reduction Pledge. Taikoo Place and Cityplaza were also honoured with a coveted Green Building Award for their outstanding facility management, with the award recognising our building energy research and knowledge sharing within the industry. This was also the year we introduced blueprint, our innovative accelerator and co-working space concept, and launched the transformative Daci Temple Project in Chengdu, in itself a wonderful example of our work in heritage preservation and restoration.

Looking ahead, we are committed to building on our success on the sustainable front as we expand our footprint. We recognise our progress, but are pledging to do more. We are setting ourselves the higher energy-saving target of 64 million kWh per year by 2020, and are continuing our long-term partnership with Tsinghua University to conduct research and share our experience with our contemporaries.

These are exciting developments for all of us at Swire Properties, and we look forward to reporting on our ongoing sustainability achievements. Thank you for reading our Sustainable Development Report 2014. I encourage you to provide us with your feedback.



Guy Bradley

Chief Executive, Swire Properties

chief executive's message

internationally recognised performance in properties management

Green Building Grand Award 2014 in Facilities Management for Taikoo Place and Cityplaza



headline stories

2020 energy reduction target achieved two years ahead of schedule

Energy saved has reached 40 million kWh per year



exemplary urban sustainable development – Sino-Ocean Taikoo Li opened

Blending the ancient and the modern, Daci Temple is incorporated into the low-rise, lane-driven mall, complemented by a hotel and a Grade A office tower



blueprint brings innovation to Taikoo Place

A co-working space of over 14,500 sq ft where innovation and creativity thrive



18 charity projects funded by Community Caring Fund in 2014

An important part of our corporate social responsibility programme where resources are offered to lesser-known charities and NGOs in Hong Kong and Mainland China





Pacific Place, Hong Kong

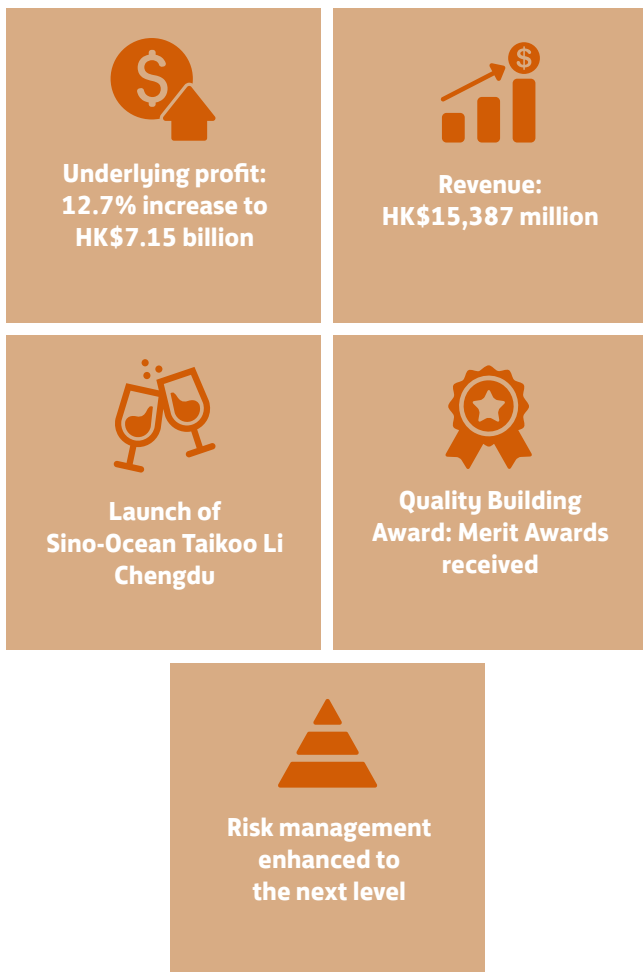
Headquartered in Hong Kong, Swire Properties develops and manages commercial, retail, hotel and residential properties, with a focus on mixed-use developments in prime locations at major mass transportation intersections. Since our founding in 1972, we have upheld our commitment to our communities, tenants and customers by conducting our business in environmentally, socially and economically responsible ways.

our business

About Swire Properties

Swire Properties 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 substantial investments in Mainland China, the United States, and Singapore.

For a complete overview of our operations and financial performance, please refer to our *2014 Annual Report* at www.swireproperties.com.



Business Strategy

We aim to create long-term value by developing, owning and managing diverse properties in prime locations, mainly in Hong Kong and Mainland China. Given the very nature of our business, our strategy encapsulates sustainable economic, environmental and social practices to benefit our company, our shareholders and our communities now and in the future.

Sustainable Development Approach and Structure

Our *Sustainable Development Policy* prioritises the well-being of our business and our communities, and we use our *Environmental Policy*, *Energy Policy*, *Health & Safety Policy* and *Supplier Code of Conduct* to guide us in managing the environmental, social and economic risks and opportunities of our business decisions.

Our Sustainable Development Steering Committee oversees our performance and assesses social, economic and environmental risks and benefits in our business decision-making process. The Sustainable Development Steering Committee is convened by the General Manager of Technical Services and Sustainability and includes representatives from all key departments. In order to facilitate the sharing of best practices with the entire Swire group, the Head of the Sustainable Development Office of John Swire & Sons (H.K.) Ltd. is also a member of the Committee.

Corporate Governance

We conduct our business in accordance with high ethical standards through our adherence to high levels of



Taikoo Place, Hong Kong

corporate governance, transparency and accountability. Swire Properties is governed by a Board of Directors, which has responsibility for the strategic leadership and control of the company and its subsidiaries. The Board is committed to maintaining and developing robust corporate governance practices, and it makes strategic decisions to maximise shareholder value and to benefit our employees, business partners and communities.

Swire Properties has adopted a [Corporate Governance Code](#)¹ which sets out our corporate governance practices.

Risk Management

The nature of our business means our decisions are accompanied by a degree of risk in relation to the performance of real estate markets where we operate. Our decisions are guided by our enterprise risk management framework, which is managed by our Finance Department. We take a precautionary approach, recognising that our continued growth and profitability relies on our ability to effectively manage risk.

To address business interruption risk, we have had a Business Recovery Plan (BRP) in place since 1997. The BRP enables us to maintain robust crisis planning and execution capabilities in response to potentially harmful incidents by preparing an organisational structure, management

processes, roles and responsibilities of company representatives, reporting thresholds and notification guidelines involving senior management. Following the extension of our portfolio and regular reviews of our BRP, we have modernised our reporting system through mobile apps and digitalised platforms to ensure more timely and effective communication between relevant parties in handling crises. We also plan to carry out a comprehensive drill in our Mainland China operations during 2015.

To ensure compliance and to better align our risk management practices, we have systemised our portfolio management approach along with our internal requirements in the Business Compliance Manual². To account for our portfolios outside Hong Kong, we have revised the manual to suit local needs and compliance requirements.

¹ Refer to the Annual Report for more on the [Corporate Governance Code](#)

² The Business Compliance Manual addresses a range of risks, including business and public health risks



TaiKoo Hui, Guangzhou

Fair Operating Practices

We are committed to adhering to the principles set out in our Corporate Code of Conduct. We practise integrity and fairness in our business relationships, abstain from making political contributions, require employees to disclose gifts received from vendors and clients, respect property rights (including intellectual property rights) and ensure all personal data we process is protected according to the provisions of the relevant data privacy ordinances that exist wherever we do business. No confirmed corruption-related incidents were recorded in our operations in 2014.

We ensure that our marketing and communications materials are in compliance with government regulations and industry guidelines, including the Residential Properties (First-hand Sales) Ordinance, the Consent Scheme of the

Hong Kong Lands Department and the self-regulatory regime of the Real Estate Developers Association of Hong Kong (REDA).

We welcome feedback and we have channels for feedback available to all shareholders, customers, suppliers, contractors and employees.

Value Chain

As a leading real estate developer, owner and operator, our extensive value chain comprises a wide range of suppliers and customers. We leverage these relationships to integrate our sustainable practices across our entire supply chain by monitoring the ethical conduct of our business partners,

labour standards and human rights of our suppliers, product responsibility and environmental impacts.

Customer Focus

As a responsible developer and building manager, we work to protect the health & safety and privacy of our customers, establish clear communication channels and provide exemplary service. We empower and encourage our staff to deliver the highest standards of customer service to help us deliver exceptional service with accountability and respect.

In 2014, we received two Quality Building Awards in Hong Kong: our residential development AZURA and our mixed-use complex Pacific Place received merit awards under the categories “HK Residential (Single Building)” and

“HK Building (Renovation and Revitalisation)” respectively. The awards recognised “collaboration for quality” by the design and construction teams as well as the portfolio management team.

To ensure the health and comfort of our customers and tenants, we have in place an environmental management plan and clear guidelines to monitor indoor air quality and drinking water quality in our buildings. We also take extensive measures to reduce noise pollution during construction and renovation in order to minimise our impact on the environment and surrounding communities.



Pacific Place Contemporisation Project Wins Quality Building Award 2014

The Quality Building Award recognises exemplary building projects that can demonstrate outstanding quality and excellent teamwork. Our Pacific Place Contemporisation Project won a Certificate of Merit Award under the Hong Kong Building (Renovation / Revitalisation) Category in 2014. The successful completion of the project required the combined efforts of a team of professionals, and close collaboration between designers and operators.

The project included a wide range of sustainable practices, including:

- Selection of materials and systems based on lifecycle performance
- Use of cleaner-running Euro V diesel engines, and biodiesel instead of traditional diesel fuels during construction
- Recycling of demolished materials, including 48.5 tonnes of glass panels and 595 tonnes of floor stones into reusable materials
- Adoption of energy-saving measures, particularly the use of LED lamps and light sensors

About the Design

Pacific Place went through a sleek and contemporary makeover at the hands of the visionary designer Thomas Heatherwick and Heatherwick Studio. Fluidity was a key concept to soften the contours of the mall, creating an organic design which ripples and flows from the external stone façade to the mall's interior. The Avenue of Light on level 4, previously an unused space, was transformed into a piazza covered by walkable skylights surrounded by landscaping, and serves as a public terrace for visitors whilst illuminating the mall below with natural light.

Supply Chain

We ensure that our contracting processes are fair and transparent. Together with our parent company, Swire Pacific, we strive to use our industry influence to work with our suppliers to reduce social and environmental impacts. We oversee supplier relationships, address sustainability issues and manage risks in our supply chain³. Swire Pacific has a Supply Chain Sustainability Working Group that helps

operating companies develop sustainability policies and guidelines for our suppliers.

Our supply chain includes a framework to address sustainability issues and manage risks. Our **Supplier Code of Conduct**, which is included in contracts with our suppliers in Hong Kong and Mainland China, compels them to comply with our sustainable development standards or risk termination of the contract.

Introducing Green Product Tracking in the Procurement Process

We added new features to our Property Management System to help monitor green purchasing, which will be launched in early 2015. The data collected will enable a company-wide green procurement performance review for future improvements.



EAST, Hong Kong – Engaging Suppliers on Sustainability

In 2014, EAST, Hong Kong invited three of their key suppliers (Ming Fai, Vogue Laundry and Cathay Pacific Catering Services) to programme their best practices on sustainability and to ensure their alignment with our Supplier Code of Conduct. The programme included a site visit to the Shenzhen headquarters of Ming Fai Group, a leading bathroom amenities provider for internationally recognised hotels and airlines.

³ Through our Supply Chain Sustainability Committee, which is chaired by the General Manager of Technical Services and Sustainability



Sino-Ocean Taikoo Li, Chengdu

Daci Temple Project, Chengdu

**sustainability
in action**



In the heart of Chengdu's bustling Jinjiang District, we have built the Daci Temple Project, a 2.86 million sq ft⁴ retail-led mixed-use development consisting of Sino-Ocean Taikoo Li Chengdu, an open-plan, lane-driven complex; The Temple House, a boutique hotel with 100 guest rooms and 42 serviced apartments managed by Swire Hotels; and Pinnacle One, a 47-storey Grade A office tower.

As the second Taikoo Li project after Taikoo Li Sanlitun in Beijing, this innovative mixed-used development immerses visitors in a unique shopping experience that reflects the heritage and charm of Chengdu, offering more than 300 stores, including international brands and local prime retailers spanning a wide range of categories, from high-end fashion and sportswear to food and beverage and lifestyle products.

About the Design

The development builds on the rich heritage of the twelfth century Daci Temple. Our retail complex Sino-Ocean Taikoo Li Chengdu combines six restored historical buildings and the site's existing traditional courtyards with sleek modern buildings to create a unified design, adapting older buildings to new uses, such as the lobby and spa of our boutique hotel

The Temple House. The low-rise buildings were specially designed to integrate with the local cultural and architectural landscape.

This homage to traditional Sichuan architecture and local history also extends to the retail concept, which provides “fast-lane” and “slow-lane” shopping experiences to reflect the traditional-meets-modern design.

The development is an exemplar of sustainable urban development in Mainland China. Its direct connection to the major interchange station of the Chengdu Metro enhances its connectivity to the city, and the walkable lanes and well-designed open spaces enhance accessibility and natural ventilation. The first phase of this unique development opened in the fourth quarter of 2014.



Sustainability Features :

- Targeting LEED⁵ Neighbourhood Development Gold rating
- Energy reduction target of 15%
- Annual wastewater reuse > 25%
- Use of CFD⁶ analyses to improve natural ventilation
- Passive design of architectural fins
- Naturally lit basement shopping arcade
- Rainwater harvesting
- Centralised waste handling
- Use of high COP⁷ chillers

“ I want to restore the Daci area to its rightful place as the real heart of Chengdu... At the Daci Temple Project, which will mirror the lanes-driven approach we created at Taikoo Li Sanlitun, one can relax with friends or family, see a performance in the public square or buy something from the shops. As soon as the project is completed, I hope the Daci area will once again take its traditional place at the very core of Chengdu.

Chris Law, Director of The Oval Partnership Limited ”

⁴ Per Annual Report

⁵ LEED – Leadership in Energy & Environmental Design

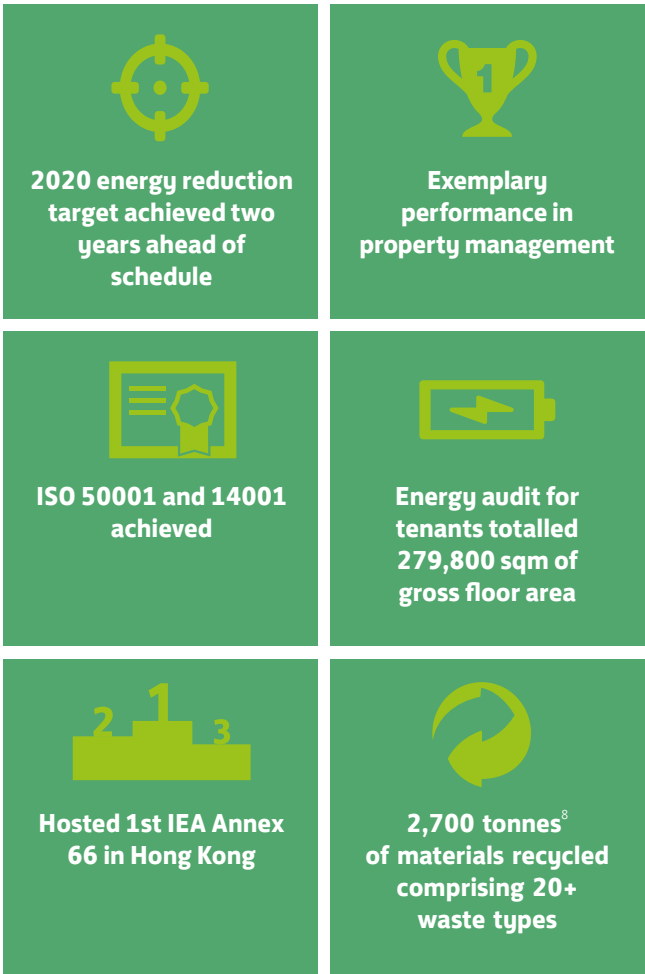
⁶ CFD – Computerised Fluid Dynamics

⁷ COP – Coefficient of performance



“Delve deeply and share widely.” We exhibit environmental responsibility not only by incorporating best practices into every aspect of our operations, but also by engaging tenants, industry peers and leading universities in our pursuit of sustainable development.

**our
environment**



We incorporate environmental considerations into our decision-making, management processes and company culture. We ensure our operations and developments fulfil environmental regulations and requirements, and we urge key stakeholders to do the same. We monitor and collect data of environmental impacts from our operations through our web-based environment, health & safety database. We regularly communicate with our senior management regarding our sustainability performance.

Our broader aim, however, is to leverage our experience and knowledge to benefit a wider spectrum of stakeholders and positively influence the industry, both locally and globally. We have research collaborations with leading universities that allow us to set new benchmarks in energy efficiency and other environmental criteria, and through our portfolios around the world, we engage our tenants and our industry peers in putting these benchmarks into practice.

We aspire to be at the forefront of the search for new ideas in pursuit of sustainable outcomes. We do this not simply to improve the environmental performance of our properties, but to contribute to the industry as a whole. In our pursuit of “building communities”, we implicitly embrace the objective of extending our reach to benefit the global community.

Energy & Climate Change

Energy Consumption

Electricity use across our portfolio comprises our largest contributor to greenhouse gas emissions. To address this, we design and operate our properties with the aim of reducing electricity use by setting ambitious energy reduction targets and developing strategies to meet these targets. We maintain a comprehensive energy database with monitored data collected for analyses.

Saving Energy at EAST, Beijing

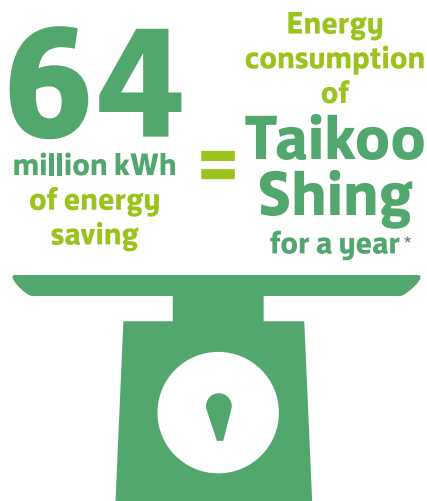
In 2014, EAST, Beijing, our lifestyle business hotel, made a number of green changes to its operations. The hotel replaced conventional lights with LED lights in several areas of the building, reduced the daily running time of the exhaust fan in the kitchen and decreased the number of back-of-house tube lights by 50%. The cumulative effect of all these changes was a 73% reduction in the amount of lighting electricity used from April 2014 to April 2015.

⁸Total materials recycled from Pacific Place, Cityplaza, Taikoo Place and Citygate in 2014

2020 Energy Reduction Pledge

In 2013 we launched our 2020 Energy Reduction Pledge, which provides us with an ambitious energy reduction plan with a target of estimated total energy savings of HK\$910 million by 2020, and an anticipated investment of HK\$470 million in energy-saving measures⁹.

Through 2014, we have achieved energy savings of 40 million kWh per year, putting us two years ahead of schedule¹⁰.

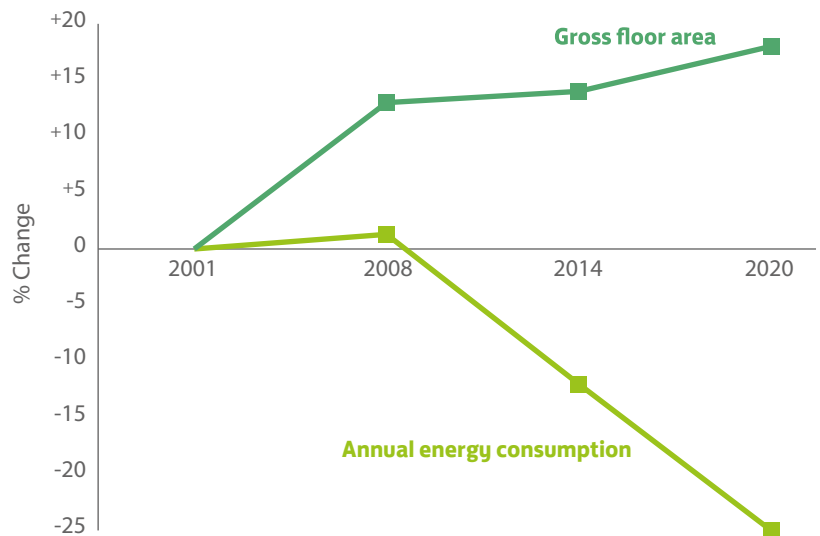


*64,000,000 / 4,941¹¹ = 12,952 households
No. of households in Taikoo Shing : 12,700

Projecting forward to 2020, we have escalated the energy reduction target to 64 million kWh from 52 million kWh per year.

This forward-looking energy management plan which we have had in place since 2001 has resulted in a 12% decrease in energy from 2001 to 2014 despite a 14% increase in gross floor area.

Energy Reduction and Gross Floor Area Trend



Greenhouse Gas Emission Reduction

In 2014, the electricity used in our Hong Kong operating portfolio accounted for approximately 143,060 tonnes of carbon dioxide equivalent¹². We have publicly disclosed our carbon emission data through carbon footprint disclosure

established by the Environmental Protection Department and Environmental Bureau¹³. We provide a detailed annual analysis of our climate change strategy, as well as risks and opportunities emerging from our greenhouse gas emissions, to CDP¹⁴ through Swire Pacific.

Swire Properties FLY Greener Programme

	Properties (HK)	Swire Hotels (HK)
Total Mileage	1,030,762 miles	726,011 miles
Total CO2 Emissions	209,763 kilograms	139,017 kilograms

⁹ In particular, state-of-the art air-conditioning systems and more efficient lighting systems

¹⁰ These energy savings were achieved due to (a) increased awareness of staff, (b) the replacement of constant speed chillers with more efficient variable speed chillers and (c) significant reduction in power demand of our tenants resulting in an overall reduction in cooling demand

¹¹ Energy consumption for a typical household = 4,941 kWh

¹² Energy consumption in Hong Kong totalled 204,370,544 kWh, with a carbon emission factor of 0.7kg/kWh.

¹³ The carbon footprint disclosure under "Carbon Footprint Repository for Listed Companies in Hong Kong" was established in 2014 by the Environmental Protection Department and Environmental Bureau.

¹⁴ The Carbon Disclosure Project, a UK based NGO.

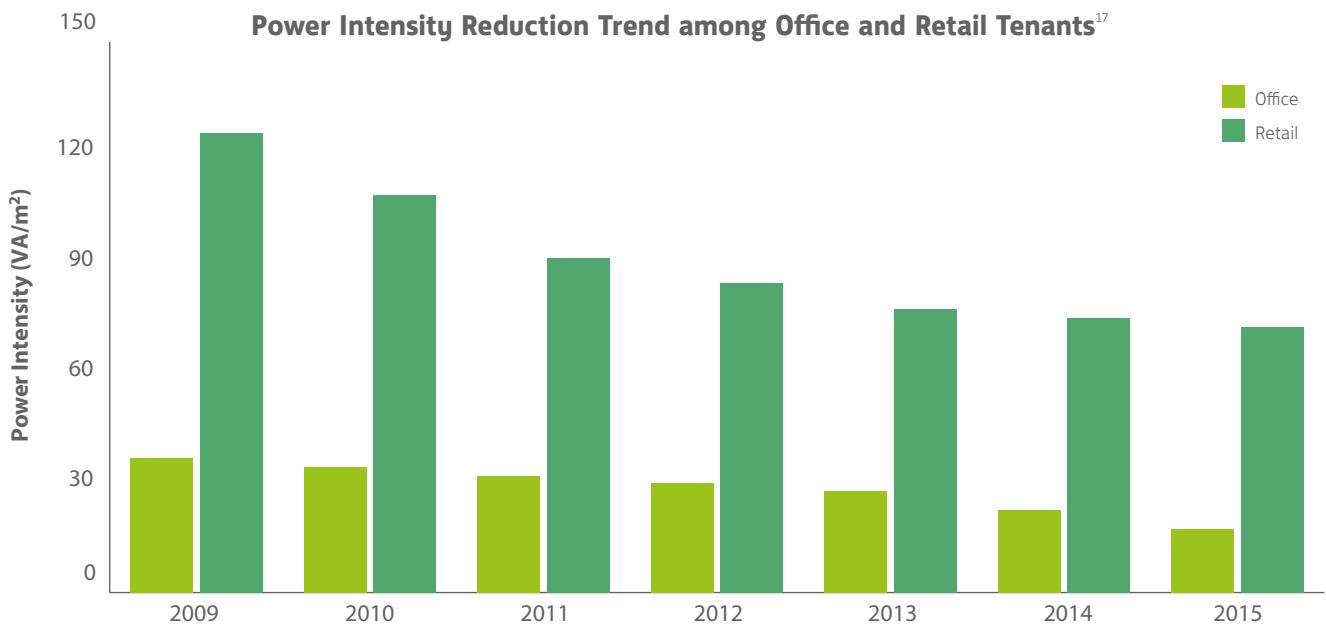
We continue to support Cathay Pacific's FLY Greener Programme, where we offset the carbon emissions of staff travelling on business, totalling approximately 350 tonnes of carbon dioxide in Hong Kong alone in 2014¹⁵.



Helping Tenants Go Green

In 2008, Swire Properties became the first developer in Hong Kong to provide free energy audits for office tenants, enabling them to pinpoint energy-saving opportunities and reduce energy usage. Since inception, our free energy audits have covered approximately 279,800 sqm of commercial office space.

We also offer our tenants free testing and commissioning services in support of their BEAM Plus and/or LEED applications. We assist them in conducting preliminary energy checks on engineering design upon moving in, and we help them apply for green building labels such as the Building Energy Performance Recognition Scheme – Office Occupants (BESTOO), a certification provided by the Hong Kong Green Building Council.



¹⁵ In 2014, the carbon offset cost was HK\$20.59 per tonne of carbon.

¹⁶ Carbon offset per tree planted is 23kg/year.

¹⁷ Power data from tenants were collected biannually in odd years. Data from even years were extrapolated accordingly.

Influencing the Industry & Collaborations with Academia

Occupant behaviour is deemed to have the most significant impact on the discrepancy between the actual and predicted energy consumptions in buildings. In March, we hosted the first expert meeting of Annex 66, a project of the International Energy Agency (IEA). The open forum aimed to establish

methodologies and standards on how occupant behaviour affects building energy consumption, which is essential yet little understood. The results of the forum will thus be instrumental in developing future strategies and building provisions towards influencing occupant behaviour. The forum was attended by over 60 experts from around the world.

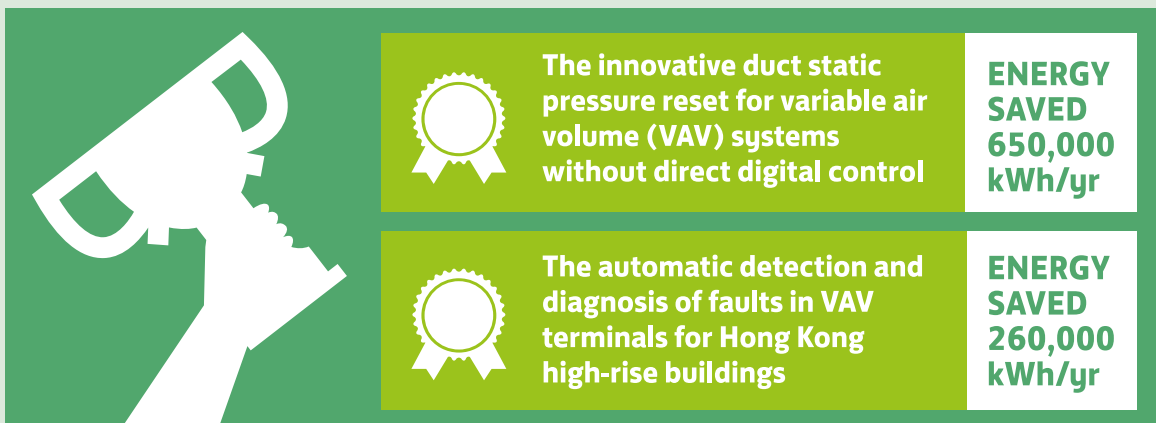


International Energy Agency Annex 66

Swire Properties hosted the first expert meeting of Annex 66 in March 2014 in Hong Kong. Mr Wong Kam-sing, Secretary for the Environment, delivered the keynote speech as the honourable guest.

Swire Properties Receives Leadership Awards

Swire Properties received two out of the total five awards from the Hong Kong Institution of Engineers in recognition of our leadership in developing evidence-based new technology applications for energy conservation in buildings.



We established a partnership with Tsinghua University (THU) in 2007 and set up the Joint Research Centre for Building Energy Efficiency & Sustainability in 2011. Tsinghua University is actively involved in our Mainland China projects at various phases of development but particularly during the Design, Testing & Commissioning (T&C) and Operations phases. Our collaboration resulted in total energy savings

of approximately 20 million kWh between 2010-2014. The success of our collaboration is further demonstrated through the shared knowledge with the real estate industry, benefitting our colleagues, our partners and researchers from Tsinghua University and Mainland China.

Swire Properties' Buildings Used as a Showcase

Tsinghua University has recognised Swire Properties for adopting best practices in its business operations and used Swire Properties as a showcase in its "2014 Annual Report on The Development of Building Energy Efficiency in China (中国建筑节能年度发展研究报告2014)", which was used as a reference in the national energy policy development.

Accumulated Energy Savings in Mainland China



Taikoo Li Sanlitun, Beijing

- 2010-2014: Accumulated energy saving of 7.75 million kWh/year



TaiKoo Hui, Guangzhou

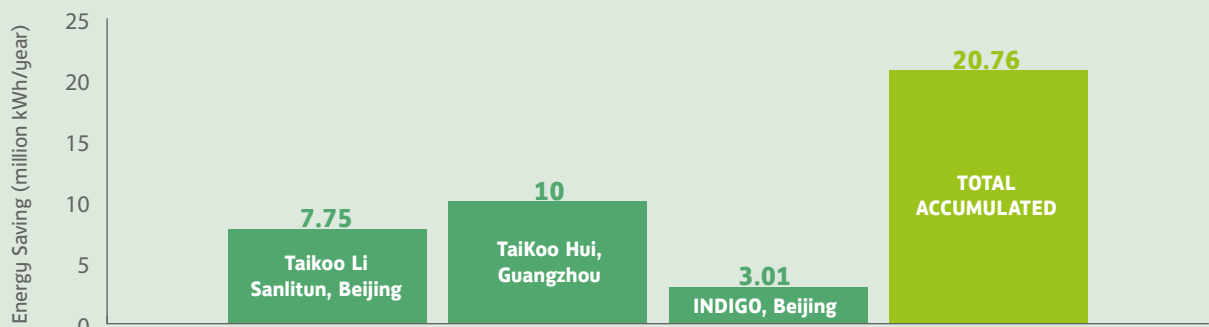
- 2010-2014: Accumulated energy saving of 10 million kWh/year



INDIGO, Beijing

- 2013-2014: Accumulated energy saving of 3.01 million kWh/year from electricity & gas

Accumulated Energy Saving 2010-14 (PRC)



Waste Management

We channel the needs of the community and prioritise waste reduction across our portfolio at all stages of our business operations, from design and construction to daily management and operations. We organise and implement waste management programmes to help tenants and customers effectively manage and reduce waste. These include comprehensive recycling and reuse schemes as well as seasonal and special campaigns. We monitor the collection of more than 20 waste types through our EHS database.

10-Year Waste Management Strategy

As part of our long-term sustainability strategy, we began planning for a 10-Year Waste Management Strategy in 2012 with the establishment of a Waste Management Taskforce responsible for developing and overseeing operational best practices, cooperative strategies and action plans. The taskforce, which includes the company's Technical Services & Sustainability Department and portfolio management teams, meets with tenants to gain a better understanding of their sustainable development expectations and needs. This has allowed the company to formulate ways to work together with tenants to achieve improvements in waste management.

Our 10-Year Waste Management Strategy is guided by the Environment Bureau's "Hong Kong Blueprint for Sustainable Use of Resources 2013–2022". We are also planning to conduct waste studies at our portfolios in 2015, which will produce a clearer profile of our waste streams and enable us to improve waste reduction methods and recycling improvements.

In Hong Kong, we have implemented various programmes to engage our staff and tenants, including our participation in the Wastewi\$e Label Scheme and the production of annual newsletters on our waste initiatives. In 2014, we participated in the Municipal Solid Waste Charging Pilot Scheme and we intend to join the 2015/16 Food Waste Recycling Partnership Scheme.

Highest "Class of Excellence" Label Wastewi\$e Label Scheme Attained

The Wastewise Label is a recognition scheme organised by the Hong Kong Awards for Environmental Excellence to encourage waste reduction. In 2014, Pacific Place, Taikoo Place, Cityplaza and Citygate were awarded the highest "Class of Excellence" label based on their strong performance in avoiding and reducing waste, collecting and recycling materials, and purchasing recycled products. During 2014, these properties recycled more than 1.2 million kilograms of waste and collected more than eight times the targeted amount of used clothing.



Minimising Construction Waste

We work to minimise waste generation during the construction process by collaborating closely with our contractors and recyclers to determine the demolition methods and on-site waste sorting strategies to optimise waste reduction. During our Pacific Place Contemporisation Project, we worked with two recycling companies to recycle 48.5 tonnes of glass balustrade panels and 595 tonnes of granite floor stones of demolished materials into new glassware and decorative materials for art and crafts, as well as reconstituted paving tiles.



Sustainable Christmas Decorations at EAST, Hong Kong

For Christmas 2014, our team at EAST, Hong Kong created a Christmas Village in the hotel lobby from recycled materials salvaged from the kitchen, including 275 boxes and an array of corks, making our Christmas merrier and more sustainable.

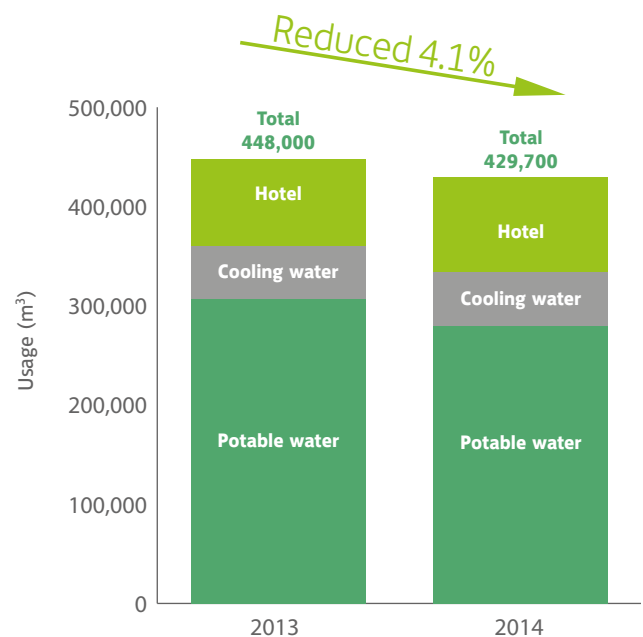
Water

As part of our long-term water management plan, we conducted water use studies and have identified opportunities to reduce our dependence on freshwater use through three main areas:

- Use of water efficient labelled fixtures
- Enhancing rainwater harvesting and condensate reclamation
- Reducing cooling tower bleed-offs

In addition, we have applied a variety of water conservation measures across our portfolios, including automatic taps, automatic flush water basins and urinals, and metering facilities in our buildings to monitor our water consumption such that we can further identify ways to improve our operational water efficiency.

Water Usage 2014 (HK)





Harvesting Rainwater at AZURA

At AZURA, one of our residential projects in Mid-Levels West, we have installed a rainwater harvesting system to collect rainwater to use for landscape irrigation and car park cleaning. This system not only saves water, but also reduces the impact on the drainage system – a critical issue in the surrounding hilly area.

Building Rating Schemes

We build our developments not only to high quality standards, but also to high environmental standards using the framework of reputable third-party green building labelling schemes such as HK-BEAM, BEAM Plus and LEED. We use these to benchmark and compare our buildings using objective standards for the benefit of our

commercial tenants, buyers, investors and employees. We also believe that their use encourages sustainable development in the building industry, which is why we continually aim to achieve the highest gold and platinum ratings while also helping our tenants apply for different certifications.

Green Building Certificate Timeline

Project Name	Cert Rating Awarded	Year Awarded
The Les Saisons	Good	2002
The Orchards	Excellent	2003
One Island East	Platinum	2009
Cityplaza One	Platinum	2011
Cityplaza Three	Platinum	
Cityplaza Four	Platinum	
One Pacific Place	Platinum	
Two Pacific Place	Platinum	
Three Pacific Place	Platinum	
Cambridge House	Platinum	
Devon House	Platinum	
Dorset House	Platinum	
Lincoln House	Platinum	
Oxford House	Platinum	
28 Hennessy Road EAST, Hong Kong	Platinum Gold	2012
AZURA	Platinum	2013
OPUS, HONG KONG	Platinum	
ARGENTA	Platinum	2014
MOUNT PARKER RESIDENCES	Platinum	
DUNBAR PLACE	Platinum	Anticipated 2015

Project Name	Cert Rating Awarded	Year Awarded
TaiKoo Hui, Guangzhou (Office)	Gold	2012
INDIGO, Beijing (Office) (Retail, Hotel)	Platinum Gold	2012
Daci Temple Project, Chengdu (Office, Retail & Hotel)	Gold	2014

BEAM Professionals

Given our commitment to green building certification, we encourage our staff to become trained green building professionals. By doing so, we not only help ourselves attain high environmental standards for our buildings, but we also equip our staff with the expertise to provide technical support and advice to our tenants in order to enhance the environmental performance of their premises.

As of 2014, 54 of our employees had become certified as qualified BEAM Professionals.



Taikoo Place, Cityplaza & Taikoo Shing, Hong Kong

Taikoo Place and Cityplaza:
Green Building Grand Award in Facilities Management

**sustainability
in action**



In 2014, Swire Properties won the Grand Award in Facilities Management under the Existing Buildings Category of the Green Building Award for our Taikoo Place and Cityplaza developments¹⁸. This biannual award, organised by the Hong Kong Green Building Council and the Professional Green Building Council, aims to recognise building-related projects with outstanding performance that have made contributions to sustainability and the built environment. It also strives to promote the wider adoption of sustainable planning, design, construction, management, operation, maintenance, renovation and decommissioning of buildings.

Our roots in the neighbourhood around Taikoo Place and Cityplaza run deep. In 1883, Swire opened the Taikoo Sugar Refinery in the area, followed by the Taikoo Dockyard in 1907, both of which went on to become two of Hong Kong's biggest employers. Over the past few decades, Swire Properties has transformed the site of the dockyards and refinery into Hong Kong's largest privately owned business district, covering a gross floor area of over 9 million sq ft of office, retail, hotel and residential developments. This transformation set the standard for our signature mixed-use projects, which incorporate environmental and social features that demonstrate a long-term commitment to the communities where we operate.



Taikoo Dockyard back in 1800's



Today's Taikoo Place, Cityplaza and Taikoo Shing



... The Jury Panel was very impressed by the in-depth research programme underlying the extensive monitoring and data management system which the team demonstrated during the site visit. This was facilities management par excellence, not just considering the individual buildings in the [Taikoo Place and Cityplaza] portfolio, but extending to the public areas... The buildings themselves incorporated all the features one would expect of a management dedicated to sustainability, but it is their rooting in a firm research base (as opposed to greenwash) that makes this submission the Jury Panel's clear choice for a Grand Award in the Facilities Management category.

Jury's Citation from the Green Building Grand Award Committee



¹⁸ The following buildings were included: Oxford House, Cambridge House, PCCW Tower, Lincoln House, Dorset House, Devon House, One Island East, Cornwall House, Warwick House, Cityplaza One, Cityplaza Three, Cityplaza Four and Cityplaza mall.

Our Vision: Go Beyond Building Management and Influence Others as an Industry Leader

As a pioneer and leader in green building management, we have a long history of operating on a strong foundation of industry best practices, from green target setting to comprehensive database management, indoor environmental management and more. Our service goes beyond facility management, and our service boundaries encompass the communities in which we operate. Our reach goes far beyond our local communities, however. We have research collaborations with world-class

universities that allow us to establish standards, build capacity and share knowledge and experiences in energy efficiency with our industry peers on both a local and a global scale. We take the lead in hosting technical expert meetings, and our exemplary performance against global benchmarks has resulted in prestigious international awards. Winning the Grand Award in Facilities Management has further reinforced our unique strengths and differentiated Swire Properties as an industry leader in sustainability.

“

We are excited to have received this award, which recognises Swire Properties' adoption of best practices throughout our global portfolio. We have long been guided by the principles of the Great Learning, a central Confucian text, in going beyond our boundaries and positively influencing others. One way we do this is by undertaking important building energy efficiency research and actively sharing our knowledge with industry peers in Hong Kong and around the world. I am delighted that the judging panel agrees with our approach and recognises our efforts to effect positive change. We will continue to improve and strive for excellence.

Cary Chan, General Manager of Technical Services and Sustainability

”





White Christmas Street Fair, TaiKoo Place

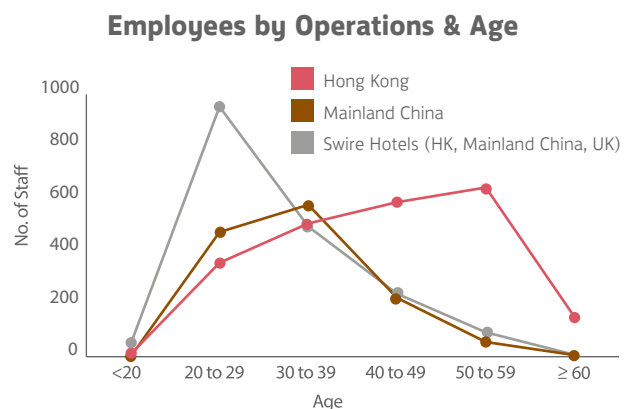
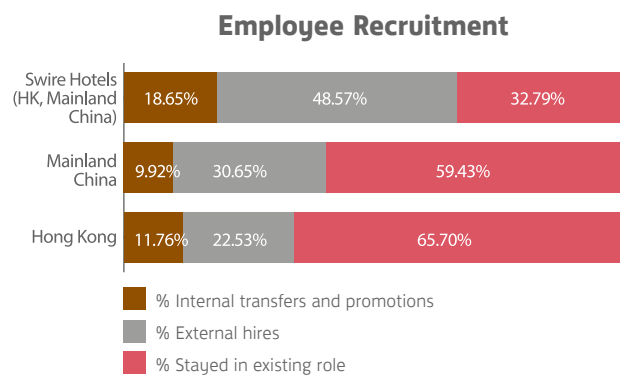
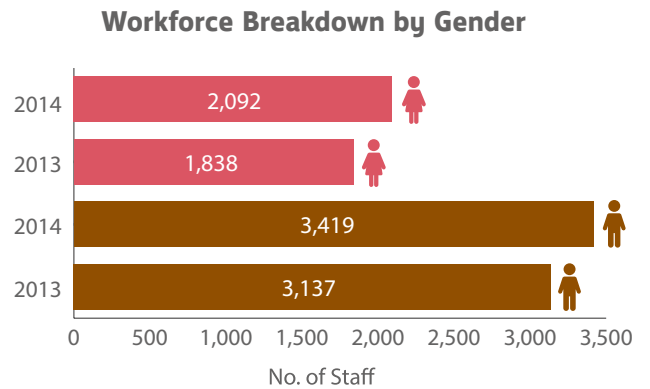
We value our people as our best asset and the key to our success, and we strive to provide a positive work environment to help harness their talent and creativity.

**our
people**

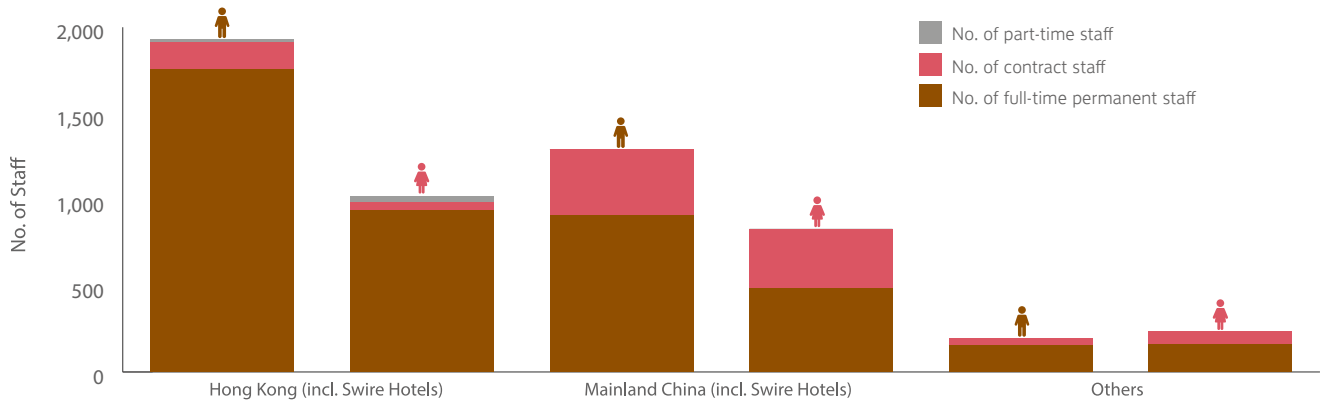
We are able to attract and nurture talent across a wide range of disciplines, which helps us consolidate our industry leadership. Our Corporate Code of Conduct contains policies covering equal opportunities, diversity and respect in the workplace, health & safety, and the environment, which ensure that our employees are able to thrive and grow in a workplace where their skills, experiences and ideas are solicited and valued.

Employee Profile

Swire Properties, including Swire Hotels, employs over 5,500 people globally. The majority of our employees are hired from each local market, with more than 48% based in Hong Kong on a full-time permanent basis. Our workforce grew by approximately 12% from 2013 to 2014.



Workforce by Gender & Region



Developing Our People

The knowledge, experience and judgement of our employees is crucial to our success as an organisation, which is why we provide financial assistance, reimburse membership fees for employees who join professional organisations recognised by Swire Properties, grant leave to take relevant courses or achieve professional qualifications, provide on-

the-job training and internal job rotations, arrange mentoring opportunities, promote secondments overseas, and offer internal and external educational courses.

In 2014, our Training and Development Team organised over 94 professional development courses in Hong Kong, Mainland China and at Swire Hotels, totalling 17,682 hours of training.

Leading at Swire Properties Roadmap

We launched our Leading at SPL Roadmap in 2013 to enable our Training and Development Team to take into account business and departmental needs, as well as employees' improving competencies, when

planning and executing training programmes. This has allowed for more methodical training in various areas, including induction, compliance, customer service, individual effectiveness, people management, leadership development, IT skills and language.



2014 Achievements

- Conducted an eight-month customer service campaign for our building management team covering seven basic but critical service areas for over 800 frontline staff



2015 Targets

- Launch the Achieving Excellence Programme for leadership development for young managers
- Launch the Managers Programme for managers to improve their management skills
- Launch a Learning Management System to provide an alternative learning platform for our employees

We operate multi-year trainee programmes in building surveying, engineering and management. Swire Hotels runs an International Management Trainee Programme. These trainee programmes are designed to funnel talent directly into specially designed career paths within our organisation.

Complementing this is the Swire Leadership and Management Development Programme, which identifies future leaders and nurtures them at each stage of their careers by offering cutting-edge management training and helping them develop strong leadership skills based on our values.

We have a performance appraisal system for all employees, which comprises of annual self-assessment and a dialogue between individual employees and their manager. The assessment also helps management staff make succession decisions and identify development opportunities.

In addition, the self-assessment asks each employee what they have done in their work related to sustainability. This encourages our employees to think about the importance of sustainability in their professional lives and to consider their efforts in helping us achieve our sustainable development goals.

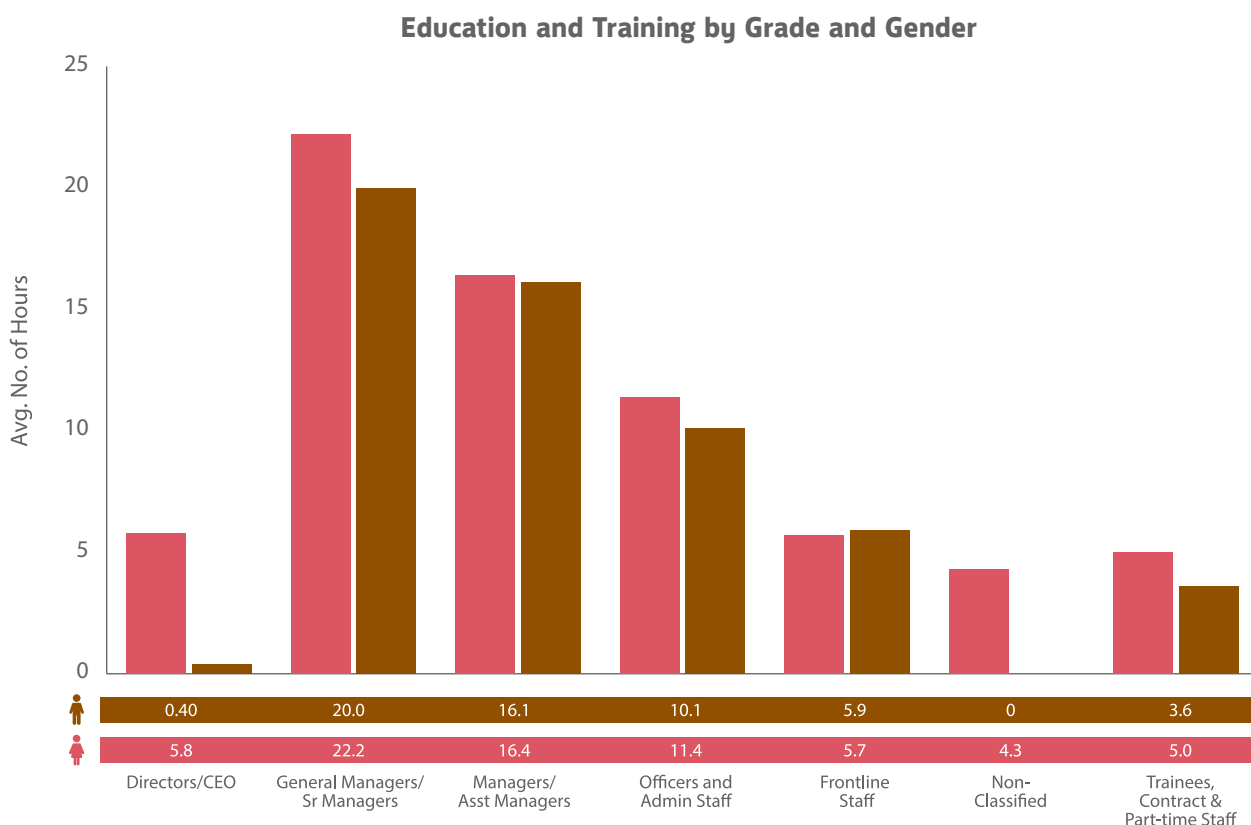
Employee Recruitment, Retention and Benefits

We work to add to our talented workforce through a rigorous recruitment process that identifies and attracts the best candidates at all levels. This includes summer internships for penultimate year undergraduate students who wish to pursue a career in property and hotel development, allowing us to identify high performers for inclusion in our trainee programmes.

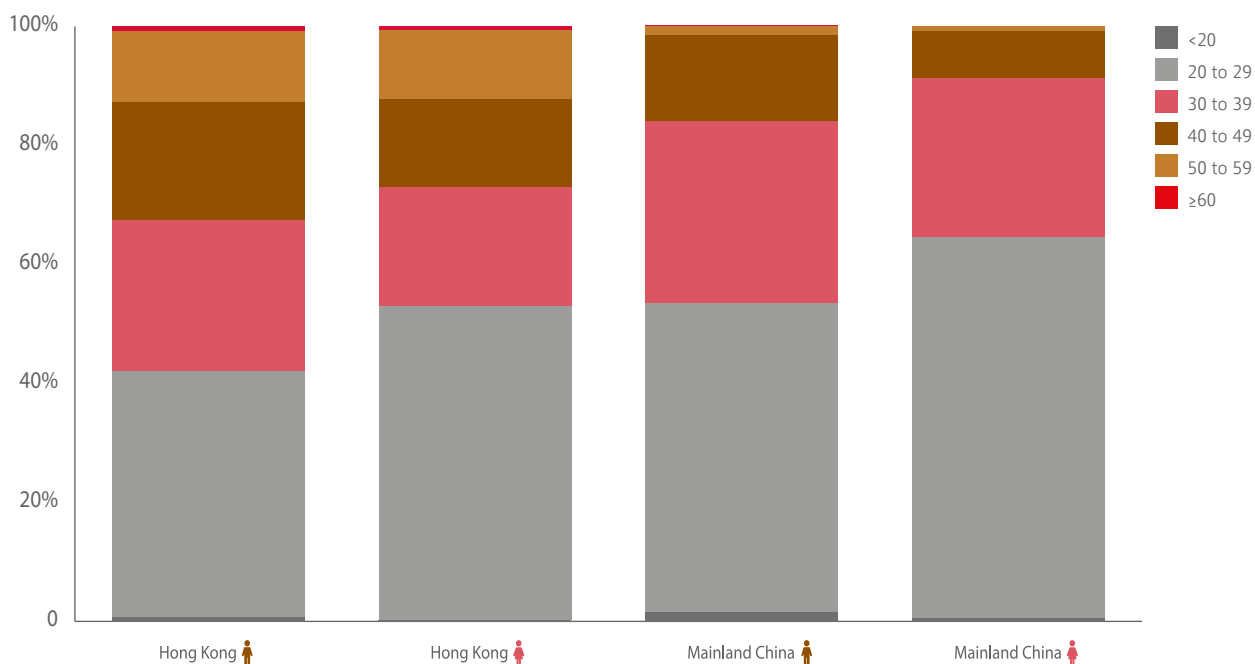
We introduced a staff recruitment referral programme in April 2014, which aims to identify suitable candidates through our employees' social network. The programme has yielded immediate results, with 42 new hires as of 31 December 2014.

We offer our employees comprehensive benefits, including medical care, retirement benefits and a discretionary performance bonus for all full-time permanent employees, commensurate with their job grade. We grant overtime pay, although we try to minimise overtime work whenever possible.

We operate a retirement benefit scheme for our employees in Hong Kong under the Occupational Retirement Schemes Ordinance, which is exempt from the Mandatory Provident Fund Scheme, and we offer new full-time permanent employees in Hong Kong the choice between the two schemes.



New Hires by Age, Gender and Region



To offer support to our employees in Hong Kong with personal and professional issues, we work with an external consulting firm to provide an Employee Assistance Programme (EAP) that makes available social work, counselling, management and clinical psychology professionals. Our EAP also offers talks and training sessions revolving around wellness issues.

Equal Opportunities

As an equal opportunities employer, we maintain and foster a diverse, safe and respectful workplace environment, where human rights are respected, and harassment and discrimination are not tolerated. Our Human Resources & Administration Department regularly organises training sessions and seminars on human rights and equal opportunities. We also hold Code of Conduct training and refresher sessions. Every staff member is required to observe local legislation on equal opportunities and may face disciplinary or legal action if they fail to comply.

We recruit, remunerate and promote people based solely on their experience, skills and job performance, without regard to age, gender, race, national origin, disability, sexual orientation or family or marital status.

Code of Conduct

Our [Corporate Code of Conduct](#), which can be found on our corporate website, outlines the set of standards for the

conduct of our employees throughout our global operations, covering matters including business ethics, competition and anti-trust, conflicts of interest, equal opportunities, diversity and respect in the workplace, health & safety and the environment, privacy and confidentiality of information, intellectual property rights, and bribery.

We maintain feedback channels open to all shareholders, customers, suppliers, contractors and employees. All employees have a responsibility to report potential violations of the Code, including possible improprieties in financial reporting and internal controls. Employees who violate the Code are subject to disciplinary action, including termination of employment or, in the case of possible criminal offences, legal action.

Employee Engagement

We strive to create a sense of community and cooperation within our workforce by engaging our employees in a variety of social and environmental initiatives, such as our Community Ambassador Programme, sporting groups and activities, competitions and pledges, and staff outings.

Additionally, *CornerStone*, our bimonthly employee newsletter, covers the latest news related to Swire Properties as well as the professional and personal achievements of our employees. *CornerStone* is distributed internally, with an adapted web version available for external audiences.

Swire Properties Employee Surveys 2014

During 2014, we conducted two pivotal employee surveys.

In May, we conducted a Corporate Brand Values Survey that gauged the importance of Swire Properties' values of integrity, originality, long-term focus and quality. The survey, which was conducted among 3,000 respondents representing a mix of our frontline and office staff, retail and office tenants, suppliers and stakeholders, aimed to evaluate the perception of these stakeholders towards our brand values. We are using this evaluation to help us enhance and strengthen the Swire Properties brand.

In June, we conducted an Alignment & Engagement Survey among 800 members of our office staff in order to measure the extent to which our employees understand, actively support and feel supported in executing our corporate strategies. The survey aimed to identify the perception of our organisational performance in three main areas: our ability to energise, execute and engage. Responses from staff are being used by senior management to devise follow-up actions to further improve performance.

Taken together, the two surveys offer a comprehensive review of:

- The overall effectiveness of our leadership, management and team culture
- The extent to which managerial decisions influence day-to-day business practices
- The extent to which Swire Properties' brand values are manifested in the behaviour of managers, supervisors and team members, and in their interactions with tenants, suppliers and other external stakeholders
- How well our employees feel they are supported to deliver what is important to the company in the short and long term

We will use findings from the two surveys, which embody our inclusive approach to employee engagement, to help us improve our internal communications and motivate and inspire our colleagues to achieve success through a shared vision.

Health & Safety

Using an approach guided by our Health & Safety Policy, our Health & Safety Team heads efforts to protect the safety of our employees, tenants, contractors and the communities that use our facilities. The Health & Safety Team provides training and technical support to our employees and issues reports in the wake of accidents or incidents, including an examination of the root causes and recommendations for improvement.

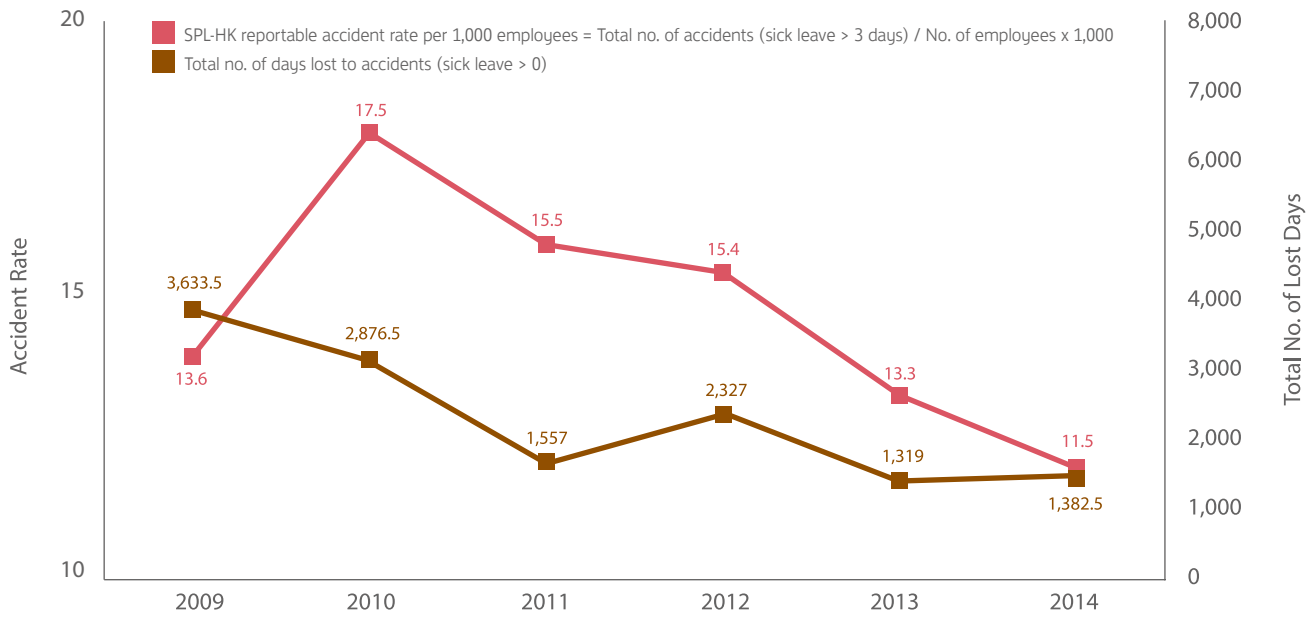
In Mainland China, we upgraded our safety management system in 2014. We expect to receive OHSAS 18000 certification (an international occupational health and safety management system specification) for Taikoo Li Sanlitun and TaiKoo Hui in 2015. We use a uniform Safety Management System (SMS) in Hong Kong and Mainland China to ensure that safety requirements and procedures are standardised across our portfolios, and we employ a SMS Steering Committee and a SMS Sub-Committee to monitor health & safety performance, alert management to the existence of workplace hazards or unsafe practices

and respond to any safety concerns from our employees, tenants and the general public.

We oversee and monitor health & safety performance across our supply chain, and we continually assess our health & safety procedures. We have made the provisions necessary for planning, organising, monitoring and reviewing health & safety precautions that are required by law.

In 2014, our health and safety performance improved, with a 5% reduction in lost-time injuries.

Staff Accident Statistics of Operating Portfolios (HK)



2014 Achievements:

- ✓ Reportable accident rate was below 12 per 1,000 employees
- ✓ Deployed a new health & safety exercise, targeting frontline staff from technical and building management teams

2015 Targets:

- Achieve a reportable accident rate of below 10 per 1,000 employees
- Achieve OHSAS 18001 accreditation in TaiKoo Hui and Taikoo Li Sanlitun
- Strive for zero fatalities and zero serious injuries

Occupational Health & Safety Workshops

Our colleagues at EAST, Hong Kong underwent a series of occupational health & safety workshops during the year, which focused on physical wellness and fitness. The programme had an immediate effect, with the number of injury cases falling from 34 in 2013 to 26 in 2014.





Elephant Parade, Cityplaza







Our core philosophy of building integrated communities guides our decision-making, enabling us to seek out and realise opportunities that benefit our business and the people who live and work in the neighbourhoods where we operate.

**our
community**

We take a long-term, holistic approach to managing our properties, believing that the physical structures should exist to house vibrant communities. We create and nurture a collective sense of well-being and identity in our properties by investing in arts and culture, educational and environmental programmes, and volunteer opportunities primarily through our Community Ambassador Programme.

White Christmas Street Fair

Swire Properties celebrated a sweet Christmas with the community in December with our annual White Christmas Street Fair, which attracted an estimated 28,000 visitors to Tong Chong Street to enjoy our festive Christmas market during the three-day run.

 <p>Community Caring Fund supported 18 charity projects</p>	 <p>blueprint enriches the Taikoo Place portfolio by creating a hub for B2B tech startups</p>
 <p>1,208 Community Ambassadors devoted almost 4,000 hours of service time to 39 activities</p>	 <p>PROJECT AFTER 6 tenant engagement programme launched at Taikoo Place</p>
 <p>118 arts & cultural events, educational & environmental programmes & volunteer initiatives</p>	 <p>Sponsored project that aims to modernise traditional buildings to benefit people living in Western China</p>



The Fair kicked off with a tree lighting ceremony hosted by former Chief Executive Martin Cubbon, who lit up a 15 ft tall Christmas tree with the help of Santa Claus and RTHK radio host Hugh Chiverton, representing our charity partner Operation Santa Claus.



The fundraising event took on a twist this year with a candy theme, with Tong Chong Street being transformed into a candyland complete with giant candy canes, fairy tale characters and stilt walkers.

Swire Properties Community Caring Fund

2014 marked the second year of the Swire Properties Community Caring Fund, which provides support to lesser-known NGOs and charity projects in Hong Kong and Mainland China that have been nominated by our colleagues. The Fund allows us to expand our philanthropic scope to include community care, in addition to our existing focus on the environment, arts and culture, and education.

The Fund is able to support several projects each year, with a maximum budget of HK\$200,000 each. In 2014, it provided financial support to 18 projects, which in some cases was complemented with volunteer support from our Community Ambassador team (see [Volunteer Opportunities](#)).

List of Community Caring Fund Projects:

1. Sailability Hong Kong - Donation of the "Swire Flyer" Sailboat
2. Food Angel - Community Outreach Food Assistance Service
3. HK Seeing Eye Dog Services - Local Breeding Programme
4. Jupyeah - Jupyeah Mobile Application
5. TREATS - Youth Ambassador Training Project for Inclusion: Journey to Integration 2015
6. Medicare Resource Limited - Swire Hotels Chengdu Community Project
7. Revitalized Hearts - Educational Summer Programme (Sham Shui Po)
8. Project Little Dream - Project Little Dream Healthcare Project
9. Society for Abandoned Animals - Minimising health risk for staff, visitors & animals & Preventive measures
10. PathFinders - Service Centre Renovation Project
11. Youth Outreach - Welcome Home
12. L Plus H Creations Foundation Ltd. - Documentary Film production: My Voice My Life
13. Arts with the Disabled Association HK - Junction of Art: Community Inclusive Project
14. Hong Kong Blind Union - HKBU 50th Anniversary Charity Concert
15. Habitat for Humanity China - Under No Roof Camp
16. OIWA Ltd - Ngong Ping Charity Run
17. Hong Chi Fanling Integrative Rehabilitation Complex - Project Dream
18. Wu Zhi Qiao (Bridge to China) Charitable Foundation - DIY Construction Manual



20 of our Community Ambassadors accompanied Hong Kong Blind Union members to a dinner prior to a charity concert held in honour of the organisation's 50th anniversary.



blueprint

Welcome to our own little slice of Silicon Valley.

Spread across two floors of Cornwall House in Taikoo Place and occupying more than 20,000 sq ft, our blueprint project is an innovative working environment concept built around the co-working needs of startup tech companies, combined with an accelerator programme for 11 B2B startups that are chosen through a competitive application process every six months.

blueprint provides the selected B2B startups with free workspace, mentorship support from senior management in the Swire group and other companies, and exposure to capital and market-testing opportunities. Together with the co-working space, which makes memberships available to anyone working in tech, blueprint encourages collaboration and interaction – a natural extension of Swire Properties' philosophy of "building communities".

The sense of community that blueprint engenders positively affects Taikoo Place, from creating a vibrant and innovative ecosystem to giving our colleagues and tenants a first-hand look at the cutting-edge ideas and technologies being developed at blueprint on an ongoing basis.



Arts and Culture

We believe that art enriches and inspires our communities, which is why we regularly support and host arts and cultural events, performances, exhibitions and artwork commissions.

Art Basel

At the second edition of Art Basel in Hong Kong in May 2014, Swire Properties once again offered its support to the world's premier art show for modern and contemporary works by staging and hosting a corporate lounge that was open to the public.

The 1,000 sq ft lounge, themed "Reflections", featured an art installation that created optical illusions through an intricate maze of tall coloured glass panels and

mirrors. This gave visitors a multi-layered – and surprising – perspective of a connected space, bringing them together in the shared experience. During Art Basel, our lounge also hosted a public salon which discussed art tourism and how to encourage increased mindfulness in the way we travel.



Lunchtime a Cappella

Via Fiori, the public outdoor space in front of One Island East, is a wonderful spot for impromptu picnics and performances. During October and November 2014, we staged our fourth year of lunchtime concerts at this unique venue for the benefit of our tenants, employees and the community. Themed "Travel with Ears", the concert series presented a number of different music styles performed by young Hong Kong-based musicians with diverse backgrounds.



Educational and Environmental Programmes

We organise and sponsor a host of educational programmes that inspire creativity and a love of learning. In addition, we promote environmental protection through various awareness campaigns and participatory programmes.



Elephant Parade

During August and September 2014, we hosted Hong Kong's first-ever Elephant Parade, a unique exhibition that combined art with nature conservation. Scattered throughout our Hong Kong portfolio were more than 100 individually painted life-size baby elephant statues, each with its own unique design created by renowned local and international artists, designers, celebrities and influential brands.

Following the conclusion of the exhibition, approximately 30 of the most high-profile statues were auctioned off, with proceeds benefitting the Asian Elephant Foundation, an international charity that backs conservation and education projects supporting the endangered species.



Volunteer Opportunities

We encourage our employees to give back to the community by providing meaningful volunteer service to help those who need it most. Our volunteer culture is best manifested in our employee-led Community Ambassador Programme, which designs and organises short- and long-term projects that focus on environmental protection, education initiatives and the promotion of arts and culture to benefit the elderly, the disabled, children and disadvantaged families in communities throughout Hong Kong and Mainland China.

Our Community Ambassadors comprise our employees and Swire group peers, along with family members, friends, business partners, tenants and customers. During 2014, 1,208 Community Ambassadors devoted almost 4,000 hours of service time to 39 activities. To provide an incentive to our employees to do more in the community, we offer volunteers one day of leave for every 10 hours of service (capped at two days per year) as part of our Community Ambassador Service Leave Policy.



Stories from Island East

In 2013, our Community Ambassadors worked with volunteers from neighbourhood organisations to interview elderly residents around Taikoo Place and record their histories. What resulted was a rich narrative tapestry of stories and memories, which were compiled into a book and shared during a month-long exhibition titled "Stories from Island East", held in July 2014 at Taikoo Place.

Combining text, historic images and personal mementoes, the exhibition traced the personal histories of 15 elderly residents, whose lives reflect the evolution of the neighbourhood around Taikoo Place and, indeed, of Hong Kong. Against the backdrop of the city's rapid development in the 1950s and 1960s, the stories of these residents offered new insights into the fascinating history of our neighbourhood and our city.



Modernising an Ancient Building Method

In Mainland China, we provide sponsorship to a project coordinated by the Hong Kong-based Wuzhi Qiao (Bridge to China) Charitable Foundation. The project, which has been underway since 2011 in Macha Village, Huining County in Gansu Province in Mainland China's north-west, aims to modernise traditional buildings made of rammed earth in three phases.

First, the project team used traditional rammed earth construction techniques and local construction traditions to conduct construction experiments aimed at finding an optimal construction method. Second, the project team used these findings to work together with villagers on designing and building the first modern rammed earth village house in Mainland China. Third, the project designed and published a construction manual that summarises the research outcomes and provides guidance on how villagers can build their own modern rammed earth houses. The project resulted in key findings that will promote the use of advanced rammed earth technology in the future,

including that it produces buildings that are anti-seismic, provide thermal comfort and produce few emissions; and that it keeps construction costs low, offers the advantage of ease of construction and promotes the use of local, natural and recyclable materials.

To date, six of these houses have been built as a result of the project, benefitting over 1,200 villagers, both directly and indirectly. If the new construction method is adopted on a wider scale, the project could potentially benefit people currently living in earth dwellings in poor and underdeveloped areas of Western China. Along these lines, since the first village house prototype was completed in 2012, researchers and government officials from throughout Mainland China have visited the site, attended talks about the project or participated in related trainings. In addition, nine prototype houses have been built in five regions of Mainland China.



Tenant Engagement

We encourage our tenants to participate in our community activities and sustainable practices and initiatives.

In addition, over the past decade, we have also been steadily nurturing a sense of community among Taikoo Place office tenants and their employees by developing and hosting various arts, social and athletic events and activities to experience and enjoy.

To strengthen and further develop our tenant engagement activities, in 2014, we launched PROJECT AFTER 6, a new tenant engagement programme for our office portfolios. Offering a valuable platform that connects the office community through a series of activities spanning different

genres, the programme aims to strengthen connections between people who work at Taikoo Place by bringing art, music or entertainment into their work environments. In addition, PROJECT AFTER 6 offers a catalyst for artistically inclined people in the community to uncover and unleash their talents. The programme forms part of Swire Properties' continual commitment to sustainable development, which aims to provide an attractive working environment that results in a happy and productive community.

PROJECT AFTER 6 was officially launched in September 2014 with a casting call and audition for "Double Bill", an a cappella performance organised together with Yat Po Singers, Hong Kong's first professional a cappella theatre company. This was followed in November by a basketball challenge held at ArtisTree in November.

Preview of Miss Rose: Romantic Musical Behind a Desk

Prior to the official launch of PROJECT AFTER 6, we held the premiere and three-day run of "Preview of Miss Rose: A Romantic Musical Behind a Desk" at ArtisTree in Taikoo Place. The event featured an eclectic mixed cast of theatre professionals and 32 of our own office tenants from Taikoo Place and Cityplaza, with backgrounds ranging from banking and finance to fashion and IT.

This unique production was co-organised with the Theatre Noir Foundation, a local theatre company specialising in stage productions and community projects, to engage our tenants in building a stronger tenant community as well as bringing theatre performances to Taikoo Place.





One Island East, Taikoo Place

Our Sustainable Development Report provides an overview of the economic, environmental and social performance of the assets and activities operated by Swire Properties in 2014. We have published a Sustainable Development Report annually since 2008, and from 2003 to 2007 we published an annual Environmental, Health & Safety Report.

about this report

Stakeholder Engagement and Materiality

This report focuses on the environmental, workplace, community, value chain and governance issues that are most important to our company and stakeholders. Swire Properties' stakeholders are defined as those internal or external groups who have a significant impact on our business or who experience significant impact from our operations.

Since 2004, we have conducted stakeholder engagement exercises to help us understand stakeholders' priorities, expectations and perceptions of sustainable development at Swire Properties. This has helped guide our overall sustainability strategy and how to best communicate our sustainable development performance.

In 2011, we developed a five-year stakeholder engagement plan to ensure we systematically engage with a range of interest groups at least once every year.

As part of this ongoing engagement plan, in 2014, we conducted a Corporate Brand Values Survey among 3,000 of our frontline and office staff, retail and office tenants, suppliers and stakeholders to gauge their views and perceptions of Swire Properties and our brand values, including our sustainability vision. During 2014, we also conducted an Alignment & Engagement Survey among 800 members of our office staff to ascertain and measure our ability to energise, execute and engage (see [Employee Engagement](#)).

Stakeholder Groups and Engagement



¹⁹ World Business Council for Sustainable Development

Materiality Matrix

Our stakeholder engagement strategy encompasses a materiality matrix, which gauges the material aspects that most strongly affect our stakeholders. The materiality matrix also measures the perceived importance of material aspects based on their environmental and social impacts, importance to stakeholders and impact on our business.

The matrix combines the Swire group approach on identifying the risk concerns of our stakeholders and our own materiality scoring methodology, which follows the principles outlined in international standards such as the Global Reporting Initiative (GRI). This report prioritises our most material aspects.

Reporting Standard and Scope

This report focuses on Swire Properties' businesses, joint ventures and subsidiaries in the commercial properties, hotels and services divisions where the company has management control. Unless otherwise stated, all figures related to asset valuations, gross floor area and hotel rooms are on an attributable basis as at 31 December 2014²⁰. Since our assets and activities in the UK and the US are either under or held for future development, data from these regions has not been included in the performance data summary.

We prepared this report in accordance with the Core option of the G4 Sustainability Reporting Guidelines of the GRI and with reference to the sector disclosures for construction and real estate. Swire Properties has been reporting with reference to the GRI Guidelines since 2007.

Assurance

While this report offers a comprehensive account of our sustainable development performance in 2014, we have sought third-party assurance to offer an objective evaluation of the content of the report and to add credibility to our reporting processes. Hong Kong Quality Assurance Agency (HKQAA) was commissioned to conduct assurance of this report in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) and to provide an independent reasonable assurance opinion on whether the reported information complies with GRI G4

Guidelines as detailed on pages 63–70. The report from HKQAA is included on page 62.

The assurance and verification processes for our Sustainable Development reports are conducted at various levels both internally and by independent third parties. At the facility level, operations submit their data regularly to our robust environment, health & safety (EHS) system, which is overseen and maintained by our Technical Services and Sustainability Department and subject to internal audit by the Swire group. Our comprehensive EHS database was established in 2002 and upgraded to a web-based platform in 2014. It tracks different metrics, including carbon emissions data. The database helps us minimise waste, reduce energy use, ensure health & safety on our premises and maintain regulatory compliance.

²⁰ Our reporting boundary is set by the percentage of asset ownership



**2014
membership
and awards**

Corporate Membership

BEAM Society

Founding Member and Member of the Board of Directors

Business Environment Council

Director and Council Member

Climate Change Advisory Group

Signatory to Building Energy Pledge

Development Bureau (Hong Kong SAR Government)

Signatory to Greening Partner Charter

Environmental Campaign Committee (Hong Kong SAR Government)

Member

Environmental Education and Community Action Projects Vetting Sub-committee

Chairman

Environmental Protection Department (Hong Kong SAR Government)

Signatory to Carbon Reduction Charter

Signatory to Energy Saving Charter – No ILB

Signatory to Energy Saving Charter – Indoor Temperature

Signatory to Food Wise Charter

Harbour Business Forum

Patron Member

Hong Kong General Chamber of Commerce

Chairman of Environment and Sustainability Committee

Hong Kong Green Building Council

Chairman of Policy and Research Committee Meeting

Corporate Member

Hong Kong Green Purchasing Charter

Signatory

The Hong Kong Management Association

Charter Member

The Real Estate Developers Association of Hong Kong

Corporate Member

Executive Committee Member

World Wild Fund Hong Kong

Gold Member

Awards and Certifications

2014 Beijing Design Week	Taikoo Li Sanlitun – design “Social Welfare” service
AVS Walk and Run for Volunteering 2014	Bronze Award – Highest Participation Award
AVS Walk and Run for Volunteering 2014	Gold Award – Highest Fundraising Award (Group)
BEAM for New Buildings (4/04 version)	Platinum rating – ARGENTA
BEAM for New Buildings (Version 1.1)	Gold rating – 92-102 Caine Road (CSR3)
BEAM for New Buildings (4/04 version)	Platinum rating – Mount Parker
Building Energy Performance Recognition Scheme by Hong Kong Green Building Council	Platinum Rating – Office Occupants category – One Island East (18/F, 19/F, 20/F Computer Room, Rooms 6311-2, 64/F & 65/F)
Caring Company 2013/14	10 year+ Swire Properties Limited
Caring Company 2014/15	Les Saisons
Caring Estate 2013/14	Les Saisons
Crime Prevention Office (Hong Kong Island) (Hong Kong SAR Government)	Outstanding Residential Property Management – Taikoo Shing Outstanding Security Personnel – Pacific Place – Yu Kam Wing Outstanding Security Personnel – Taikoo Shing – Chiu Wah Outstanding Security Personnel – Taikoo Shing – Tang Yau Ming Outstanding Security Personnel – Taikoo Shing – Yeung Chi Pang The Best Security Personnel – Taikoo Shing – Lee Ka Man The Best Security Personnel – Taikoo Shing – Wu Chung Lam The Best Top-Ten Security Personnel – Taikoo Shing – Lum Mun Fai The Best Top-Ten Security Personnel – Taikoo Shing – Yeung Pan
Environmental Protection Department (Hong Kong SAR Government)	Island Lodge – Certification of Appreciation for “Rechargeable Battery Recycling Programme”
Electrical and Mechanical Services Department (Hong Kong SAR Government)	Energy Audit Certificate – Island Place Tower
Flushing Water Plumbing Quality Maintenance Recognition Scheme	Blue Certificate – Cityplaza One Blue Certificate – Cityplaza Three Blue Certificate – Cityplaza Four Island Place Tower

**Green Building Award 2014 by
Hong Kong Green Building Council**

Hong Kong AIDS Foundation

Hong Kong Awards for Environmental Excellence

Hong Kong Environmental Protection Association

**Hong Kong Institute of Urban Design (HKIUD)
Urban Design Awards 2014**

**Hong Kong Outstanding Employees in
Occupational Safety and Health Award Scheme**

**ISO14001 Environmental Management System
(EMS) accreditation**

**ISO50001 Energy Management System
(EMS) accreditation**

**OHSAS18001 Safety Management System
(SMS) accreditation**

AZURA – finalist in New Buildings – Completed Buildings category

Cityplaza – winner in Existing Buildings category

TaiKoo Place – winner in Existing Buildings category

Robinson Place – Letter of Appreciation – Flag Day

Class of Excellence Wastewi\$e Label – Cityplaza

Class of Excellence Wastewi\$e Label – One Citygate

Class of Excellence Wastewi\$e Label – Pacific Place

Class of Excellence Wastewi\$e Label – StarCrest

Class of Excellence Wastewi\$e Label – TaiKoo Place
Complex

Sectoral Award – Berkshire House

Sectoral Award – Cambridge House

Sectoral Award – Cornwall House

Sectoral Award – Devon House

Sectoral Award – Lincoln House

Sectoral Award – One Island East

Sectoral Award – PCCW Tower

Sectoral Award – Warwick House

Island Place Tower – Certificate – Wood Recycling & Tree Conservation Scheme

Bronze Award – Commendation Scheme on Source Separation of Commercial and Industrial Waste, Mixed Office category (TaiKoo Place)

Merit Award – Commendation Scheme on Source Separation of Commercial and Industrial Waste, Pure Office category (One Island East)

Merit Award – Commendation Scheme on Source Separation of Commercial and Industrial Waste, Mixed Office category (Cityplaza)

Merit Award – Commendation Scheme on Source Separation of Commercial and Industrial Waste, Mixed Office category (Pacific Place)

Merit Award – Commendation Scheme on Source Separation of Domestic Waste (StarCrest)

Grand Award for the Built Project Category – Revitalising Old Wanchai

Merit Award – Management (organisations/enterprises) category – Wong Kar Lok (Taikoo Shing Management Ltd.)

Hong Kong portfolio

Hong Kong portfolio

Hong Kong portfolio

Indoor Air Quality Certification Scheme

Excellent Class (Common Areas) – Citygate Outlets
Excellent Class (Common Areas of Whole Office Tower)
– Cityplaza 1
Excellent Class (Common Areas of Whole Office Tower)
– Cityplaza 3
Excellent Class (Common Areas of Whole Office Tower)
– Cityplaza 4
Excellent Class (Public Areas of Office Building)
– PCCW Tower
Excellent Class (Public Areas of Office Building)
– Cambridge House
Excellent Class (Public Areas of Whole Building)
– Devon House
Excellent Class (Public Areas of Whole Building)
– Dorset House
Excellent Class (Public Areas of Whole Building)
– Oxford House
Excellent Class (Public Areas of Whole Building)
– Lincoln House
Excellent Class (Public Areas from 4/F to 40/F)
– One Pacific Place
Excellent Class (Public Areas from 4/F to 36/F)
– Two Pacific Place
Excellent Class (Public Areas from LG/F to 38/F)
– Three Pacific Place
Excellent Class (Whole Office Building)
– One Citygate
Excellent Class (18/F, 19/F and Public Areas of Whole
Building) – One Island East
Good Class – StarCrest Tower 1, 2

Most Creative Fundraiser by Operation Santa Claus

Swire Properties Limited – White Christmas Street Fair
2013

Quality Building Award 2014

Certificate of Merit Award – Hong Kong Residential (Single
Building) category – AZURA
Certificate of Merit Award – Hong Kong Building
(Renovation/Revitalisation) category – Pacific Place Complex

Quality Water Recognition Scheme for Buildings 2014

Gold Award – Les Saisons
Gold Certificate – Cityplaza One
Gold Certificate – Cityplaza Three
Gold Certificate – Cityplaza Four
Gold Certificate – Harbour Heights
Island Lodge

The Hong Kong Institution of Engineers

Leadership Award in Evident-base New Technologies
(Application for Building Energy Conservation 2014 –
Detecting Faults in VAV terminals for Hong Kong high-rise
buildings)
Leadership Award in Evident-base New Technologies
(Application for Building Energy Conservation 2014 –
Innovative duct static pressure reset for VAV systems
without direct digital control)

Top Ten Developers 2014 by BCI Asia

Construction category – Swire Properties Limited

**Top 20 Sustainable Companies in Asia by Channel
NewsAsia, CSR Asia & Sustainalytics**

Ranked 2nd in Hong Kong – Swire Properties Limited

**Tsinghua University Building Energy Research
Centre**

Cityplaza North – Best Practice for Energy Efficiency of
Commercial Buildings (chiller plant efficiency)
One Pacific Place – Best Practice for Energy Efficiency of
Commercial Buildings (chiller plant efficiency)

Yahoo Emotive Brand Award 2013-14

Pacific Place – ‘Shopping Center’ category

Performance Data Summary

HONG KONG

	UNIT	2014*	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Energy use and CO₂e emission												
Purchased electricity	MWh	192,617⁽¹⁾	179,780	189,413	209,483	229,593	237,306	221,309	223,434	225,564	219,512	209,781
	GJ	693,420	647,208	681,887	754,139	826,535	854,302	796,712	804,362	812,030	790,243	755,212
Indirect CO ₂ e emissions	Tonnes	148,116	139,120	146,731	159,827	171,669	187,317	171,809	177,294	190,939	155,590	148,693
Direct CO ₂ e emissions	Tonnes	3,290⁽²⁾	1,053	943	2,675	5,126	2,179	-	-	-	-	-
Industrial diesel	Litres	18,776⁽²⁾	15,941	19,218	12,097	16,093	15,810	21,670	21,560	26,284	12,797	18,668
Petrol	Litres	24,090	23,851	22,672	22,084	22,055	16,424	17,970	16,467	15,958	16,892	-
Ultra-low sulphur diesel (ULSD)	Litres	49,118	49,759	55,453	57,069	50,996	61,722	61,699	38,512	35,625	21,920	-
Direct energy use (Industrial diesel + Petrol + ULSD)	GJ	3,228	3,141	3,469	3,249	3,172	3,367	3,630	2,732	2,782	1,822	680
Materials used												
Refrigerants containing HCFCs refilled	Kilograms	908	1,206	1,965	2,257	4,111	3,979	2,266	2,409	4,779	3,320	-
Refrigerants containing HFCs refilled	Kilograms	2,321⁽³⁾	622.21	521	1,866	3,756	1,478	1,615	2,265	5,395	3,808	-
Paper and paper products	Kilograms	34,994	31,670	30,238	33,315	39,274	37,887	35,570	36,906	33,334	29,859	-
Water use												
Potable water used for cooling	000 m ³	54	53	64	127	168	168	138	154	135	108	90
Potable water used for properties and landscaping	000 m ³	280	307	305	297	301	342	316	344	332	251	246
Wastewater reuse and discharge												
Wastewater discharged	000 m ³	37,841	48,315	48,682	46,387	48,686	50,746	45,914	47,287	49,252	46,900	67,342
Seawater reused for flushing	m ³	385,493	387,142	385,584	250,230	278,509	302,764	213,444	183,130	247,874	144,543	360
Waste potable water reused for flushing	m ³	6,194	7,466	11,530	19,932	22,349	15,646	12,376	11,536	7,153	9,836	12,086
Waste disposal												
Construction and demolition waste	Tonnes	4,609	3,321	8,208	5,924	14,743	10,749	8,747	11,547	5,637	1,023	18,710
Commercial / industrial waste	Tonnes	12,992	13,113	12,995	15,646	19,061	18,776	19,143	19,555	19,004	18,695	15,644
Residential / domestic waste	Tonnes	359	140	140	149	148	145	168	266	457	454	363
Grease trap waste	Tonnes	6,827	5,190	5,264	5,736	6,599	5,914	5,654	5,515	5,521	5,166	5,800
Garden waste	Tonnes	589⁽⁴⁾	250	468	555	287	353	408	460	268	140	52
Waste recycling												
Concrete waste	Tonnes	N/A	167	-	1,830	41	-	-	-	210	1,458	1,814
Steel	Tonnes	N/A	138	301	532	3,098	1,184	285	300	440	412	6,162
Paper	Tonnes	2,897	2,811	3,043	3,615	3,202	3,378	3,302	3,463	3,373	3,691	3,602
Aluminium	Tonnes	6	20	17	9	9	10	10	12	12	14	13
Plastics	Tonnes	13	19	21	54	69	58	74	86	91	80	28
Waste lubrication oil	Litres	N/A	1,488	730	1,403	2,088	3,255	2,843	2,238	3,501	4,122	3,173
Health & safety												
No. of employees		2,253	2,180	2,210	2,211	2,495	2,507	1,992	1,892	1,843	1,801	1,758
No. of reportable accidents (sick leave >3 days)		26	29	34	37	44	34	38	40	47	40	41
No. of hours lost to accidents (sick leave >3 days)		10,935	10,865	18,760	12,482	18,694	23,441	16,936	14,820	17,130	11,631	14,766
No. of fatalities		-	-	-	-	-	-	-	-	-	-	-
Accident rate		12	13	15	16	18	14	19	21	25	22	23
Severity rate		426	437	750	445	649	831	760	695	822	567	738

Notes of 2014:

- (1) Data reporting practices were adjusted to the launch of new database system.
- (2) The increase was due to the use of generator sets during the biennial switchboard maintenance in Taikoo Place.
- (3) The increase in HFC refilled was due to major maintenance and repairing works of chillers.
- (4) Major tree pruning works were conducted by Oriental Landscapes Limited.

Remarks:

*Including data reporting newly from the Berkshire House, 28 Hennessy Road and Generali Tower.

Performance Data Summary

		MAINLAND CHINA				SWIRE HOTELS			
	UNIT	2014*	2013	2012	2011	2014#	2013	2012	2011
Energy use and CO₂e emission									
Purchased electricity	MWh	59,213⁽¹⁾	42,468	13,847	13,908	23,846⁽⁴⁾	16,067	16,803	20,739
	GJ	213,168	152,884	49,849	50,069	85,845	57,841	60,491	74,660
Indirect CO ₂ e emissions	Tonnes	45,476	32,550	10,807	10,957	18,455⁽⁴⁾	12,585	13,229	16,373
Direct CO ₂ e emissions	Tonnes	2,458⁽¹⁾	88	52	43	9,178	659	1,715	1,462
Industrial diesel	Litres	7,908	7,668	1,610	1,220	917	713	875	126
Petrol	Litres	41,971⁽¹⁾	28,979	17,661	14,640	37,804	42,392	43,085	41,173
Town gas	Unit	-	-	-	-	183,846	203,129	230,547	239,771
Natural gas	MJ	14,186,655⁽²⁾	-	-	-	34,506,535⁽⁴⁾	16,568,054	17,023,652	12,946,524
Direct energy use (Industrial diesel + Petrol + Town gas / Natural gas)	GJ	15,852	1,229	641	528	44,620	11,213	29,544	26,604
Materials used									
Refrigerants containing HCFCs refilled	Kilograms	120⁽²⁾	-	-	66.00	-	-	20	-
Refrigerants containing HFCs refilled	Kilograms	1,800⁽¹⁾	-	-	-	13	21	32	3
Paper and paper products	Kilograms	4,058	3,687	5,145	10,964	24,385	21,487	26,338	26,563
Water use									
Potable water used for cooling	000 m ³	195	150	36	41	-	-	-	-
Potable water used for properties and landscaping	000 m ³	400	300	107	57	239⁽⁴⁾	143	145	126
Wastewater reuse and discharge									
Wastewater discharged	000 m ³	341	182	83	44	238⁽⁴⁾	135	138	117
Seawater reused for flushing	m ³	-	-	-	-	-	-	-	6,339
Waste potable water reused for flushing	m ³	124,413⁽³⁾	-	-	-	-	-	-	-
Waste disposal									
Construction and demolition waste	Tonnes	6,878	4,199	327	18,548	-	-	-	-
Commercial / industrial waste	Tonnes	13,659⁽¹⁾	7,056	4,606	5,237	1,273	1,101	1,637	1,075
Residential / domestic waste	Tonnes	-	-	-	-	-	-	-	-
Grease trap waste	Tonnes	2	8,052	8,239	13,173	-	541	642	2,108
Garden waste	Tonnes	-	-	-	-	-	-	-	-
Waste recycling									
Concrete waste	Tonnes	-	-	-	11	-	-	-	-
Steel	Tonnes	-	4,740	139	138	-	-	-	-
Paper	Tonnes	205	145	4	7	51	57	53	50
Aluminium	Tonnes	0	3	0	0	0	2	2	1
Plastics	Tonnes	11	12	0	0	7	7	6	4
Waste lubrication oil	Litres	-	-	-	-	-	-	-	-
Health & safety									
No. of employees		854	850	852	654	1,138	768	755	857
No. of reportable accidents (sick leave >3 days)		6	6	7	1	26	20	14	3.00
No. of hours lost to accidents (sick leave >3 days)		820	768	1,431	160	7,619	5,724	990	656
No. of fatalities		-	-	-	-	-	-	-	-
Accident rate		7	7	8	7	23	26	19	7.00
Severity rate		93	87	165	107	628	693	119	158

Notes of 2014:

- (1) Data including consumption from One INDIGO and the INDIGO Mall for the first time.
- (2) Data including consumption from Taikoo Li Sanlitun for the first time.
- (3) Data including reuse from Huifong, INDIGO and TaiKoo Hui for the first time.
- (4) Data including consumption from EAST, Beijing for the first time.

Remarks:

*Buildings included Taikoo Li Sanlitun, TaiKoo Hui, Huifong and INDIGO.

#Hotels included The Opposite House and EAST Beijing.

Verification Statement



Scope and Objective

Hong Kong Quality Assurance Agency ('HKQAA') was commissioned by Swire Properties Limited (hereinafter referred to as "SPL") to provide independent assurance of the Sustainable Development Report 2014 ('the Report') which was prepared in accordance with the Core option of the G4 Sustainability Reporting Guidelines issued by the Global Reporting Initiative (GRI). The Report states SPL's major activities and achievements on sustainable development from 1 January to 31 December 2014.

Assurance Methodology

The process used in this verification was based on current best practices. The Report was reviewed based on the following criteria for a reasonable level of assurance:

- International Standard on Assurance Engagement 3000 (ISAE 3000) – "*Assurance Engagement Other Than Audits or Reviews of Historical Financial Information*" issued by the International Auditing and Assurance Standards Board; and
- The Global Reporting Initiative (GRI) G4 Guidelines;

The verification procedure included reviewing relevant documentation, interviewing responsible personnel with accountability for preparing the Report and verifying the selected representative sample of data and information consolidated in the Report. Raw data and supporting evidence of the selected samples were thoroughly examined

Independence

HKQAA was not involved in collecting and calculating the reporting data, or in the development of the Report. HKQAA's activities are independent from SPL.

Conclusion

The information presented in the Report provided a material and complete representation of the performance of SPL in the context of sustainable development. The verification team confirmed that the Report was prepared based on factual statements and that the data contained within the Report are accurate. It is a fair and honest representation of initiatives, targets, progress and performance on SPL's sustainable development achievements.

Overall speaking, the Report provides an adequate and fair account of SPL's sustainability performance on material aspects and demonstrates satisfactory disclosure of the Core options of the GRI's G4 Sustainability Reporting Guidelines.

Signed on behalf of HKQAA

Jorine Tam
Assistant Director, Strategic Business
30 December 2015

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GENERAL STANDARD DISCLOSURES

GRI Indicator	Description	References and Remarks	External Assurance
Strategy and Analysis			
G4-1	Statement from the most senior decision-maker of the organisation	Chief Executive's Message (P.4)	✓ (P.62)
Organisational Profile			
G4-3	Name of the organisation	Contact Us (Contents Pg)	✓ (P.62)
G4-4	Primary brands, products and services	Our Business (P.8) 2014 Annual Report – Company Profile (P.2)	✓ (P.62)
G4-5	Location of the organisation's headquarters	Contact Us (Contents Pg)	✓ (P.62)
G4-6	Number and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report	Our Business (P.8-9) 2014 Annual Report – Company Profile (P.2)	✓ (P.62)
G4-7	Nature of ownership and legal form	Our Business (P.9) 2014 Annual Report – Company Profile (P.2)	✓ (P.62)
G4-8	Markets served	Our Business (P.8-9) Corporate website – Business Overview (http://www.swireproperties.com/en/about-us/business-overview.aspx)	✓ (P.62)
G4-9	Scale of the organisation	Our Business (P.8-9) 2014 Annual Report – Management Discussion & Analysis - Review of Operations – Portfolio Overview (P.20-45)	✓ (P.62)
G4-10	Employee statistics	Our People – Employee Profile (P.34)	✓ (P.62)
G4-11	Percentage of total employees covered by collective bargaining agreements	There are no formal collective bargaining agreements in place. However, employees can present their grievances through established channels, where they will be dealt in a timely and effective manner	✓ (P.62)
G4-12	Organisation's supply chain	Our Business – Value Chain - Supply Chain (P.14) 2014 Annual Report – (P.89) (http://www.swireproperties.com/en/sustainability/our-supply-chain.aspx) Supplier Code of Conduct (http://www.swireproperties.com/en/sustainability/our-commitments/supplier-code-of-conduct.aspx)	✓ (P.62)
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	Our Business – Risk Management (P.10) 2014 Annual Report – Management Discussion & Analysis – Review of Operations - Portfolio Overview (P.20-45)	✓ (P.62)
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Our Business- Corporate Governance (P.10) Our Business- Risk Management (P.10)	✓ (P.62)
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	Our Environment – Energy & Climate Change (P.21) Our Environment – 2020 Energy Reduction Pledge (P.22) Our Environment – Greenhouse Gas Emission Reduction (P.22) Our Environment – Waste Management (P.26) Our Environment – Building Rating Schemes (P.28)	✓ (P.62)

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GENERAL STANDARD DISCLOSURES

GRI Indicator	Description	References and Remarks	External Assurance
Organisational Profile			
G4-16	Memberships of associations	Memberships and Awards (P.55-59)	✓ (P.62)
Identified Material Aspects and Boundaries			
G4-17	Entities included in the organisation's consolidated financial statements	2014 Annual Report – Consolidated Statements (P. 93-98) 2014 Annual Report – Notes to the Accounts (P.99-151)	✓ (P.62)
G4-18	Process for defining the report content and the aspect boundaries.	About This Report – Stakeholder Engagement and Materiality (P.53) About This Report – Reporting Standard and Scope (P.54)	✓ (P.62)
G4-19	Material Aspects identified in the process	About This Report – Stakeholder Engagement and Materiality (P.53)	✓ (P.62)
G4-20	Aspect Boundary within the organisation	About This Report – Stakeholder Engagement and Materiality (P.53)	✓ (P.62)
G4-21	Aspect Boundary outside the organisation	About This Report – Stakeholder Engagement and Materiality (P.53)	✓ (P.62)
G4-22	Effect of any restatements of information provided in previous reports	About This Report – Reporting Standard and Scope (P.54)	✓ (P.62)
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	About This Report (P.52) Performance Data Summary	✓ (P.62)
Stakeholder Engagement			
G4-24	List of stakeholder groups engaged by the organisation	About This Report – Stakeholder Engagement and Materiality (P.53)	✓ (P.62)
G4-25	Basis for identification and selection of stakeholders with whom to engage	About This Report – Stakeholder Engagement and Materiality (P.53)	✓ (P.62)
G4-26	Organisation's approach to stakeholder engagement	About This Report – Stakeholder Engagement and Materiality (P.53)	✓ (P.62)
G4-27	Key topics and concerns raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	About This Report – Stakeholder Engagement and Materiality (P.53)	✓ (P.62)
Report Profile			
G4-28	Reporting period	About This Report (P.52)	✓ (P.62)
G4-29	Date of most recent previous report	About This Report (P.52)	✓ (P.62)
G4-30	Reporting cycle	About This Report (P.52)	✓ (P.62)
G4-31	Contact point for questions regarding the report or its contents	Contact Us (Contents Pg)	✓ (P.62)
G4-32	'In accordance' option the organisation has chosen, GRI Content Index, reference to the External Assurance Report	About This Report (P.52) About This Report – Reporting Standard and Scope (P.54) About This Report – Assurance Verification Statement (P.54)	✓ (P.62)
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report	About This Report (P.52) About This Report – Assurance Verification Statement (P.54)	✓ (P.62)

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GENERAL STANDARD DISCLOSURES

GRI Indicator	Description	References and Remarks	External Assurance
Governance			
G4-34	Governance structure of the organisation. Committees responsible for decision-making on economic, environmental and social impacts	Our Business – Sustainable Development Approach and Structure (P.9) Our Business – Corporate Governance (P.10) Our Business – Risk Management (P.10) 2014 Annual Report – The Board of Directors (P.67)	✓ (P.62)
Ethics and Integrity			
G4-56	Organisation's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Our Business – Corporate Governance (P.10) Our Business – Fair Operating Practices (P.11) Our People – Code of Conduct (P.38) Corporate website – Our Vision and Values (http://www.swireproperties.com/en/about-us/our-vision-and-values.aspx) Corporate website – Our Commitment (http://www.swireproperties.com/en/sustainability/our-commitments.aspx)	✓ (P.62)

SPECIFIC STANDARD DISCLOSURES (MATERIAL ASPECTS)

GRI Indicator	Description	References and Remarks	External Assurance
ECONOMIC			
Economic Performance			
G4-DMA	Economic performance	Our Business (P.8) 2014 Annual Report – Management Discussion & Analysis – Review of Operations – Portfolio Overview (P.20) 2014 Annual Report – Financial Review (P.48)	✓ (P.62)
G4-EC1	Direct economic value generated and distributed	Our Business (P.8-9) 2014 Annual Report – Management Discussion & Analysis – Review of Operations – Portfolio Overview (P.20) 2014 Annual Report – Financial Review (P.48)	✓ (P.62)
G4-EC4	Financial assistance received from government	We did not receive significant financial assistance from any government	✓ (P.62)
Market Presence			
G4-DMA	Market presence	Our Business (P.8) 2014 Annual Report – Management Discussion & Analysis – Review of Operations – Portfolio Overview (P.20)	✓ (P.62)
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Our People - Employee Profile (P.35) 2014 Annual Report – Corporate Governance & Sustainability – Directors and Officers (P.77) Corporate Website – Our Management (http://www.swireproperties.com/en/about-us/our-management.aspx)	✓ (P.62)
Indirect Economic Impacts			
G4-DMA	Indirect economic impacts	2014 Annual Report – Management Discussion & Analysis – Review of Operations – Portfolio Overview (P.20)	✓ (P.62)
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Our Community (P.42) 2014 Annual Report – Management Discussion & Analysis – Review of Operations – Portfolio Overview (P.20)	✓ (P.62)

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SPECIFIC STANDARD DISCLOSURES (MATERIAL ASPECTS)

GRI Indicator	Description	References and Remarks	External Assurance
ECONOMIC			
Procurement Practices			
G4-DMA	Procurement practices	Our Business – Value Chain – Supply Chain (P.14)	✓ (P.62)
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Our Business – Value Chain – Supply Chain (P.14)	✓ (P.62)
ENVIRONMENTAL			
Materials			
G4-DMA	Materials	Our Environment (P.20) Corporate website – Our Environmental Policy (http://www.swireproperties.com/en/sustainability/our-commitments/environmental-policy.aspx)	✓ (P.62)
G4-EN1	Materials used by weight or volume	Performance Data Summary	✓ (P.62)
G4-EN2	Percentage of materials used that are recycled input materials	Our Business – Value Chain (P.11)	✓ (P.62)
Energy			
G4-DMA	Energy	Our Environment – Energy & Climate Change (P.21) Performance Data Summary	✓ (P.62)
G4-EN3	Energy consumption within the organisation	Our Environment – Energy & Climate Change – Energy Consumption (P.21) Performance Data Summary	✓ (P.62)
G4-EN5	Energy intensity	Performance Data Summary	✓ (P.62)
G4-EN6	Reduction of energy consumption	Our Environment – Energy & Climate Change – 2020 Energy Reduction Pledge (P.22) Our Environment – Energy & Climate Change – Helping Tenants Go Green (P.23)	✓ (P.62)
Water			
G4-DMA	Water	Our Environment – Water (P.27)	✓ (P.62)
G4-EN10	Percentage and total volume of water recycled and reused	Our Environment – Water (P.27) Performance Data Summary	✓ (P.62)
Emissions			
G4-DMA	Emissions	Our Environment – Energy & Climate Change – Greenhouse Gas Emission Reduction (P.22)	✓ (P.62)
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Our Environment – Energy & Climate Change – Greenhouse Gas Emission Reduction (P.22) Performance Data Summary	✓ (P.62)
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Our Environment – Energy & Climate Change – Greenhouse Gas Emission Reduction (P.22) Performance Data Summary	✓ (P.62)
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Our Environment – Energy & Climate Change – Greenhouse Gas Emission Reduction (P.22) Performance Data Summary	✓ (P.62)
G4-EN18	Greenhouse gas (GHG) emissions intensity	Our Environment – Energy & Climate Change – Greenhouse Gas Emission Reduction (P.22) Performance Data Summary	✓ (P.62)
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Our Environment – Energy & Climate Change – Greenhouse Gas Emission Reduction (P.22)	✓ (P.62)

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SPECIFIC STANDARD DISCLOSURES (MATERIAL ASPECTS)

GRI Indicator	Description	References and Remarks	External Assurance
ENVIRONMENTAL			
Effluents and Waste			
G4-DMA	Effluents and waste	Our Environment – Waste Management (P.26-27)	✓ (P.62)
G4-EN22	Total water discharge by quality and destination	Performance Data Summary	✓ (P.62)
G4-EN23	Total weight of waste by type and disposal method	Our Environment – Waste Management (P.26-27) Performance Data Summary We do not use or dispose of a material amount of hazardous matter in our operations. Any chemical wastes are disposed of by certified contractors as per Environmental Protection Department (EPD) requirements.	✓ (P.62)
Compliance			
G4-DMA	Compliance	No environmental non-compliance was recorded in 2014.	✓ (P.62)
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No significant monetary fines or non-monetary sanctions for non-compliance with environmental laws and regulations were recorded for 2014.	✓ (P.62)
Supplier Environment Assessment			
G4-DMA	Supplier environmental assessment	Our Business – Value Chain - Supply Chain (P.14) Corporate website – Our Supplier Code of Conduct (http://www.swireproperties.com/en/sustainability/our-commitments/supplier-code-of-conduct.aspx) Assessment of contractors' environmental performance is incorporated as part of our operation practices and requirements of ISO14000. As part of the Swire Group Risk Management Committee, we also follow the sustainable procurement policy endorsed in 2014, where applicable. (http://www.swirepacific.com/en/sd/working_details.php?select=1)	✓ (P.62)
Environment Grievance Mechanisms			
G4-DMA	Environmental grievance mechanisms	Our Business – Fair Operating Practices (P.11) We are open to scrutiny and we have channels for feedback available to all shareholders, customers, suppliers, contractors and employees	✓ (P.62)
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	4	✓ (P.62)
SOCIAL - LABOUR PRACTICES AND DECENT WORK			
Employment			
G4-DMA	Employment	Our People – Employee Profile (P.35) Our People – Employee Recruitment, Retention and Benefits (P.37-38)	✓ (P.62)
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Our People – Employee Profile (P.35)	✓ (P.62)
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Our People – Employee Recruitment, Retention and Benefits (P.37)	✓ (P.62)

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SPECIFIC STANDARD DISCLOSURES (MATERIAL ASPECTS)

GRI Indicator	Description	References and Remarks	External Assurance
SOCIAL - LABOUR PRACTICES AND DECENT WORK			
Occupational Health and Safety			
G4-DMA	Occupational health and safety	Our People – Health & Safety (P.39) Corporate website – Our Health & Safety Policy (http://www.swireproperties.com/en/sustainability/our-commitments/health-and-safety-policy.aspx)	✓ (P.62)
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Our People – Health & Safety (P.39) Our People – Employee Profile (P.35-36) Unplanned Absenteeism 2014: 3.7 days lost/staff ²¹ Turnover rate 2014: 20.1% ²¹ Major injuries 2014: 4	✓ (P.62)
Training and Education			
G4-DMA	Training and education	Our People – Developing Our People (P.36)	✓ (P.62)
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Our People – Developing Our People (P.36)	✓ (P.62)
Diversity and Equal Opportunity			
G4-DMA	Diversity and equal opportunity	Our People – Equal Opportunities (P.38) Corporate Website – Board Diversity Policy (http://ir.swireproperties.com/eng/diversity.php)	✓ (P.62)
G4-LA12	Composition of governance bodies and breakdown of employees	Our People – Employee Profile (P.35) 2014 Annual Report – Corporate Governance & Sustainability – Directors and Officer (P. 77-78)	✓ (P.62)
Equal Remuneration for Women and Men			
G4-DMA	Equal remuneration for women and men	Our People – Equal Opportunities (P.38) Corporate Website – Equal opportunities and diversity (http://ir.swireproperties.com/eng/equal.php)	✓ (P.62)
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	Not reported as the information is subject to specific confidentiality constraints. We do not use equal remuneration indicators.	✓ (P.62)
HUMAN RIGHTS			
Investment			
G4-DMA	Investment	Our Business – Value Chain - Supply Chain (P.14)	✓ (P.62)
G4-HR2	Total hours and percentage of employee training on human rights policies or procedures	Our People – Developing Our People (P.36-37) Our People – Equal Opportunities (P.38) Our People – Code of Conduct (P.38) Corporate website – Our People (http://www.swireproperties.com/en/sustainability/our-people.aspx)	✓ (P.62)
Non-Discrimination			
G4-DMA	Non-discrimination	Our People – Equal Opportunities (P.38) Our People – Code of Conduct (P.38) Corporate Website – Equal opportunities and diversity (http://ir.swireproperties.com/eng/equal.php) Corporate website – Our People (http://www.swireproperties.com/en/sustainability/our-people.aspx)	✓ (P.62)

²¹ Excluding UK based employees

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SPECIFIC STANDARD DISCLOSURES (MATERIAL ASPECTS)

GRI Indicator	Description	References and Remarks	External Assurance
HUMAN RIGHTS			
Non-Discrimination			
G4-HR3	Total number of incidents of discrimination and corrective actions taken	We received no complaints of discrimination in 2014	✓ (P.62)
Security Practices			
G4-DMA	Security practices	Our People – Employee Engagement (P.38)	✓ (P.62)
G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	Our People – Developing Our People (P.36) Our People – Equal Opportunities (P.38) Our People – Code of Conduct (P.38)	✓ (P.62)
SOCIETY			
Local Communities			
G4-DMA	Local communities	Our Community (P.42)	✓ (P.62)
G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Our Community (P.42)	✓ (P.62)
G4-S02	Operations with significant actual and potential negative impacts on local communities	No significant potential or actual negative impacts were identified in 2014	✓ (P.62)
Anti-Corruption			
G4-DMA	Anti-corruption	Our Business – Fair Operating Practices (P.11) Our People – Code of Conduct (P.38)	✓ (P.62)
G4-S04	Communication and training on anti-corruption policies and procedures	Our Business – Fair Operating Practices (P.11) Our People – Code of Conduct (P.38)	✓ (P.62)
Public Policy			
G4-DMA	Public policy	Our Business – Fair Operating Practices (P.11)	✓ (P.62)
G4-S06	Total value of political contributions by country and recipient/beneficiary	Our Business – Fair Operating Practices (P.11) Our People – Code of Conduct (P.38)	✓ (P.62)
Anti-Competitive Behavior			
G4-DMA	Anti-competitive behavior	Our Business – Fair Operating Practices (P.11)	✓ (P.62)
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	None in 2014	✓ (P.62)
Compliance			
G4-DMA	Compliance	Our Business – Fair Operating Practices (P.11)	✓ (P.62)
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	No material fines or non-monetary sanctions in 2014	✓ (P.62)
Grievance Mechanisms for Impacts on Society			
G4-DMA	Grievance mechanisms for impacts on society	Our Business – Fair Operating Practices (P.11)	✓ (P.62)
G4-S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	5	✓ (P.62)

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SPECIFIC STANDARD DISCLOSURES (MATERIAL ASPECTS)

GRI Indicator	Description	References and Remarks	External Assurance
PRODUCT RESPONSIBILITY			
Customer Health and Safety			
G4-DMA	Customer health and safety	Our Business – Value Chain – Customer Focus (P.12)	✓ (P.62)
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	There were no incidents in 2014	✓ (P.62)
Product and Service Labeling			
G4-DMA	Product and service labeling	Our Business – Value Chain – Customer Focus (P.12)	✓ (P.62)
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Our Business – Value Chain – Customer Focus (P.12)	✓ (P.62)
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	There were no incidents in 2014	✓ (P.62)
Marketing Communications			
G4-DMA	Marketing communications	Our Business – Value Chain – Customer Focus (P.12)	✓ (P.62)
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	There were no incidents in 2014	✓ (P.62)
Customer Privacy			
G4-DMA	Privacy	Our Business – Value Chain – Customer Focus (P.12)	✓ (P.62)
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	There were no substantiated complaints reported in 2014	✓ (P.62)
Compliance			
G4-DMA	Compliance	Our Business – Value Chain – Customer Focus (P.12)	✓ (P.62)
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No material fines or non-monetary sanctions in 2014	✓ (P.62)