



Sustainable Development Report 2016



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CHIEF EXECUTIVE'S MESSAGE

2016 was a milestone year for Swire Properties, during which we made substantial progress in sustainable development (SD).

For over 40 years, we have advocated a philosophy of responsible development. This long-term commitment to SD achieved considerable international and regional recognition in 2016. We were included in five leading regional or international sustainability benchmarks, including our first-ever listing in the FTSE4Good Index, a key reference for investors globally. Our SD performance was recognised as being within the top 15% of companies in the real estate industry globally, according to RobecoSAM's The Sustainability Yearbook 2017. In addition, we won the Grand Award in the Green Building Leadership category at the Green Building Awards in Hong Kong.

Our sustainability work continues, and in 2016, we reinforced our commitment to SD with a new vision:

..... “

To be the leading sustainable development performer in our industry globally by 2030

..... ”

To help us achieve this vision, we have launched a comprehensive strategy – what we call our SD 2030 Strategy. This strategy is aimed at ensuring that SD is integrated into every facet of our business. It includes specific 2020 and 2030 goals to help us improve our SD performance over time, stimulate innovation and strengthen our engagement with our business partners and the wider community.

Over the past year, I am particularly proud of the efforts we have made within the Company to involve our employees in our SD 2030 Strategy, who will be critical to its implementation. Our SD governance system supports a culture of inclusion and was designed to integrate SD across our business by breaking down geographic, functional and ‘level’ silos.

During 2016, we involved over 150 employees in taking an active role in the development and introduction of our SD 2030 Strategy. Over the coming months, we hope to further embed the strategy across our business units.

I am excited about what our SD 2030 Strategy can help us achieve within our Company and, beyond this, the long-term value that we believe we can create within the places we make and manage. You can already see our strategy in action with our redevelopment of Taikoo Place, where we are working to create a more connected commercial district consisting of high performing sustainable buildings and attractive community spaces. We believe that the redevelopment of Taikoo Place will transform Hong Kong's office landscape, and bring us closer to becoming a global industry leader in SD by 2030.

As we embark on this next step in our SD progression, I would like to thank all those who have supported our SD efforts up to this point. There is a lot of hard work ahead of us and, as always, we appreciate your thoughts and feedback.



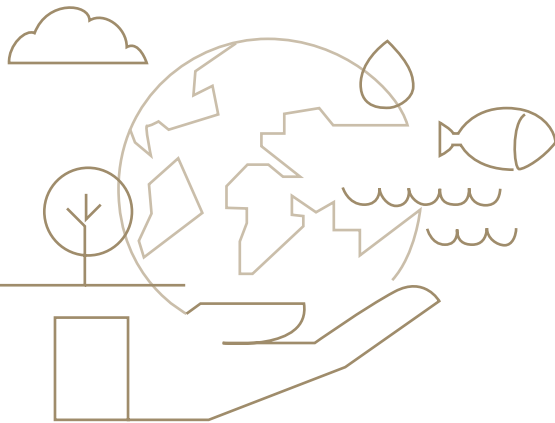
Guy Bradley

Chief Executive



ABOUT THIS REPORT

This report is the ninth sustainable development report of Swire Properties. It covers the period from 1st January 2016 to 31st December 2016 and focuses on Swire Properties' businesses, joint ventures and subsidiaries in property investment, property trading and hotel investment, where the Company has management control. This report describes in detail our sustainable development ("SD") vision and our 2030 sustainable development strategy ("SD 2030 Strategy"). It also includes details of our SD performance in the past year and the work we have done to help us achieve our SD vision.



COMPANY PROFILE

Year of
Establishment:

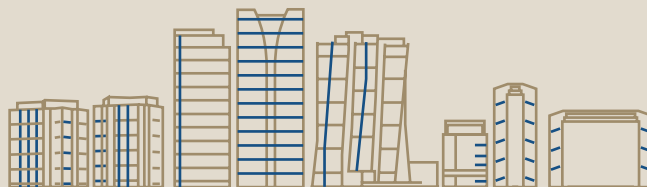
1972

Core Businesses:

**Property
Investment**

**Property
Trading**

**Hotel
Investment**



Aggregate GFA
Attributable to
the Group*:

~29.4
million sq. ft.

Number of
Employees*:

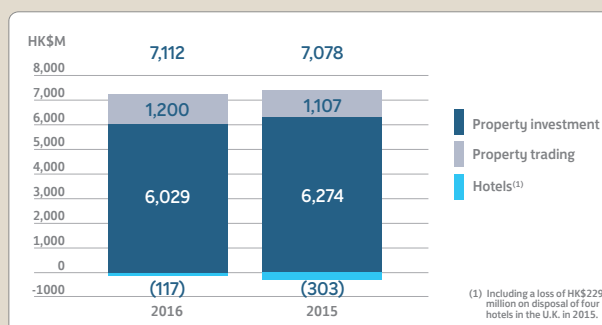
5,000+



Underlying Profit
Attributable to
Shareholders in
2016:

HK\$7,112
million

Underlying Profit / (Loss) by Segment:



*At 31st December 2016

About Swire Properties

Founded in Hong Kong in 1972, we are a leading developer, owner and operator of mixed-use, principally commercial, properties in Hong Kong and Mainland China, with a significant presence in Miami, U.S.A. We have also established offices in Singapore and Indonesia to explore opportunities in those countries.

Through a process of “Creative Transformation”, we aim to create long-term value by transforming places into vibrant and sustainable communities.

The Creative Transformation process reflects our core values of integrity, originality, long-term focus and quality. Through our pursuit of innovation, we aim to explore new perspectives, unlock the unrealised potential of places, and create high quality sustainable places in order to create value for our shareholders, our business partners and the communities with whom we work.

For further details of our key business strategies, operations and financial performance, please refer to the Swire Properties **Annual Report 2016**.

Swire Properties Included in Five Major Global or Regional Sustainability Benchmarks

Swire Properties was listed in five leading global or regional sustainability indices or rankings in 2016.

We have been a constituent member of the Hang Seng Corporate Sustainability Index since 2015. The index comprises 30 constituent companies listed in Hong Kong that perform well in the area of corporate sustainability. Constituent selection is based on an independent assessment.

Since 2015, we have also been selected by the S&P Dow Jones Indices and sustainable investment specialist RobecoSAM for inclusion in the Dow Jones Sustainability Asia Pacific Index. The index measures the performance of Asia-Pacific sustainability leaders as identified by RobecoSAM through a corporate sustainability assessment. Our SD performance was recognised as being within the top 15% of companies in the real estate industry globally, according to RobecoSAM's *The Sustainability Yearbook 2017*.

In 2016, we were listed in the FTSE4Good Index for the first time. We were also included as a 2016 constituent in the MSCI World ESG Index for the third year.

The 2016 Channel NewsAsia Sustainability Ranking also recognised us as one of the 100 most sustainable corporations in Asia and one of the top three sustainable corporations in Hong Kong.

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM


FTSE4Good

 Hang Seng Corporate
Sustainability Index
Series Member 2016-2017

 2016 Constituent
MSCI Global
Sustainability Indexes

 CHANNEL NEWSASIA
SUSTAINABILITY
RANKING

SUSTAINABLE DEVELOPMENT 2030 STRATEGY FRAMEWORK



For over forty years, we have consistently advocated and adopted a philosophy of responsible development. Our commitment to operate in an environmentally, socially and economically responsible manner across all aspects of our business is reflected in our SD vision:

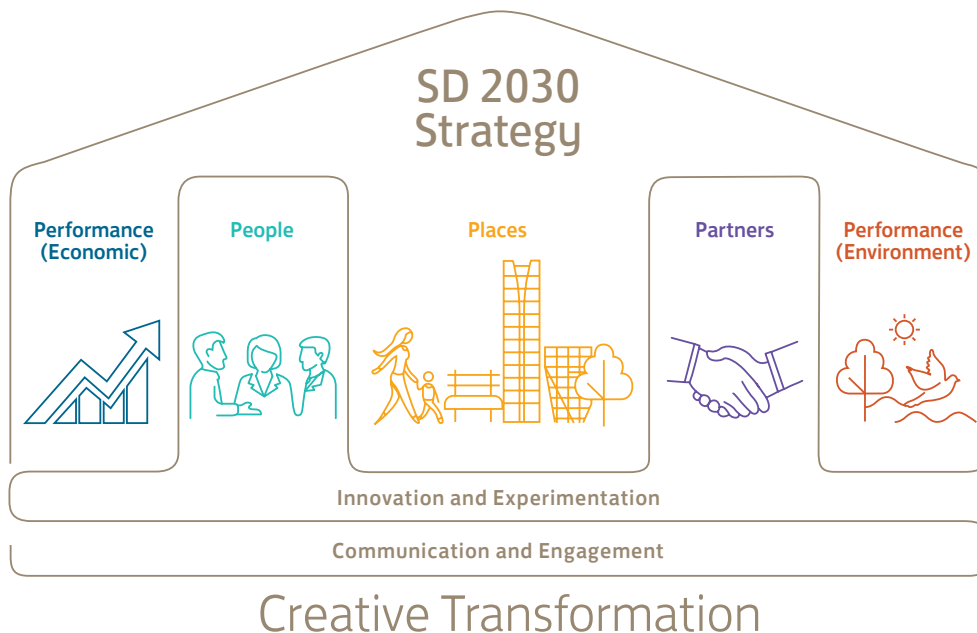
To be the leading sustainable development performer in our industry globally by 2030.

To help us achieve our vision, we have launched an SD 2030 Strategy that incorporates specific commitments. The strategy is designed to allow us to work closely with all relevant parties to build SD capability in all of our business activities.

SD 2030 Strategy

Our SD 2030 Strategy is built on five strategic pillars: **Places, People, Partners, Performance (Environment) and Performance (Economic)**. It is underpinned by the concepts of innovation and experimentation, and communication and engagement.

Swire Properties SD 2030 Strategy Framework





Places

Places is at the heart of, and central to, the achievement of our SD 2030 Strategy.

Objective:

Through effective placemaking and long-term placekeeping, to continue to transform the places in which we invest so as to create value, while retaining their character, supporting our communities and enhancing people's lives.

To achieve this, we will focus on five core areas:

- Master planning
- Supporting communities and local revitalisation
- Supporting the local economy
- Liveability
- Connectivity

We will work with all relevant parties to improve the quality of our places so that they may contribute positively to the cities in which they are located.

.....



People

The contributions of our employees are essential to our success.

Objective:

To create an environment where our employees will be healthier, happier and more productive. To invest in our employees and to provide rewarding career paths so as to develop a diverse and industry-leading team.

To achieve this, we will focus on five core areas:

- Talent attraction
- Talent retention
- Safety, health and wellbeing
- Diversity and inclusion
- Volunteering

We will promote a culture of inclusivity and encourage our employees to innovate, experiment and collaborate across functions, levels and geographies. We will also continue our long-term commitment to provide support and volunteer our services to the community.

Partners



Our business partners play a critical part in the success of our SD 2030 Strategy.

Objective:

To continue to develop long-term, mutually beneficial relationships with our business partners and other key parties so as to improve our environmental, social, and economic performance.

We have identified a number of important partners who can support and benefit from our SD vision:

- Suppliers
- Tenants
- Customers
- Residential owners and occupiers
- Government
- Non-governmental, non-profit organisations (“NGOs”)
- Joint venture partners

Wherever possible, we intend to work closely with partners who share our vision and our values. We also look for opportunities to help our partners achieve their own sustainable development goals.

Performance (Environment)



One of the primary roles of our business is the development of high quality buildings. In this context, quality buildings includes environmentally sound buildings that are built based on an integrated approach to design, planning and lifetime management, and which benefit the health, safety and wellbeing of the people who use them. Beyond the direct impact of our buildings, we are committed to reducing climate impact and optimising resource efficiency.

Objective:

To continue to design, construct and manage high quality developments that contribute positively to the communities in which we operate and the environment.

We will achieve this by managing the following key impact areas of our operations:

- Climate change
- Energy
- Waste
- Water
- Biodiversity
- Occupant wellbeing
- Building and asset investments

Performance (Economic)



We believe that long-term value creation depends on the sustainable development of our business.

Objective:

To deliver sustainable economic performance coupled with good corporate governance and high ethical standards.

We intend to achieve this by seeking to enhance or implement the following:

- Financial performance
- SD / green financing
- Corporate governance
- Risk management
- Disclosure and reporting
- Investor relations

We take very seriously our impact on the environment and on the people who live, work and visit the places of which we are a part.

Our commitment to operate in an environmentally, socially and economically responsible manner across all aspects of our activities is now encapsulated in our SD vision and SD 2030 Strategy – that underpin what we stand for: Creative Transformation.

#SDStartswithMe

The successful implementation of our SD 2030 Strategy requires the involvement of our employees. In May 2016, we began a video-based internal campaign on Yammer, a social media platform for businesses, entitled #SDStartswithMe. The objective was to introduce the new strategy to employees and emphasise that sustainable development is relevant to every part of our business. In short, all employees are responsible for implementing our SD 2030 Strategy.

We posted a series of short videos related to the five strategic pillars of our SD 2030 Strategy. Each video showed a member of the senior management of Swire Properties exchanging sustainable development ideas with a child of one of our employees. We invited employees to submit their comments and suggestions on the SD 2030 Strategy to reinforce the key message that good sustainable development ideas can come from anyone. We received over 200 comments during the social media discussion that followed. The campaign helped result in a 45% increase in Yammer users within Swire Properties.

"It's quite simply everybody's responsibility. We need to hear from everybody. We want suggestions, we want ideas, and if we don't get those then this isn't going to fly."

Guy Bradley

Chief Executive

Swire Properties



SD GOVERNANCE

Our SD governance framework has been in place for a number of years. It is built upon strong foundations of good corporate governance, fair operating practices and an integrated risk management system. We believe that our SD governance framework will be supported and further strengthened by our new sustainable development management structure.

Sustainable Development Policy

Our **Sustainable Development Policy**, first published in 2008, reflects our belief that long-term value creation depends on the sustainable development of our business and the communities in which we operate.

SD 2030 Strategy: Management Approach

We have adopted an inclusive approach to the management of sustainable development. This is reflected in our new sustainable development management structure, which includes employees with different backgrounds and expertise, in addition to different levels of work experience. Many of these employees were involved in the development of our SD 2030 Strategy from its earliest stages. We believe that an inclusive approach to the management of sustainable development helps to ensure that our SD strategy can be properly integrated across our operations.



Sustainable Development Steering Committee

In 2016, our Chief Executive, Guy Bradley, became the chairman of our Sustainable Development Steering Committee (“SD Steering Committee”) and he reports relevant sustainable development matters to the Board of Directors (the “Board”) as appropriate. The SD Steering Committee comprises the Chief Executive, the Finance Director and five other members of senior management from various departments, including development & valuation, human resources & administration, portfolio management, and technical services & sustainability departments. The committee is responsible for reviewing Swire Properties’ sustainable development strategy and ensuring that Swire Properties’ operations and practices are carried out in accordance with this strategy. The terms of reference for the committee can be found on our Company [website](#).

Working Groups

Each strategic pillar of our SD 2030 Strategy is supported by a working group. Responsible for recommending specific sustainable development targets for Swire Properties, the working groups have identified specific key performance indicators (“KPIs”) for 2020 for each pillar, as described in subsequent sections of this report. They are also developing KPIs for 2030, which will be disclosed in future reports. The working groups report to the SD Steering Committee on a regular basis.

The size and composition of the working groups vary, depending on the nature of the issues for which they are responsible. The members of the working groups have been carefully selected to ensure that sustainable development initiatives recommended can be implemented through the day-to-day operations of our business in an efficient manner. We encourage members from each of the working groups to become advocates for innovation and experimentation.

Communication and Engagement Committee

In 2016, we established a sustainable development communication and engagement committee. The committee is comprised of 12 members and is responsible for identifying, prioritising and overseeing the implementation of communication and engagement plans for the SD initiatives that support our SD 2030 Strategy.

The communication and engagement committee is chaired by our Director, Marketing & Communications. Its members include representatives from different departments within Swire Properties, including the public affairs, corporate marketing, digital marketing, office marketing, retail marketing, residential marketing and hotel marketing departments. This reflects the importance we place on effective and on-going internal and external communications and engagement.

Supporting the United Nations Sustainable Development Goals

In 2016, the United Nations' 17 Sustainable Development Goals ("SDGs") of the 2030 Agenda for Sustainable Development came into force. The SDGs provide a framework to help countries develop their own policies and programmes to address a range of issues, including climate change, poverty, education and health. The United Nations encourages governments, corporations and citizens to follow the SDGs.

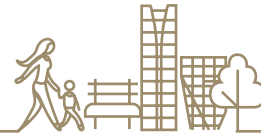


We support the SDGs. As part of the implementation of our SD 2030 Strategy, we have taken preliminary steps to match our focus areas, performance categories and KPIs to the SDGs. We have identified 15 SDGs that we believe are relevant to our business. As we work to integrate our SD 2030 Strategy into our business, we are committed to further aligning our SD strategy with the SDGs.

PLACES

Through effective placemaking and long-term placekeeping, we aim to continue to transform the places in which we invest so as to create value, while retaining their character, supporting our communities and enhancing people's lives.





Placemaking describes our approach to transforming urban areas in which our properties are located and creating integrated and vibrant places. It guides us in balancing the aesthetic, functional, ecological and cultural impacts of the design and construction of our properties.

Equally important to our success is the concept of placekeeping, which describes our approach to maintaining and managing our assets to the high standards that we believe have become synonymous with our brand.

When we apply these concepts well, we create value not only for our business, but for those with whom we deal. Places is at the heart of our SD 2030 Strategy.

Implementing our SD 2030 Strategy

We created a Places Working Group to coordinate the implementation of our initiatives under the Places pillar. It is chaired by our Director, Office and comprises 12 representatives from business functions ranging from portfolio management, development & valuations to marketing & communications and public affairs who are located in Hong Kong or Mainland China. This group includes a number of senior employees across our Company due to the strategic nature of its work plan, which will affect many geographical and functional areas.



PLACES

Our Places Working Group has been organised into five sub-groups, reflecting the five focus areas of this pillar in our SD 2030 Strategy. This table shows the areas covered under this pillar.

FOCUS AREAS	PERFORMANCE CATEGORIES
Master Planning	<ul style="list-style-type: none"> Stakeholder Engagement City Development
Supporting Communities & Local Revitalisation	<ul style="list-style-type: none"> Community Engagement Community Investments Heritage Preservation & Enhancement Visual Perception Social Integration & Regeneration
Supporting Local Economy	<ul style="list-style-type: none"> Local Jobs & Commerce Local Visitors
Liveability	<ul style="list-style-type: none"> Visitor & Occupant Safety Quality Public Spaces Health & Wellbeing
Connectivity	<ul style="list-style-type: none"> Public Transport Accessibility Accessibility to International Transport Hubs Electric Vehicle Support Cycle-ability & Walkability Barrier-free Access Connectivity to Points of Interest Virtual Connectivity

Highlights of Our Developments

TAIKOO LI SANLITUN

Our first completed project in Mainland China, Taikoo Li Sanlitun, was inspired by Beijing’s traditional “hutong” architecture. Home to over 200 retail outlets, 40 restaurants, an array of public art and a boutique hotel, this area has been transformed into a lifestyle destination.



INDIGO

INDIGO is a retail-led, mixed-use development consisting of a shopping mall, a Grade-A office tower and a business hotel, featuring contemporary architecture, innovative green features and quality public spaces. The mall and office tower obtained LEED Gold and Platinum certifications respectively. INDIGO was recently rated by a social media platform as one of the two best performing malls in Beijing in terms of indoor air quality.



HKRI TAIKOO HUI

Our HKRI Taikoo Hui project is a mixed-use project located on Shanghai’s iconic West Nanjing Road. Both office towers obtained pre-certification for LEED Platinum (Core & Shell Version 2.0) and the retail mall obtained pre-certification for LEED Gold.



BRICKELL CITY CENTRE

Brickell City Centre, our landmark mixed-use development in Miami, U.S.A. obtained Leadership in Energy and Environmental Design (“LEED”) Gold certification for Neighborhood Development (Stage 2), a rating system that promotes city development by integrating smart growth, urbanism and green buildings into neighbourhood design. A highlight of Brickell City Centre is its state-of-the-art Climate Ribbon™ — an innovative sustainability feature comprising an elevated trellis of steel, glass and canvas — which serves as a sunshade, creating air flow and collecting rainwater while allowing the shopping centre at Brickell City Centre to be open-air and naturally lit.



SINO-OCEAN TAIKOO LI CHENGDU

Sino-Ocean Taikoo Li Chengdu wraps around the 1,400 year-old Daci Temple, a heritage site that is a focal point of the city. Throughout project design and construction, special care was taken to preserve and enhance existing heritage structures.



TAIKOO HUI

TaiKoo Hui, Guangzhou is a lifestyle destination in the Tianhe District of Guangzhou. We invite our office tenants to implement targeted sustainability initiatives through our Green Pledge programme.



TAIKOO PLACE

We transformed Taikoo Place from the old Taikoo dockyard and sugar refinery into a commercial centre. It is home to over 300 international companies and serves over 26,000 office workers with green spaces, a wide range of restaurants and other amenities.



PACIFIC PLACE, CITYPLAZA AND CITYGATE

Our Hong Kong shopping malls are located above transportation hubs. We invite our tenants in these malls to join the Green Shop Alliance programme and we work with participants to implement green measures.



PLACES

Master Planning

We are committed to advocating a coordinated approach to city development and planning that considers the evolving expectations of a wide range of interested parties.

Although on-going communication and engagement with a diverse range of groups is part of every pillar of our SD 2030 Strategy, in the context of Master Planning, our commitment is to develop a formal plan to engage those with whom we work across all of our properties.

Supporting Communities, Local Revitalisation and Local Economy

Community Engagement

Hosting community events to promote arts and culture and to support fund-raising initiatives for worthy causes has become a distinctive feature of our properties, helping to make them more attractive places in which to live, work, shop and spend time.

As part of our SD 2030 Strategy, we aim to continue to expand community activities at all of our portfolios.

Books for Love @HK\$10

In 2016, we held our annual charity book sale, Books for Love @ HK\$10, which attracted more than 25,000 visitors and raised HK\$630,000 — a new record for the book sale. Over 1,000 of our community ambassadors and volunteers from The Boys' & Girls' Clubs Association of Hong Kong ("BGCA") worked together to prepare and host the four-day sale. All proceeds went to the BGCA's Treasure Trove project, which creates educational opportunities for underprivileged children.



White Christmas Street Fair

In December 2016, we held our fourth annual White Christmas Street Fair on Tong Chong Street in Hong Kong. Four hundred of our employees and their children participated in the Santathon TaikooGo Challenge, a treasure hunt that provided participants with an opportunity to explore the biodiversity and heritage of the Taikoo neighbourhood. The street fair also offered a platform for businesses and local talents to demonstrate their products and skills. There were 25 sales booths at the event.



In November, to generate interest in the fair, we held an event at the Starstreet precinct, where our tenants from Pacific Place offered food and drinks to the public.

The two events drew, in total, over 56,000 visitors over a five-day period and raised over HK\$600,000 for Operation Santa Claus.



PLACES

Beijing Music Festival

Swire Properties has sponsored the annual Beijing Music Festival for the past seven years. In 2016, we hosted 14 performances at Taikoo Li Sanlitun, including the Urban Series fusion concert, Wu Man and Her Friends, and a Shakespeare-themed Swire Night.



Community Investment

The Swire Properties Community Caring Fund was launched in 2013/14 to support lesser known local charities and community projects in Hong Kong as a means of addressing current social needs. Funds are raised for community projects that have been nominated by our employees. In 2016, based on these nominations, we selected 19 local charities as beneficiaries.

Since the fund's inception, a total of 62 community projects have been sponsored, enabling us to expand our philanthropic scope to include community care, in addition to our existing focus on the environment, arts and culture, and education.

Local Revitalisation

We will continue to use our experience and resources to support the revitalisation of local communities through heritage preservation and enhancement.

Sino-Ocean Taikoo Li Chengdu and The Temple House illustrate our approach to heritage preservation and the importance we place on local revitalisation. They demonstrate that heritage structures and modern designs can work together to make great places.

PLACES

Sino-Ocean Taikoo Li Chengdu is a 2.2 million square feet¹ retail-led development located in Chengdu's Jinjiang district. The development consists of a retail complex, The Temple House, a boutique hotel and serviced apartments managed by Swire Hotels, and Pinnacle One, a Grade-A office tower.

The development wraps around the 1,400 year-old Daci Temple, a heritage site that is one of the focal points of the city. Special care was taken throughout project design and construction to preserve and enhance the existing heritage structures associated with the temple. Sino-Ocean Taikoo Li combines six restored heritage buildings and the existing courtyards with pedestrian lanes, reflecting traditional Sichuan architecture.

Local Revitalisation Case Study: Wu Zhi Qiao

Since 2011, we have supported the Wu Zhi Qiao (Bridge to China) Charitable Foundation with its Macha Village project. The project aims to modernise the traditional rammed-earth buildings that are prevalent in the rural region of Gansu Province in northwestern China. New building methods are designed to ensure that rammed-earth buildings are earthquake resistant, sustainable and environmentally friendly.

In 2016, a rammed earth community centre was opened in Macha Village to help promote the project's improved building methods. Currently, the community centre houses a medical clinic, performance venue and library, as well as a playroom for the village's children.



¹ This figure is rounded-up and based on GFA (100% basis).

PLACES

Local Economy

When designing and developing our projects, we give careful consideration to the impact our developments have on the local economy. We encourage sustainable economic growth over the long-term.

Under our SD 2030 Strategy, we aim to continue to explore innovative approaches to supporting communities and providing stimulus for the local economies in which our properties are located.

blueprint, A Hub for Innovation and Experimentation

Now in its third year, our blueprint project comprises a B2B-focused accelerator programme and a co-working and event space of over 10,000 square feet in Cornwall House, Taikoo Place in Hong Kong. Each year, blueprint offers 10 new start-up companies free workspace, professional support, mentoring opportunities and interaction with other entrepreneurs. Accelerator participants seeking to test new products or services in the market have potential access to a number of customers and companies across the Swire group and in Taikoo Place and Cityplaza.

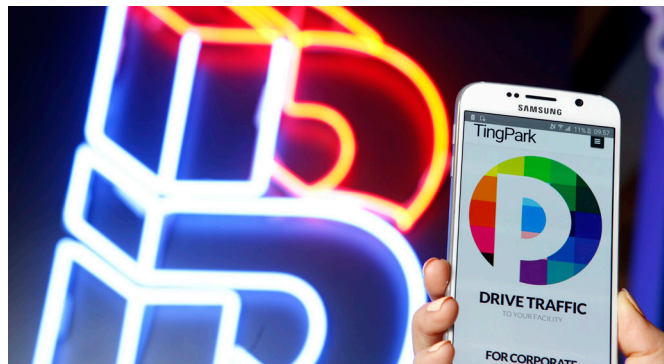
The co-working and multi-purpose event space is designed to bring technology-focused entrepreneurs together and provide a platform for the exchange of ideas.

“This project is about injecting a burst of tech-focused creativity and innovation into the already thriving business community at Taikoo Place. We’re excited to encourage the entrepreneurship culture here in Quarry Bay and to see these startups grow.”

Don Taylor

Director, Office

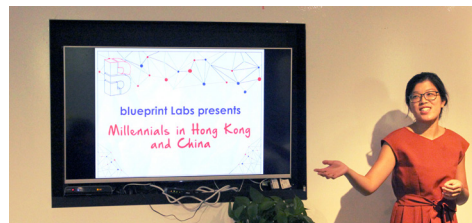
Swire Properties



PLACES

blueprint Labs

In August 2016, we held our first blueprint Labs on “Millennials in Hong Kong and China: are we planning for our customers of the future?”. blueprint Labs provides a forum for our employees and blueprint startup alumni to meet and discuss the latest insights on technology and trends across various industries. More than 20 employees attended the inaugural session in which entrepreneurs from blueprint startups, Ivyspace and Launchpilots, shared their insights on millennials. Participants engaged in a wide-ranging discussion on how millennials interact with their peers online and offline, how brands can better engage them, trends and tools used by young people and the outlook for the future. Other blueprint Labs held in October and November 2016 discussed “Attracting and Retaining Your Dream Team” and “Corporate Responsibility, Sustainability and Technology”.



Liveability

Visitor and Occupant Safety

Safety is relevant not only to the Places pillar of our SD 2030 Strategy, but also to the People and Partners pillars. Please also refer to other relevant sections of this report.

We are working to strengthen existing monitoring and reporting systems relating to property damage, accidents, injuries, traffic incidents, and community complaints at our properties.

Quality Public Spaces

In the densely populated, urban centres of Hong Kong and other cities, quality public space is relatively scarce. We believe that quality public space is critical for the health and wellbeing of local residents. Gardens and public green spaces provide communities with places for recreation, inspiration, and essential respite from the city's bustle.

Our redevelopment of Taikoo Place exemplifies our approach to integrating quality public spaces into our developments. Please refer to the **Sustainable Development in Action: Taikoo Place Redevelopment** section of this report for more details.

PLACES

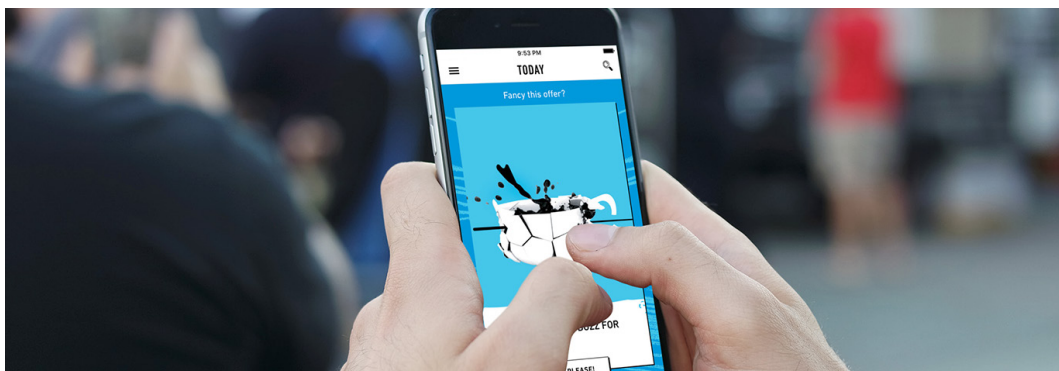
Community Garden in Taikoo Li Sanlitun

In 2014, we revitalised a disused garden near Taikoo Li Sanlitun, Beijing as part of our efforts to enhance the local community. In spring 2016, we expanded our Go Green campaign to include this community garden. Professional gardeners met with our Taikoo Li Sanlitun community ambassadors to design further improvements to the garden and share gardening tips. Our community ambassadors and many of their children — our junior ambassadors — spent the remainder of the day digging and planting to implement those improvements.



Connectivity

Virtual connectivity is an increasingly prominent feature of many of our developments. In Hong Kong, for example, we introduced several new digital platforms for the Taikoo Place community in 2016, including a revamped Taikoo Place website, interactive kiosks with a wayfinding guide and a new mobile app called Taikoo Social. This free app provides office tenants the opportunity to network, buy and sell goods using an online marketplace and take advantage of retail promotions within the district. The launch campaign received an encouraging response, with over 3,800 app downloads within a month.



Supporting Walkable Communities, Walk21

In October 2016, Walk21, a UK-based international organisation that promotes walkable communities, hosted its annual Conference on Walking and Livable Communities in Hong Kong. We were a silver sponsor of the conference, which used Hong Kong, as an archetypal high-density city, to illustrate the importance of walkability. The conference focused on how policy makers, business leaders, professionals and community leaders can work together to make cities more walkable and, as a result, improve the quality of life for their residents. Our General Manager, Development & Valuations gave a talk entitled “Building Communities: Putting People First”, which focused on our work in this area.



We are exploring ways in which to make all facets of connectivity more integral to our processes of placemaking and placekeeping. For example, in the area of sustainable transport, we want to improve covered access from public transport facilities, improve accessibility to international and cross-boundary transportation links and increase the availability of parking spaces with electric vehicle charging terminals. We also want to promote the cycle-ability and walkability of our portfolios.

PEOPLE

We aim to create an environment where our employees will be healthier, happier and more productive. We aim to invest in our employees and provide rewarding career paths so as to develop a diverse and industry-leading team.





The contributions of our employees are critical to our success and implementation of our SD 2030 Strategy. We aim to provide places for our employees to be healthier, happier and more productive. We aim to invest in our employees and to provide rewarding career paths in order to develop a diverse and industry-leading team.

Implementing our SD 2030 Strategy

Our People Working Group comprises 15 representatives from different functions, ranging from human resources & administration, public affairs, portfolio management, technical services & sustainability to e-services. It is chaired by our Director, Development & Valuations, who was selected to provide an alternative perspective to this working group.



PEOPLE

Our People Working Group is organised into five sub-groups that are responsible for the five focus areas identified in this pillar of our SD 2030 Strategy. The table below illustrates the focus areas, performance categories and KPIs under this pillar.

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Talent Attraction	• Employer Branding	Refine communication strategy for employer branding
	• Compensation & Benefits	Conduct compensation and benefits review
	• Recruitment Process	Introduce new digitalised recruitment platform
Talent Retention	• Learning & Development	25% increase in training hours per employee per year ²
	• Performance Development Review ("PDR")	Incorporate elements of SD 2030 Strategy into annual performance goals and PDR for all employees
	• Incentive Structure	Conduct incentive structure review
	• Working Environment	Develop "flexible working policy" guidelines
Safety, Health & Wellbeing	• Safety	Increase total occupational health and safety ("OHS") training hours by 5% ³ Conduct compulsory health & safety training via e-learning platform for 100% of employees Maintain Loss Time Injury Rate ("LTIR") ⁴ below 2.0 Maintain record of zero work-related fatalities Migrate OHSAS 18001 to ISO 45001 standard in Hong Kong and Mainland China ⁵ portfolios
	• Satisfaction	Conduct employee engagement survey for all employees Implement employee assistance programme in all Mainland China ⁵ offices
	• Health & Wellbeing	Develop health & wellbeing policy framework

² Compared to baseline year of 2016.

³ Compared to baseline year of 2015.

⁴ LTIR represents the number of injuries per 100 employees per year. It is calculated as "the total injuries multiplied by 200,000 and then divided by total hours worked". The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

⁵ Non-joint venture centres (i.e. TaiKoo Hui, Guangzhou and Taikoo Li Sanlitun, Beijing) only.

PEOPLE

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Diversity & Inclusion	• Policy, Strategy & Governance	Adopt a diversity & inclusion policy Establish a diversity & inclusion committee Introduce a formal employee grievance policy
	• Culture	Conduct diversity & inclusion awareness training for senior management
	• Disclosure	Public disclosure of data on: gender, age, job level, pay and ethnicity
Volunteering	• Community Ambassador Programme	Introduce community ambassador programme in employee induction <i>Hong Kong</i> Increase participation by 20% ⁶ for Hong Kong tenants & other Swire group companies Increase participation by 20% ⁶ for Hong Kong employees, their families and friends <i>Mainland China</i> Increase the number of community ambassador activities by 50% ⁶ Increase employee participation by 20% ⁶
	• Community Caring Fund	Increase the number of nominated programmes from employees by 20% ⁶

⁶ Compared to baseline year of 2016.

PEOPLE

Employee Profile

We have over 5,400 employees at 31st December 2016. Approximately 3,300 employees are located in Hong Kong, and approximately 2,100 employees are located in Mainland China.

Total Workforce by Gender

Male

3,309

61%



Female

2,105

39%



Total

5,414

Total Workforce by Age Group

Under 30 years old

1,541

28%

30 to 50 years old

2,798

52%

Over 50 years old

1,075

20%

Total

5,414

Total Workforce by Employment Contract

Permanent

5,102

94%

Fixed term/temporary

251

5%

Supervised worker

61

1%

Total

5,414

PEOPLE

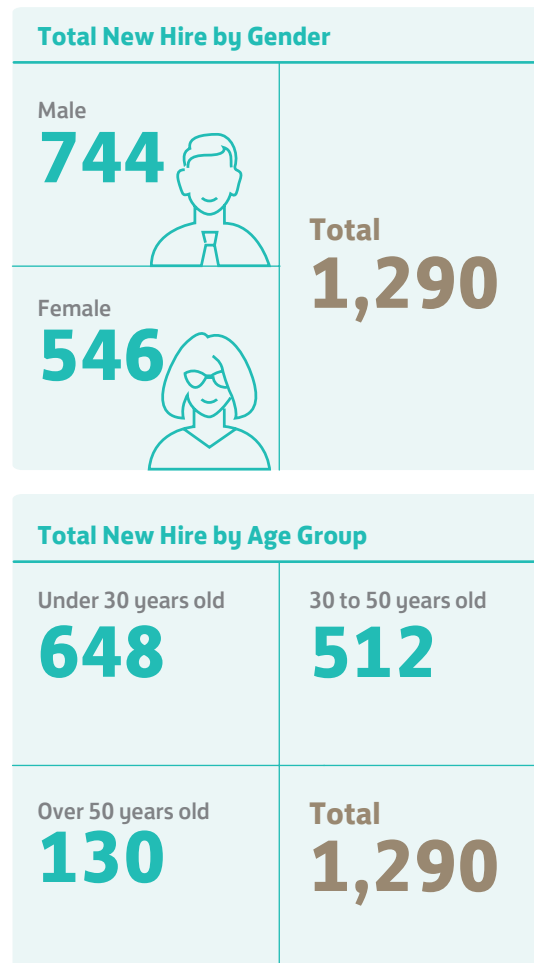
Talent Attraction

To meet the future challenges of our business, we believe we must continue to attract qualified applicants who share our vision and values. The key focus areas of our management strategy for talent attraction include employer branding, compensation & benefits, and recruitment.

Our employees receive a variety of benefits, including competitive remuneration packages, medical care, retirement benefits and performance-based bonuses. In 2016, we increased annual leave for general office employees in Hong Kong from 12 to 15 days and paid paternity leave from 3 to 5 days.

Our human resource policies and procedures, including those concerning working hours, rest periods, leave entitlements and superannuation, comply with relevant legislation in Hong Kong or other applicable jurisdictions. There are no formal collective bargaining agreements in place within our Company. It is our policy to require our contractors to comply with applicable local labour laws. Please refer to the **Partners** section of this report for more information about supplier assessment.

Under our SD 2030 Strategy, we plan to review existing compensation and benefits schemes by 2020. We are working to refine our communication strategy for employer branding. We also plan to develop a digital recruitment platform, which we expect to introduce in 2020.



PEOPLE

Talent Retention

In 2016, total employee turnover was 21%, a slight increase over the rate of 20% in 2015.

We want to offer all employees rewarding career opportunities that help them reach their full potential. The key focus areas are learning and development, performance development reviews, incentive structures, and working environment.

Learning and Development

We encourage our employees to pursue rewarding career paths and we provide a variety of training and development programmes to assist them. It is our policy to offer employees time-off to pursue work-related study or professional qualifications.

Our multi-year trainee programmes develop talent in the areas of building surveying, engineering and general management. Swire Hotels also operates an 18-month international operations management trainee programme, providing trainees with exposure to our hotels in Hong Kong and Mainland China.

Other learning and development programmes include:

- On-the-job training
- Internal job rotations
- Mentoring opportunities
- Secondments in other markets where we operate
- Management and leadership training programmes

As part of our SD 2030 Strategy, we are targeting a 25% increase in annual training hours per employee by 2020.⁷

Total
training
hours



>65,000

Total
training
spend (HK\$)



6.6 million

⁷ Compared to baseline year of 2016.

PEOPLE

Technical Trainee Programme

In 2016, applications for our technical trainee programme increased by 24%. The programme is a two-year training programme for building surveyor and engineering trainees. Working with experienced mentors throughout the Swire Properties portfolio, trainees gain hands-on experience and acquire new skills.



Learning Resources Centre

In February 2016, we introduced our new online e-learning system, the Learning Resources Centre. With this new platform, our employees have access to a variety of e-learning modules and can sign up online for training programmes.

PEOPLE

Building Mentoring Relationships

Our Mentoring Programme aims to build positive relationships between our senior management team members and mentees. Mentors help mentees develop professionally and personally by sharing experiences, offering support and helping them develop specific job skills.



Mentee Fay Fang at Cityplaza, Hong Kong was paired with mentor Daniel Chang, Senior Technical Services Manager. “Daniel not only shared with me the many interesting projects he’s involved in . . . but also the source of his inspiration in pursuing Swire Properties’ sustainable development vision,” she says. “His heartfelt advice on how to work with colleagues from different backgrounds has been especially useful, as it’s helped me work more efficiently and confidently across different teams.”



Swire Hotels Launches Cultural Exchange Programme

In 2016, Swire Hotels started a cultural exchange programme, providing employees from Hong Kong and Mainland China with the opportunity to participate in a one-year exchange programme with EAST, Miami, U.S.A. The programme is open to both general and management level employees. In 2016, 12 employees participated in the programme.



PEOPLE

Performance Development Review

We believe all employees should benefit from an objective, fair and open assessment process and be rewarded for their performance with merit-based incentives. Our PDR was developed in 2015 based on employee feedback. It streamlines and provides consistency to our employee performance review process and helps employees identify professional development opportunities and career goals.

The PDR was introduced in August 2015 for office employees in Hong Kong and secondees in other cities. In 2016, we extended the PDR to frontline employees in Hong Kong and local employees in Mainland China, Singapore, Jakarta, Indonesia and Miami, U.S.A. Prior to the introduction of the system, we held a workshop for managers to assist them in establishing clear expectations and providing specific feedback to employees during appraisal meetings.

As we integrate our SD 2030 Strategy into our business, it is important that our employees view the strategy as an integral part of the work that they do. We plan to adapt our PDR to incorporate elements of the strategy into each employee's annual performance goal by 2020. We have also committed to reviewing incentive structures and to developing "flexible working policy" guidelines by 2020.

Safety, Health and Wellbeing

Safety at Work

Workplace health and safety is an integral part of our business. We are committed to working continually to improve in this area.

Our **Health and Safety Policy** covers our operations and properties. It is available on our website and is internally communicated to our employees. Our Health and Safety Policy is supported by our Safety Management System ("SMS"), which allows us to manage safety issues across our portfolios. The SMS establishes specific policies and procedures to manage safety concerns and helps to identify hazards and reduce safety risks in our operations. The SMS Steering Committee, chaired by our fire and safety manager, and SMS sub-committee periodically monitor and assess our safety performance.

Our health and safety team provides training and technical support to our employees and investigates accidents. By 2020, we plan to provide compulsory health and safety training for all employees via an e-learning platform and to increase the total number of health and safety training hours for employees by 5% by 2020, as compared with the baseline year of 2015.

PEOPLE

We maintained our record of zero workplace fatalities in 2016. In 2016, there were no confirmed incidents of non-compliance with relevant laws or regulations relating to providing a safe working environment and protecting employees from occupational hazards, which have a significant impact on Swire Properties.

In 2016, our LTIR decreased by 4.3% and our lost day rate (“LDR”)⁸ decreased by 40.8% compared to 2015. The introduction of joint safety inspections and safety talks to frontline staff on the prevention of slips, trips and falls have contributed to the decrease in our LTIR.

Our target is to achieve an overall LTIR of below 2.0 by 2020.⁹

Lost Time Injury Rate (LTIR)		
2014 LTIR 1.95	2015 LTIR 1.88 ↓3.6% Change year-on-year	2016 LTIR 1.80 ↓4.3% Change year-on-year
Lost Day Rate (LDR)		
2014 LDR 53.77	2015 LDR 61.08 ↑13.6% Change year-on-year	2016 LDR 36.18 ↓40.8% Change year-on-year

At 31st December 2016, we had obtained OHSAS 18001 certifications for seven properties.

By 2020, we expect our Hong Kong and Mainland China portfolios to comply with the new and more stringent ISO 45001 standard. We plan to focus on integrating health and safety into all aspects of our operations, identifying and controlling health and safety risks and expanding our efforts to account for how suppliers and contractors are managing their health and safety risks.

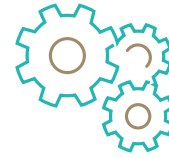
⁸ Number of lost scheduled working days per 100 employees per year.

⁹ Using 2015 as the baseline year.

PEOPLE

Innovating for a Safer Work Environment

Our technical team at Cityplaza, Hong Kong designed the *Davit Arm-lifting Cart*, a safety device that removes the need for manual lifting when carrying davit arms during installation of temporary working platforms. The device consists of specially constructed wire ropes, gears and chains that reduce load and, as a result, the physical effort required to lift or carry heavy davit arms. The lifting cart enables davit arms to be transported more quickly and efficiently, requiring only two workers, as opposed to four.



Outstanding Occupational Safety and Health Employees Award Scheme

In 2016, the Hong Kong Labour Department and Occupational Safety & Health Council awarded She Hong Lun, our senior technician at Cityplaza, a bronze award in the frontline employee category in recognition of his technical expertise and innovative contributions to workplace safety at Swire Properties. Hong Lun developed a temporary indoor air quality improvement guard to provide cleaner air in construction and maintenance areas and a toolbox safety strip to prevent toolboxes from opening unexpectedly.

The Hong Kong Labour Department and Occupational Safety & Health Council also awarded Ho Ka On, our senior building supervisor at Taikoo Place, a merit award in the supervisor category in recognition of his work on the trial and development of our e-patrol system. The system enables members of our building management teams to use specially equipped mobile phones during security patrols, improving their ability to monitor building premises.



PEOPLE

Employee Satisfaction and Health & Wellbeing

In 2016, we established private lactation rooms in five of our office buildings to support employees who wish to continue breastfeeding upon return from their maternity leave. We also established a care team of 70 volunteers to help support victims and their families in the event of any serious accidents or incidents at Swire Properties.

In October 2016, Hong Kong's Family Council recognised Swire Properties as a "Family Friendly Employer."

Swire Hotels established a Wellness Programme in its central support office in 2016. Doctors were invited to give talks promoting a fit and healthy lifestyle, and trackers were given to each team member to measure their fitness.

We engage our employees regularly with messages from our Chief Executive and in our bi-monthly newsletter, *CornerStone*. We encourage our employees to participate in a wide variety of social and environmental activities in and out of the office.

As part of our SD 2030 Strategy, we are in the process of developing new initiatives to evaluate employee satisfaction and to promote the health and wellbeing of our employees. We are working to expand our internal engagement efforts and plan to conduct an employee survey for all our employees by 2020. We also plan to expand our employee assistance programme to all our offices in Hong Kong and Mainland China (non-joint ventur centres only).

Expanding ideas@work

We want to hear from our employees. With our ideas@work competition, we ask for their input. In 2016, we expanded this competition to seek, in addition to technology-related ideas, any useful or creative suggestions that can help improve our work or the experience of our customers. We received 122 submissions from our employees in various offices, representing a 40% increase from 2015.



PEOPLE

TaikooGo app

At the sixth annual Swire group Sustainable Development Forum, Swire Properties' TaikooGo app, an educational green walk mobile app featuring a treasure hunt, won the Most Innovative Project Award and was runner-up for the Most Replicable Project Award. The TaikooGo app was a winning idea from our 2015 ideas@work competition, which provided funding for development of the app.



Using real-time global positioning system ("GPS") location tracking, the app encourages the public, especially children, to explore the biodiversity and history of Swire in Taikoo Shing and Quarry Bay through a series of fun and interactive minigame challenges, including a treasure hunt. Upon winning a challenge, the user could choose one of our NGO partners, to which Swire Properties would donate HK\$10. The TaikooGo app also allows users to monitor their fitness by tracking steps taken and distance travelled.

Diversity and Inclusion

We aim to cultivate a diverse and respectful work environment because it is consistent with our values. These attributes are also important for the competitiveness of our Company and productivity of our workforce. Our **Corporate Code of Conduct** and **Board Diversity Policy** show that we are committed to promoting diversity and inclusion in the workplace. Also, we have an internal Equal Opportunities Policy in place which is available in our staff handbook and communicated to our employees.

As stated in our Corporate Code of Conduct, a properly diverse workforce is one whose members are not discriminated against. Our employees must not tolerate unlawful discrimination or harassment and must report any unacceptable conduct to management.

Percentage of Management / Director Positions Held by Women at 31st December 2016

46%

of management
positions held by
women



50%

of Director* positions
held by women

* Refers to Board directors, excluding Chairman; and directors of our business units, excluding President, Swire Properties Inc.

PEOPLE

We recognise the value of diversity in the composition of our Board. We endorse the principle that our Board should have a balance of skills, experience and diversity of perspectives appropriate to our business. Our Board Diversity Policy is published on our Company website.

The equal opportunities and diversity council of John Swire & Sons (H.K.) Limited, our parent company, is responsible for encouraging and advocating equal opportunities and diversity within the Swire group (including Swire Properties) and monitoring and measuring the group's equal opportunities and diversity achievements. Further information on the council and its objectives are set out on our [website](#).

As part of our SD 2030 Strategy, we are working on strengthening our diversity and inclusion initiatives. Our management approach focuses on three areas: (i) policy, strategy and governance, (ii) culture, and (iii) disclosure.

By 2020, we plan to adopt a diversity and inclusion policy and establish a diversity and inclusion committee to guide our efforts in this area. We also expect to conduct diversity and inclusion awareness training for senior management by 2020. We plan to develop a formal employee grievance policy and disclose employee data on gender, age, job level, pay and ethnicity by 2020.

Volunteering

We support and encourage our employees to volunteer and contribute to good causes.

Our Community Ambassador ("CA") Programme was established in 2001 to help people in need in our communities in Hong Kong and Mainland China. The programme provides members of our employees with the opportunity to volunteer their time and skills to help the elderly, disabled, children and disadvantaged families.

Over the past 15 years, the CA team has grown from 40 employees to over 1,500, and has contributed over 75,200 service hours to more than 650 activities benefiting approximately 75,000 people in the community. The CA programme attracts support from our employees and their families and friends, our business partners, tenants, customers and other Swire group companies. For more details about our community engagement work, please refer to the [Places](#) section of this report.

PEOPLE

To encourage employees to participate in the CA programme, our Community Ambassador Service Leave Policy provides volunteers with one day of leave for every ten hours of service (capped at two days per year). We plan to use our employee induction programme to introduce our CA programme to all new employees in Hong Kong and Mainland China.

Looking Forward: KPI Highlights for 2020¹⁰



¹⁰ Using 2016 as the baseline year.

PEOPLE

Love's Team

Our Community Ambassador Programme marked its 15th anniversary in 2016. In celebration, Swire Properties joined with 15 NGOs to host the LOVE'S TEAM charity bazaar, which ran under the theme of social inclusion. We partnered with the St. James Settlement Jockey Club Upcycling Centre to produce original art pieces and handicrafts, using recycled materials, including wine corks, wooden wine boxes, wallpaper and peach blossom flowers. Over 1,350 volunteers participated in the event, offering help in various areas from making handmade venue decorations and selling handcrafted products to providing live entertainment. With the help of matching funds from the Swire Group Charitable Trust, we raised over HK\$870,000 for the 15 NGOs.



PARTNERS

We aim to continue to develop long-term, mutually beneficial relationships with our business partners and other key parties so as to improve our environmental, social, and economic performance.





We are committed to working with others to improve our sustainable development performance. We value the contributions and collaboration of our business partners and other persons with whom we deal to support our sustainable development efforts, and recognise that successful collaborations provide us with opportunities to experiment and innovate.

We seek to work with those who share our values and commitment to integrity, originality, long-term focus and quality. We aim to continue to develop long-term, mutually beneficial relationships with our business partners and other key parties to improve our environmental, social and economic performance. We also look for opportunities to help our business partners attain their own sustainability goals and communicate with our customers to give them a better understanding of our SD strategy.

The key parties who we believe can help us achieve the above objectives are suppliers, tenants, customers, residential owners and occupiers, government, NGOs and joint venture partners (our “Partners”).

Implementing our SD 2030 Strategy

Our Partners Working Group is chaired by our General Manager for Projects. It comprises 25 representatives from different functions within Swire Properties, ranging from Mainland China business development, hotels, portfolio management, public affairs, marketing and projects, to technical services & sustainability. The relatively large and diverse composition of this working group reflects our belief that we need to work with a wide range of Partners. Furthermore, given the need to work with our Partners locally, we have sought to include representatives from different geographic locations of our business in our Partners Working Group.



PARTNERS

Our Partners Working Group comprises seven sub-groups reflecting the seven focus areas of this pillar. The table below illustrates the focus areas, performance categories and KPIs under this pillar.

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Suppliers	• Supply Chain Policy	Full implementation of Swire Properties Supplier Code of Conduct ("Supplier CoC ") in Hong Kong and Mainland China Implement green procurement system across all business operations in Hong Kong and Mainland China
	• Monitoring (Compliance)	Ensure key high risk suppliers demonstrate compliance with Supplier CoC
	• Supply Chain Improvement	Conduct assessment to develop programme for supply chain improvements
Tenants	• Programme Development	Introduce sustainability guidelines for commercial tenants undertaking new fit-outs and renovations Design and implement a sustainability-related monitoring system in selected portfolios
	• Tenant Engagement	Review and expand the Green Pledge Programme to include the majority of office tenants
	• Tenant Satisfaction	Conduct tenant satisfaction surveys in office and retail portfolios in Hong Kong Set an appropriate KPI for improvement

PARTNERS

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Customers	• Retail	Conduct surveys to collect customer feedback
	• Office Workers	Conduct surveys to collect office tenant feedback
		Conduct 500 tours of The Loop ¹¹ (Taikoo Place) for tenants, schools, and other groups
	• Hotels	Conduct hotel guest surveys
Residential	• Engagement (Owner, Occupier & Serviced Apartment)	Complete pilot survey in Hong Kong to establish baseline level of satisfaction
		Set an appropriate KPI for improvement
		Develop Green Pledge for serviced apartment tenants
Government	• Government Engagement	For all portfolios, identify key government bodies for engagement
		Design bespoke government engagement plan for all portfolios
NGOs	• NGO Engagement	Identify and prioritise NGOs for engagement for all operations
		Expand relevant NGO engagement in Mainland China and U.S.A.
Joint Venture (“JV”) Partners	• JV Partners Engagement	Inform 100% of JV partners of SD 2030 Strategy and progress
		Require 100% of JV companies to provide their employees with SD training
	• Partner Selection & Company Formation	Integrate SD checklist into JV partner selection and JV company formation processes

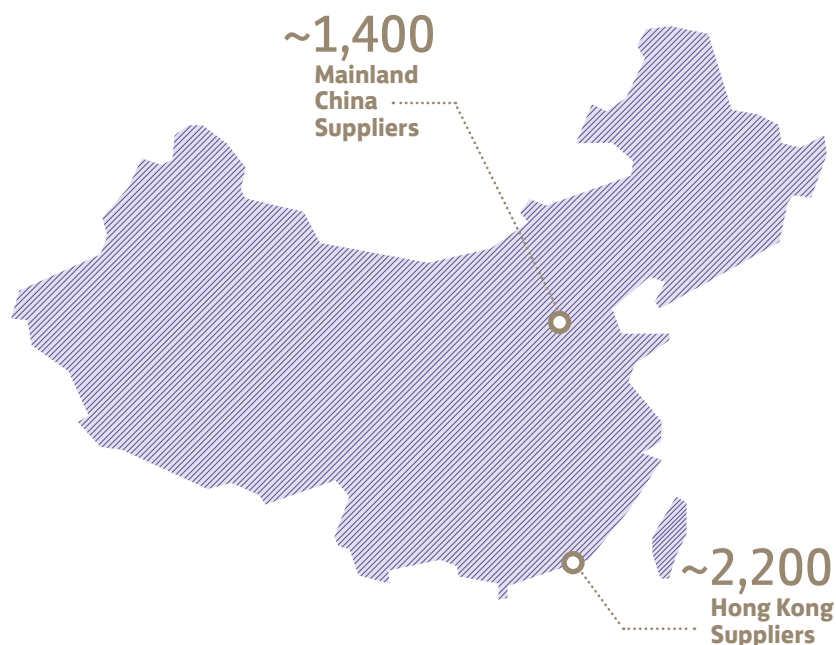
¹¹ Please refer to the “Customers” section for details.

PARTNERS

Suppliers

Our suppliers play an important role in our business and we work closely with them to cultivate safe working conditions, foster respect for workers and promote responsible environmental practices. We work with a wide range of suppliers, including consultants, architects, designers, contractors, vendors, management companies and others in the course of our business.

Number of Suppliers by Geographical Region at 31st December 2016



Our Supply Chain Sustainability Programme has been in place since 2009 and integrates sustainability policies, procedures and goals into our supply chain. We established a sub-group within our Partners Working Group to oversee the programme. This sub-group is responsible for addressing supply chain sustainability issues, monitoring compliance of our suppliers with our Supplier Code of Conduct and managing supply chain risks.

PARTNERS

Supplier Code of Conduct

The foundation of our Supply Chain Sustainability Programme is our **Supplier Code of Conduct**, which is available on our Company website. The Supplier Code of Conduct provides our suppliers with minimum standards and practices relating to legal compliance, health and safety, environmental practices, labour practices and other areas, and requires suppliers to incorporate these standards and practices into their operations.

For example, our Supplier Code of Conduct requires our suppliers to ensure that their employees satisfy the local legal minimum age requirements. We also require our suppliers not to use any form of forced, coerced or bonded labour. In addition, we require our suppliers to adopt policies and procedures to prevent bribery and corruption, and to ensure that they are enforced.

It is our policy to require our suppliers to comply with our Supplier Code of Conduct. We carry out inspections by sampling, and ask relevant suppliers to complete self-assessment questionnaires. Suppliers who fail to comply with our Supplier Code of Conduct risk termination of their contracts.

Green Procurement

Our company-wide green procurement monitoring system, which has been in place since 2015, monitors the purchase of 12 types of green office products, building services equipment and building materials. The system analyses purchases against specific environmental criteria, including, for example, whether the products have been certified or accredited as green by reputable, independent third parties. We use the data collected by the monitoring system to assess our green procurement performance and identify areas for improvement.

In 2016, over HK\$280 million worth of green products was procured.

PARTNERS

For WHITESANDS, Swire Properties' new residential development on Lantau Island, Hong Kong, we used environmentally friendly building materials to minimise environmental impacts. These included:

- Pavers containing recyclable content
- Textured concrete in lieu of stone, and
- Regionally-sourced, recyclable, low maintenance decorative screens made with aluminium in lieu of real or composite wood.



As part of our SD 2030 Strategy, we plan to work closely with our suppliers to assess their compliance with our Supplier Code of Conduct and to take proactive actions to help or support those who do not meet our standards to improve their performance. We intend to conduct an assessment to develop a programme for supply chain improvements.

Tenants

We aim to work closely with our commercial tenants to integrate sustainability practices into their operations. We offer office tenants in Hong Kong and Mainland China free energy audits to help them understand their energy use and identify energy-saving opportunities.

Since 2008, our energy audits have covered 3.2 million square feet of commercial office space in Hong Kong, identifying potential annual energy savings of approximately 2.8 million kilowatt-hour ("kWh") at 31st December 2016. We also provide free energy audits to our tenants at Taikoo Li Sanlitun, Beijing and TaiKoo Hui, Guangzhou in Mainland China, covering more than 1.5 million square feet of tenanted area, identifying potential annual energy savings of approximately 3.5 million kWh at 31st December 2016.

PARTNERS

Awards Received from the Hong Kong Green Building Council (“HKGBC”)

In 2016, Swire Properties was awarded the Platinum award under the HKGBC Benchmarking and Energy Saving Tool - Office Occupants (HKBESTOO) for the energy performance of our office portfolio, as well as the Outstanding Corporate Social Responsibility Award in recognition of our efforts to offer new tenants free energy audits.



Since 2015, we have been working with tenants to improve the sustainability performance of our buildings through the Green Pledge Programme in TaiKoo Hui, Guangzhou. Our tenants have undertaken a variety of agreed initiatives, ranging from installation of energy efficient equipment, water conservation and recycling of waste, to educating employees about sustainability best practices.

In 2016, we continued to expand the Green Pledge Programme. At 31st December 2016, we have signed sustainability memoranda with tenants occupying approximately 53% of the office space in TaiKoo Hui, Guangzhou.

We plan to undertake the following actions as part of our SD 2030 Strategy:

- Introduce new sustainability guidelines to commercial tenants undertaking new fit-outs and renovations of leased spaces by 2020.
- Review and update our Green Pledge Programme to have the majority of our office tenants sign green pledges by 2020.
- Conduct an initial survey across our office and retail portfolios in Hong Kong, and analyse tenant satisfaction, in order to set appropriate targets for improvement.

PARTNERS

Green Shop Alliance

The Green Shop Alliance of the Hong Kong Green Building Council aims to promote sustainability initiatives in the retail industry in Hong Kong. Swire Properties was the first property developer to support the alliance. Forty-seven of our retail tenants have joined the alliance and pledged to adopt green measures aimed at reducing energy and water use and managing waste through re-using and recycling. We are currently working with them to embed sustainability measures in their operations.



Customers

We are committed to delivering high standards of customer service, and to this end we regularly engage with our customers.

Our Partners Working Group identified a need to undertake comprehensive surveys to collect customer feedback in our retail, hotel and office operations. We also plan to conduct tours to the Loop, Takoo Place for tenants, schools and other relevant parties.

The Loop is a new exhibition and recycling centre in Takoo Place that promotes sustainable development. The concept was inspired by the phrase 'close the loop', which refers to the principle that all waste can be recycled and re-used. The Loop is targeted to open in May 2017.

PARTNERS

Residential Owners and Occupiers

We have developed 24 residential projects in Hong Kong, and we have also established a presence in Miami, U.S.A. We strive to provide our residential owners and occupiers with the best possible premises and service.

We plan to conduct a pilot survey of owners and tenants in our residential projects in Hong Kong to understand their satisfaction and to help us identify areas for improvement. We are also developing a green pledge programme for tenants in our serviced apartments.

Government, NGOs and Others

We intend to support government environmental initiatives and work with government and NGOs to encourage sustainability practices and find solutions to sustainability challenges.

We intend to develop a specific engagement plan to ensure we continue to work with relevant government authorities effectively. We also plan to expand NGO engagement for our portfolios in Mainland China and U.S.A.

In 2016, we agreed to work with the Hong Kong government and a number of NGOs on a pilot programme aimed at exploring ways to measure and reduce waste. Please refer to the **Performance (Environment)** section of this report for more details.

We helped to establish the Building Environmental Assessment Method (“BEAM”) with other property developers in 1995. We continue to work with HKGBC to promote green building certification.



PARTNERS

In Hong Kong, we signed the Charter on External Lighting in April 2016. We agreed to switch off our external promotional and decorative lighting from 11 pm to 7 am every day. Together with more than 4,000 shops and corporations in Hong Kong, we are working to conserve energy and mitigate light pollution.

In 2016, Swire Hotels joined the Hotel Owners for Tomorrow (“HOT”) initiative and became one of the first 15 hotel chains in Asia to adopt sustainability practices in the Asia region. As a member of the HOT network, we will be able to share our SD experiences with, and learn about SD practices adopted by, other hotels and sustainability supporters in the region.

Supporting Earth Hour

World Wide Fund For Nature’s (“WWF”) Earth Hour is one of the world’s largest collective environmental actions, where people from all around the world switch off their lights for an hour to show that they care about the Earth. Swire Properties has been an associate sponsor and supporter of WWF’s Hong Kong Earth Hour campaign since 2010. Hong Kong, along with 172 other countries and cities, participated in this global climate change awareness event.



We work with academic institutions to share knowledge and develop mutually beneficial relationships. We have partnered with Tsinghua University on the Joint Research Centre for Building Energy Efficiency & Sustainability since 2011. Through the Research Centre, we work with Tsinghua University to develop and test innovative methods to increase energy efficiency and improve environmental performance in our Mainland China projects. This collaboration has resulted in substantial energy savings and allowed us to communicate and share new knowledge and best practices with our employees, partners, industry peers and researchers.

PARTNERS



We are very pleased that our partnership with Tsinghua University has been so fruitful over the years...As a responsible developer, we have always sought to integrate energy efficiency solutions into our whole building cycle, and these sustainability considerations have become even more vital as we continue to expand our footprint in Hong Kong and Mainland China. We're excited to see what we can achieve next with Tsinghua University, and very much hope that our findings can be applied industry-wide.

Guy Bradley

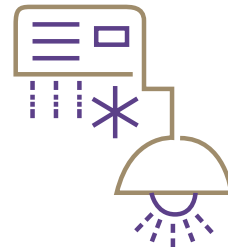
Chief Executive

Swire Properties



TaiKoo Hui, Partnership in Action

Working with Tsinghua University, the technical team at TaiKoo Hui, Guangzhou, implemented energy efficiency upgrades to improve building performance. These included plant optimisation, airside equipment rescheduling, fresh air demand control and lighting replacement. Together, these improvements saved 950,000kWh of electricity in 2016.



Joint Venture Partners

We plan to further engage our JV partners in our sustainability efforts, and to encourage our JV partners to adopt sustainable development standards similar to our own. We are exploring ways to integrate sustainable development criteria into our JV partner selection process.

PERFORMANCE (ENVIRONMENT)

We aim to continue to design, construct and manage high quality developments that contribute positively to the communities in which we operate and the environment.





Our commitment to environmental performance is critical to our SD 2030 Strategy. We are committed to designing, constructing and managing high quality developments that contribute positively to the communities in which they are located. While we take great care to develop high quality buildings, as part of our SD 2030 Strategy we also seek to continually improve our environmental performance. We focus beyond the direct impact of our buildings and seek to reduce climate impact and optimise resource efficiency.

Under our SD 2030 Strategy, we have identified seven key impact areas under the Performance (Environment) pillar. Our work in these areas will build upon our longstanding efforts to reduce our environmental impacts and reflects our goal to become a global sustainability leader within the industry.

Implementing our SD 2030 Strategy

Our Performance (Environment) Working Group comprises 27 representatives from various functions within Swire Properties, ranging from building management, projects, public affairs, marketing and portfolio management to technical services & sustainability. Members of this working group are located in Hong Kong or Mainland China.



PERFORMANCE (ENVIRONMENT)

The Performance (Environment) Working Group is chaired by our Director & Senior Advisor, and is organised into seven sub-groups that are responsible for the seven focus areas of this pillar of our SD 2030 Strategy. The table below illustrates the focus areas, performance categories and KPIs under this pillar.

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Climate Change	<ul style="list-style-type: none"> Policy 	<p>Establish climate change policy</p> <p>Conduct climate risk assessment for all portfolios</p>
	<ul style="list-style-type: none"> Carbon Management & Accounting 	<p>Establish a comprehensive carbon accounting framework for reporting and management purposes</p> <p>Complete pilot study to measure carbon emissions from construction activities and embodied carbon from major building and construction materials used in One Taikoo Place</p>
	<ul style="list-style-type: none"> Decarbonisation 	<p>Achieve 27% carbon intensity reduction (tonnes of CO₂e/ m²) for Hong Kong portfolio^{12, 13}</p>



¹² 'CO₂e' means carbon dioxide equivalent, which is the unit of measurement that allows the six types of greenhouse gas emissions governed under the Kyoto Protocol to be compared on a like-for-like basis relative to carbon dioxide ("CO₂").

¹³ Compared with baseline year of 2008; Hong Kong portfolio refers to office and retail portfolio in Hong Kong, excluding hotels.

PERFORMANCE (ENVIRONMENT)

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Energy	<ul style="list-style-type: none"> Energy Reduction 	<p>Hong Kong</p> <p>Achieve 26% annual energy reduction, which is equivalent to energy reduction of 64 million kWh/year^{14, 15}</p> <p>Achieve 29% energy intensity¹⁶ reduction (kWh / m²/year)¹⁷</p> <p>Conduct energy audits for investment portfolios every five years (which is more frequent than the statutory requirement of once every 10 years)</p> <p>Mainland China</p> <p>Reduce annual energy consumption by 23 million kWh/year¹⁸</p>
	<ul style="list-style-type: none"> Renewable Energy 	Formulate a strategy to increase the use of renewable energy where possible, by on-site generation, purchase from renewable sources and other methods
	<ul style="list-style-type: none"> Intelligent Energy & Facility Management System 	<p>Implement pilot energy management automation projects in four selected properties (two in Hong Kong, two in Mainland China)</p> <p>Adopt facility management electronic databases in all investment portfolios</p>
Waste	<ul style="list-style-type: none"> Policy 	Establish waste management policy
	<ul style="list-style-type: none"> Waste Diversion 	<p>Achieve 25% commercial waste diversion rate for Hong Kong portfolio (including hotels)</p> <p>Achieve 80% demolition waste diversion rate from landfills for Hong Kong projects under development</p> <p>Achieve 60% construction waste diversion rate from landfills for Hong Kong projects under development</p>

14 Energy reduction refers to electricity reduction for the provision of shared services for and in the common parts of our buildings.

15 Compared with 2008 business-as-usual ("BAU") baseline.

16 Energy intensity refers to electricity consumption intensity for the provision of shared services for and in the common parts of our buildings.

17 Compared with 2008 energy consumption intensity level.

18 Compared with the BAU amount in the first complete calendar year in which energy consumption data are collected from each project.

PERFORMANCE (ENVIRONMENT)

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Water	• Policy	Establish water management policy
	• Risk Assessment	Complete water risk assessment for Mainland China portfolio ¹⁹
Biodiversity	• Policy	Establish biodiversity policy
	• Integration	Integrate biodiversity considerations into new developments
Occupant Wellbeing	• Indoor Air Quality (“IAQ”)	Achieve IAQ excellent class and Mainland China IAQ standard for common areas in 80% of Hong Kong and Mainland China portfolios respectively
		Conduct research to reduce indoor PM2.5 (fine particulate matter) concentration
		Conduct occupant wellbeing surveys for office, retail and hotel properties
Building / Asset Investments	• Environmental Building Assessment Schemes ²⁰	Target the highest environmental building assessment scheme rating for all projects currently under development

Environmental Policy

Our **Environmental Policy** complements our SD 2030 Strategy. We believe that environmental considerations should be integrated into various aspects of our operations, from project development to on-going operation and management.

As stated in our policy, we are committed to maintaining environmental policies and standards that meet or exceed applicable legal requirements, and to integrating industry best practice into our operations and services. We also encourage our contractors, suppliers and customers to do the same.

¹⁹ Mainland China portfolio refers to office and retail portfolio in Mainland China, excluding hotels.

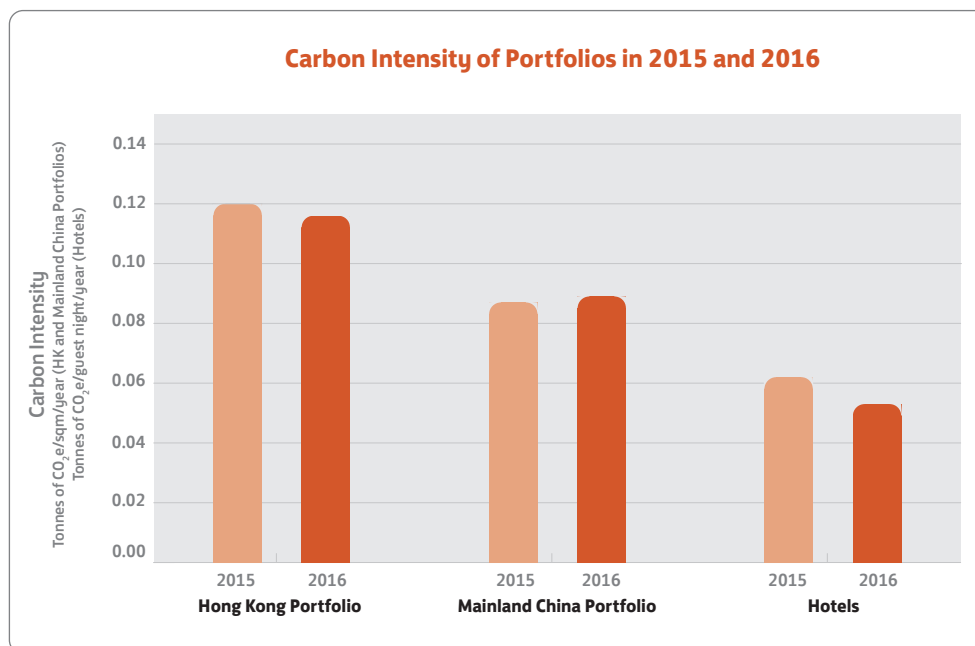
²⁰ BEAM Plus/LEED/China Green Building Design Label/WELL Certification.

PERFORMANCE (ENVIRONMENT)

Climate Change

We recognise that climate change poses a risk to our business and that mitigating the effects of climate change is one of our major challenges. As a property developer, one of the ways we can contribute to reducing the threat of climate change is by reducing carbon emissions from our buildings. We also strive to ensure that our buildings are protected against the impact of climate change and to continuously build climate resilience into our business.

In 2016, the carbon intensity for our Hong Kong portfolio²¹ was 0.116 tonnes of CO₂e per square meter (“CO₂e /sqm”) per year, representing an approximately 3.3% decrease from that in 2015. The carbon intensity for our Mainland China portfolio²² in 2016 increased by approximately 2.3% from that in 2015. The carbon intensity of our hotels²³ decreased by 14.5% from that in 2015.



²¹ In this “Climate Change” section, Hong Kong portfolio refers to office and retail portfolio in Hong Kong, excluding hotels.

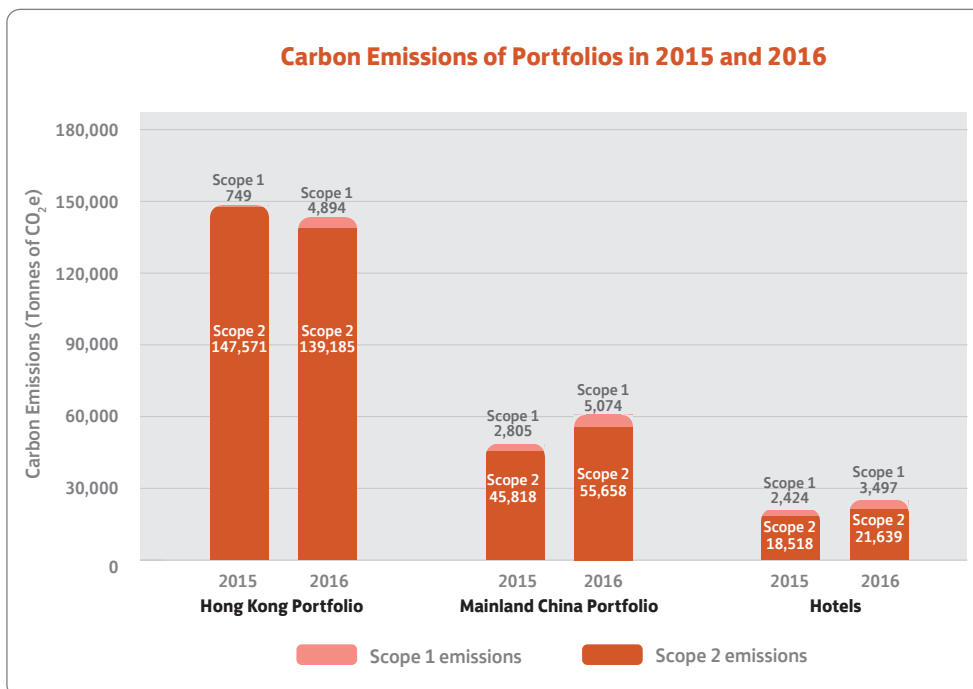
²² In this “Climate Change” section, Mainland China portfolio refers to office and retail portfolio in Mainland China, excluding hotels.

²³ In this “Climate Change” section, hotels refer to (i) The Upper House, Hong Kong, (ii) EAST, Hong Kong, (iii) The Opposite House, Beijing, (iv) EAST, Beijing, and (v) The Temple House, Chengdu.

PERFORMANCE (ENVIRONMENT)

Our largest source of carbon emissions continues to be Scope 2 emissions arising from electricity use in our Hong Kong portfolio. In 2016, we reduced our Scope 2 emissions in our Hong Kong portfolio by 5.7% as a result of our continuous energy saving efforts (please refer to the [Energy](#) section for details).

The total carbon emissions from our Mainland China portfolio and from our hotels increased as a result of the addition of Sino-Ocean Taikoo Li Chengdu and The Temple House to our portfolio in 2016. As these new projects are still in their commissioning phase, we expect their carbon intensity to decrease over time.



Remarks:

Scope 1 emissions are direct greenhouse gas (GHG) emissions from sources that are owned or controlled by Swire Properties, such as emissions from natural gas, diesel and town gas burned onsite.

Scope 2 emissions are indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by Swire Properties.

PERFORMANCE (ENVIRONMENT)

With the majority of our carbon emissions coming from electricity use, our mitigation strategy is significantly dependent on our energy saving efforts.

As part of our SD 2030 Strategy, we intend to reduce the carbon intensity of our Hong Kong portfolio by 27% by 2020, as compared with 2008. We also plan to establish a climate change policy by 2020 that will focus on mitigation, adaptation and resilience.

By 2020, we plan to conduct climate risk assessments for all our portfolios and establish a comprehensive carbon accounting framework. We also plan to conduct a pilot study to measure carbon emissions from construction activities at One Taikoo Place, including emissions from the embodied energy of major building and construction materials.

Energy

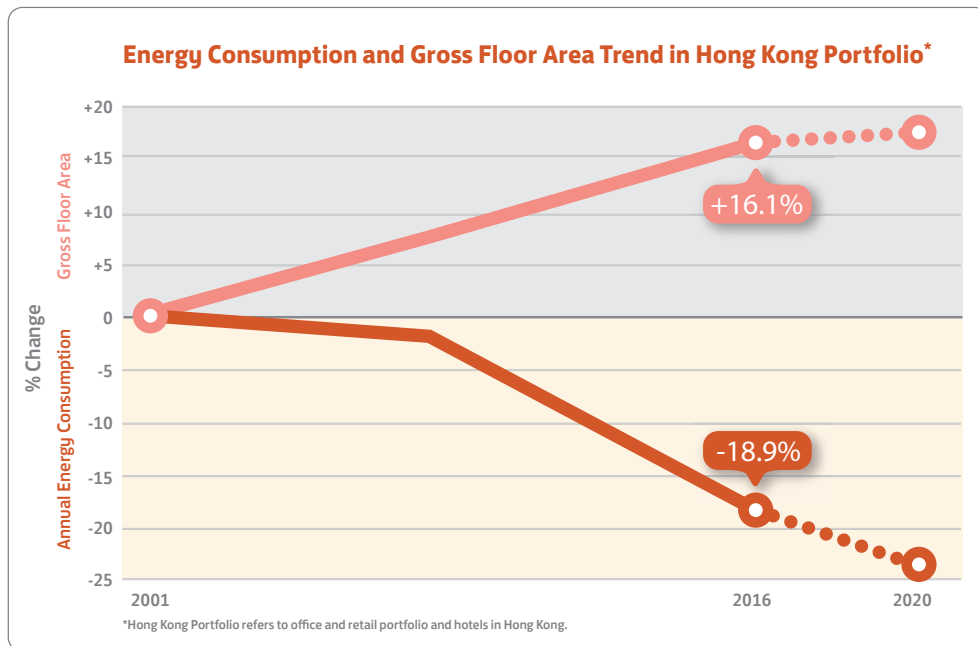
Hong Kong

We design, construct and operate our properties with a view to reducing electricity use. We set ambitious energy reduction targets and develop strategies and action plans designed to meet these targets. For example, we install effective air-conditioning systems, high efficiency lighting systems equipped with timers and occupancy/daylight sensors and lifts systems with variable voltage variable frequency (“VVVF”) motor drives and tri-generation systems.

Since 2001, we have had an energy management plan in place to help us manage our energy use and reduce energy consumption in our buildings. Our energy management plan complies with ISO 50001 standard. Data management is a critical component of our energy reduction efforts and we have built an energy database that we use to identify energy-saving opportunities.

PERFORMANCE (ENVIRONMENT)

From 2001 to 2016, we achieved an 18.9% reduction in energy consumption²⁴, despite a 16.1% increase in gross floor area of our Hong Kong portfolio. In 2015, we set a target²⁵ to reduce the annual energy consumption in our Hong Kong portfolio by 64 million kWh per year by 2020, as compared with the baseline year of 2008. By 31st December 2016, we have reduced our annual energy consumption in our Hong Kong portfolio by 49 million kWh from its 2008 amount, putting us on track to meet our target by 2020.



We offer free energy audits to our office tenants. Please refer to the **Partners** section for more details.

²⁴ Energy consumption refers to electricity consumption for the provision of shared services for and in the common parts of our buildings.

²⁵ This target was revised from 40 million kWh in 2012 and 54 million kWh in 2013.

PERFORMANCE (ENVIRONMENT)

In 2016, we continued to explore a variety of technologies and strategies to further reduce energy consumption in Taikoo Place and Pacific Place, including replacing older chillers with high efficiency chillers, making seasonal adjustments to air conditioning temperature and lighting, and organising employee training on energy saving practices. We also upgraded a lift in One Pacific Place with VVVF motor drives, which increase the reliability and performance of the lift and reduce energy use. While we are monitoring the impact of this change, we estimate that it will result in annual energy savings of 31,000 kWh.

In 2016, we upgraded the down-lighting in the pedestrian areas of our Pacific Place mall, replacing the older metal halide lamps with energy-efficient light-emitting diode (“LED”) lamps. We estimate this change will result in annual energy savings of 53,000 kWh.

Installation of Oil-free Magnetic Bearing Chillers

In February 2016, we replaced an aging chiller in Lincoln House, Taikoo Place, Hong Kong with a new oil-free magnetic bearing chiller. The new chiller is equipped with a permanent-magnet motor and magnetic bearing, which allows it to operate without lubricating oil, reducing energy losses due to friction and increasing the heat transfer efficiency of the chiller. The magnetic bearing chiller uses less energy and eliminates the need for the handling and disposal of lubricating oil and oil filters. We estimate this change will result in annual energy savings of 117,500 kWh. We will install three additional oil-free magnetic bearing chillers in Oxford House and Dorset House with targeted annual energy savings of 900,000 kWh.



PERFORMANCE (ENVIRONMENT)

Winner of Energy Management Initiative Award at United Kingdom Chartered Institute of Building Services Engineers ("UK CIBSE") Building Performance Awards

In February 2017, UK CIBSE awarded Swire Properties the Energy Management Initiative Award in its Building Performance Awards 2017 for our years of work in our Hong Kong portfolio. This is a significant recognition of our achievements in energy management and our adoption of a robust knowledge-based energy management system.



This award recognises the energy reduction achievements of building owners and occupiers globally and is given to the organisation that demonstrates the most effective initiatives for managing energy use to achieve outstanding building performance in their building portfolio, including substantial reduction in energy consumption and carbon emissions without compromising overall user satisfaction.

The panel of judges commented that "a lot of work has gone into the energy management initiative. . . and that there was a great openness, a wide dissemination of research and a serious collaborative approach."

Since 2012, we have used a systematic approach to monitor and measure energy use throughout our Hong Kong portfolio. We have invested over HK\$6 million to install over 800 additional electricity meters in our buildings. Over 20 million sets of data are collected from our buildings in Hong Kong each day through our data acquisition systems. The data collected is analysed, allowing us to better understand energy use throughout our buildings, and helps us to identify energy-saving opportunities and set appropriate energy reduction targets. We also work closely with our suppliers and universities to conduct research on technologies and strategies to improve the energy performance of our buildings.



PERFORMANCE (ENVIRONMENT)

Monitoring-based Commissioning of Heating, Ventilation and Air Conditioning ("HVAC") Systems

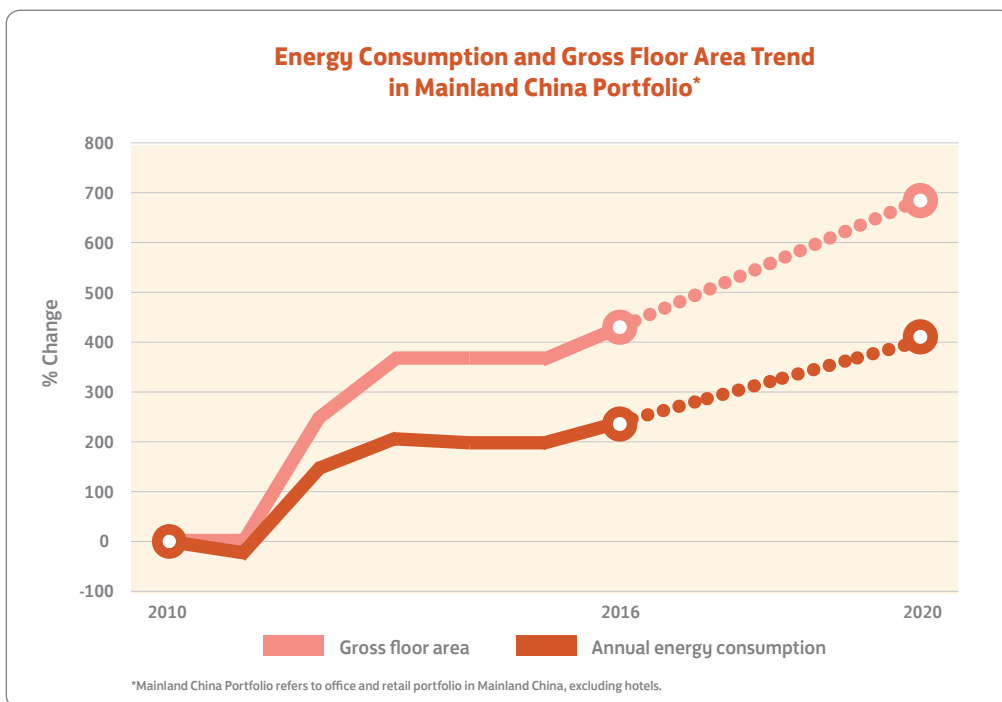
In order to understand detailed energy consumption patterns and enhance the system efficiency of our buildings, we intend to conduct monitoring-based commissioning of our HVAC systems. This will allow us to apply analytical methodologies for fault detection and diagnosis, measurement and verification, system performance evaluation and optimisation through an on-line automated tool. The system will automatically ensure high efficiency operation is maintained, resulting in energy savings.

In line with the reductions in our energy consumption between 2001 and 2016, our energy use intensity in our Hong Kong portfolio decreased over the same period by nearly 30.1% from 218kWh per square metre ("kWh/sqm") per year to 152 kWh/sqm per year.

Mainland China

As our Mainland China portfolio continues to grow, we have set an overall energy reduction target of 23 million kWh per year by 2020, from the amount in the first complete calendar year in which energy consumption data are collected from each project.

From 2010 to 2016, our energy intensity in our Mainland China portfolio decreased by nearly 32% from 156 kWh/sqm per year to 108 kWh/sqm per year.



PERFORMANCE (ENVIRONMENT)

Uptake of Renewable Energy

We installed solar photovoltaic ("PV") panels at INDIGO in Beijing and TaiKoo Hui in Guangzhou in 2016. We estimate that these panels will generate electricity of around 81,000 kWh per year.



Improving Management Systems

In 2016, our energy management systems in Taikoo Li Sanlitun, Beijing and TaiKoo Hui, Guangzhou achieved ISO 50001:2011 certification. The certifications reflect the systematic approach we take to managing and continuously improving our energy performance.

In 2016, we obtained the recertification of ISO 50001 and ISO 14001 for our energy and environmental management systems respectively in Citygate, Cityplaza, Pacific Place and Taikoo Place in Hong Kong. We believe that these management systems provide a robust framework for managing our environmental and energy performance.



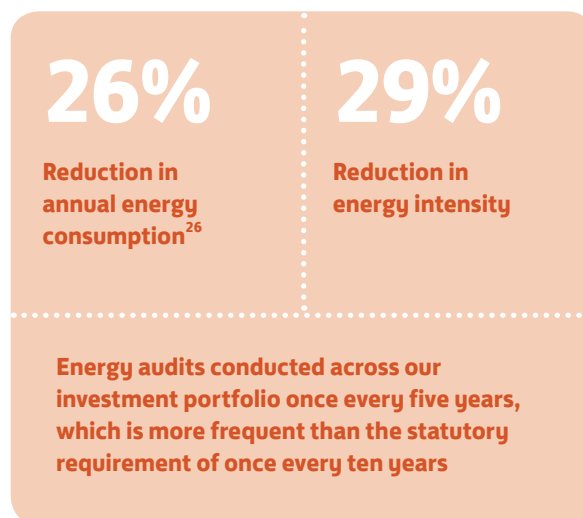
PERFORMANCE (ENVIRONMENT)

We provide free energy audits to a number of our tenants at Taikoo Li Sanlitun, Beijing and TaiKoo Hui, Guangzhou. Please refer to the **Partners** section for more details.

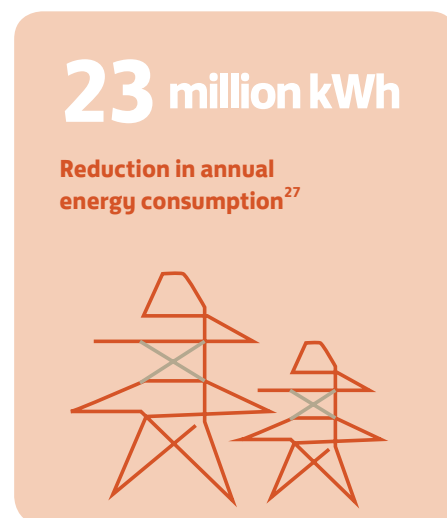
Building on our energy efficiency efforts, our SD 2030 Strategy includes energy commitments in the areas of energy reduction, renewable energy and intelligent energy and facility management systems.

Looking Forward: KPI Highlights for 2020

Hong Kong Portfolio



Mainland China Portfolio



We are developing our approach to, and strategy on renewable energy. We intend to increase the use of renewable energy in our buildings through on-site energy generation where possible, and using energy supplied from external renewable energy sources and other methods.

To strengthen our energy and facility management systems, we plan to develop an electronic facility management database that will cover all of our investment portfolio by 2020 and to provide an energy management automation platform in selected properties in Hong Kong and Mainland China by 2020.

²⁶ Compared with 2008 BAU levels; energy consumption refers to electricity consumption for the provision of shared services for and in the common parts of our buildings.

²⁷ Compared with the BAU amount in the first complete calendar year in which energy consumption data are collected from each project.

PERFORMANCE (ENVIRONMENT)

Waste

Reducing waste is a critical part of our efforts to optimise resource efficiency. As a property developer, we are committed to managing and reducing waste effectively across our operations — from design and construction to the daily management of our buildings.

Starting from late 2012, guided by the Environment Bureau's *Hong Kong Blueprint for Sustainable Use of Resources 2013-2022*, we began developing a 10-year waste management strategy for our commercial properties in Hong Kong.

Our 20-member waste management taskforce is responsible for developing and implementing our waste management strategy and related action plans. The taskforce, chaired by the General Manager of one of our Hong Kong portfolios, includes representatives from the technical services & sustainability department and portfolio management teams. The taskforce members communicate with our tenants regarding our waste management strategy and objectives and organise tenant recycling and reuse campaigns.

To help us manage waste effectively, we monitor and collect data on more than 20 waste types that we assist our tenants to recycle. In 2016, we conducted waste audits on two of our Hong Kong properties, expanding on audits completed in 2015. We are analysing this data to develop targeted waste reduction and recycling strategies as part of our 10-year waste management strategy.

EAST, Hong Kong Christmas Decorations

To celebrate the 2016 Christmas season in a more environmentally-friendly manner, for the fourth consecutive year EAST, Hong Kong used approximately 300 recycled wooden wine boxes and other recycled materials to create Christmas decorations for the hotel.



PERFORMANCE (ENVIRONMENT)

In 2016, we worked with three NGOs in Hong Kong Government-funded trial schemes to evaluate the type and amount of waste generated at Taikoo Place, Cityplaza, EAST, Hong Kong and 28 Hennessy Road. The trial schemes are expected to help us and our tenants prepare for the future implementation of municipal solid waste charging and promote waste reduction among our tenants.

We have carried out a wide range of recycling initiatives in our Hong Kong portfolios to help reduce waste. Initiatives ranged from paper recycling in our offices and soap and plastic bottle recycling in our hotels, to donating used mobile phones to NGOs. These initiatives provide us with opportunities to work with NGOs and engage employees and tenants in our sustainability objectives. In 2016, 3,317 tonnes of waste was recycled in our Hong Kong commercial portfolio.

Our Food Waste Recycling Journey

Our food waste recycling efforts began in 2005 when we first installed a food decomposer at one of our Hong Kong shopping malls, and subsequently at EAST, Hong Kong and Taikoo Place in 2010 and 2012 respectively. Since then, we have worked with Food Angel and the Foodlink Foundation to donate excess food to people in need.



From 2015, we began to work with food waste recyclers to convert food waste collected from Citygate Outlet's tenants into fish feed. This was extended in 2015/2016 to include tenants of Cityplaza, Taikoo Place and Pacific Place, where the food waste collected was converted into soil conditioner and fish feed.

In addition to our own food waste recycling programme, we also worked with the Hong Kong Government's Environmental Protection Department to implement the Food Waste Recycling Partnership Scheme for Cityplaza and Taikoo Place in 2016. This six-month programme provided participating tenants with guidelines on how to manage food waste, and required them to commit to separating food waste from general waste. The food waste collected was sent to the Kowloon Bay Pilot Composting Plant for composting. In 2016, 22 tenants participated in the programme, and over 160 tonnes of food waste was collected from tenants for composting.

PERFORMANCE (ENVIRONMENT)

As part of our SD 2030 Strategy, we plan to establish a waste management policy. In addition, we have established the following waste diversion targets for our Hong Kong portfolio by 2020:

Looking Forward: KPI Highlights for 2020

25%

Diversion rate for commercial waste for Hong Kong portfolio (including hotels)

80%

Diversion rate of demolition waste from landfills for Hong Kong projects under development

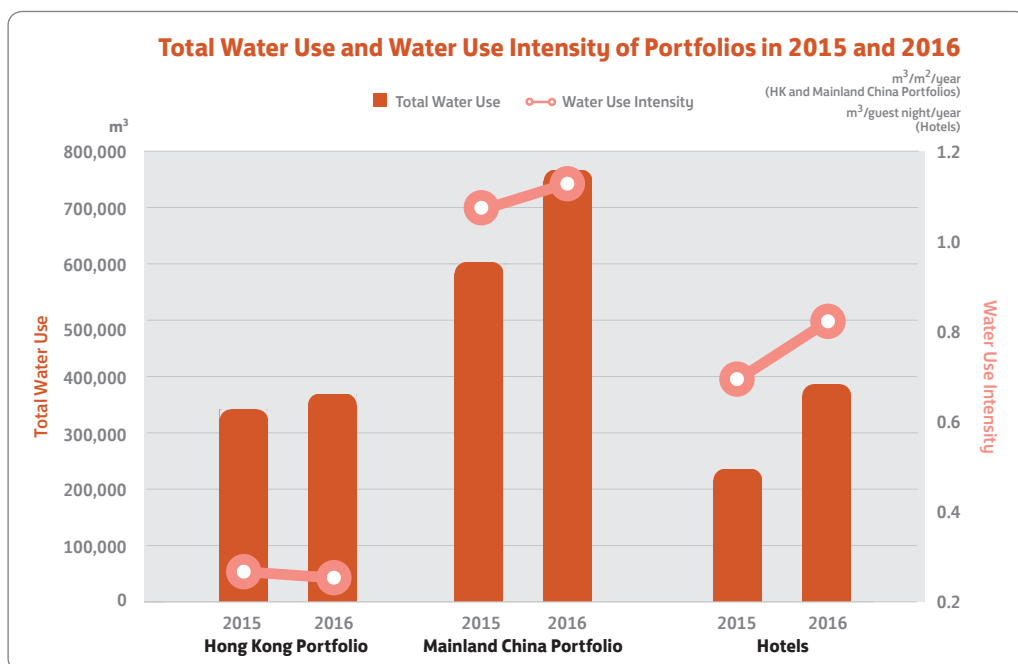
60%

Diversion rate of construction waste from landfills for Hong Kong projects under development

Water

We manage water across our portfolios with a view to reducing water consumption and increasing efficiency. We implement a wide range of water conservation initiatives in our buildings, including automatic taps, automatic flush water basins and urinals, and metering facilities to monitor our water consumption.

In 2016, the total water consumption in our Hong Kong portfolio²⁸ increased by 8.1%. The total water consumption in our Mainland China portfolio²⁹ and our hotels³⁰ increased as a result of the addition of Sino-Ocean Taikoo Li Chengdu and The Temple House hotel to our portfolio in 2016. As these new projects are still in their commissioning phase, we expect their water efficiency to improve over time.



28 In this "Water" section of the report, Hong Kong portfolio refers to office and retail portfolio in Hong Kong, excluding hotels.

29 In this "Water" section of the report, Mainland China portfolio refers to office and retail portfolio in Mainland China, excluding hotels.

30 In this "Water" section of the report, hotels refer to (i) The Upper House, Hong Kong, (ii) EAST, Hong Kong, (iii) The Opposite House, Beijing, (iv) EAST, Beijing, and (v) The Temple House, Chengdu.

PERFORMANCE (ENVIRONMENT)

Sustainable Bathrooms at TaiKoo Hui, Guangzhou, Mainland China

We recently installed low flush water toilets and water-free urinals in the male bathrooms in TaiKoo Hui, Guangzhou. The new toilets can reduce the volume of flush water by 5-8 litres per flush as compared to conventional toilets, and the water-free urinals are expected to save approximately 150 cubic metres of water annually.

Bathroom faucets are equipped with energy efficient hand dryers, eliminating paper use altogether. In addition, a grey water system designed to collect wastewater from sinks for reuse as flush water in the toilets is used.

With this new system, we target water savings of 1,080 cubic metres annually. Plans are currently underway to install similar upgrades in the women's bathrooms at TaiKoo Hui, Guangzhou.



Grey Water Treatment System Installed at Lincoln House, Taikoo Place, Hong Kong

In August 2016, we installed a grey water treatment system in Lincoln House, Taikoo Place in Hong Kong to reduce total water consumption. The wastewater collected from tenants' pantries undergoes biological microfiltration in a centralised mini-treatment plant located in the building. The resulting grey water is used for irrigation and to clean the car park at Taikoo Place.

From September to December 2016, we used approximately 15,500 litres of treated grey water for these activities, reducing our typical monthly consumption of irrigation and cleansing water by approximately 17%.

PERFORMANCE (ENVIRONMENT)

As part of our SD 2030 Strategy, we aim to strengthen our overall water management by establishing a water management policy by 2020. We also plan to undertake a water risk assessment by 2020 for our Mainland China portfolio that will aid us in our future planning and development.

Biodiversity

It is our policy to be a good steward of the natural resources and biodiversity under our influence and to manage all potential adverse impacts of our operations on the environment.

As an environmentally responsible developer, we seek to minimise and mitigate the impacts of our developments on natural habitats and biodiversity. We also strive to incorporate biodiversity considerations into our daily operations.

World Environment Day 2016

In support of World Environment Day, we organised a series of luncheon talks for our employees and others who we work with on Wildlife Crime. Experts from the World Wide Fund for Nature (“WWF”) Hong Kong and WWF China gave presentations at our Hong Kong and Mainland China offices on local and global issues related to the illegal wildlife trade and current efforts to resolve these issues.



Sustainable Seafood Wednesdays

We worked with WWF-Hong Kong to establish sustainable seafood Wednesdays at Feast (Food by East) at EAST, Hong Kong. Every Wednesday, Feast tailors its menu so that all of its seafood offerings are sustainable. All seafood ingredients on the menu are certified by the Marine Stewardship Council (MSC) or the Aquaculture Stewardship Council (ASC), or meet the sustainable seafood standards of the WWF-Hong Kong Seafood Guide.

PERFORMANCE (ENVIRONMENT)

As part of our 2030 Strategy, we intend to establish a biodiversity policy and to integrate biodiversity considerations into our new property developments by 2020.

Occupant Wellbeing

Health and wellbeing are one of the performance categories under the Places pillar of our SD 2030 Strategy. The work of the Performance (Environment) Working Group complements the work of the Places Working Group by concentrating its efforts on indoor air quality (“IAQ”).

We participate in the Hong Kong Green Organisation Certification (“HKGOC”) scheme organised by the Hong Kong Government’s Environment Campaign Committee. Under HKGOC, the IAQwi\$e Certification Scheme recognises organisations that have achieved specific improvements in indoor air quality. In 2016, Taikoo Place, Cityplaza, Pacific Place and Citygate received the highest level of recognition from the IAQwi\$e Label for their indoor air quality, obtaining an ‘Excellence’ class rating.

Partnering to Improve Air Quality

Since 2013, we have undertaken measures to improve the indoor air quality at our INDIGO mall in Beijing. In 2016, working with Tsinghua University, our technical team implemented strategies to minimise outside air infiltration and indoor/outdoor pressure differences.



Automatic shutters and doors were installed in underground parking and delivery areas respectively to prevent outdoor air from flowing into the mall, and electrostatic filters were installed to improve the performance of air handling units. As a result, we were able to reduce pollutant penetration and lower PM2.5 (fine particulate matter) concentrations within the mall. A subsequent survey conducted by a social media platform of 24 malls in Beijing indicated that INDIGO was one of the two malls in Beijing with the lowest PM2.5 concentrations.



PERFORMANCE (ENVIRONMENT)

As part of our 2030 Strategy, we plan to conduct occupant wellbeing surveys in our office, retail and hotel properties by 2020. In addition, we are undertaking research on reducing indoor PM2.5 concentrations. We have established a target of having the common areas of 80% of our buildings in Hong Kong and Mainland China achieve IAQ 'Excellence' class under the IAQwi\$e Certification Scheme and Mainland China IAQ standard respectively by 2020.

Building/Asset Investments

We support building rating schemes that measure the environmental impacts of buildings and provide benchmarks and objective standards against which we can measure our performance.

As part of achieving our sustainability objectives, we employ an integrated design approach to our projects, which requires members of the project team to work collaboratively on the planning, design and construction of our buildings. Please refer to the **Sustainable Development in Action: Taikoo Place Redevelopment** section of this report for a detailed description of our integrated design approach.

At 31st December 2016, 32 of our buildings³¹ had BEAM or BEAM Plus certifications. Twenty of them had a Final Platinum rating. Twelve of our buildings had LEED certifications. Sino-Ocean Taikoo Li Chengdu, Mainland China and Brickell City Centre, Miami, U.S.A., achieved gold ratings under LEED for Neighborhood Development (Stage 2). In addition, five of our buildings in Mainland China obtained the China Green Building Design Label.

Green Buildings Certified in 2016

BEAM Plus

• WHITESANDS	Final Platinum
• Taikoo Place Apartments	Final Gold
• Office development project at Wong Chuk Hang	Provisional Gold
• Fit-out of Cityplaza management office	Final Platinum (BEAM Plus Interiors)

LEED

• Fit-out of Cityplaza management office	Final Platinum (LEED 2009 for Commercial Interiors)
• Brickell City Centre, Miami, U.S.A.	Gold (LEED 2009 for Neighborhood Development Stage 2)

China Green Building Design Label

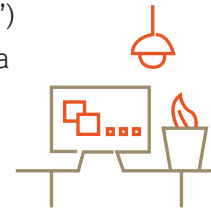
• Pinnacle One, Sino-Ocean Taikoo Li Chengdu	China Green Building Design Label 2-Star Rating
• T3 and T6 Hotels, HKRI Taikoo Hui, Shanghai	China Green Building Design Label 2-Star Rating

³¹ "Buildings" for this purpose refers to buildings which were built after BEAM was established in 1996 and which are either managed or at least half owned by Swire Properties. Small-scale low-rise buildings in the same development, WHITESANDS for example, are counted as one building and not as individual buildings.

PERFORMANCE (ENVIRONMENT)

Green Fit-Out for New Cityplaza Management Office

With the relocation of the Cityplaza management office (“CPMO”) from One Island East to a new office on the 16th floor of Cityplaza Four, we adopted a range of measures during the fit-out process to improve the sustainability of the office. The office’s open-plan design is intended to maximise natural light, and motion and daylight sensors were used to minimise the need for artificial lighting.

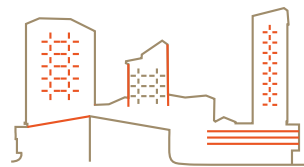


We improved the ventilation and reduced the room temperature during the fit-out process, by using an award-winning portable ventilation device designed by the technical team at Cityplaza. We also tried to minimise waste by recycling construction waste. Over 80% of the materials and equipment we purchased were either certified as green products by reputable independent third-party organisations, or reused from the previous office space. In 2016, the new CPMO office achieved a Platinum rating under both BEAM Plus Interiors and LEED 2009 for Commercial Interiors.



Brickell City Centre Obtains LEED-Neighborhood Development (“ND”) Gold Plan Rating

In 2016, Brickell City Centre, Miami, U.S.A. obtained a LEED-ND Gold Plan rating under the Neighborhood Development scheme, and was awarded six out of six points in the ‘Innovation’ category. A highlight of Brickell City Centre is its state-of-the-art Climate Ribbon™ — an innovative sustainability feature comprising an elevated trellis of steel, glass and canvas — which serves as a sunshade, creating air flow and collecting rainwater, while allowing the shopping centre at Brickell City Centre to be open-air and naturally lit. All of Brickell City Centre’s eight buildings are expected to obtain LEED certification, with five targeting LEED Gold certification and the three retail blocks targeting LEED Silver Certification.



PERFORMANCE (ENVIRONMENT)

Under our SD 2030 Strategy, we are targeting to achieve the highest environmental building assessment ratings (BEAM Plus / LEED / China Green Building Design Label / WELL Certification) for all of our projects currently under development by 2020.

Winner of the Grand Award in the Green Building Leadership Category

In 2016, we were one of two recipients of the Grand Award in the new Green Building Leadership Category in the Green Building Awards, awarded biennially by the Hong Kong Green Building Council and the Professional Green Building Council. The theme of the 2016 Green Building Awards was "Driving for Green Lifestyle, Excellence in Sustainable Built Environment". Over 70 projects were selected as finalists. The Green Building Leadership Award recognises the role of organisations that have made a leading contribution to Hong Kong's sustainable built environment.



The panel praised Swire Properties' integrated design approach and our knowledge-based energy management system, and commented that we apply "real operational data from other existing buildings to build up key performance indicators for new developments." The panel also recognised our "long-time and continuous commitment to the goals and policies of sustainable development" and stated that Swire Properties is a "significant leader in promoting environmental excellence."

Our Director and Senior Advisor, Elizabeth Kok, accepted the award on behalf of Swire Properties and told the audience at the ceremony that "we are very excited for the future — right now, we are formulating our SD strategy to address and manage our environmental, social and economic impacts up to 2030. As always, we are looking forward, and we plan to continue our leadership in sustainable development in the years ahead."



PERFORMANCE (ECONOMIC)

We aim to deliver sustainable economic performance coupled with good corporate governance and high ethical standards.





We believe that long-term value creation depends on the sustainable development of our business. We aim to deliver sustainable economic performance coupled with good corporate governance and high ethical standards.

Implementing our SD 2030 Strategy

Our Performance (Economic) Working Group is chaired by our Finance Director. It consists of 12 representatives from various business functions within Swire Properties, including finance, legal, digital marketing, public affairs, residential, blueprint and technical services & sustainability.



PERFORMANCE (ECONOMIC)

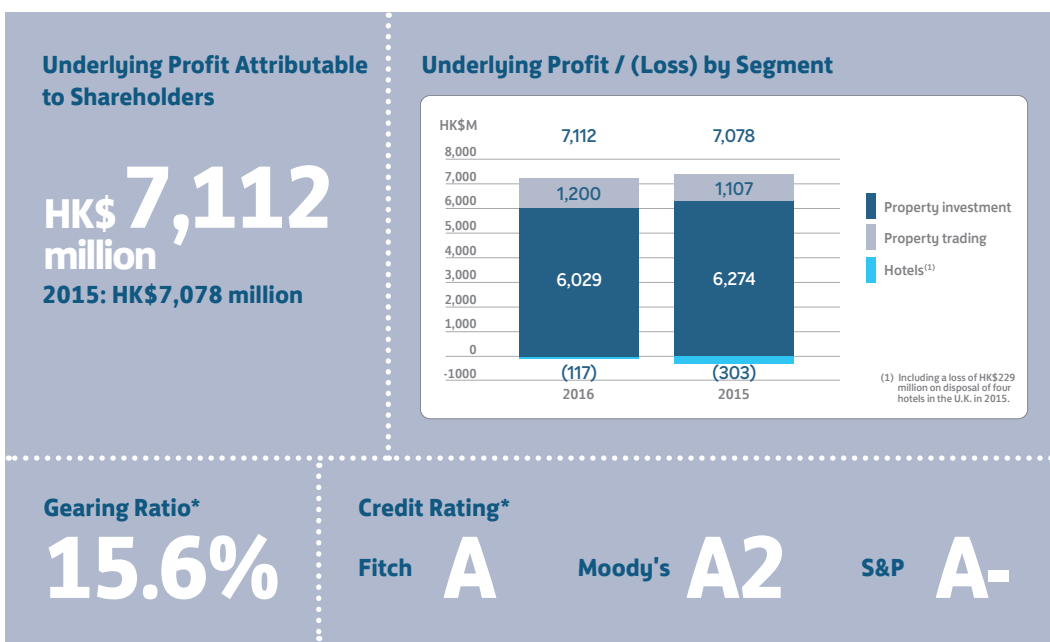
The Performance (Economic) Working Group comprises six sub-groups reflecting the six focus areas of the Performance (Economic) pillar. The table below illustrates the focus areas, performance categories and KPIs under this pillar.

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Financial Performance	• Underlying Profit	For details of our financial performance in the year ended 31st December 2016, including key business strategies and review of operations, please refer to the Swire Properties Annual Report 2016
	• Dividends	
	• Gearing Ratio / Credit Rating	
	• Percentage of Trading Income versus Rental Income	
SD/Green Financing	• SD/Green Bonds	Explore the applicability of green bonds to our financing
	• Internal Fund	Assess the feasibility of establishing a SD internal fund
	• Venture Investment	Support small businesses, innovative ideas, and innovation through blueprint initiatives
Corporate Governance	• Whistleblowing Policy	Follow best practice whistleblowing policy
	• Anti-bribery & Anti-corruption	Annual bribery and corruption risk review by the Executive Committee
	• Responsible Investment	Incorporate environmental, social and governance (“ESG”) / SD criteria into investment assessment process
	• Executive Compensation	Continually review executive compensation through the Remuneration Committee
	• External SD Advisory Committee	Establish external SD Advisory Committee
Risk Management	• Enterprise Risk Management (“ERM”) System	Review ERM system, including corporate risk identification, review and mitigation processes Integrate SD factors into corporate risk analysis
	• Business Recovery Plan (“BRP”)	Conduct a BRP drill exercise once every two years or on an as-needed basis
		Ensure all portfolios outside of Hong Kong have local crisis response plans in place

PERFORMANCE (ECONOMIC)

FOCUS AREAS	PERFORMANCE CATEGORIES	2020 KPI
Disclosure & Reporting	• Integrated Reporting	Review International Integrated Reporting Council (“IIRC”) framework and assess applicability for future reporting by the Company
	• Disclosure Benchmarks & SD Indices	Disclose SD information in accordance with requirements of relevant major global sustainability benchmarks
Investor Relations	• Direct	Meet regularly with investors specialising in ESG investments
	• Indirect	Actively participate in investor-led ESG platforms

Financial Highlights



*At 31st December 2016

PERFORMANCE (ECONOMIC)

Financial Performance

For details of our financial performance, including our key business strategies and a review of our operations, please see the Swire Properties Annual Report 2016, which is available on our Company [website](#).

SD/Green Financing

SD/Green Bonds and Internal Fund

We support the view expressed in the May 2016 report of the Hong Kong Financial Services Development Council, which identified green finance as a “significant opportunity” for Hong Kong. As part of our SD 2030 Strategy, we will explore the applicability of green bonds to our financing. We are also assessing the feasibility of establishing a sustainable development internal fund to support our future sustainable development initiatives.

Venture Investment

Now in its third year, our blueprint project comprises a B2B-focused accelerator programme and a 10,000+ square foot co-working and event space in Cornwall House, located in Taikoo Place, Hong Kong. Each year, blueprint offers 10 new start-up companies free workspace, professional support, mentoring opportunities and interaction with other entrepreneurs. Through blueprint, we will continue to support small business and innovation.

Corporate Governance

We are committed to ensuring that our affairs are conducted in accordance with high ethical standards. This reflects our belief that, in the achievement of our long-term objectives, it is imperative to act with probity, transparency and accountability. By doing so, we believe that shareholder wealth will be maximised in the long term and that our employees, those with whom we do business and the communities in which we operate will all benefit.

PERFORMANCE (ECONOMIC)

The Swire Properties Board of Directors is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- Satisfactory and sustainable returns to shareholders;
- That the interests of those who deal with the Company are safeguarded;
- That overall business risk is understood and managed appropriately;
- The delivery of high-quality products and services to the satisfaction of customers; and
- That high standards of ethics are maintained.

Our Chairman is responsible for ensuring, through the Board, that good corporate governance practices and procedures are followed. Our Audit Committee, consisting of three Non-Executive Directors, is responsible for assisting the Board in discharging its responsibilities for corporate governance.

More information about the composition and roles of our Directors can be found in the Swire Properties Annual Report 2016.

The Swire Properties Corporate Code of Conduct (“the Code”) sets out our operating principles and applies to employees, officers and directors of Swire Properties and its subsidiaries. It includes our principles on business ethics, conflicts of interest, competition and antitrust, bribery, procurement, record keeping, health and safety and the environment, equal opportunities, diversity and respect in the workforce, privacy and whistleblowing. All employees are expected to comply with the Code, and individuals who breach the Code will be subject to disciplinary action.

It is our policy not to make political contributions. Our employees are required to declare gifts received from vendors and clients in accordance with our Corporate Code of Conduct. We respect property rights (including intellectual property rights) and require our employees to comply with applicable legal requirements relating to the collection, holding, processing, disclosure and use of personal data, and to respect the privacy of others and the confidentiality of information received in the course of business.

We are committed to ensuring that our marketing and communications materials are in compliance with relevant government regulations and industry guidelines, including the Residential Properties (First-hand Sales) Ordinance and the Consent Scheme of the Hong Kong Lands Department.

PERFORMANCE (ECONOMIC)

Whistleblowing Policy

Our Corporate Code of Conduct clearly states that all employees, officers and directors of Swire Properties and its subsidiaries have a responsibility to raise concerns about potential violations of the Corporate Code of Conduct, including possible improprieties in financial reporting and internal controls. We have established a process to ensure that concerns raised by employees will be handled appropriately. We also publish on our Company [website](#) a separate set of procedures which those who deal with Swire Properties can use to report concerns about improprieties relating to Swire Properties.

It is our intention to review and make any necessary revisions to our whistleblowing policy to ensure that it is in line with best practices.

Anti-bribery and Anti-corruption

In 2016, there were no concluded legal cases in relation to corruption in our operations.

We intend to reinforce our management of bribery and corruption risks by ensuring that our Executive Committee undertakes an annual bribery and corruption risk review.

Responsible Investment

We aim to incorporate environmental, social, governance and other SD criteria in our investment assessment process by 2020.

Executive Compensation

We recognise the importance of having a formal and transparent procedure for developing the remuneration policy of our directors and senior management. Our Remuneration Committee exercises the powers of the Board to determine the remuneration packages of individual Executive Directors and individual members of senior management, taking into consideration salaries paid by comparable companies, time commitments and responsibilities and employment conditions elsewhere in the Swire Properties group. Further details of our Remuneration Committee can be found in the Swire Properties Annual Report 2016.

We will continually review executive compensation through our Remuneration Committee.

PERFORMANCE (ECONOMIC)

External SD Advisory Committee

We plan to establish an external SD advisory committee by 2020. We believe that this will allow us to discuss and share updates on key developments on sustainable development, research and best practices with important external parties such as industry or SD experts, with a view to helping us further develop our SD strategy and our SD performance.

Risk Management

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving Swire Properties' strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems.

The Board and management are responsible for identifying and analysing the risks underlying the achievement of business objectives, and for determining how such risks should be managed and mitigated. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems, and management provides confirmation to the Board on the effectiveness of these systems.

The management of risks is subject to audit by the Internal Audit department of the Swire group, with support from specialist external consultants where necessary.

Further discussion of risk management is set out in the sections of the Corporate Governance Report headed "Accountability and Audit – Risk Management and Internal Control", "Audit Committee – Assessing the Effectiveness of Risk Management and Internal Control Systems" and "Internal Audit Department – Scope of Work" in the Swire Properties Annual Report 2016.

Swire Properties' approach to financial risk management is discussed in the financial statements set out in the Swire Properties Annual Report 2016.

Executive Committee

The Executive Committee meets twice a month and is responsible for overseeing the day-to-day operations of Swire Properties. It comprises two Executive Directors and eight members of senior management. The Chief Executive chairs the Executive Committee.

The Executive Committee provides oversight of all the risks to which the Company is subject and is responsible for the design, implementation and monitoring of the relevant risk management and internal control systems of Swire Properties. Matters of significance that arise are reported as appropriate to the Board.

PERFORMANCE (ECONOMIC)

Enterprise Risk Management System

Our risk management systems are designed to identify and manage the risk of failure to achieve business objectives. We have processes and procedures in place for the identification, analysis and management of risks in our operations. Such processes are undertaken on a regular basis throughout the year and their results help guide our business decisions.

By 2020, we aim to review our ERM system, including the process for corporate risk identification, review and mitigation. We also intend to integrate SD into our corporate risk analysis by 2020.

Business Recovery Plan

Our BRP has been in place since 1997. This enables us to maintain crisis planning and execution capabilities in response to major incidents. We use mobile apps and digital platforms to maintain lines of communication during a crisis event, and periodically carry out crisis simulation exercises to test, refine and improve management systems.

By 2020, we aim to conduct a BRP drill exercise once every two years or on an as-needed basis. We also intend to ensure that all portfolios outside of Hong Kong will have local crisis response plans in place.

Disclosure and Reporting

Integrated Reporting

We are observing a trend in the international business community towards integrated reporting, a term defined by the IIRC as “an evolution of corporate reporting, with a focus on conciseness, strategic relevance and future orientation.”

By 2020, we will review the IIRC framework and assess whether to apply it to our reporting processes and formats.

PERFORMANCE (ECONOMIC)

Disclosure benchmarks and SD indices

In 2016, we were listed in five leading global or regional sustainability indices or rankings, including the Dow Jones Sustainability Asia Pacific Index, the Hang Seng Corporate Sustainability Index and, for the first time, the FTSE4Good Index.

The 2016 Channel NewsAsia Sustainability Ranking recognised us as one of the 100 most sustainable corporations in Asia and one of the top three sustainable corporations in Hong Kong.

Our SD performance was recognised as being within the top 15% of companies in the real estate industry globally, according to RobecoSAM's *The Sustainability Yearbook 2017*.

By 2020, we intend to disclose SD information in accordance with the requirements of relevant major global sustainability benchmarks.

Investor Relations

We believe that communication with shareholders is essential to helping us achieve sustainable growth in shareholder value in the long term.

By 2020, we intend to hold regular meetings with investors specialising in ESG investments. We will actively participate in investor-led ESG platforms.

SUSTAINABLE DEVELOPMENT IN ACTION: TAIKOO PLACE REDEVELOPMENT

Through this project, we aspire to create a more connected commercial centre featuring high performance, sustainable buildings and green spaces while retaining the neighbourhood's distinctive character.





* Artist impression only

SUSTAINABLE DEVELOPMENT IN ACTION: Taikoo Place Redevelopment

The redevelopment of Taikoo Place is a milestone project for Swire Properties. It exemplifies our SD 2030 Strategy and our aim to continue to transform places by creating and re-creating spaces that benefit our evolving communities.

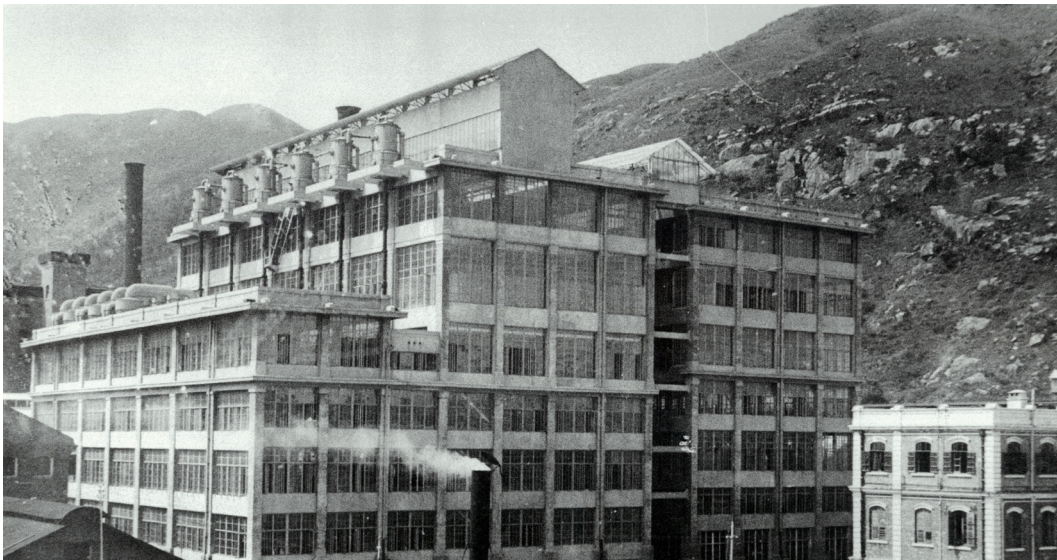
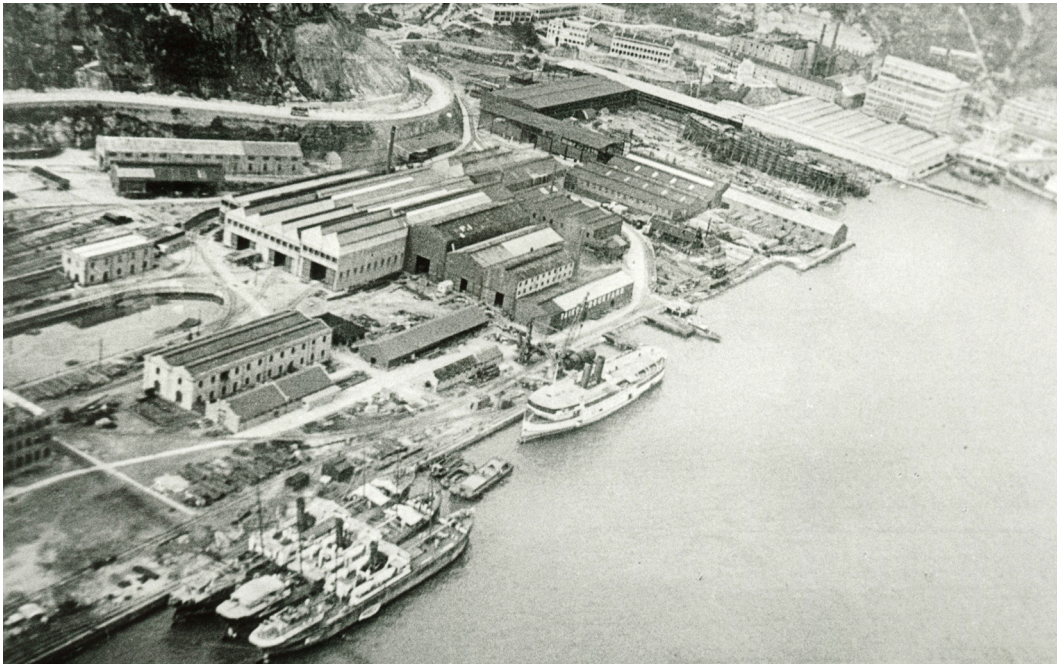
Our vision for Taikoo Place is to create a more connected, pedestrian-friendly commercial centre with innovative, high performance sustainable buildings and green open spaces. We aim to improve the environment and enhance the community while retaining its distinctive character, underscoring our commitment to making and keeping great places.

We believe that the redevelopment of Taikoo Place will bring us closer to our goal of being at the forefront of sustainable development in our industry globally by 2030.

History: From Dockyard to Business Hub

Home to Swire for over 100 years, Quarry Bay, in the Eastern District of the Hong Kong Island, holds special meaning for us. The office towers in the area that make up Taikoo Place today are located on the site of the old Taikoo Sugar Refinery and Docklands, established by John Swire & Sons at the beginning of the 20th century. When the docks were decommissioned in the early 1970s, Swire Properties led the transformation of the neighbourhood from an industrial port complex into the commercial centre that it is today.

Our long-term vision for Taikoo Place is guided by our SD 2030 Strategy and our belief that long-term value creation depends upon the sustainable development of our business and the communities in which we operate.



Taikoo Place Today

Taikoo Place is currently home to over 300 international companies. Anchored by the two Mass Transit Railway stations of Quarry Bay and Tai Koo, the development serves over 26,000 office workers with a wide range of restaurants, cafés and other amenities. Existing buildings are connected by elevated walkways, which help ensure the safety of pedestrians and preserve surface areas for urban gardens and open space on the ground.

Taikoo Place hosts a wide variety of community events. In collaboration with social enterprise Honestly Green, we launched the Tong Chong Street Market in 2015 with the objective of providing a place to purchase locally grown organic food and increasing awareness of food sustainability. The market offers a variety of fresh produce and other foodstuffs, including health foods, baked goods and local organic seasonal produce sold by local food vendors and entrepreneurs. Building on the success of our Tong Chong Street Market, we have begun to host the Brickell City Centre Farmers Market in the Brickell area of Miami, U.S.A.

Artworks from local and international artists are situated in the lobbies of the buildings of Taikoo Place. These provide visual interest and enjoyment to passers-by.

Taikoo Place is also home to ArtisTree, an acclaimed multi-purpose event space that hosts a wide variety of arts and cultural activities throughout the year.

Together, these cultural amenities create a vibrant mixed-use commercial district, which is integrated into the community and surrounding neighbourhoods.



Taikoo Place Redevelopment: A Vision for 2021

We have adopted a creative and long-term approach to the redevelopment of Taikoo Place, with the objective of creating sustainable value for our community and our shareholders. Working with international architects and renowned design firms, we produced a redevelopment plan that we believe will enhance the existing commercial centre and significantly improve the district's environment.

The Taikoo Place redevelopment involves the phased construction of two triple Grade-A office towers, an elevated air-conditioned walkway linking the surrounding buildings, and the addition of two new public open spaces with outdoor seating and streetscape enhancements.



Taikoo Place is already home to a significant number of multinational corporations, and with our ongoing investments, we aspire to build an open and vibrant mixed-use community here that will reshape the city's office landscape. The redevelopment will not only elevate Taikoo Place's status as a world-class commercial hub, but will provide an attractive alternative to Central.

Don Taylor

Director, Office

Swire Properties



Phase I of the project entails the demolition of Somerset House (completed in 2014) and the construction of One Taikoo Place, a 48-storey office tower above a two-storey basement, targeted for completion in 2018.

Phase II of the project is targeted for completion in 2021 or 2022. This will involve the demolition of Cornwall House and Warwick House and the construction of Two Taikoo Place. Also included in Phase II are the construction of the elevated walkway and two public green spaces, Taikoo Garden and Taikoo Square.

Our Taikoo Place redevelopment project exemplifies many important elements of our SD 2030 Strategy.

PLACES



- **Connecting Places:** Pedestrian-friendly, elevated walkways and improved streetscapes will enhance existing connections to surrounding buildings and transport hubs.
- **Liveability:** Inviting green spaces and outdoor seating areas will offer places for people to gather, and have been carefully designed and positioned to reduce urban heat island effects and improve micro-climate.
- **Natural Ventilation:** Buildings have been situated to create new wind corridors that will introduce natural ventilation and cooling breezes.

PERFORMANCE (ENVIRONMENT)



- **Capitalising on Data Analytics:** Analysis of over 10 years of energy data collected from our portfolios will make it possible to achieve energy savings of up to 9.7% at One Taikoo Place through implementation of an efficient and highly optimised chiller control system.
- **Waste to Energy:** A bio-diesel tri-generation and adsorption chiller system will supply combined heating, cooling and power generation, contributing up to 2% of building energy. Used cooking oil generated by tenants will be converted into biodiesel by third-party recyclers to help power the system.
- **Green Technology:** Air handling units with electrically-commutated (EC) plug fans will be adopted to achieve greater reliability and energy savings of 5.7% in our building cooling systems.
- **Optimising Resource Efficiency:** Reuse of approximately 1/3 of existing caisson pilings in the new building foundation will save approximately 1,400m³ of concrete, 54,300kg of rebar and 10,100 GJ of embodied energy.

PARTNERS



- **Integrated Design Approach:** The project team has worked collaboratively from the outset to achieve sustainability goals. Applying a life cycle approach, the project team has taken into account not only the design and construction of the building but also how it will be operated and maintained in the future.
- **Partnering on Innovation:** We are working closely with the National University of Singapore and the Hong Kong Polytechnic University to implement a dual-level roof fitted with a combined green roof and solar PV system. This is expected to be one of the first commercial projects in Hong Kong to adopt a combined roof system.

PEOPLE

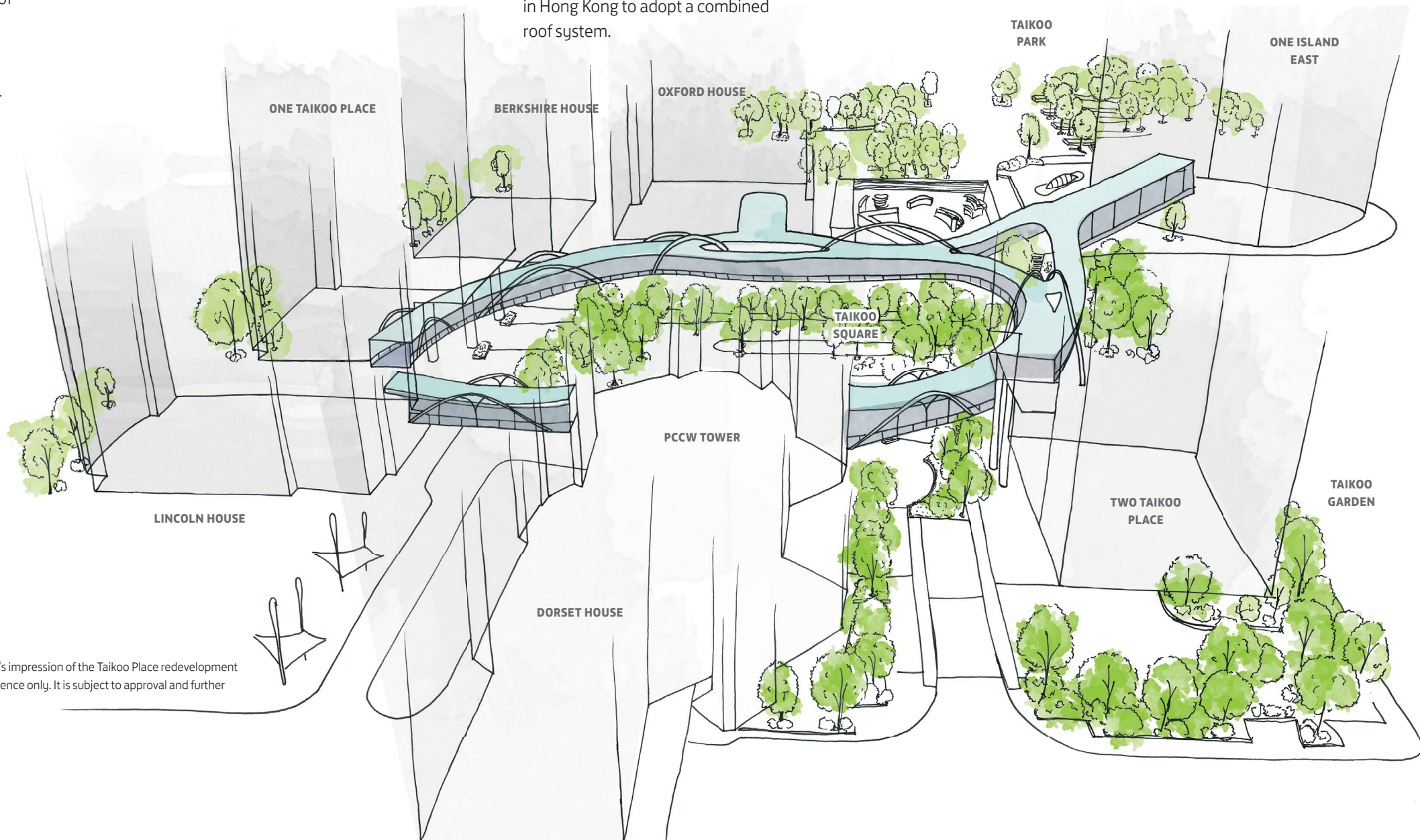


- **Employee Contributions:** In 2016, the Hong Kong Labour Department and Occupational Safety & Health Council awarded a senior building supervisor at Taikoo Place a merit award in recognition for his work on the trial and development of our e-patrol security system.

PERFORMANCE (ECONOMIC)



- **Long-term Investment:** The Taikoo Place redevelopment represents a HK\$15 billion investment. Together, the two new buildings will offer approximately 2 million sq ft of new Grade-A office space.

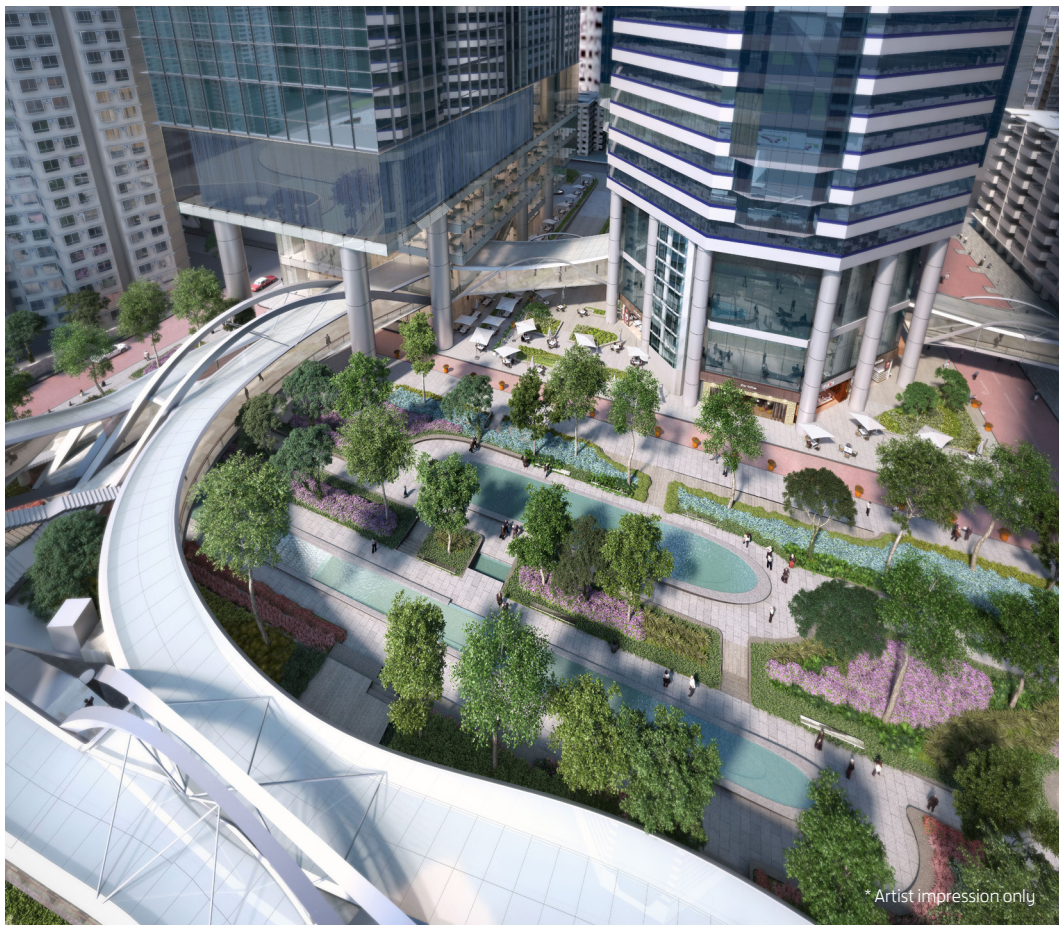


The above graphic is an artist's impression of the Taikoo Place redevelopment and is shown for general reference only. It is subject to approval and further revision.

Connecting Places, Strengthening Communities

Making and keeping great places is central to our SD 2030 Strategy and is a primary focus of the Taikoo Place redevelopment project. A combination of pedestrian-friendly elevated walkways and improved streetscapes will strengthen existing connections to surrounding buildings and transport hubs. Open green spaces will complement the commercial district, while additional public spaces and outdoor seating areas will offer places for people to gather, or serve as venues for community events.

Careful consideration was given to site design and layout to ensure that the redevelopment is appropriately scaled with green and open spaces that contribute positively to the community and to the environment. Green spaces and plantings were designed and positioned to reduce urban heat island effects and improve micro-climate comfort. We also employed extensive building modelling, which allows us to situate buildings to create new wind corridors that will introduce natural ventilation and cooling breezes in the neighbourhood.



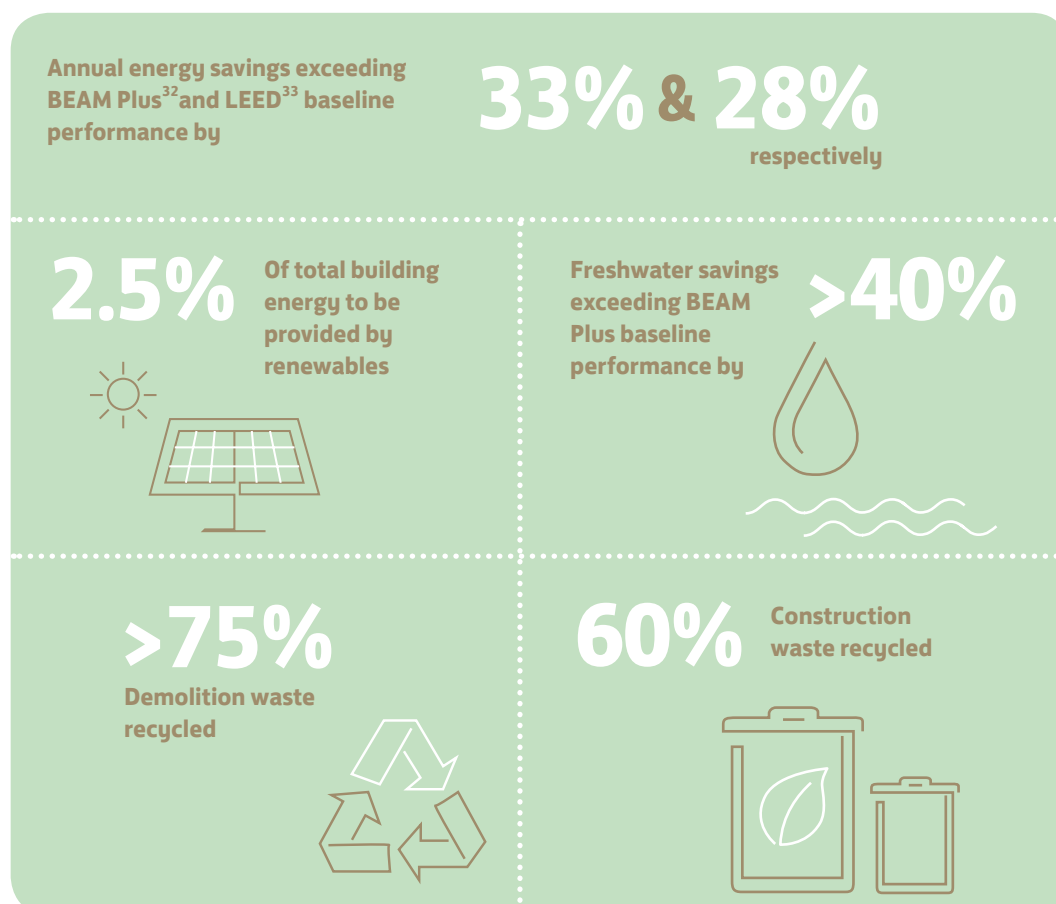
Focus on One Taikoo Place

One Taikoo Place is designed to high standards and is targeted to obtain BEAM Plus and LEED Platinum ratings. It has incorporated, from its initial conception to its design and construction, the concepts of innovation and experimentation that underpin our SD 2030 Strategy. We have sought to expand our focus beyond the direct impact of the building and to reduce climate change impacts and optimise resource efficiency.



Artist impression only

Sustainability Targets:



32 Based on Building Energy Code ("BEC") 2012 Edition as baseline.

33 Based on ASHRAE 90.1 2007 as baseline (LEED 2009 for Core and Shell Development).

Integrated Design Approach:

In order to achieve our sustainability objectives, we have adopted an integrated design approach. This requires members of the project team, namely architects, designers, engineers, our projects, leasing, technical and sustainability teams and other relevant persons, to work together from the outset to achieve the required sustainability goals. At the earliest stages of project development, the project team members worked with one another to consider the entire building and its systems throughout its life cycle. This approach allows us to take into account not only the design and construction of the building, but also how it will be operated and maintained in the future. This collaborative approach and emphasis on communication will continue throughout the duration of the project.



The concept of integrated design is based on a pro-active versus reactive approach. The team, working collaboratively from the outset, is able to identify and resolve potential design and construction issues before they arise. This holistic and coordinated approach is tremendously efficient and lends itself to creativity and innovation, bringing inestimable value to the project.

Lam Wo Hei

Principal Consultant

Wong & Ouyang (HK) Ltd.



Energy Saving Strategies:

As part of our SD 2030 Strategy to continually improve our environmental performance and optimise resources and efficiency, we are implementing best practices and innovative technologies to create a high performance green building.

We are adopting a wide range of energy saving strategies that seek to improve building energy performance and enhance the overall site.

Highlights:

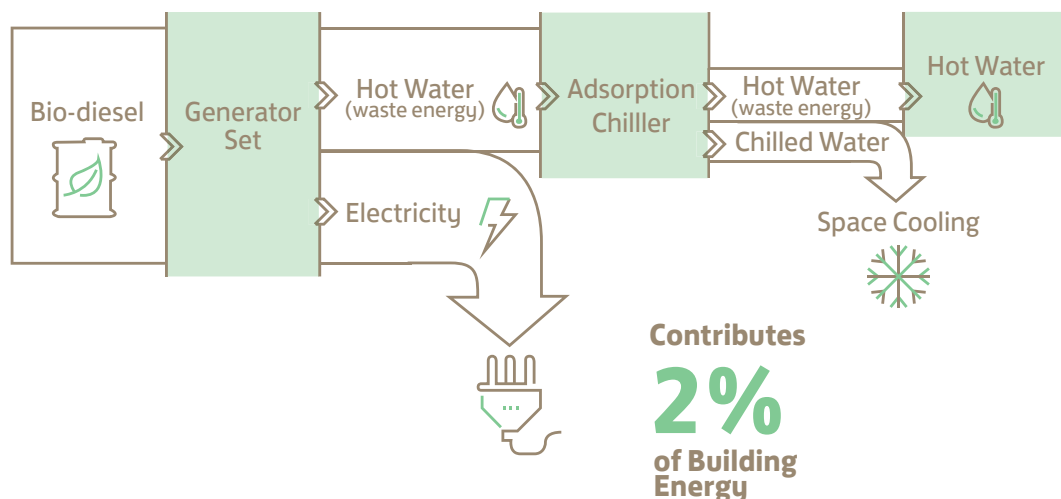
Chiller Optimisation (Energy Savings of 9.7%):³⁴ Capitalising on Data Analytics

One Taikoo Place will have an efficient and highly optimised chiller control system made possible by the use of powerful data analytics. As a result of 10 years of data collection, we have an extensive pool of energy data for commercial buildings similar to One Taikoo Place. Working with our internal technical and sustainability teams, consultants and chiller manufacturer, we have been able to use this data to develop a chiller with customised parameters that will achieve significant energy savings.

Biodiesel Tri-Generation and Adsorption Chiller (Contributes 2% of Building Energy):³⁴ Making Waste to Energy Work

A tri-generation system will supply combined heating, cooling and power generation to One Taikoo Place. Waste heat from electricity generation will drive the adsorption chiller, which provides chilled water for the building's cooling and dehumidification systems.

Since 2009, we have been working with recyclers to introduce a used cooking oil recycling programme for our restaurant tenants. Oil generated by our tenants is collected and delivered by third-party recyclers to local biofuel plants for conversion into biodiesel. Biodiesel purchased from these plants will be used to power the tri-generation system. This closed loop waste-to-energy system will save energy, reduce fuel transportation-related impacts and reduce greenhouse gas emissions.



³⁴ Energy savings calculated using BEC 2012 Edition as baseline.

Energy Efficient Lighting and Control Systems (Energy Savings of 10.8%):³⁵

Searching for Efficiencies

One Taikoo Place will use high efficiency lighting control systems. Working closely with lighting designers and suppliers, we will use a lighting system with high efficiency luminaires that contain nano-coatings to increase lighting efficiency. Together with optimised lighting arrangements, the high efficiency luminaires are expected to result in a savings in light power at a level which is over 30% of that required by BEC 2012 Edition.

The building will be fitted with occupancy sensors that automatically switch off lights in unoccupied areas. In addition, when natural light is sufficient, the artificial lighting will dim to maintain a constant level of light in hallways and offices. Wireless lighting control systems will minimise wiring and allow building occupants to custom design lighting controls. The high-performance lighting system is expected to reduce total building energy use by 10.8% and reduce overall building cooling load.

Air Handling Unit with Electrically Commutated (“EC”) Plug Fan (Energy Savings of 5.7%): ³⁵Leading the Way for Green Technology

Instead of using conventional fans in air-handling units to drive building cooling systems, we will install EC plug fans on each floor of One Taikoo Place. Each air-handling unit will comprise four smaller EC plug fans (instead of one single fan) that will provide greater efficiency and reliability than conventional fans, resulting in significant energy savings. Air-handling units with EC plug fans were not commercially available in Hong Kong during the project design phase. As a result, we worked closely with suppliers to bring this new technology to One Taikoo Place and the Hong Kong market.

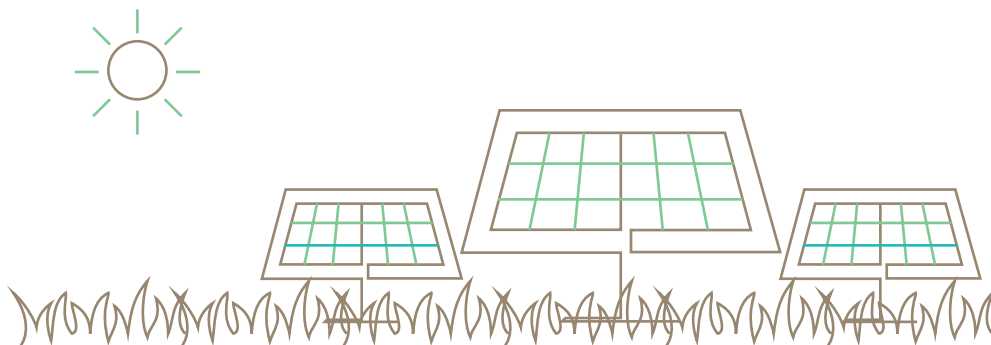
³⁵ Energy savings calculated using BEC 2012 Edition as baseline.

Combined PV System and Green Roof: Partnering on Innovation

One Taikoo Place will feature an innovative dual-level roof fitted with a combined green roof and solar PV system. The green roof will be planted on the main roof, and a PV array will be installed on the upper roof directly above the main roof.

The integration of the green roof and solar PV system on a dual level roof maximises limited roof space and enhances the functioning of each system. The vegetation on the green roof will insulate the roof from the sun's heat, reducing building energy use associated with cooling loads. It will also serve to cool the solar PV system above, increasing the system's efficiency. In turn, the solar PV system will provide shade for the vegetation below.

We are working closely with the National University of Singapore and the Hong Kong Polytechnic University to implement this combined roof system and to carry out research to assess its effectiveness. This is expected to be one of the first commercial projects in Hong Kong to adopt a combined roof system.



Materials and Resources: Optimising Resource Efficiency

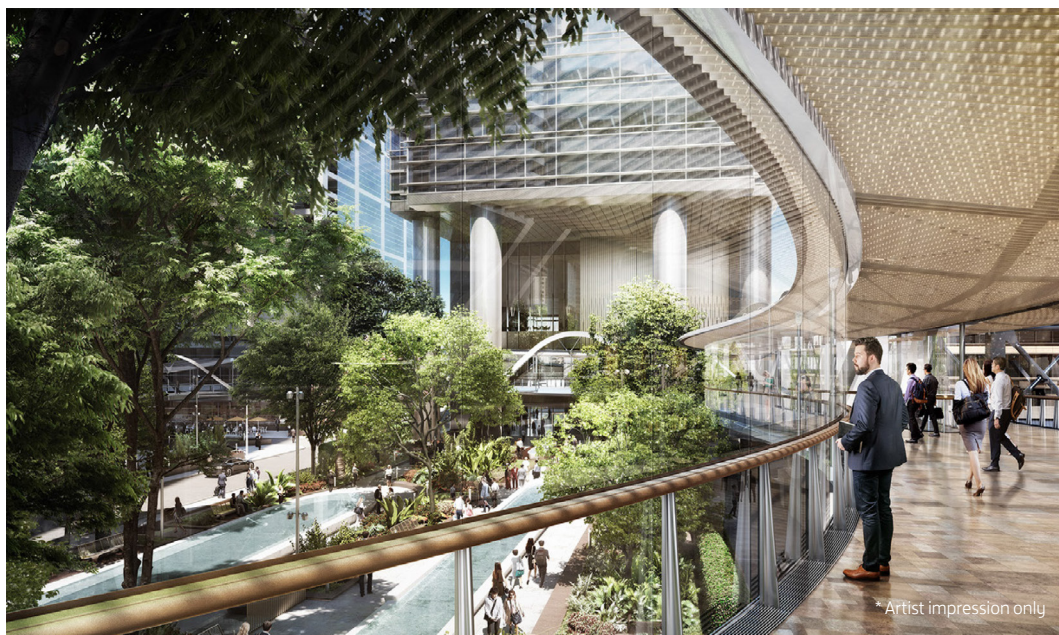
The demolition of the existing Somerset House to make way for One Taikoo Place was carefully planned to reuse as many building materials as possible. For example, 13 (approximately one-third of the total) of the existing caisson pilings were reused to form the new building foundation. The reuse of caisson pilings diverted waste from local landfills and saved approximately 1,400m³ of concrete, 54,300kg of rebar and 10,100 gigajoules (GJ) of embodied energy.

75% of demolition waste diverted from landfills

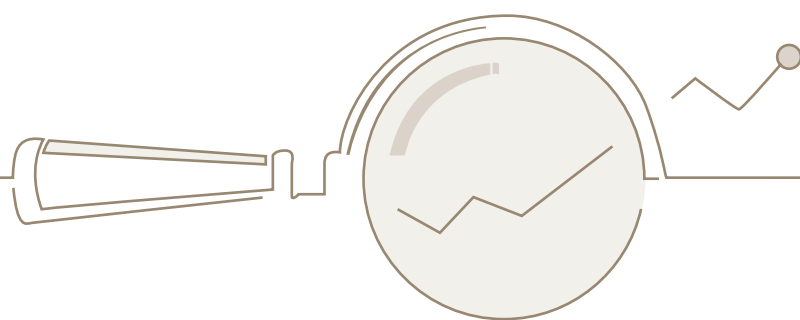


Conclusion

With its green features, innovative design and community enhancements, Taikoo Place is a cornerstone of our SD 2030 Strategy. It illustrates the creative, long-term approach we take to our business and our strategy of developing and managing our properties in a way that can create sustainable value for the communities in which we operate, our shareholders and others with whom we work. As we implement our SD 2030 Strategy, we will continue to explore new and creative ways to make and keep great places.



GRI AND HKEX ESG REPORTING



GRI AND HKEX ESG REPORTING

Reporting Standards

This report was prepared in accordance with the Core option of the Global Reporting Initiative's ("GRI") G4 Guidelines, as well as with reference to the sector disclosures for construction and real estate. We have been reporting using the GRI Guidelines since 2007 with our most recent report published in 2015.

This report was also prepared in compliance with all the applicable provisions set out in the Environmental, Social and Governance Reporting Guide ("HKEX ESG Guide") contained in Appendix 27 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited for the year ended 31st December 2016.

The 2016 GRI Content Index can be found on page 124 and the HKEX ESG Guide Content Index can be found on page 137.

Scope

This report covers Swire Properties' sustainability performance for the period from 1st January 2016 to 31st December 2016, and focuses on Swire Properties' businesses, joint ventures and subsidiaries in property investment, property trading and hotel investment, where the Company has management control.

Relevant selected financial data is extracted from the Swire Properties Annual Report 2016. For details of our financial performance, please see the Swire Properties Annual Report 2016, which is available on our Company [website](#).

Selected non-financial data (including sustainable development data) are reported on a 100% basis from operations over which we have management control and that have been fully operating for a complete calendar year at the end of the reporting period covered by this report. Sino-Ocean Taikoo Li Chengdu and The Temple House in Chengdu, Mainland China were added to the reporting scope of this 2016 report.

As Brickell City Centre, Miami, U.S.A. has operated for less than a complete calendar year, its data are not included in this report.

External Assurance

It is our practice to obtain external independent assurance for the content of our sustainable development report. PricewaterhouseCoopers (“PwC”) was engaged to provide limited assurance on selected sustainability information contained in this report in accordance with International Standard on Assurance Engagements 3000 (Revised) (ISAE 3000) and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410 (ISAE 3410).

The scope of work carried out by PwC is set out in the assurance report from PwC, which can be found on page 118.

Materiality and Stakeholder Engagement

This report focuses on the environmental, social, governance and other sustainable development issues that we believe are most important to Swire Properties and our stakeholders. Our stakeholders are internal and external groups who have a significant impact on our business or who experience significant impact from our operations.

We regard matters as material when they reflect our significant economic, environmental and social impacts, substantially influence the assessments and decisions of our investors and other stakeholders, or have a significant impact on our business. We have conducted stakeholder engagement exercises since 2004 to help us understand our stakeholders’ priorities, expectations and perceptions with regard to our sustainable development approach. This has helped us understand materiality, and focus our sustainable development strategies and activities.

In order to stay up to date with issues affecting Swire Properties, the industry or sustainable development in general, we perform a daily media scan. This helps to identify developments, such as regulatory changes, that may affect us. As set out in the Company Profile section of this report, we are included in various global or regional sustainability indices or rankings, and we strive for continuous improvement. Our participation in these assessment exercises helps us identify emerging issues relevant to the real estate industry.

Stakeholder Engagement

In Hong Kong, our public affairs department oversees our external engagement with the government, non-governmental organisations and district councils. We hold regular meetings with local government officials, district councillors and residents. We have personnel dedicated to help ensure that comments and concerns are effectively addressed.

In 2016, we submitted a proposal (the “Enhancement Proposal”) to the Town Planning Board regarding certain proposed enhancements to a Taikoo Place redevelopment scheme which was approved in 2011 (“2011 Scheme”). The Enhancement Proposal includes the addition of an upgraded arts and multi-purpose venue and other amenities to the 2011 Scheme.

We conducted 13 briefing sessions to introduce the 2011 Scheme and the Enhancement Proposal and to gather feedback. About 250 employees and 150 persons from outside Swire Properties including representatives from the Eastern District Office, district councillors, persons from the business communities, tenants, art groups and NGOs such as Hong Kong Blind Union, Chung Ying Theatre, Hong Kong Youth Arts Foundation attended the briefing sessions.

We gathered and consolidated more than 1,000 comments as a result of the briefing sessions, and these comments will serve as reference for our future developments.

In 2016, we also met with representatives from the Eastern District Council and residents and to discuss their views on the tenant changes in Cityplaza, Hong Kong and the Eastern District Council’s concerns regarding the pedestrian traffic on Tong Chong Street. We are taking action to address these views and concerns.

In 2016, we conducted internal engagement exercises regarding the development and implementation of our SD 2030 Strategy through multiple channels, including town hall workshops, a Yammer campaign, working groups and employee round tables. We also interviewed external sustainability experts to understand their expectations and views on our sustainable development performance and our SD 2030 Strategy.

In 2017, as part of our SD 2030 Strategy, we aim to engage further with NGOs, industry experts, financial institutions, tenants and customers.

EXTERNAL CHARTERS AND MEMBERSHIP

External Charters and Initiatives

Name of Charter / Initiative	Sponsoring Organisation(s)
Building Energy Pledge	Business Environment Council – Climate Change Business Forum Advisory Group
Carbon Reduction Charter	Environmental Protection Department, Hong Kong Special Administrative Region (“SAR”) Government
Charter on External Lighting	Environment Bureau, Hong Kong SAR Government
Clean Air Charter	Hong Kong General Chamber of Commerce and Hong Kong Business Coalition on the Environment
Dim It Charter	Friends of the Earth (Hong Kong)
Energy Saving Charter	Environment Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
Energy Saving Charter on “No ILB”	Environment Bureau and Electrical and Mechanical Services Department, Hong Kong SAR Government
Food Wise Charter	Environment Bureau, Hong Kong SAR Government
Friends of EcoPark	Environmental Protection Department, Hong Kong SAR Government
Greening Partner Charter	Development Bureau, Hong Kong SAR Government
Hong Kong Green Purchasing Charter	Green Council
Manifesto for Energy Efficiency in Buildings	World Business Council for Sustainable Development
Waste Check Charter	Environmental Protection Department, Hong Kong SAR Government

Membership

Name of Association	Nature of Membership
BEAM Society Limited	Founding Member
Business Environment Council	Board of Director and Council Member
Green Cross - Occupational Safety & Health Council	Group Member
Harbour Business Forum	Patron Member (through the Swire group)
Hong Kong General Chamber of Commerce	Member
Hong Kong Green Building Council	Corporate Member and Platinum Patron Member
The Hong Kong Management Association	Charter Member
The Lighthouse Club Hong Kong	Corporate Member
The Real Estate Developers Association of Hong Kong	Corporate Member
Urban Land Institute	Regional Corporate Sustaining Member
World Wide Fund For Nature Hong Kong	Gold Member

AWARDS AND CERTIFICATIONS

A'Design Award & Competition

A'Design Award – [Silver – Sustainable Products, Projects and Green Design Category] – TaiKoo Hui Sustainable Washroom

Asia Pacific Intelligent Green Building Alliance

2016 APIGBA Award – [Local Winner – Excellent Intelligent Green Building Projects and Systems Category] – Swire Properties Limited

BCI Asia

BCI Asia Awards – Top 10 Developers 2016 – Swire Properties Limited

China Green Building Design Label

2-Star Rating – Pinnacle One, Sino-Ocean Taikoo Li Chengdu
2-Star Rating – T3 and T6 Hotels, HKRI Taikoo Hui

China Quality Certification Centre

ISO 14001 Environmental Management System (EMS) Certification

- TaiKoo Hui, Guangzhou
- Taikoo Li Sanlitun, Beijing

ISO 50001 Energy Management System (EnMS) Certification

- TaiKoo Hui, Guangzhou
- Taikoo Li Sanlitun, Beijing

OHSAS 18001 Safety Management System (SMS) Certification

- TaiKoo Hui, Guangzhou
- Taikoo Li Sanlitun, Beijing

Environmental Campaign Committee

Hong Kong Green Organisation

- Citygate
- Cityplaza
- Pacific Place
- Taikoo Place

Environmental Protection Department (Hong Kong SAR Government)

Indoor Air Quality Certification Scheme (Hong Kong)

- Excellent Class (Public Areas from 1/F to 28/F) – 28 Hennessy Road
- Excellent Class (G/F Entrance Lift Lobby) – Generali Tower
- 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 (Common Areas) – Citygate Outlets
- Excellent Class (Common Areas of Whole Office Tower) – Cityplaza One
- Excellent Class (Common Areas of Whole Office Tower, Excluding 3/F to 12/F) – Cityplaza Three
- Excellent Class (Common Areas of Whole Office Tower) – Cityplaza Four
- Excellent Class (Public Areas from 3/F to 28/F) – Berkshire House
- 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 Office Building) – Lincoln House
- Excellent Class (Public Areas of Office Building) – Oxford House
- Excellent Class (Public Areas of Whole Building) – One Island East
- Excellent Class (18/F to 19/F & 64/F to 65/F Office) – One Island East
- Excellent Class (Public Areas of Office Building) – PCCW Tower
- Good Class (Public Areas of the Shopping Mall) – Pacific Place Mall

Family Council (Hong Kong SAR Government) and Home Affairs Bureau (Hong Kong SAR Government)

2015/16 Family-Friendly Employers Award

- Awards for Breastfeeding Support – Swire Properties Limited
- Family-Friendly Employers – Swire Properties Limited

Fullness Social Enterprises Society (FSES)

2016 SE Supporter + – Swire Properties Limited

Good Design Australia

Good Design Award – Interior Design Category – TaiKoo Hui Sustainable Washroom

Guangdong Province Energy Saving Institute

Guangdong Province Excellent Energy Saving Improvement Project 2015 – TaiKoo Hui Mall intelligent Fan Coil Unit (iFCU) Improvement Project

Hong Chi Association (Hong Kong)

Hong Chi Jockey Club Glass Bottle Recycling Project – "Clean Recycling" Partners

- Citygate
- Cityplaza
- Pacific Place
- Pacific Place Apartments
- Taikoo Place

Hong Kong Arts Development Council

Hong Kong Arts Development Awards – Award for Arts Sponsorship – Swire Properties Limited

Hong Kong Designers Association

Global Design Award 2016 – [Excellence – Spatial & Environmental Category] – TaiKoo Hui Sustainable Washroom

Hong Kong Environmental Protection Association

Wood Recycling & Tree Conservation Scheme

- Certificate – 28 Hennessy Road
- Certificate – 625 King's Road
- Certificate – Citygate
- Certificate – Cityplaza
- Certificate – Generali Tower
- Certificate – Pacific Place
- Certificate – Taikoo Place
- Certificate – Oriental Landscapes Limited
- Certificate – Swire Properties Limited

Hong Kong Green Building Council

2016 Green Building Awards – [Grand Award – Green Building Leadership Category] – Swire Properties Limited

BEAM Plus Interiors (Version 1.0) – Final Platinum – Fit-out of Cityplaza Management Office

BEAM Plus New Buildings (Version 1.1)

- Final Platinum – WHITESANDS
- Final Gold – Taikoo Place Apartments

BEAM Plus New Buildings (Version 1.2) – Provisional Gold – Office Development Project at Wong Chuk Hang

HKGBC Benchmarking and Energy Saving Tool–Office Occupants (HKBESTOO) – Platinum Award – Swire Properties Limited

Outstanding Corporate Social Responsibility Award – Swire Properties Limited

Hong Kong Green Organisation Certification

Energywise Certificate – Good level – Taikoo Place

IAQwise Certificate

- Excellence level – Public Areas from 1/F to 28/F – 28 Hennessy Road
- Excellence level – G/F Entrance Lift Lobby – Generali Tower
- Excellence level – Public Areas from 4/F to 40/F – One Pacific Place
- Excellence level – Public Areas from 4/F to 36/F – Two Pacific Place
- Excellence level – Public Areas from LG/F to 38/F – Three Pacific Place
- Excellence level – Whole Office Building – One Citygate
- Excellence level – Common Areas – Citygate Outlets
- Excellence level – Common Areas of Whole Office Tower – Cityplaza One
- Excellence level – Common Areas of Whole Office Tower – Cityplaza Three
- Excellence level – Common Areas of Whole Office Tower – Cityplaza Four
- Excellence level – Public Areas from 3/F to 28/F – Berkshire House
- Excellence level – Public Areas of Office Building – Cambridge House
- Excellence level – Public Areas of Whole Building – Devon House
- Excellence level – Public Areas of Whole Building – Dorset House
- Excellence level – Public Areas of Office Building – Lincoln House
- Excellence level – 18/F, 19/F and Public Areas of Whole Building – One Island East
- Excellence level – Public Areas of Office Building – Oxford House
- Excellence level – Public Areas of Office Building – PCCW Tower

Wastewise Certificate

- Excellence level – Citygate
- Excellence level – Cityplaza
- Excellence level – Pacific Place Complex
- Excellence level – Taikoo Place & One Island East
- Good level – East Hotel

Hong Kong Police Force (Hong Kong SAR Government)

Hong Kong Island Best Security Services Awards 2015–2016 – The Best Top–Ten Security Personnel Award – Wong Tai Wai, David (Westlands Court)

New Territories South Best Security Personnel Awards

- Citygate – Chu Pak Yan
- Citygate – Lee Tak Sang

Hong Kong Police Force (Hong Kong SAR Government) and Vocational Training Council

2016 Security Services Best Training Awards – [Gold Award – Type I Security Company Licence] – Taikoo Shing Management Limited

Hong Kong Quality Assurance Agency (HKQAA)

ISO 14001 Environmental Management System (EMS) Certification – Hong Kong portfolio

ISO 50001 Energy Management System (EnMS) Certification – Hong Kong portfolio

OHSAS 18001 Safety Management System (SMS) Certification – Hong Kong portfolio

ICONIC WORLD

ICONIC Award 2016 – Interior Category – TaiKoo Hui Sustainable Washroom and Baby Care Room

International Design Awards

International Design Awards 2015 – [Silver – Interior Design/Sustainable Living/Green Category] – TaiKoo Hui Sustainable Washroom

Labour Department (Hong Kong SAR Government) and Occupational Safety and Health Council

The 8th Outstanding Occupational Safety and Health Employees Award Scheme

- [Bronze Award – Frontline Employee Category] – She Hong Lun (Cityplaza)
- [Meritorious Award – Supervisor Category] – Ho Ka On (Taikoo Place)

Occupational Safety & Health Council

Safety Management System Award – [Bronze Award – Construction Category] – Kowloon Bay NKIL 6312

Perspective Limited

A&D Trophy Awards 2016 – Best Residential – WHITESANDS

Quality Building Award 2016

Merit Award – Hong Kong Residential (Single Building) Category – MOUNT PARKER RESIDENCES

Royal Institution of Chartered Surveyors

Royal Institution of Chartered Surveyors Awards 2016 – [Certificate of Excellence – Property/Facility Management Team of the Year Category] – Swire Properties Limited

The Council of ARCASIA

ARCASIA Awards for Architecture 2016 – [Honourable Mention – Category B–1 Public Amenity: Commercial Buildings] – Sino–Ocean Taikoo Li Chengdu

The Hong Kong Council of Social Service

10 Years Plus Caring Company Logo – Swire Properties Limited

The Hong Kong Institute of Architects

HKIA Annual Awards 2015

- HKIA Medal of the Year outside Hong Kong – Sino–Ocean Taikoo Li Chengdu
- Special Architectural Award–Urban Design – Sino–Ocean Taikoo Li Chengdu

The Hong Kong Management Association

2016 Best Annual Reports Awards – [Honourable Mention – General Category] – Swire Properties Limited

U.S. Green Building Council

LEED 2009 for Commercial Interiors – Final Platinum – Fit-out of Cityplaza Management Office

LEED 2009 for Neighborhood Development Stage 2 – Gold – Brickell City Centre

Water Supplies Department (Hong Kong SAR Government)

Quality Water Supply Scheme for Buildings – Flushing Water

- Blue Certificate – 625 King's Road
- Blue Certificate – 28 Hennessy Road
- Blue Certificate – Generali Tower
- Blue Certificate – Pacific Place
- Blue Certificate – Three Pacific Place
- Blue Certificate – Citygate Outlets & One Citygate
- Blue Certificate – Cityplaza One
- Blue Certificate – Cityplaza Three
- Blue Certificate – Cityplaza Four
- Blue Certificate – Cityplaza North
- Blue Certificate – Cityplaza South
- Blue Certificate – Berkshire House
- Blue Certificate – Pacific Place Apartments
- Silver Certificate – Cambridge House
- Silver Certificate – Cornwall House
- Silver Certificate – Devon House
- Silver Certificate – Dorset House
- Silver Certificate – Lincoln House
- Silver Certificate – One Island East
- Silver Certificate – Oxford House
- Silver Certificate – PCCW Tower

Quality Water Supply Scheme for Buildings – Fresh Water (Plus)

- Blue Certificate – Generali Tower
- Blue Certificate – Cityplaza North
- Blue Certificate – Cityplaza South
- Blue Certificate – Pacific Place Apartments
- Blue Certificate – Taikoo Place Apartments
- Gold Certificate – Pacific Place
- Gold Certificate – Three Pacific Place
- Gold Certificate – Cityplaza One
- Gold Certificate – Cityplaza Three
- Gold Certificate – Cityplaza Four
- Gold Certificate – Berkshire House
- Gold Certificate – Cornwall House
- Gold Certificate – Devon House
- Gold Certificate – Dorset House
- Gold Certificate – Lincoln House
- Gold Certificate – Oxford House
- Silver Certificate – Citygate Outlets & One Citygate
- Silver Certificate – Cambridge House
- Silver Certificate – One Island East

Yan Oi Tong EcoPark Plastic Resources Recycling Centre

Yan Oi Tong Plastic Recycling Partnership Scheme 2015 – 2016 – [Gold Award – Commercial Organization and Shopping Centre] – Swire Properties Limited

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT



To the board of directors of Swire Properties Limited

We have undertaken a limited assurance engagement in respect of the selected sustainability information of Swire Properties Limited (the "Company") listed below and identified with the symbol [R] in the Sustainable Development Report for the year ended 31st December 2016 ("the Sustainable Development Report 2016") (the "Identified Sustainability Information").

Identified Sustainability Information

The Identified Sustainability Information for the year ended 31st December 2016 is summarised below:

- Total energy consumption
- Total carbon emissions (Scopes 1 & 2)
- Total water consumption – municipal
- Construction and demolition waste
- Commercial and industrial waste
- Total number of fatalities
- Total lost day rate
- Total convicted cases of corruption

Our assurance was with respect to the year ended 31st December 2016 information only and we have not performed any procedures for the purposes of this engagement with respect to earlier periods or any other elements included in the Sustainable Development Report 2016 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is set out in the GRI and HKEX ESG Reporting chapter under the heading Reporting Standards and Scope in the Sustainable Development Report 2016 (the "Criteria") for the year ended 31st December 2016.

The Company's Responsibility for the Identified Sustainability Information

The Company is responsible for the preparation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Identified Sustainability Information;
- understood the process for collecting and reporting the Identified Sustainability Information;
- performed limited substantive testing on a selective basis of the Identified Sustainability Information; and
- considered the disclosure and presentation of the Identified Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information for the year ended 31st December 2016 is not prepared, in all material respects, in accordance with the Criteria.

Our report has been prepared for and only for the board of directors of Swire Properties Limited and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 16th March 2017

PERFORMANCE DATA SUMMARY

	Unit	Hong Kong Portfolio					Mainland China Portfolio					Hotels					Total
		2016	2015	2014	2013	2012	2016*	2015	2014	2013	2012	2016#	2015	2014	2013	2012	2016
Energy consumption																	
Purchased electricity	MWh	182,114	189,360	192,617	179,780	189,413	73,965	59,659	59,213	42,468	13,847	28,174	23,638	23,846	16,067	16,803	284,253
	GJ	655,609	681,696	693,420	647,208	681,887	266,273	214,773	213,168	152,884	49,849	101,425	85,097	85,845	57,841	60,491	1,023,307
Industrial diesel ⁽¹⁾	Litres	17,320	19,292	18,776	15,941	19,218	5,272	4,460	7,908	7,668	1,610	401	425	917	713	875	22,993
Petrol	Litres	18,487	22,627	24,090	23,851	22,672	70,662	54,840	41,971	28,979	17,661	41,063	36,834	37,804	42,392	43,085	130,212
Ultra-low sulphur diesel (ULSD)	Litres	44,883	48,276	49,118	49,759	55,453	-	-	-	-	-	-	-	-	-	-	44,883
Town gas	Unit	-	-	-	-	-	-	-	-	-	-	210,208	185,276	183,846	203,129	230,547	210,208
Natural gas	MJ	-	-	-	-	-	86,762,418	51,964,259	14,186,655	-	-	49,789,678	35,486,595	34,506,535	16,568,054	17,023,652	136,552,096
Liquefied petroleum gas ⁽²⁾	Kilograms	-	-	-	-	-	-	-	-	-	-	6,524	-	-	-	-	6,524
Direct energy consumption (Industrial diesel + petrol + ULSD + town gas + natural gas + liquefied petroleum gas)	GJ	2,844	3,168	3,228	3,141	3,469	89,263	53,929	15,852	1,229	641	61,537	45,604	44,620	11,213	29,544	153,644
Total energy consumption	GJ	658,453	684,864	696,648	650,349	685,356	355,536	268,702	229,020	154,113	50,490	162,962	130,701	130,465	69,054	90,035	1,176,951 ^R
Carbon emissions																	
Direct carbon emissions (Scope 1) ⁽³⁾	Tonnes of CO ₂ e	4,894 ⁽⁷⁾	749	3,290	1,053	943	5,074	2,805	3,338	88	52	3,497	2,424	2,727	659	1,715	13,465
Indirect carbon emissions (Scope 2) ⁽⁴⁾	Tonnes of CO ₂ e	139,185	147,571	148,116	139,120	146,731	55,658	45,818	45,476	32,550	10,807	21,639	18,518	18,564	12,705	13,366	216,482
Total carbon emissions (Scopes 1 & 2)	Tonnes of CO ₂ e	144,079	148,320	151,406	140,173	147,674	60,732	48,623	48,814	32,638	10,859	25,136	20,942	21,291	13,364	15,081	229,947 ^R
Materials used																	
Refrigerants containing HCFCs refilled	Kilograms	897	93	908	1,206	1,965	100	0	120	-	-	-	-	-	-	20	997
Refrigerants containing HFCs refilled	Kilograms	3,602	387	2,321	622	521	354	0	1,800	-	-	112	23	13	21	32	4,068
Paper products	Kilograms	32,876	31,242	34,994	31,670	30,238	7,365	5,571	4,058	3,687	5,145	20,863	16,470	24,385	21,487	26,338	61,104
Water consumption																	
Total water consumption - municipal	000 m ³	369	342 ⁽⁸⁾	334	360	369	767	602	595	450	143	386	236	239	143	145	1,522 ^R
Wastewater reuse and discharge																	
Wastewater discharged	000 m ³	48,810	47,956	37,841	48,315	48,682	706	457	341	182	83	349	197	238	135	138	49,865
Seawater reused for flushing	m ³	349,057	404,242	385,493	387,142	385,584	-	-	-	-	-	-	-	-	-	-	349,057
Waste potable water reused for flushing	m ³	7,039	6,538	6,194	7,466	11,530	112,605	49,849	124,413	-	-	0	-	-	-	-	119,644
Waste disposal (Hazardous)																	
Oils and lubricants	Litres	292	1,826	-	1,488	730	-	-	-	-	-	-	-	-	-	-	292
Waste disposal (Non-hazardous)																	
Construction and demolition waste	Tonnes	3,107 ^R	1,795 ⁽⁸⁾	11,006	3,321	8,208	4,720	1,728 ⁽⁸⁾	481	4,199	327	3	-	-	-	-	7,830
Commercial and industrial waste	Tonnes	13,194 ^R	12,834	12,992	13,113	12,995	16,905	15,384	13,659	7,056	4,606	1,554	1,287	1,273	1,101	1,637	31,653
Residential / domestic waste	Tonnes	360	345	359	140	140	-	-	-	-	-	-	-	-	-	-	360
Grease trap waste	Tonnes	4,743	5,397	5,420	5,190	5,264	-	- ⁽⁸⁾	2	8,052	8,239	235	202	-	541	642	4,978
Garden waste	Tonnes	365	426	589	250	468	-	-	-	-	-	-	-	-	-	-	365
Waste recycling (Hazardous)																	
Battery electrolyte	Litres	0	0	-	-	-	-	-	-	-	-	0	200	-	-	-	0
Oils and liquids	Litres	750	0	846 ⁽⁸⁾	1,488 ⁽⁸⁾	730 ⁽⁸⁾	-	- ⁽⁸⁾	-	-	-	-	-	-	-	-	750
Waste recycling (Non-hazardous)																	
Construction and demolition waste ⁽⁵⁾	Tonnes	441	2,254	-	167	-	-	-	-	-	-	-	-	-	-	-	441
Paper	Tonnes	2,750	2,640	2,655	2,811	3,043	278	289	205	145	4	65	51	51	57	53	3,093
Metal ⁽⁶⁾	Tonnes	4,230	2,202	1,023	158	318	4	3	0	4,743	139	7	6	0	2	2	4,241
Plastics	Tonnes	10	10	13	19	21	11	12	11	12	0	11	7	7	7	6	32
Glass ⁽²⁾	Tonnes	23	-	-	-	-	32	-	-	-	-	74	-	-	-	-	129
Food waste ⁽²⁾	Tonnes	352	-	-	-	-	639	-	-	-	-	55	-	-	-	-	1,046
Grease trap waste ⁽²⁾	Tonnes	-	-	-	-	-	269,141	117,200	-	-	-	-	-	-	-	-	269,141

Scope:

(a) Hong Kong Portfolio refers to office and retail portfolio in Hong Kong, excluding hotels.

(b) Mainland China Portfolio refers to office and retail portfolio in Mainland China, excluding hotels.

(c) Hotels refer to (i) The Upper House, Hong Kong, (ii) EAST, Hong Kong, (iii) The Opposite House, Beijing, (iv) EAST, Beijing, and (v) The Temple House, Chengdu.

* Sino-Ocean Taikoo Li Chengdu, Mainland China is newly included in 2016.

The Temple House, Chengdu, Mainland China, is newly included in 2016.

Notes:

R - Denotes sustainability data that has been reported on by PricewaterhouseCoopers. Please refer to the Independent Limited Assurance Report for further details.

(1) Industrial diesel from Generali Tower is newly included in 2016. As Warwick House was demolished in Sep 2016, no data was available from Oct 2016 onwards for Warwick House.

(2) Data parameters newly included in 2016.

(3) Direct carbon emissions included industrial diesel, petrol, ULSD, town gas, natural gas, liquefied petroleum gas and refrigerants containing HFCs refilled.

(4) Indirect carbon emissions included purchased electricity and town gas.

(5) "Concrete waste" recycling has been renamed as "Construction and demolition waste" recycling.

(6) The data has been adjusted to include all types of metal.

(7) The increase is due to the refilling of HFC refrigerant in Taikoo Place and Citygate Outlets.

(8) The data has been adjusted to reflect actual situation.

PERFORMANCE DATA SUMMARY

	Unit	2016			2015		
		Hong Kong Portfolio	Mainland China Portfolio*	Hotels [#]	Hong Kong Portfolio	Mainland China Portfolio	Hotels
Carbon intensity	Tonnes of CO ₂ e/sqm/year (for Hong Kong and Mainland China Portfolios) Tonnes of CO ₂ e/guest night/year (for Hotels)	0.116	0.089	0.053	0.120	0.087	0.062
Direct energy intensity	GJ/sqm/year (for Hong Kong and Mainland China Portfolios) GJ/guest night/year (for Hotels)	0.002	0.131	0.131	0.003	0.096	0.134
Indirect energy intensity	kWh/sqm/year (for Hong Kong and Mainland China Portfolios) kWh/guest night/year (for Hotels)	147	108	60	153	101	70
Water intensity	m ³ /sqm/year (for Hong Kong and Mainland China Portfolios) m ³ /guest night/year (for Hotels)	0.298	1.122	0.819	0.276 ⁽³⁾	1.074	0.695
		Swire Properties			Swire Properties		
Total hazardous waste disposal⁽¹⁾	Litres	292			1,826		
Total hazardous waste recycling⁽¹⁾	Litres	750			200		
Total non-hazardous waste disposal⁽²⁾	Tonnes	45,186			39,398		
Total non-hazardous waste recycling⁽²⁾	Tonnes	278,123			124,674		

Scope:

- (a) Hong Kong Portfolio refers to office and retail portfolio in Hong Kong, excluding hotels.
- (b) Mainland China Portfolio refers to office and retail portfolio in Mainland China, excluding hotels.
- (c) Hotels refer to (i) The Upper House, Hong Kong, (ii) EAST, Hong Kong, (iii) The Opposite House, Beijing, (iv) EAST, Beijing, and (v) The Temple House, Chengdu.
- * Sino-Ocean Taikoo Li Chengdu, Mainland China is newly included in 2016.
- # The Temple House, Chengdu, Mainland China, is newly included in 2016.

Notes:

- (1) Total hazardous waste produced is the sum of total hazardous waste disposal and total hazardous waste recycling.
- (2) Total non-hazardous waste produced is the sum of total non-hazardous waste disposal and total non-hazardous waste recycling.
- (3) The data has been adjusted to reflect actual situation in 2015.

PERFORMANCE DATA SUMMARY

	Hong Kong Portfolio						Mainland China Portfolio						Hotels				Total																								
	2016		2015 ⁽⁴⁾		2014 ⁽⁵⁾		2016		2015 ⁽⁷⁾		2014 ⁽⁸⁾		2016		2015		2014		2016																						
Workforce Profile																																									
Total workforce		2,382		2,301		2,264		1,274		1,232		1,202		1,758		1,831		1,522		5,414																					
By gender																																									
Male		1,568	65.8%	1,531	66.5%	1,540	68.0%	812	63.7%	812	65.9%	798	66.4%	929	52.8%	992	54.2%	829	54.5%	3,309	61.1%																				
Female		814	34.2%	770	33.5%	724	32.0%	462	36.3%	420	34.1%	404	33.6%	829	47.2%	839	45.8%	693	45.5%	2,105	38.9%																				
By age group																																									
Under 30 years old		367	15.4%	361	15.7%	369	16.3%	379	29.7%	414	33.6%	404	33.6%	795	45.2%	808 ⁽⁹⁾	46.7%	792 ⁽⁹⁾	53.8%	1,541	28.5%																				
30 to 50 years old		1,159	48.7%	1,117	48.5%	1,099	48.5%	830	65.1%	758	61.5%	732	60.9%	809	46.0%	823 ⁽⁹⁾	47.6%	602 ⁽⁹⁾	40.9%	2,798	51.7%																				
Over 50 years old		856	35.9%	823	35.8%	796	35.2%	65	5.1%	60	4.9%	66	5.5%	154	8.8%	98 ⁽⁹⁾	5.7%	77 ⁽⁹⁾	5.2%	1,075	19.9%																				
By employment contract																																									
Permanent		2,162	90.8%	2,086	90.7%	2,055	90.8%	1,273	99.9%	1,231	99.9%	1,201	99.9%	1,667	94.8%	1,712	93.5%	1,467	96.4%	5,102	94.2%																				
Fixed term/ temporary		220	9.2%	215	9.3%	209	9.2%	1	0.1%	1	0.1%	1	0.1%	30	1.7%	17	0.9%	4	0.3%	251	4.6%																				
Supervised worker		0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	61	3.5%	102	5.6%	51	3.4%	61	1.1%																				
Permanent employees by employment type																																									
Full-time		2,127	98.4%	2,040	97.8%	2,008	97.7%	1,273	100%	1,231	100%	1,201	100%	1,665	99.9%	1,709	99.8%	1,464	99.8%	5,065	99.3%																				
Part-time		35	1.6%	46	2.2%	47	2.3%	0	0%	0	0%	0	0%	2	0.1%	3	0.2%	3	0.2%	37	0.7%																				
By geographical region																																									
Hong Kong		2,376	99.7%	2,296	99.8%	2,262	99.9%	0	0%	0	0%	0	0%	899	51.1%	902	49.3%	741	48.7%	3,275	60.5%																				
Mainland China		0	0%	0	0%	0	0%	1,274	100%	1,232	100%	1,202	100%	858	48.8%	928	50.7%	781	51.3%	2,132	39.4%																				
Beijing		-	-	-	-	-	-	535	42.0%	-	-	-	-	525	29.9%	-	-	-	-	1,060	19.6%																				
Shanghai		-	-	-	-	-	-	22	1.7%	-	-	-	-	1	0.1%	-	-	-	-	23	0.4%																				
Guangdong province		-	-	-	-	-	-	360	28.3%	-	-	-	-	0	0%	-	-	-	-	360	6.6%																				
Sichuan province		-	-	-	-	-	-	338	26.5%	-	-	-	-	332	18.9%	-	-	-	-	670	12.4%																				
Other provinces		-	-	-	-	-	-	19	1.5%	-	-	-	-	0	0%	-	-	-	-	19	0.4%																				
Others		6 ⁽⁶⁾	0.3%	5	0.2%	2	0.1%	0	0%	-	-	-	-	1	0.1%	1	0.1%	-	-	7	0.1%																				
New Hires																																									
Total number and rate of new hires ⁽¹⁾		503		23.3%		421		20.2%		488		23.7%		291		22.9%		339		27.5%		370		30.8%		496		29.8%		758		44.3%		711		48.5%		1,290		25.3%	
By gender																																									
Male		318	22.7%	243	17.8%	304	22.0%	162	20.0%	225	27.7%	265	33.2%	264	29.9%	376	40.5%	375	46.7%	744	24.0%																				
Female		185	24.3%	178	24.7%	184	27.4%	129	27.9%	114	27.2%	105	26.1%	232	29.6%	382	48.8%	336	50.3%	546	27.2%																				
By age group																																									
Under 30 years old		200	58.7%	159	46.4%	200	61.8%	126	33.2%	172	41.5%	203	50.2%	322	41.7%	441	55.3%	425	53.7%	648	43.4%																				
30 to 50 years old		209	18.3%	188	17.0%	215	19.8%	156	18.8%	159	21.0%	163	22.3%	147	18.8%	285	34.6%	254	42.2%	512	18.6%																				
Over 50 years old		94	13.8%	74	11.3%	73	11.4%	9	14.1%	8	13.6%	4	6.2%	27	23.5%	32	34.8%	32	41.6%	130	15.1%																				
By geographical region																																									
Hong Kong		503	23.3%	420	20.2%	488	23.8%	0	0%	0	0%	0	0%	237	28.7%	330	39.4%	337	54.6%	740	24.8%																				
Mainland China		0	0%	0	0%	0	0%	291	22.9%	339	27.5%	370	30.8%	258	30.6%	428	49.0%	374	47.9%	549	26.0%																				
Others		0	0%	1	20.0%	0	0%	0	0%	0	0%	0	0%	1	100%	0	0%	0	0%	1	16.7%																				
Turnover																																									
Total number and rate of voluntary turnover ⁽²⁾		357		16.5%		319		15.3%		335		16.3%		208		16.3%		194		15.8%		227		18.9%		505		30.3%		492		28.7%		460		31.4%		1,070		21.0%	
By gender																																									
Male		225	16.1%	201	14.7%	200	14.5%	130	16.0%	127	15.6%	145	18.2%	281	31.8%	248	26.7%	252	31.4%	636	20.5%																				
Female		132	17.3%	118	16.4%	135	20.1%	78	16.9%	67	16.0%	82	20.3%	224	28.6%	244	31.2%	208	31.1%	434	21.6%																				
By age group																																									
Under 30 years old		127	37.2%	88	27.2%	113	34.8%	109	28.8%	97	23.4%	119	29.5%	299	38.7%	316	39.6%	321	40.6%	535	35.9%																				
30 to 50 years old		159	13.9%	150	13.6%	175	16.1%	97	11.7%	93	12.3%	105	14.3%	188	24.1%	159	19.3%	128	21.3%	444	16.1%																				
Over 50 years old		71	10.4%	81	12.3%	47	7.3%	2	3.1%	4	6.8%	3	4.6%	18	15.7%	17	18.5%	11	15.1%	91	10.6%																				
By geographical region																																									
Hong Kong		357	16.6%	319	15.3%	335	16.3%	0	0%	0	0%	0	0%	231	28.0%	176	21.0%	186	27.0%	588	19.7%																				
Mainland China		0	0%	0	0%	0	0%	208	16.3%	194	15.8%	227	18.9%	274	32.6%	316	36.2%	274	35.1%	482	22.8%																				
Others		0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%																				
Parental Leave																																									
Total number of employees entitled to parental leave		2,314		2,222		661		1,260		1,221		1,197		1,697		-		-		5,271																					
By gender																																									
Male		1,550		1,509		0		804		806		796		900		-		-		3,254																					
Female		764		713		661		456		415		401		797		-		-		2,017																					
Total number of employees took parental leave																																									
By gender																																									
Male		27		20		0		20		17		10		36		-		-		83																					
Female		23		28		21		34		25		26		31		20		14		88																					
Return to work rate (%) ⁽³⁾																																									
By gender																																									
Male		100%		100%		-		100%		100%		100%		100%		-		-		100%																					
Female		100%		100%		100%		94.1%		96.0%		96.2%		87.1%		90.0%		92.9%		93.2%																					
Performance Review																																									
Total number and percentage of employees receiving regular performance review		2,314		97.1%		2,222		96.6%		2,175		96.1%		1,264		99.2%		1,229		99.8%		1,198		99.7%		1,697		100%		1,729		100%		1,471		100%		5,275		98.5%	
By gender																																									
Male		1,550	98.9%	1,509	98.6%	1,514	98.3%	804	99.0%	810	99.8%	797	99.9%	900	100%	937	100%	803	100%	3,254	99.2%																				
Female		764	93.9%	713	92.6%	661	91.3%	460	99.6%	419	99.8%	401	99.3%	797	100%	792	100%	668	100%	2,021	97.5%																				
By management role																																									
Management		469	100%	425	100%	396	100%	406	98.1%	403	99.3%	382	99.7%	330	100%	353	100%	374	100%	1,205	99.3%																				
Non-management		1,845	96.4%	1,797	95.8%	1,779	95.2%	858	99.8%	826	100%	816	99.6%	1,367	100%	1,376	100%	1,097	100%	4,070	98.3%																				
Diversity																																									
Females in management positions (as % of total management workforce)		52.4%		50.2%		49.8%		39.7%		38.9%		39.3%		39.6%		-		-		45.9%																					
Females in top management positions (as % of total top management workforce)		50.0%		33.3%		27.3%		-		-		-		-		-		-		-																					

Scope:

(a) Hong Kong Portfolio refers to office and retail portfolio in Hong Kong, excluding hotels.

(b) Mainland China Portfolio refers to office and retail portfolio in Mainland China, excluding hotels.

(c) Hotels refer to (i) The Upper House, Hong Kong, (ii) EAST, Hong Kong, (iii) The Opposite House, Beijing, (iv) EAST, Beijing, and (v) The Temple House, Chengdu.

Notes:

(1) Total new hires applies to permanent employees only. New hires rate is calculated as "total number of new hires (permanent employees) in the reporting year/ total number of permanent employees as of 31 Dec of the reporting year x 100%".

(2) Voluntary turnover applies to permanent employees only. Voluntary turnover rate is calculated as "total number of permanent employees voluntarily leaving employment during the reporting year/ total number of permanent employees as of 31 Dec of the reporting year x 100%".

(3) Return to work rate is calculated as "total number of employees who did return to work after parental leave/ total number of employees due to return to work after taking parental leave x 100%".

(4) The set of 2015 data has been adjusted to include Hong Kong secondees working in Singapore and Jakarta in the scope.

(5) The set of 2014 data has been adjusted to include Hong Kong secondees working in Singapore and Jakarta in the scope.

(7) The set of 2015 data has been adjusted to (i) include Hong Kong secondees working in Mainland China (ii) exclude HKRI Taikoo Hui, Shanghai in the scope.

(8) The set of 2014 data has been adjusted to exclude HKRI Taikoo Hui, Shanghai in the scope.

(9) Excluded supervised workers.

PERFORMANCE DATA SUMMARY

	Hong Kong Portfolio						Mainland China Portfolio						Hotels				Total			
	2016		2015 ⁽⁶⁾		2014 ⁽⁷⁾		2016		2015 ⁽⁹⁾		2014 ⁽¹⁰⁾		2016		2015		2014		2016	
Training																				
Total number and percentage of employees received training	2,224	93.4%	1,498	65.1%	1,870	82.6%	1,251	98.2%	1,218	98.9%	861	71.6%	1,697	100%	-	-	-	-	5,172	96.6%
By gender																				
Male	1,509	96.2%	918	60.0%	1,330	86.4%	798	98.3%	806	99.3%	563	70.6%	900	100%	-	-	-	-	3,207	97.8%
Female	715	87.8%	580	75.3%	540	74.6%	453	98.1%	412	98.1%	298	73.8%	797	100%	-	-	-	-	1,965	94.8%
By management role																				
Management	453	96.6%	409	96.2%	364	91.9%	395	95.4%	394	97.0%	236	61.6%	330	100%	-	-	-	-	1,178	97.1%
Non-management	1,771	92.6%	1,089	58.0%	1,506	80.6%	856	99.5%	824	99.8%	625	76.3%	1,367	100%	-	-	-	-	3,994	96.5%
Total training hours	24,434		19,508		19,495		25,597		28,409		10,966		15,024		33,852 ⁽¹¹⁾		17,682		65,055	
Average training hours																				
By employee	10.3		8.5		8.6		20.1		23.1		9.1		8.9		19.1 ⁽¹¹⁾		12.0		12.2	
By gender																				
Male	9.5		8.2		7.9		20.8		26.3		9.0		8.8		15.3 ⁽¹¹⁾		10.5		12.1	
Female	11.8		9.0		10.2		18.8		16.9		9.3		8.9		23.7 ⁽¹¹⁾		13.9		12.2	
By management role																				
Management	19.7		19.5		20.0		18.7		16.9		9.4		10.5		19.9 ⁽¹¹⁾		12.3		16.9	
Non-management	7.9		6.0		6.2		20.9		26.1		9.0		8.4		18.9 ⁽¹¹⁾		11.9		10.8	
Total training spend (million HK\$)	3.1		2.8		3.4		2.0		1.5		0.8		1.5		-		-		6.6	
Training by related-topics																				
Corporate social responsibility related training																				
Total training hours for employees	382.3		433.3		371.8		3,111.5		696.0		353.5		266.0		479.0		923.0		3,759.8	
Total training hours for new hires (SD training in induction programme)	333.5		240.3		291.8		247.0		210.0		169.5		138.0		223.0		589.0		718.5	
Health and safety related training																				
Total training hours on health and safety	5,445.3		7,198.5 ⁽⁸⁾		3,531.3 ⁽⁸⁾		9,918.1		15,442.0		5,504.0		798.8		979.0		895.0		16,162.2	
Average training hours on health and safety per employee	2.3		3.1 ⁽⁸⁾⁽¹²⁾		1.6 ⁽⁸⁾⁽¹²⁾		7.8		12.5 ⁽¹²⁾		4.6 ⁽¹²⁾		0.5		0.6 ⁽¹²⁾		0.6 ⁽¹²⁾		3.0	
Human rights related training																				
Total training hours on human rights related topics	1,845.0		652.5 ⁽⁸⁾		991.0 ⁽⁸⁾		356.9		75.0		381.0		430.2		1,989.0		3,358.3		2,632.1	
Number and percentage of employees received human rights related training	2,269	95.3%	2,242 ⁽⁸⁾	97.6%	2,227 ⁽⁸⁾	98.5%	570	44.7%	-	-	-	-	1,205	71.0%	-	-	-	-	4,044	75.5%
Anti-corruption related training																				
Number and percentage of employees received anti-corruption training	2,228	93.5%	2,263 ⁽⁸⁾	98.6%	2,218 ⁽⁸⁾	98.1%	908	71.3%	-	-	-	-	1,337	78.8%	-	-	-	-	4,473	83.6%
By management role																				
Management	451	96.2%	399 ⁽⁸⁾	99.0%	383 ⁽⁸⁾	97.7%	293	70.8%	-	-	-	-	207	62.7%	-	-	-	-	951	78.4%
Non-management	1,777	92.9%	1,864 ⁽⁸⁾	98.5%	1,835 ⁽⁸⁾	98.2%	615	71.5%	-	-	-	-	1,130	82.7%	-	-	-	-	3,522	85.1%
Occupational Health and Safety																				
Number of reportable injuries (sick leave > 3 days)	31		37		26		5		3		6		33		21		26		69	
Number of lost time injuries (sick leave > 0 days)	43		48		36		6		5		12		56		38		43		105	
Lost time injury rate (LTIR) ⁽¹⁾	1.61		1.85		1.40		0.48		0.56		1.36		2.93		2.81		3.54		1.80	
Lost days due to injuries	1,144		1,970		1,382.5		222		235		115		746		754		1,012		2,112	
Lost day rate (LDR) ⁽²⁾	42.78		75.78		53.83		17.74		26.28		12.99		39.02		55.82		83.38		36.18 [*]	
Absentee rate ⁽³⁾	2.40%		1.96%		1.78%		1.15%		1.28%		1.16%		0.61%		0.42%		0.87%		1.53%	
Number of fatalities	0		0		0		0		0		0		0		0		0		0 [*]	
Rate of fatalities ⁽⁴⁾	0%		0%		0%		0%		0%		0%		0%		0%		0%		0%	
Percentage of the organization operating in verified compliance with an internationally recognized occupational health and safety management system (OHSAS 18001) ⁽⁵⁾	100%		100%		100%		48%		66%		0%		/		/		/		-	

	Swire Properties					
	2016		2015		2014	
Governance						
Convicted cases of corruption	0 ^R		0		0	
Composition of the Board of Directors						
Total number of Directors	12		14		14	
By gender						
Male	11	91.7%	13	92.9%	13	92.9%
Female	1	8.3%	1	7.1%	1	7.1%
By age group						
Under 30 years old	0	0%	0	0%	0	0%
30 to 50 years old	2	16.7%	4	28.6%	4	28.6%
Over 50 years old	10	83.3%	10	71.4%	10	71.4%
By local / non-local						
Local	7	58.3%	9	64.3%	9	64.3%
Non-local	5	41.7%	5	35.7%	5	35.7%

GLOBAL REPORTING INITIATIVE CONTENT INDEX

General Standard Disclosure

GRI Indicator	Description	Report Section/Website References and Remarks
Strategy and Analysis		
G4-1	Statement from the most senior decision-maker of the organisation	Chief Executive's Message P.4-5
Organisational Profile		
G4-3	Name of the organisation	Cover Page P.1
G4-4	Primary brands, products, and services	Company Profile P.7-8 Annual Report 2016 – Company Profile Corporate website – About Us http://www.swireproperties.com/en/about-us.aspx
G4-5	Location of the organisation's headquarters	Contact Us P.144
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	Company Profile P.7-8 Annual Report 2016 – Company Profile
G4-7	Nature of ownership and legal form	Annual Report 2016 – Company Profile
G4-8	Markets served	Company Profile P.7-8 Annual Report 2016 – Company Profile Corporate website – About Us http://www.swireproperties.com/en/about-us.aspx
G4-9	Scale of the organisation	Company Profile P.7-8
G4-10	Employee statistics	People P.32-47 Performance Data Summary P.120-123
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.
G4-12	Organisation's supply chain	Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	Performance (Economic) P.84-92 Annual Report 2016 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Performance (Economic) P.84-92 Annual Report 2016 – Risk Management

GLOBAL REPORTING INITIATIVE CONTENT INDEX

General Standard Disclosure

GRI Indicator	Description	Report Section/Website References and Remarks
Organisational Profile		
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	External Charters and Membership P.111-112
G4-16	Memberships of associations	External Charters and Membership P.111-112
Identified Material Aspects and Boundaries		
G4-17	Entities included in the organisation's consolidated financial statements	Annual Report 2016 – Consolidated Statements Annual Report 2016 – Notes to the Accounts
G4-18	Process for defining the report content and the aspect boundaries.	About this Report P.6 GRI and HKEX ESG Reporting P.108-110
G4-19	Material Aspects identified in the process for defining report content	GRI and HKEX ESG Reporting P.108-110
G4-20	Aspect Boundary within the organisation for each material aspect	GRI and HKEX ESG Reporting P.108-110
G4-21	Aspect Boundary outside the organisation for each material aspect	GRI and HKEX ESG Reporting P.108-110
G4-22	Effect of any restatements of information provided in previous reports	Performance Data Summary P.120-123
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	GRI and HKEX ESG Reporting P.108-110 Performance Data Summary P.120-123
Stakeholder Engagement		
G4-24	List of stakeholder groups engaged by the organisation	SD Governance P.15-17 Places P.19-30 Partners P.49-59 GRI and HKEX ESG Reporting P.108-110
G4-25	Basis for identification and selection of stakeholders with whom to engage	SD Governance P.15-17 Places P.19-30 GRI and HKEX ESG Reporting P.108-110
G4-26	Organisation's approach to stakeholder engagement	SD Governance P.15-17 Places P.19-30 GRI and HKEX ESG Reporting P.108-110
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	SD Governance P.15-17 GRI and HKEX ESG Reporting P.108-110

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General Standard Disclosure

GRI Indicator	Description	Report Section/Website References and Remarks
Report Profile		
G4-28	Reporting period	About this Report P.6 GRI and HKEX ESG Reporting P.108-110
G4-29	Date of most recent previous report	About this Report P.6
G4-30	Reporting cycle	About this Report P.6
G4-31	Contact point for questions regarding the report or its contents	Contact Us P.144
G4-32	'In accordance' option the organisation has chosen, GRI Content Index, reference to the External Assurance Report	GRI and HKEX ESG Reporting P.108-110 Global Reporting Initiative Content Index P.124-136
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report	GRI and HKEX ESG Reporting P.108-110 Assurance Report P.118-119
Governance		
G4-34	Governance structure of the organisation. Committees responsible for decision-making on economic, environmental and social impacts	SD Governance P.15-17 Performance (Economic) P.84-92 Annual Report 2016 – The Board of Directors
Ethics and Integrity		
G4-56	Organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	SD Governance P.15-17 Performance (Economic) P.84-92 Corporate website – Our Vision and Values http://www.swireproperties.com/en/about-us/our-vision-and-values.aspx Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Sustainability http://www.swireproperties.com/en/sustainability.aspx

Specific Standard Disclosures (Material Aspects)

GRI Indicator	Description	Report Section/Website References and Remarks
Economic		
Economic Performance		
G4-DMA	Economic performance	Performance (Economic) P.84-92 Annual Report 2016 – Management Discussion & Analysis – Review of Operations – Portfolio Overview Annual Report 2016 – Financial Review
G4-EC1	Direct economic value generated and distributed	Performance (Economic) P.84-92 Annual Report 2016 – Management Discussion & Analysis – Review of Operations – Portfolio Overview Annual Report 2016 – Financial Review
G4-EC4	Financial assistance received from government	We did not receive significant financial assistance from any government.

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Specific Standard Disclosures (Material Aspects)

GRI Indicator	Description	Report Section/Website References and Remarks
Economic		
Market Presence		
G4-DMA	Market presence	Performance (Economic) P.84-92 Annual Report 2016 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	People P.32-47 Performance Data Summary P.120-123 Annual Report 2016 – Corporate Governance & Sustainability – Directors and Officers Corporate website – Our Management http://www.swireproperties.com/en/about-us/management-team.aspx
Indirect Economic Impacts		
G4-DMA	Indirect economic impacts	Places P.19-30 Annual Report 2016 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
G4-EC7	Development and impact of infrastructure investments and services supported	Places P.19-30 Performance (Economic) P.84-92
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Places P.19-30 Performance (Economic) P.84-92 Annual Report 2016 – Management Discussion & Analysis – Review of Operations – Portfolio Overview
Procurement Practices		
G4-DMA	Procurement practices	Partners P.49-59
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Partners P.49-59 Our top 30 suppliers by spending for Hong Kong and Mainland China portfolio are all from local.
Environmental		
GRI Indicator	Description	Report Section/Website References and Remarks
Materials		
G4-DMA	Materials	Partners P.49-59 Performance (Environment) P.61-82 Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainability/policies/environmental-policy.aspx Swire Group website – Swire Pacific Sustainable Procurement Policy http://www.swirepacific.com/en/sd/working_details.php?select=1
G4-EN2	Percentage of materials used that are recycled input materials	Partners P.49-59 Performance (Environment) P.61-82 SD in Action P.94-106

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Environmental

GRI Indicator	Description	Report Section/Website References and Remarks
Energy		
G4-DMA	Energy	Performance (Environment) P.61-82 SD in Action P.94-106 Corporate website – Energy Policy http://www.swireproperties.com/en/sustainability/policies/energy-policy.aspx
G4-EN3	Energy consumption within the organisation	Performance (Environment) P.61-82 Performance Data Summary P.120-123
G4-EN5 G4-CRE1	Energy intensity Building energy intensity	Performance (Environment) P.61-82 Performance Data Summary P.120-123
G4-EN6	Reduction of energy consumption	Performance (Environment) P.61-82 SD in Action P.94-106 Performance Data Summary P.120-123
Water		
G4-DMA	Water	Performance (Environment) P.61-82
G4-EN8	Total water withdrawal by source	Performance (Environment) P.61-82 Performance Data Summary P.120-123
G4-EN10	Percentage and total volume of water recycled and reused	Performance Data Summary P.120-123
G4-CRE2	Building water intensity	Performance (Environment) P.61-82 Performance Data Summary P.120-123
Biodiversity		
G4-DMA	Biodiversity	Performance (Environment) P.61-82
Emissions		
G4-DMA	Emissions	Performance (Environment) P.61-82 Performance Data Summary P.120-123
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Performance (Environment) P.61-82 Performance Data Summary P.120-123
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Performance (Environment) P.61-82 Performance Data Summary P.120-123

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Environmental

GRI Indicator	Description	Report Section/Website References and Remarks
Emissions		
G4-EN18 G4-CRE3	Greenhouse gas (GHG) emissions intensity Greenhouse gas (GHG) emissions intensity from buildings	Performance (Environment) P.61-82 Performance Data Summary P.120-123
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Performance (Environment) P.61-82 Performance Data Summary P.120-123
Effluents and Waste		
G4-DMA	Effluents and waste	Performance (Environment) P.61-82
G4-EN22	Total water discharge by quality and destination	Performance Data Summary P.120-123
G4-EN23	Total weight of waste by type and disposal method	Performance (Environment) P.61-82 Performance Data Summary P.120-123
Compliance		
G4-DMA	Compliance	Performance (Economic) P.84-92
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No significant fines and non-monetary sanctions for non-compliance with environmental laws and regulations were recorded in 2016.
Overall Investment		
G4-DMA	Overall investment	Performance (Environment) P.61-82 Performance (Economic) P.84-92 Corporate website – Community Caring Fund http://www.swireproperties.com/en/sustainability/people/community-caring-fund.aspx
G4-EN31	Total environmental protection expenditures and investments by type	Performance (Environment) P.61-82 Corporate website – Community Caring Fund http://www.swireproperties.com/en/sustainability/people/community-caring-fund.aspx
Supplier Environmental Assessment		
G4-DMA	Supplier environmental assessment	Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx Swire Group website – Swire Pacific Sustainable Procurement Policy http://www.swirepacific.com/en/sd/working_details.php?select=1 Assessment of contractors' environmental performance is incorporated as part of our operation practices and requirements of ISO 14001.

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Environmental

GRI Indicator	Description	Report Section/Website References and Remarks
Environmental Grievance Mechanisms		
G4-DMA	Environmental grievance mechanisms	We have channels for feedback available to all shareholders, customers, suppliers, contractors and employees. Corporate website – Procedures for reporting of improprieties http://ir.swireproperties.com/en/cg/pdf/improprieties.pdf
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	No grievances about substantial impacts on the environment were recorded in 2016.

Social

GRI Indicator	Description	Report Section/Website References and Remarks
Labor Practices and Decent Work		
Employment		
G4-DMA	Employment	People P.32-47 Corporate website – People http://www.swireproperties.com/en/sustainability/people.aspx Corporate website – Working with us http://www.swireproperties.com/en/Careers/Working-with-Us.aspx
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	People P.32-47 Performance Data Summary P.120-123
G4-LA3	Return to work and retention rates after parental leave	Performance Data Summary P.120-123
Occupational Health and Safety		
G4-DMA	Occupational health and safety	People P.32-47 Corporate website – Health & Safety Policy http://www.swireproperties.com/en/sustainability/policies/health-and-safety-policy.aspx
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	People P.32-47 Performance Data Summary P.120-123
G4-CRE6	Percentage of the organization operating in verified compliance with an internationally recognized occupational health and safety management system (OHSAS 18001)	People P.32-47 Performance Data Summary P.120-123

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Social

GRI Indicator	Description	Report Section/Website References and Remarks
Labor Practices and Decent Work		
Training and Education		
G4-DMA	Training and education	People P.32-47
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Performance Data Summary P.120-123
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Performance Data Summary P.120-123
Diversity and Equal Opportunity		
G4-DMA	Diversity and equal opportunity	People P.32-47 Performance (Economic) P.84-92 Corporate website – Board Diversity Policy http://ir.swireproperties.com/en/cg/pdf/diversity.pdf
G4-LA12	Composition of governance bodies and breakdown of employees	People P.32-47 Performance Data Summary P.120-123 Annual Report 2016 – Corporate Governance & Sustainability – Directors and Officers Corporate website – Directors http://ir.swireproperties.com/en/cg/directors.php
Equal Remuneration for women and men		
G4-DMA	Equal remuneration for women and men	People P.32-47 Corporate website – Equal opportunities and diversity http://ir.swireproperties.com/en/cg/pdf/equal.pdf
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.
Supplier Assessment for Labor Practices		
G4-DMA	Supplier Assessment for Labor Practices	Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx

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Social

GRI Indicator	Description	Report Section/Website References and Remarks
Human Rights		
Investment		
G4-DMA	Investment	People P.32-47 Performance (Economic) P.84-92
G4-HR2	Total hours and percentage of employee training on human rights policies or procedures	Performance Data Summary P.120-123
Non-discrimination		
G4-DMA	Non-discrimination	People P.32-47 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Equal opportunities and diversity http://ir.swireproperties.com/en/cg/pdf/equal.pdf
G4-HR3	Total number of incidents of discrimination and corrective actions taken	We received no complaints of discrimination in 2016.
Child Labour		
G4-DMA	Child Labour	People P.32-47 Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	In 2016, no significant actual and potential risk of child labour in our operations and suppliers were identified in 2016. People P.32-47 Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
Forced or Compulsory Labour		
G4-DMA	Forced or Compulsory Labour	People P.32-47 Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf

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Social

GRI Indicator	Description	Report Section/Website References and Remarks
Human Rights		
Forced or Compulsory Labour		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	In 2016, no significant actual and potential risk of forced or compulsory labour in our operations and suppliers were identified in 2016. People P.32-47 Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx
Supplier Human Rights Assessment		
G4-DMA	Supplier human rights assessment	Partners P.49-59 Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx
Society		
Local Communities		
G4-DMA	Local communities	Places P.19-30
G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Places P.19-30
G4-S02	Operations with significant actual and potential negative impacts on local communities	No significant actual or potential negative impacts were identified in 2016.
Anti-corruption		
G4-DMA	Anti-corruption	Partners P.49-59 Performance (Economic) P.84-92 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
G4-S04	Communication and training on anti-corruption policies and procedures	Performance Data Summary P.120-123
G4-S05	Confirmed incidents of corruption and actions taken	In 2016, there were no concluded legal incidents in relation to corruption. Performance Data Summary

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Social

GRI Indicator	Description	Report Section/Website References and Remarks
Society		
Public Policy		
G4-DMA	Public policy	Performance (Economic) P.84-92 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
G4-S06	Total value of political contributions by country and recipient/beneficiary	Performance (Economic) P.84-92 We did not make any political contributions in 2016.
Anti-competitive behavior		
G4-DMA	Anti-competitive behavior	Performance (Economic) P.84-92 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	In 2016, there were no concluded legal incidents in relation to anti-competitive behavior, anti-trust, and monopoly practices.
Compliance		
G4-DMA	Compliance	Performance (Economic) P.84-92
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	No significant fines or non-monetary sanctions for non-compliance with laws and regulations were recorded for 2016.
Grievance Mechanisms for Impacts on Society		
G4-DMA	Grievance mechanisms for impacts on society	We have channels for feedback available to all shareholders, customers, suppliers, contractors and employees. Corporate website – Procedures for reporting of improprieties http://ir.swireproperties.com/en/cg/pdf/improprieties.pdf
G4-S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	No grievances about any substantial impacts on the society were recorded in 2016.

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Social

GRI Indicator	Description	Report Section/Website References and Remarks
Product Responsibility		
Customer Health and Safety		
G4-DMA	Customer health and safety	Performance (Economic) P.84-92 Partners P.49-59
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	In 2016, there were no concluded legal non-compliance incidents in relation to regulations or voluntary codes concerning the health and safety impacts of products and services
Product and Service Labeling		
G4-DMA	Product and service labeling	Performance (Environment) P.61-82
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	In 2016, there were no concluded legal non-compliance incidents in relation to regulations or voluntary codes concerning product and service information and labeling.
G4-CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	Performance (Environment) P.61-82 SD in Action P.94-106
Marketing Communications		
G4-DMA	Marketing communications	Performance (Economic) P.84-92 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
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	In 2016, there were no concluded legal non-compliance incidents in relation to regulations or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.
Customers Privacy		
G4-DMA	Customers privacy	Performance (Economic) P.84-92 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	There were no substantiated complaints reported in 2016.

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Social

GRI Indicator	Description	Report Section/Website References and Remarks
Product Responsibility		
Compliance		
G4-DMA	Compliance	Performance (Economic) P.84-92
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No significant fines or non-monetary sanctions for non-compliance with laws and regulations concerning the provision and use of products and services were recorded for 2016.

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Aspects, General Disclosure, KPIs	Description	Report Section/Website References and Remarks
A. Environment		
Aspect A1	Emissions	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Performance (Environment) P.61-82 Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainability/policies/environmental-policy.aspx In 2016, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI A1.1	The types of emissions and respective emissions data	Emissions of NOx, SOx and other pollutants are considered not significant in our operations.
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Performance (Environment) P.61-82 Performance Data Summary P.120-123
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of product volume, per facility)	Performance Data Summary P.120-123 We do not consider Swire Properties to be a major producer of hazardous waste. The total amount of hazardous waste disclosed in the Performance Data Summary represents the total amount of hazardous waste produced by both Swire Properties and our occupants.
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Performance Data Summary P.120-123 The total amount of non-hazardous waste disclosed in the Performance Data Summary represents the total amount of non-hazardous waste produced by both Swire Properties and our occupants.
KPI A1.5	Description of measures to mitigate emissions and results achieved	Performance (Environment) P.61-82 Performance Data Summary P.120-123
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Performance (Environment) P.61-82 Performance Data Summary P.120-123
Aspect A2	Use of Resources	
General Disclosure	Policies on efficient use of resources including energy, water and other raw materials	Performance (Environment) P.61-82 Corporate website – Sustainable Development Policy http://www.swireproperties.com/en/sustainability/policies/sustainable-development-policy.aspx Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainability/policies/environmental-policy.aspx Corporate website – Energy Policy http://www.swireproperties.com/en/sustainability/policies/energy-policy.aspx

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Aspects, General Disclosure, KPIs	Description	Report Section/Website References and Remarks
A. Environment		
Aspect A2 Use of Resources		
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Performance (Environment) P.61-82 Performance Data Summary P.120-123
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Performance (Environment) P.61-82 Performance Data Summary P.120-123
KPI A2.3	Description of energy use efficiency initiatives and results achieved	Performance (Environment) P.61-82 Performance Data Summary P.120-123 Corporate website – Energy Policy http://www.swireproperties.com/en/sustainability/policies/energy-policy.aspx
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Performance (Environment) P.61-82 Performance Data Summary P.120-123 In 2016, we did not encounter any problems in sourcing water for our daily operations.
KPI A2.5	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced	The total amount of packaging materials used in 2016 by Swire Properties (mainly by our restaurants for food packaging) is approximately 24 tonnes.
Aspect A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	Partners P.49-59 Performance (Environment) P.61-82 Corporate website – Sustainable Development Policy http://www.swireproperties.com/en/sustainability/policies/sustainable-development-policy.aspx Corporate website – Environmental Policy http://www.swireproperties.com/en/sustainability/policies/environmental-policy.aspx Corporate website – Energy Policy http://www.swireproperties.com/en/sustainability/policies/energy-policy.aspx Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Partners P.49-59 Performance (Environment) P.61-82

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Aspects, General Disclosure, KPIs	Description	Report Section/Website References and Remarks
B. Social		
Employment and Labour Practices		
Aspect B1	Employment	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare	People P.32-47 Corporate website – People http://www.swireproperties.com/en/sustainability/people.aspx Corporate website – Working with us http://www.swireproperties.com/en/careers/working-with-us.aspx Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Board Diversity Policy http://ir.swireproperties.com/en/cg/pdf/diversity.pdf Corporate website – Equal opportunities and diversity http://ir.swireproperties.com/en/cg/pdf/equal.pdf In 2016, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	People P.32-47 Performance Data Summary P.120-123
KPI B1.2	Employee turnover rate by gender, age group and geographical region	People P.32-47 Performance Data Summary P.120-123
Aspect B2	Health and Safety	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	People P.32-47 Corporate website – Health & Safety Policy http://www.swireproperties.com/en/sustainability/policies/health-and-safety-policy.aspx In 2016, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI B2.1	Number and rate of work-related fatalities	People P.32-47 Performance Data Summary P.120-123
KPI B2.2	Lost days due to work injury	People P.32-47 Performance Data Summary P.120-123
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	People P.32-47

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Aspects,
General Disclosure,
KPIs

Description

Report Section/Website References and Remarks

B. Social Employment and Labour Practices

Aspect B3	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	People P.32-47 Corporate website – Working with us http://www.swireproperties.com/en/careers/working-with-us.aspx
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Performance Data Summary P.120-123
KPI B3.2	The average training hours completed per employee by gender and employee category	Performance Data Summary P.120-123
Aspect B4	Labour Standards	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	People P.32-47 Partners P.49-59 Performance (Economic) P.84-92 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx In 2016, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	People P.32-47 Partners P.49-59 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx Corporate website – Procedures for reporting of improprieties http://ir.swireproperties.com/en/cg/pdf/improprieties.pdf
KPI B4.2	Description of steps taken to eliminate such practices when discovered	People P.32-47 Partners P.49-59 Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx In 2016, no such practices were discovered.

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Aspects, General Disclosure, KPIs	Description	Report Section/Website References and Remarks
Operating Practices		
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain	<p>Partners P.49-59</p> <p>Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx</p> <p>Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx</p>
KPI B5.1	Number of suppliers by geographical region	Partners P.49-59
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	<p>Partners P.49-59</p> <p>Corporate website – Partners http://www.swireproperties.com/en/sustainability/partners.aspx</p> <p>Corporate website – Supplier Code of Conduct http://www.swireproperties.com/en/sustainability/policies/supplier-code-of-conduct.aspx</p> <p>Corporate website – Procedures for reporting of improprieties http://ir.swireproperties.com/en/cg/pdf/improprieties.pdf</p> <p>Number of suppliers where the practices are being implemented – such information is not included in this report.</p>
Aspect B6	Product Responsibility	
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress</p>	<p>Places P.19-30</p> <p>Performance (Environment) P.61-82</p> <p>Performance (Economic) P.84-92</p> <p>Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf</p> <p>Corporate website – Swire Properties' Data Privacy and Security Policy http://www.swireproperties.com/en/privacy-statement.aspx</p> <p>Corporate website – Procedures for reporting of improprieties http://ir.swireproperties.com/en/cg/pdf/improprieties.pdf</p> <p>In 2016, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.</p>
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	In 2016, we were not aware of any recall concerning the provision and use of the Company's products and services that have a significant impact on Swire Properties.
KPI B6.2	Number of products and service related complaints received and how they are dealt with	There were no substantiated complaints reported in 2016 that have a significant impact on Swire Properties.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	<p>Performance (Economic) P.84-92</p> <p>Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf</p>

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Aspects, General Disclosure, KPIs

Description

Report Section/Website References and Remarks

Operating Practices

Aspect B6	Product Responsibility	
KPI B6.4	Description of quality assurance process and recall procedures	<p>Partners P.49-59</p> <p>SD 2030 Strategy Framework P.10-14</p> <p>SD Governance P.15-17</p> <p>Recall procedures are not considered to be material to our operations.</p>
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	<p>Performance (Economic) P.84-92</p> <p>People P.32-47</p> <p>Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf</p> <p>Corporate website – Swire Properties' Data Privacy and Security Policy http://www.swireproperties.com/en/privacy-statement.aspx</p> <p>Corporate website – Procedures for reporting of improprieties http://ir.swireproperties.com/en/cg/pdf/improprieties.pdf</p>
Aspect B7	Anti-corruption	
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to bribery, extortion, fraud and money laundering</p>	<p>Performance (Economic) P.84-92</p> <p>People P.32-47</p> <p>Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf</p> <p>In 2016, there were no confirmed incidents of non-compliance with such laws or regulations, which have a significant impact on Swire Properties.</p>
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	<p>Performance Data Summary P.120-123</p> <p>In 2016, there were no concluded legal cases in relation to corruption in our operations.</p>
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored	<p>Performance (Economic) P.84-92</p> <p>People P.32-47</p> <p>Corporate website – Corporate Code of Conduct http://ir.swireproperties.com/en/cg/pdf/conduct.pdf</p> <p>Corporate website – Procedures for reporting of improprieties http://ir.swireproperties.com/en/cg/pdf/improprieties.pdf</p>

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Aspects, General Disclosure, KPIs	Description	Report Section/Website References and Remarks
Community		
Aspect B8	Community Investment	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities' interests	<p>Places P.19-30</p> <p>People P.32-47</p> <p>Partners P.49-59</p> <p>Performance (Economic) P.84-92</p> <p>Corporate website – Places http://www.swireproperties.com/en/sustainability/places.aspx</p> <p>Corporate website – Community Ambassador Programme http://www.swireproperties.com/en/sustainability/people/community-ambassador-programmes.aspx</p> <p>Corporate website – Community Caring Fund http://www.swireproperties.com/en/sustainability/people/community-caring-fund.aspx</p> <p>Corporate website – Community Programmes http://www.swireproperties.com/en/sustainability/places/community-programmes.aspx</p>
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	<p>Places P.19-30</p> <p>People P.32-47</p> <p>Performance (Economic) P.84-92</p> <p>Corporate website – Places http://www.swireproperties.com/en/sustainability/places.aspx</p> <p>Corporate website – Community Ambassador Programme http://www.swireproperties.com/en/sustainability/people/community-ambassador-programmes.aspx</p> <p>Corporate website – Community Caring Fund http://www.swireproperties.com/en/sustainability/people/community-caring-fund.aspx</p> <p>Corporate website – Community Programmes http://www.swireproperties.com/en/sustainability/places/community-programmes.aspx</p>
KPI B8.2	Resources contributed (e.g. money or time) to the focus areas	<p>Places P.19-30</p> <p>People P.32-47</p> <p>Performance (Economic) P.84-92</p> <p>Corporate website – Places http://www.swireproperties.com/en/sustainability/places.aspx</p> <p>Corporate website – Community Ambassador Programme http://www.swireproperties.com/en/sustainability/people/community-ambassador-programmes.aspx</p> <p>Corporate website – Community Caring Fund http://www.swireproperties.com/en/sustainability/people/community-caring-fund.aspx</p> <p>Corporate website – Community Programmes http://www.swireproperties.com/en/sustainability/places/community-programmes.aspx</p>

About Swire Properties

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

We welcome your feedback on our sustainable development performance and reporting. You can contact us by email at sustainabledevelopment@swireproperties.com or write to us:

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