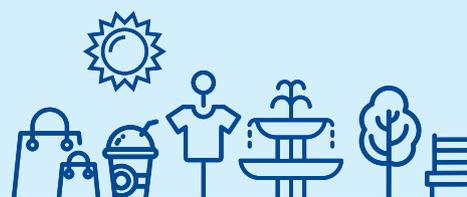


# The Creative Transformation of Taikoo Li Sanlitun



PLACES IMPACT REPORT

July 2021

# Understanding Place Impact

In early 2020, right as our world was being turned upside down with a global pandemic, we published our first Places Impact Report.

This work was entitled, “*The Creative Transformation of Island East and Development of Taikoo Place*”. The report focused on Taikoo Place and the surrounding area known as Island East in Hong Kong. This was a natural starting point, as it was the original area where Swire began its placemaking journey over 135 years ago. It was an important piece of research for us, as we set out to better understand what makes a great place and how to measure the impact of our places.

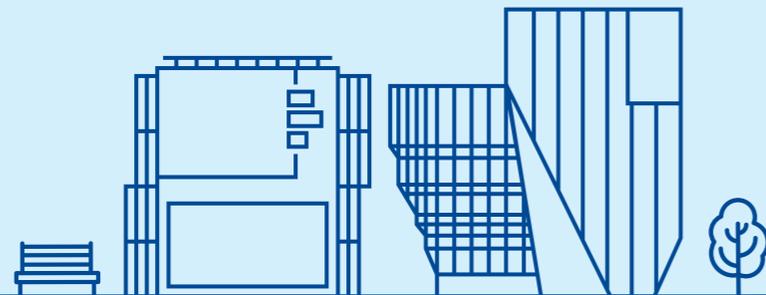
The positive feedback we received on the report from stakeholders around the world was overwhelming. As a result, we were keen to further explore the *four dimensions of place* – vibrancy, livelihood, wellbeing and resilience – to determine if they equally applied in a different context.

Taikoo Place is a large office-led mixed-use development in Hong Kong. Therefore, for this second report, we chose to focus on Taikoo Li Sanlitun in Beijing, a retail-led mixed-use development and our first major development in the Chinese Mainland. Taikoo Li Sanlitun differs from Taikoo Place in that it is designed as a low-density open-plan retail complex, which incorporates laneways, piazzas and cultural amenities to create a walkable and connected village-like atmosphere. It is the home to many international brands and flagship stores and serves as the venue of countless

activities, pop-ups and events that activate the space and surrounding community.

Through this second round of research, we confirmed that these multi-layered placemaking and placekeeping elements – in combination – are what make the place special. The well-planned outdoor laneways, the dynamic public spaces, the thoughtfully curated retail shops, and the ever-changing calendar of activities all contribute to its intrigue and impact. In addition, the coordination with district government and ongoing engagement with the surrounding community supports the sustainable development and resilience of the wider Sanlitun Area.

This combination of factors, as we have now learned through two comprehensive Places Impact Reports, is the essence of what makes a great place.



# “What makes a great place?”

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

This seemingly simple question served as the inspiration for our place impact studies, and has given rise to many more questions:

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

We call this process **Creative Transformation**.

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

“How can we build and maintain the sustainable development of the Sanlitun Area and at the same time look after the needs of the community?”

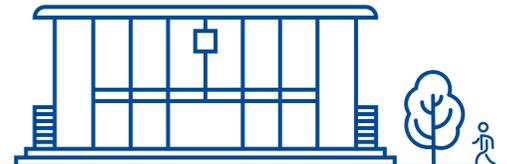
“Our long history in the Chinese Mainland and Hong Kong has provided us with knowledge to take a long-term view to development. The Creative Transformation of a place is a complex series of engagements with stakeholders, considering the maintenance and management of a place, and harmonises local characteristics together with the need to progress and improve continuously.”

— Tim Blackburn, CEO of Swire Properties (Chinese Mainland)





# Measuring the Impact of our Places



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

In 2020, we considered leading research and international best practices to develop a “Places Impact Framework”. As measuring any kind of “impact” requires a comparison of one situation to another, this report assesses changes over time and use comparisons to other commercial complexes as much as possible.

To conduct this assessment in a credible way, we were fortunate to work with Tsinghua University’s Lab for Architectural Programming and Post-occupancy Evaluation. This team has expertise in assessing urban environments and measuring spatial impacts, and has a good understanding of Taikoo Li and the surrounding area.

**We are grateful to have had the opportunity to partner with such a knowledgeable team from this esteemed institution.**

**“The research was comprehensive, extending beyond Taikoo Li to the surrounding area to determine the factors necessary to create and continue to stimulate vibrant urban places, furthering our work towards innovative placemaking and urban regeneration.”**

—Professor Zhuang Weimin, Academician of the Chinese Academy of Engineering and Head of Architectural Design and Research Institute of Tsinghua University



清华大学建筑学院  
School of Architecture, Tsinghua University

## METHODOLOGY

This study applies Swire Properties’ *four dimensions of place*, namely vibrancy, livelihood, wellbeing and resilience to the entire study area and identifies indicators and measurements that explore the tangible and intangible aspects of how a place is used and experienced. The data and observations obtained for this research were used to develop a wide range of indicators to measure place impact. Moreover, the research was strengthened by cooperation among multiple stakeholders in the Sanlitun Area.

# A Places Impact Framework

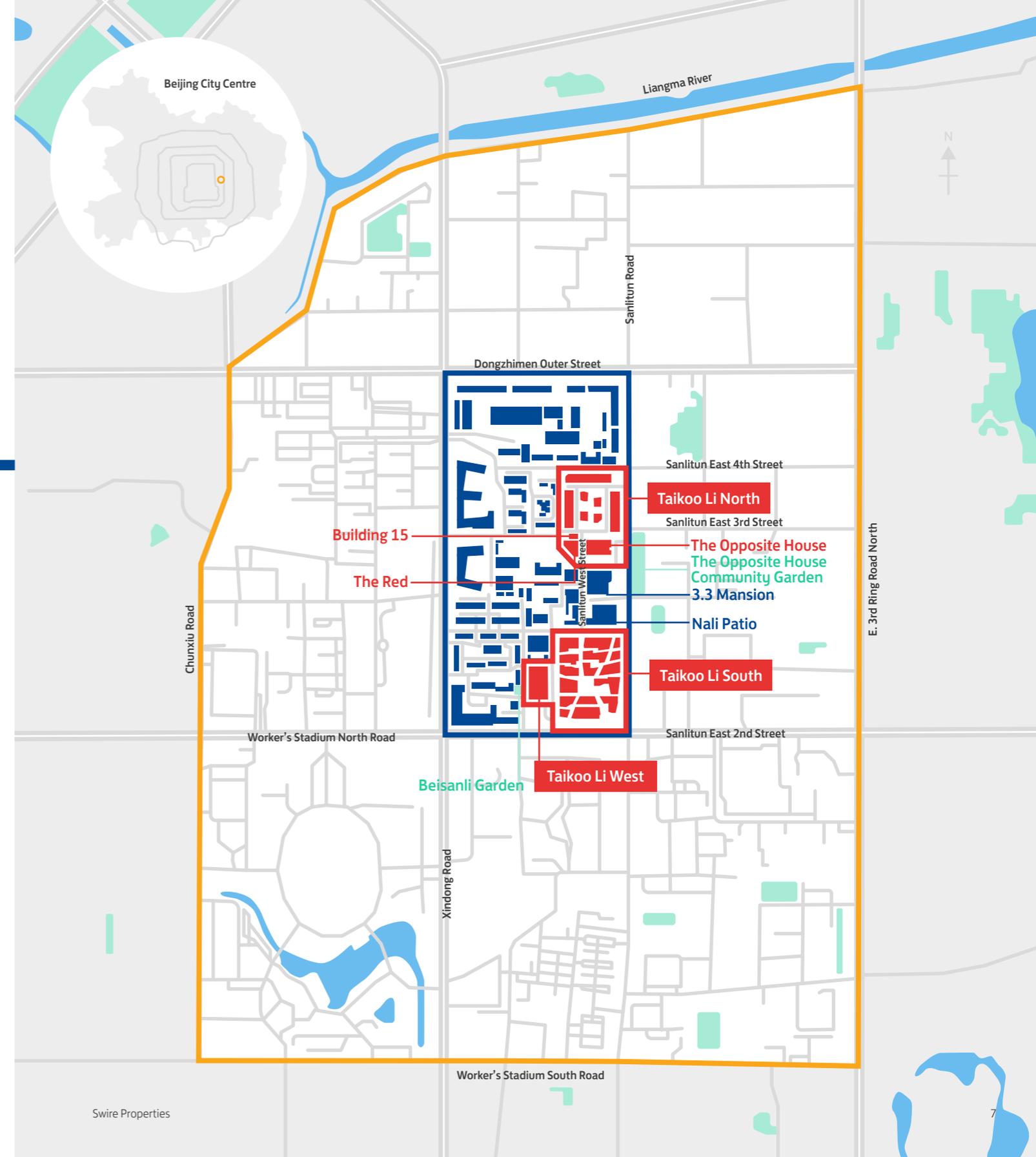


Swire Properties' "Places Impact Framework" takes our Sustainable Development (SD) 2030 Strategy to the next level by helping us to understand and measure the impact of our ongoing investments in SD. Designed to help us understand impact for different types and varying scales of places, the framework separates the scope of our study into three levels:

**Investment Level** – refers to the areas owned and managed by Swire Properties. The buildings that compose Taikoo Li South and Taikoo Li North are grouped by red outlines. It includes the “hardware”, such as buildings, infrastructure and public spaces; and the “software”, which encapsulates engagement with our tenants and communities through events and social initiatives.

**Place Level** – refers to the surrounding block, outlined in blue, which includes Taikoo Li and its immediate area of influence. This evaluation uses the *four dimensions of place*, namely vibrancy, livelihood, wellbeing and resilience, which together capture the economic, social and environmental character and impacts of the chosen area.

**Area Level** – refers to the Sanlitun Street Office's area of jurisdiction. Zooming out, this wider scope will aim to capture and understand impact beyond Taikoo Li's immediate boundary to influence the surrounding Sanlitun Area.



# Investment in Taikoo Li

Before the 1990s, Sanlitun and the site where Taikoo Li currently sits was dominated by large residential units and planned communities, with very little commercial use overall. Beginning in the 1990s, along with the growth of street-facing shops in Beijing, Sanlitun gradually became a cultural and entertainment area, bringing together a cluster of bars and commercial shopping streets, including a clothing street and an auto parts street.

At the turn of the 21st century, major changes were made to the urban fabric. Bar street was upgraded after modernisation and revitalisation works led by the Sanlitun Street Office. During this period, many important commercial developments were built in the area, such as Taikoo Li, Sanlitun SOHO and Shimao Square.

Since its opening, Taikoo Li has always played to its strengths, thanks to several key elements that make the development stand out from other commercial developments in Beijing. These include an emphasis on historical and contemporary culture, well-planned management of urban areas, and a focus on visitor experience. These elements have combined to allow Taikoo Li to flourish and become the fashionable and trend-setting centre that we enjoy today.

**Taikoo Li's story begins in 2007 when Swire Properties acquired the site from another developer during the construction phase.**

**2008**

Line 10 of the Beijing Metro begins to operate and Tuanjiehu station opens in July within walking distance to Taikoo Li

**2008**

The Orange, a multi-purpose event space opens in the South zone

**2009**

The Opposite House, a boutique hotel opens

**2008**

The South zone of "Sanlitun VILLAGE", as Taikoo Li was originally known, formally opens in August as the city gets ready for the 2008 Summer Olympics

**2009**

The North zone opens

**2010**

Swire Properties is a "Golden Swing Sponsor" of the annual Beijing Music Festival for the first time, a partnership that continues to this day



○ Hardware ○ Software



**2013**

Sanlitun VILLAGE changes its name to "Taikoo Li Sanlitun" to reflect Swire Properties' investment and helps to build stronger brand recognition in the Chinese Mainland



**2015**

Taikoo Li becomes the first commercial project in the Chinese Mainland to achieve OHSAS 18001: 2007 certification for occupational health and safety management

**2016**

N8 building in Taikoo Li North subdivided to house a greater variety of tenants

**2017**

HVAC retrofit and roll out to all tenants (completion in 2024)



**2018**

For the ten year anniversary, one-third of Taikoo Li South was renovated under building composition upgrades and customer circulation optimisation



**2021**

Taikoo Li West opens

**2020**

Upgrades to N4 building introduces escalators and folding façade to enable outdoor dining

**2019**

Taikoo Li becomes a designated location to trial the "Night-time Economy" initiative

**2017**

The revitalisation of Sanlitun West Street

**2017**

The Opposite House Community Garden opens

**2018**

Installation of 700 thin-film solar PV panels in N8 building of Taikoo Li North completes, generating 20,000 kWh of clean energy annually

**2020**

Wayfinding signage improvement completes

**2021**

Large LED screen installed in Taikoo Li South to display digital 3D artwork

**2014**

Beisanli Garden opens for the nearby residential community

**2015**

The Red, a multi-purpose event space, opens in the North zone

**2016**

Partnership with the Sanlitun Street Office to revitalise Sanlitun West Street begins

**2017**

Beijing government repositioned "Commercial Sanlitun" as "Cultural Sanlitun" to help the city transition to become a visitor landmark



○ Hardware ○ Software

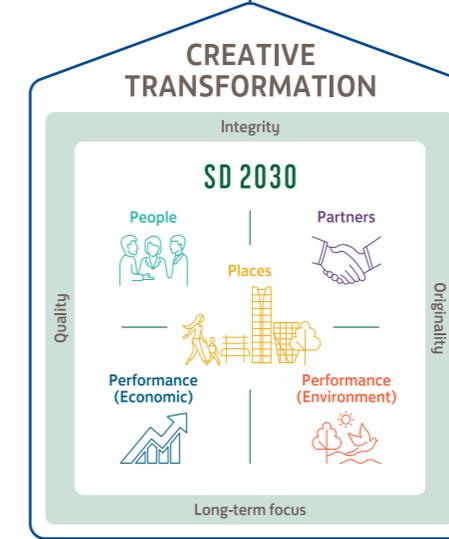
# The Four Dimensions of Place

When placemaking and placekeeping are done well, business and communities thrive.

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

The Places pillar in Swire Properties' SD 2030 Strategy considers the *four dimensions of place* – vibrancy, livelihood, wellbeing and resilience. Looking at the bigger picture, these four dimensions come together to combine and interact, and ultimately contribute to successful placemaking and placekeeping.

Let us consider how the four dimensions of place interact to create Taikoo Li and impact the wider Sanlitun Area.



The four dimensions of place support Swire Properties' SD 2030 Strategy – a comprehensive approach to managing the Company's environmental, social and governance (ESG) performance over time and sets out a number of ambitious targets. As a property developer, we recognise that the ultimate impact we have on society, can be found in our Places.

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



## Vibrancy

Taikoo Li's layout, which is reflective of traditional Beijing architecture, supports walkability and provides a space that is ideal for gathering and public activity. This, along with the regular programming of high-quality events and activities, contributes to a vibrant place.

## Livelihood

Taikoo Li supports a significant cluster of commercial and recreational activities even with the complex's low-development density. This contributes directly to The Greater Sanlitun Commercial District plan, positioning Sanlitun to attract international visitors and support the evolving needs of the economy.

## Wellbeing

Visitors to Taikoo Li express high satisfaction levels with the complex, with many expressing their affinity to the place as being driven by the shopping experience, in addition to the overall spatial and visual comfort. Taikoo Li's open-plan, low-density design also supports the “eyes on the street” phenomenon, which has resulted in improved safety and security for visitors.

## Resilience

One of the best indicators of resilience is adaptive capacity – in the context of urban environments, this is the community's ability to prepare and respond to acute and chronic stressors. Throughout the COVID-19 pandemic, Taikoo Li has proven to be resilient from both an economic and social perspective. Regular hardware upgrades and enhancements are carried out in Taikoo Li to ensure that its critical infrastructure remains operationally efficient and physically resilient.



The concept of vibrancy is closely associated with visible levels of activity and is a tell-tale indicator of good public space. This section explores the following three questions:

**What's unique about Taikoo Li's layout that differentiates it from other commercial properties?**

**How does Taikoo Li function as a public space and why are people drawn to spend time here?**

**In what ways has Swire Properties' long-term placekeeping strategy impacted Taikoo Li?**



# Vibrancy

## KEY IMPACTS

Vibrancy is a result of a well thought-out physical design and layout that facilitates social activity and attracts a high daily on-site population. The outdoor open-plan design of Taikoo Li has reduced barriers to entry and contributed to a more walkable neighbourhood. Moreover, Taikoo Li and The Opposite House offer unique shopping experiences as well as curated arts and culture events for the public to experience and enjoy.

Impact pathways that contributed to this include:

- A distinct physical layout orientated to human scale
- Well-designed public spaces and elevated pedestrian link bridges
- Ongoing placekeeping through continuous investment in hardware and software

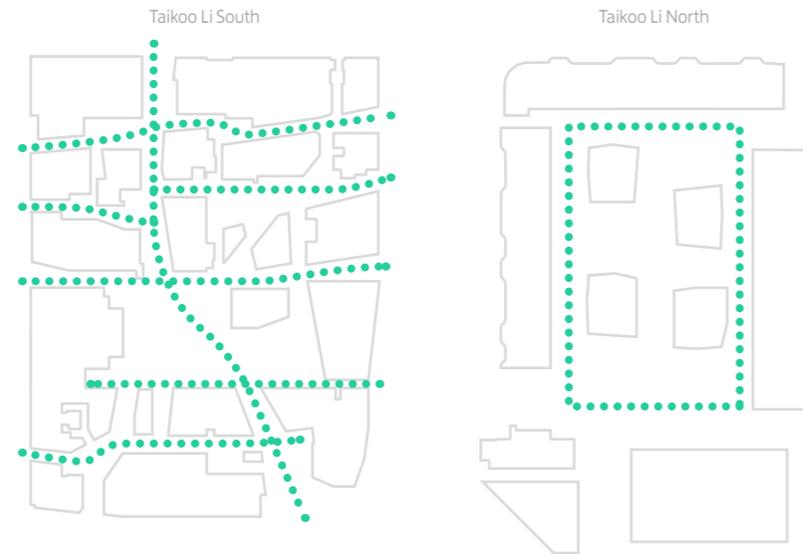
## VIBRANCY INDICATOR 1

# Walkability

Walkability as a concept is an integral part of Taikoo Li's master plan and continues to be an important factor in supporting the local government's ambitions to create a dynamic urban commercial hub in the Sanlitun Area.

### LAYOUT DESIGN

Taikoo Li's open-plan, lane-driven layout design is inspired by traditional Beijing hutongs – laneway-like narrow streets formed by rows of traditional courtyard homes. Within the complex, the open spaces and public piazzas are connected by various paths and routes that are intentionally non-uniform. The myriad of lanes gives way to a countless number of pathways that visitors can choose to take, each giving a different experience of Taikoo Li. This also makes Taikoo Li a commercial centre that is different from the typical modern-day enclosed shopping mall.

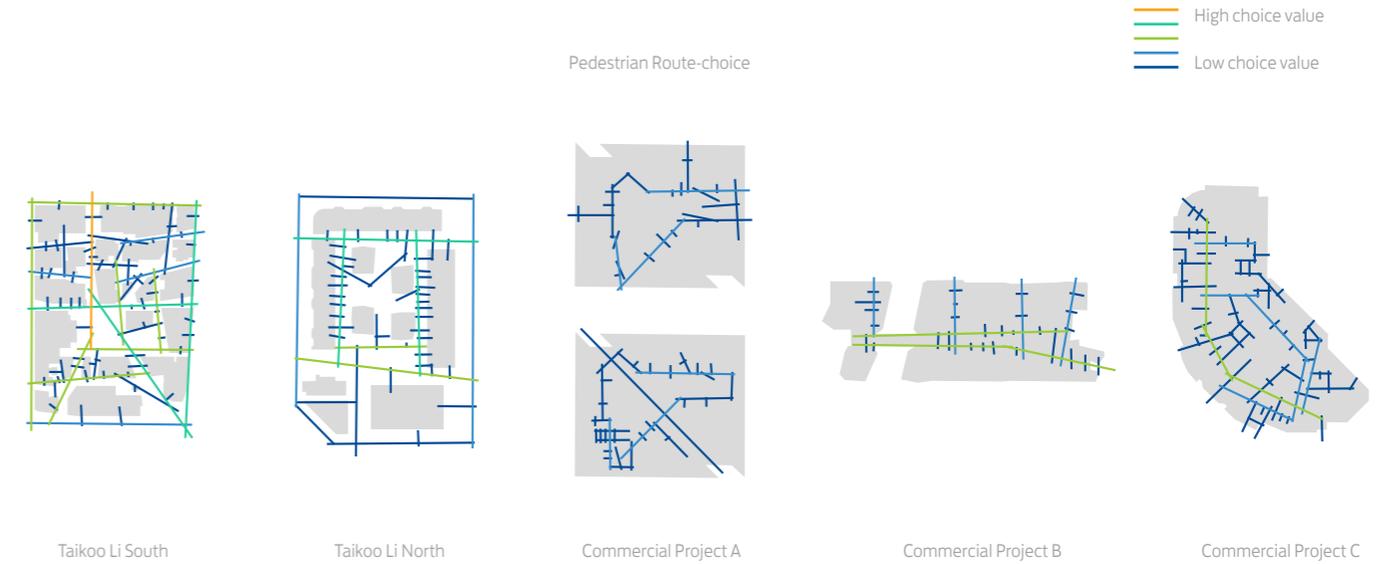


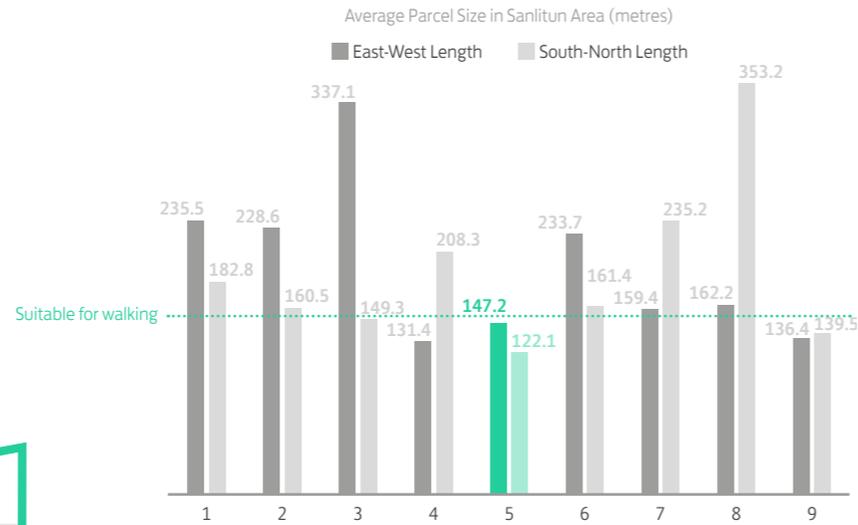
### CIRCULATION

A pedestrian route-choice analysis completed in Taikoo Li and in other commercial complexes in Beijing showed that there are more high choice value roads in both the Taikoo Li North and South zones than in other malls, indicating that Taikoo Li better supports pedestrian traffic and is more convenient for people to gather.

“Taikoo Li has a pedestrian network pattern that’s like a chessboard. The visitors can come and go in multiple directions instead of having to stick to a few main pathways like in the traditional shopping mall layout.”

— Christopher Law, The Oval Partnership, Renovation Architect



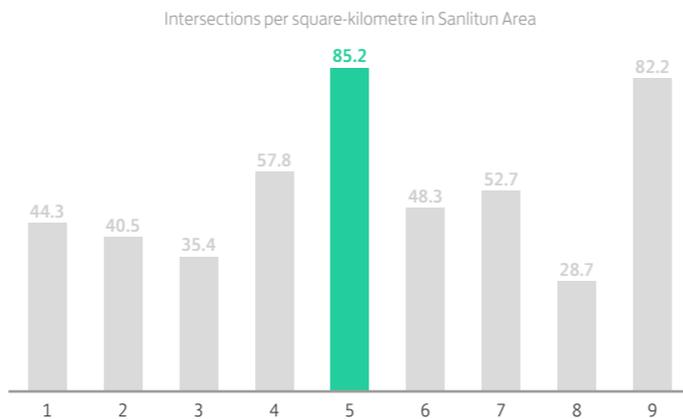


### PARCEL SIZE

Taikoo Li parcel sizes are closest to the recommended 150 metres parcel size, measuring 147 metres in width and 122 metres in length. This parcel size is appropriate at human scale and is well suited for a commercial area combined with attractive street-level retail and landscaping.

### INTERSECTION DENSITY

The block where Taikoo Li is located has the highest intersection density compared to the other eight blocks in the Sanlitun Area. In practice, this facilitates more activity at street level, further positioning the place as a vibrant and attractive commercial district.

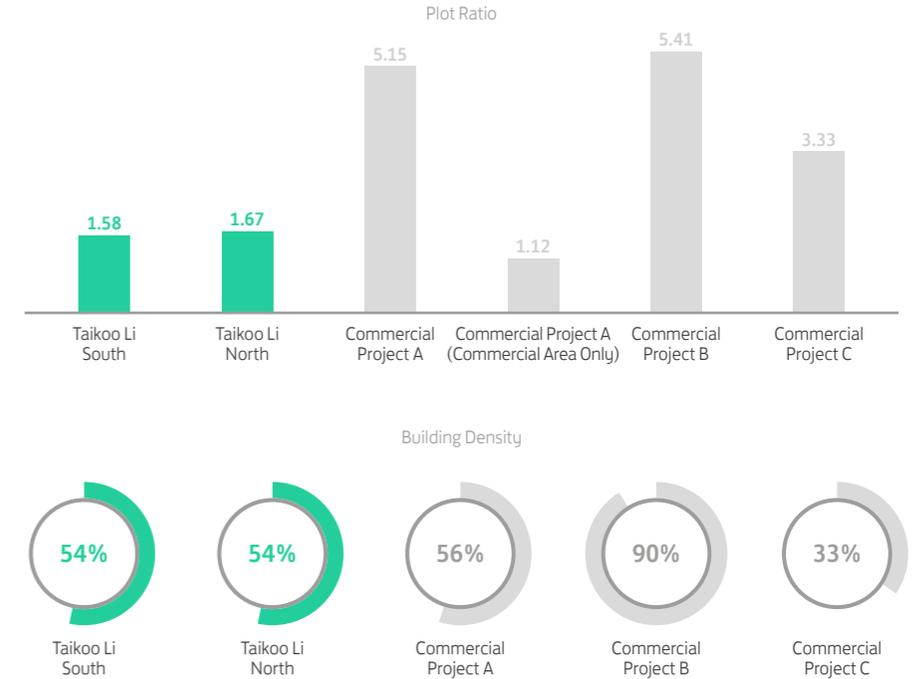


## VIBRANCY INDICATOR 2 Vitality

Successful urban spaces are designed for people, because people are what bring vitality to a place.

### DEVELOPMENT INTENSITY

The building density of Taikoo Li is 54% with a plot ratio of 1.7. This low development intensity is inherent to Taikoo Li's low-density lane-driven design, providing visitors with a calm and comfortable experience with wide pathways and an abundance of open space.



### VISITOR BEHAVIOUR

A behavioural mapping study found that the low development intensity supports social interaction and informal gatherings. The study identified many hot spots, indicating that Taikoo Li remains popular throughout the year, regardless of its largely outdoor design. In addition to the popular entrances and piazzas, some unplanned gathering places were also identified throughout the complex. This is Taikoo Li's uniqueness, where its layout and store locations have an ability to promote serendipity to drive individualistic experiences.

Visitor Behaviour Map in Taikoo Li South



Visitor Behaviour Map in Taikoo Li North



## VIBRANCY INDICATOR 3

# Culture and Enjoyment

Encouraging interaction with public art and making art more accessible to the community can help to break down social barriers. Moreover, temporary pop-up shops and seasonal events can make a place special and are some of the many reasons why people visit Taikoo Li.

### EVENT SPACES

Taikoo Li organises various types of activities, including art exhibitions, flash fashion shows, exhibitions of traditional culture, and much more. Since 2012, a total of 419 activities have been held, with an average of 11 activities held each quarter.

Taikoo Li has identified prominent spaces across the portfolio where high-profile short-term events and pop-ups can be held on a regular basis.

### Main Piazzas

The main piazzas at both Taikoo Li South and North are host to a wide range of activities throughout the year, including mall campaigns, brand events and installations, all of which draw crowds to the mall and enjoy broad media coverage.

### The Orange

As Taikoo Li's first dedicated multi-purpose events space, The Orange hosted a wide range of activities between 2008 and its closure in 2018. Designed by Kengo Kuma, the 750-square-metre space evidenced Swire Properties' commitment to the promotion of arts and culture at Taikoo Li.

### The Red

Opened in 2015, The Red is a multi-purpose event space located at the south corner of Taikoo Li North. With a striking brick-red exterior and modern interior design, The Red hosts a range of art, culture, leisure and entertainment events and activities. The 1,000-square-metre space can accommodate up to 400 people across two levels.



Leoš Janáček's *Silent Opera*, 2017



V&A Museum's *Shoes: Pleasure & Pain* Exhibition, 2018



Li Ning Pop-up, 2020



Louis Vuitton SS Men's Pop-up, 2020

“Swire Properties is passionate about developing retail showcases that connect people, brands and communities. Taikoo Li Sanlitun is the place that exemplifies our efforts in transforming the neighbourhood by the co-creation of immersive retail experiences with the Chaoyang community and our business partners. We are excited to continue this journey to reinforce Taikoo Li Sanlitun as a playground for the fashion community.”

— Han Zhi, Director - Retail Portfolio Management of Swire Properties

Taikoo Li is the tagged location for 4 billion and counting Douyin video clips

### HIGHLIGHTS OF KEY EVENTS

#### Beijing Music Festival

Through a long-standing partnership with the Beijing Music Festival, Swire Properties holds performances of different musical styles at Taikoo Li, inviting many famous contemporary musicians to perform for the city's residents.



Beijing Music Festival

#### Arts and Culture at The Opposite House

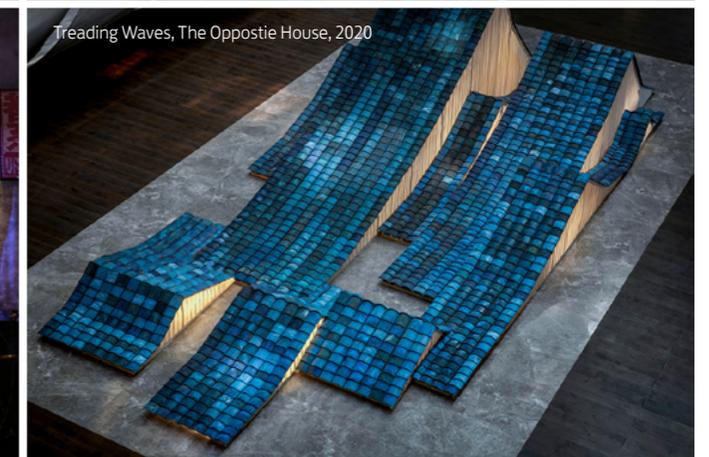
The Opposite House offers a curated collection of permanent and rotating artworks that invite visitors to explore works that represent an interplay of modern and traditional influences to drive unique experiences.



The Invisible Vein, The Opposite House, 2021



Beijing Music Festival



Treading Waves, The Opposite House, 2020



Livelihood considers the role and function of the place, its users, daily activities and the value generated. This section explores the following three questions:

**Who comes to Taikoo Li and why?**

**What do visitors think of Taikoo Li's economic atmosphere?**

**What value does Taikoo Li add to the economy?**



# Livelihood

## KEY IMPACTS

Taikoo Li has emerged as a key destination in Sanlitun and in Beijing, supporting a significant cluster of commercial activities and recreational services. Even with a low development density, both the type and number of points of interest in the Sanlitun Area (specifically around the investment spatial scope) have increased greatly over the last 12 years, so much so that the perceived centre of gravity in this area has shifted to focus on the south-eastern corner of Taikoo Li.

Impact pathways which have contributed to the livelihood and commercial success of Taikoo Li are:

- Visitors as well as nearby residents and workers of different backgrounds are highly satisfied by what Taikoo Li has to offer and all have their own reasons for being drawn to complex
- A high daily on-site population, serving as a commercial hub with shops, restaurants, a boutique hotel and a co-working space, together with a welcoming public realm
- The “First Store” strategy used to attract and introduce new brands, setting trends and adapting to the evolving needs of people in Sanlitun and across Beijing

## LIVELIHOOD INDICATOR 1

# Density

The increase in density of mixed-use activities can demonstrate how core commercial areas such as Taikoo Li play an important role in the ongoing transformation of the place and the wider Sanlitun Area.

### POINTS OF INTEREST

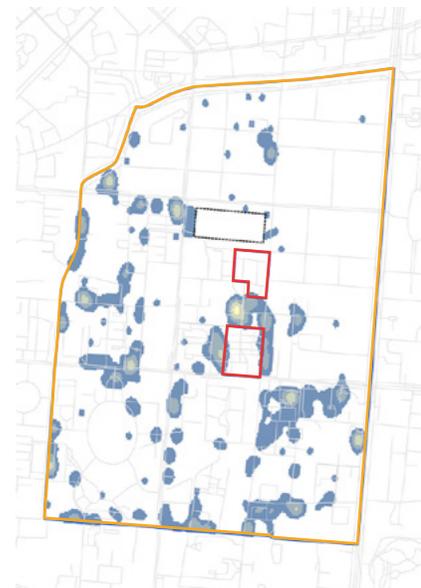
Through a dynamic analysis of the density of points of interest ("POI") in the study area, it is evident that businesses have grown at a rapid pace across the expanse of the site over the last 12 years. Several hot spots have clearly emerged, and among them, Taikoo Li Sanlitun, Nali Patio and Sanlitun 3.3 Mansion form core areas of activity, mostly concentrated at the intersection of Sanlitun Road and Gongti North Road.

Some of the blank areas on the map that have very few or even no POI are embassy buildings, where uses can't be changed due to privacy and security.

However, one area of opportunity identified was the area north of Taikoo Li North zone highlighted below, where at first glance, the blank area is in stark contrast to the dense number of POIs in and around Taikoo Li North. Currently being used as a bus parking and maintenance facility, this non-commercial use appears as a "dead zone" against the backdrop of Taikoo Li and has a negative impact on the vitality of the surrounding areas.

Thermal Map of POI Distribution in Sanlitun Area

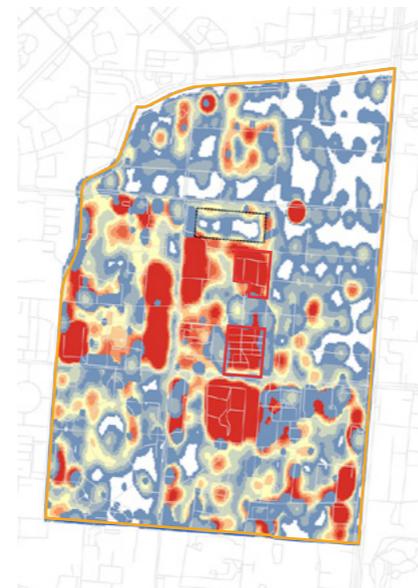
2009



2014



2020



## LIVELIHOOD INDICATOR 2

# Personas

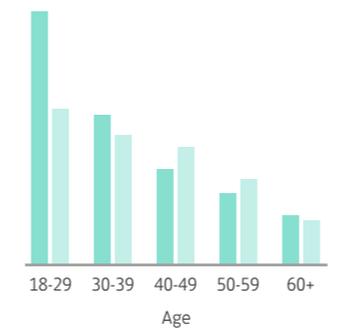
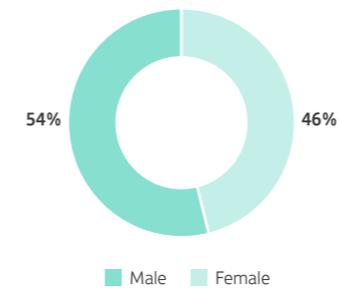
Persona is a term often used to describe someone's personality, but how about in the context of a place? To personify Taikoo Li and understand its human characteristics requires a good understanding of the people who occupy and use the place.

Visitors are attracted to Taikoo Li for a variety of reasons.

### VISITORS

The gender ratio from the 411 responses collected from visitors is relatively balanced. Although young people aged 18-29 are the majority, the overall demographics are diverse and cover all age groups.

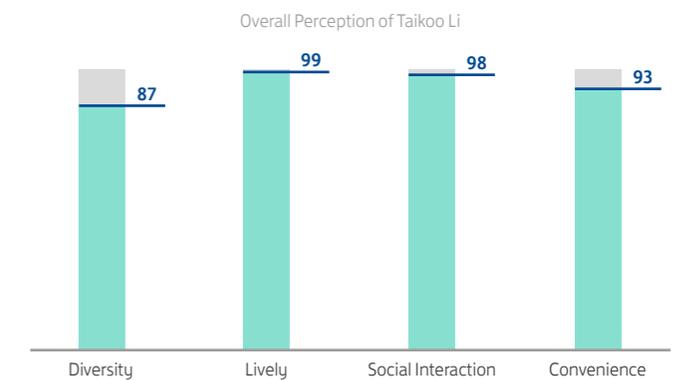
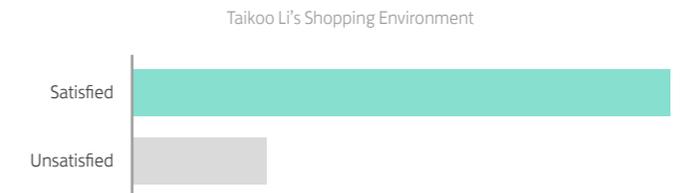
Over two-thirds of the interviewees visit Taikoo Li at least once every month and the average duration of stay for each of their visits is about two-and-a-half hours.



### NEARBY RESIDENTS

Nearly 80% of the 283 nearby residents that participated in this survey stated that they are satisfied with the shopping environment of Taikoo Li.

Residents gave positive ratings when evaluating Taikoo Li on diversity, liveliness, the ability to foster social interaction and convenience.



In addition to visitors, the research team collected more than 300 responses from Taikoo Li tenants and others employed nearby to inform a persona that represents Taikoo Li.

## LIVELIHOOD INDICATOR 3 Commercial Operation

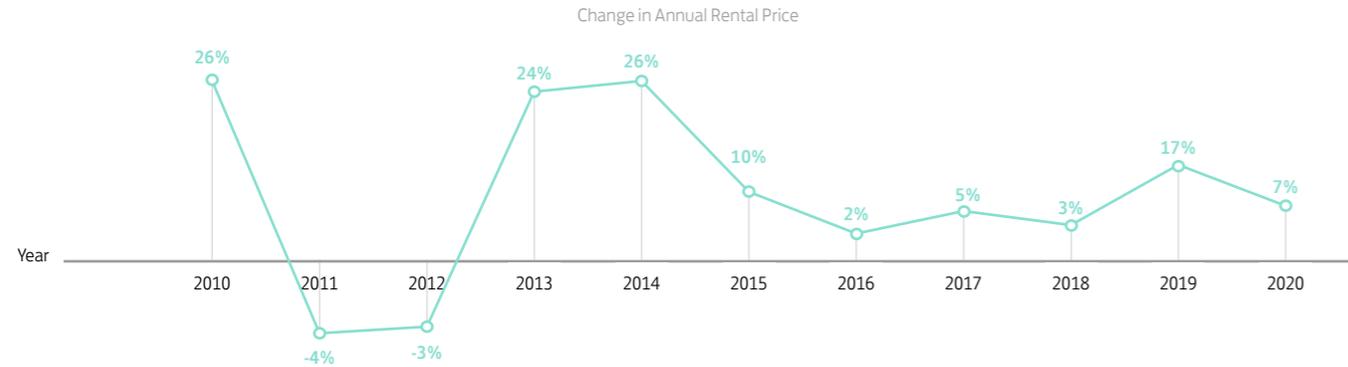
After 12 years of operation, Taikoo Li is operating well, thanks to the concerted efforts and dedication of the skilled portfolio management team.

### FIRST IN BEIJING

In 2016, Taikoo Li officially announced the implementation of its "First Store" strategy, heralding the start of an even greater push to secure unique new tenants for the enjoyment of its customers. Since then, the mall has worked with over 100 brands to open their first stores in Beijing, and in some cases their first stores in the Chinese Mainland, leading the media to coin a new moniker for the mall, namely the "Harvester of First Stores".

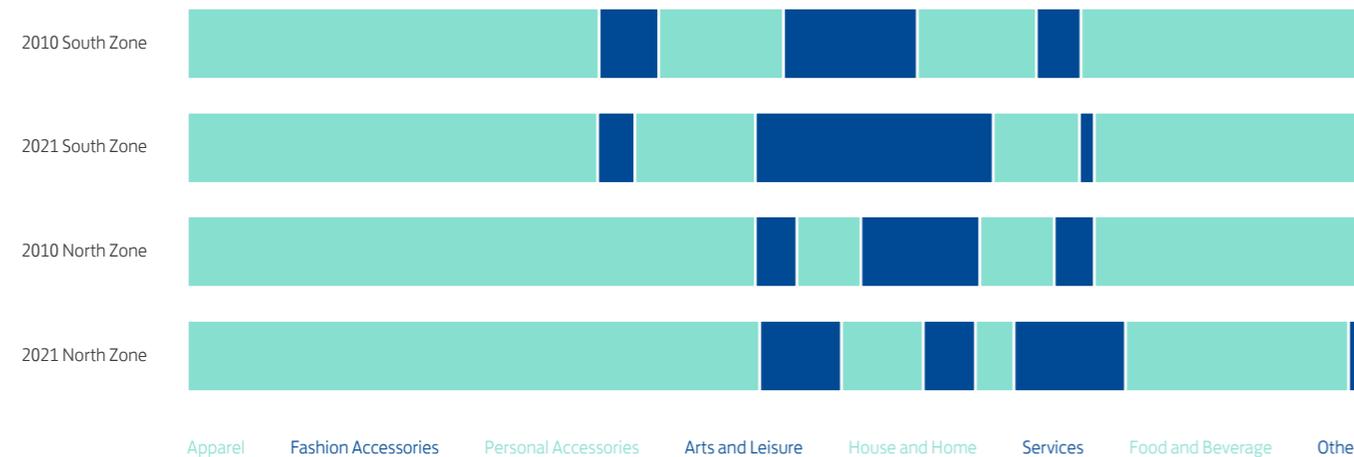
### RENTAL PERFORMANCE

Although the rental levels of Taikoo Li reflect the economic situation of the market, the positioning of the mall has driven a continuous upward trend in rental prices, reflecting the mall's popularity. Taikoo Li aims to continue to strengthen its positioning as a fashion retail landmark and with a unique "First Store" strategy, the market demand for rental space is expected to remain strong.



### DIVERSITY

There is a wide and diverse range of shops in Taikoo Li, and the tenant mix is changing continuously to adapt to our visitors' interests. Taikoo Li is also the home to The Opposite House, a boutique design-driven hotel operating under The House Collective by Swire Hotels.



## LIVELIHOOD INDICATOR 4 Economic Value

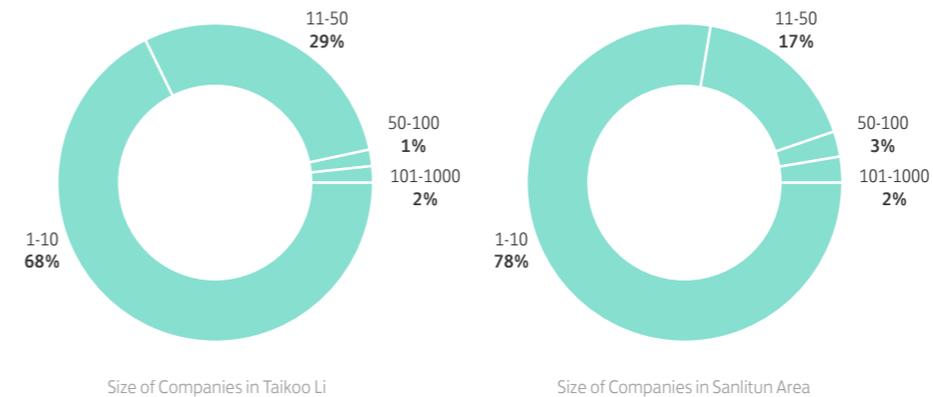
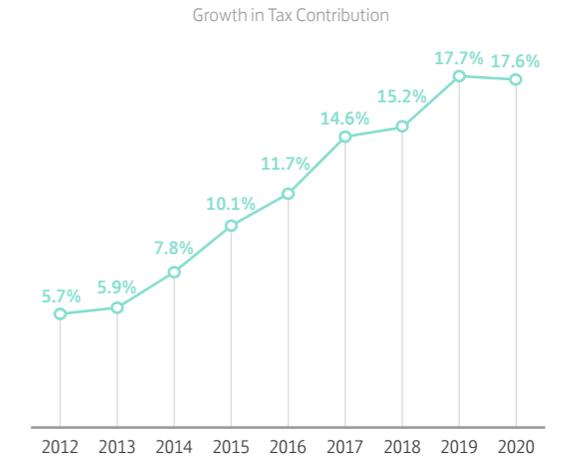
Taikoo Li's value to the local economy is reflected in many aspects, such as contributing to employment and improving the economic livelihood of the area.

### TAX CONTRIBUTION

Since opening in 2008, the tax paid by Taikoo Li has maintained a steady growth, contributing to the Sanlitun Area's economic livelihood. Taikoo Li's tax contribution increased from 5.7% of the Sanlitun Street Office's financial revenue in 2012 to 17.6% in 2020.

### EMPLOYMENT

In 2020, there were 247 retail shops in Taikoo Li, and the number of staff employed in the majority (68%) of stores in Taikoo Li was between one to 10 people. When compared with the surrounding Sanlitun Area, Taikoo Li also sees a higher proportion of mid-size companies that employ 10-100 staff.



It is estimated that Taikoo Li provides approximately 3,400 jobs, translating to an employment density of approximately 650 jobs per hectare.



Wellbeing reflects how people use physical spaces and how social interactions occur between people and places to satisfy social needs and to promote wellness. This section explores the following three questions:

- How satisfied is the community with Taikoo Li?
- What features help visitors feel comfortable and welcome in Taikoo Li?
- How does Taikoo Li model a safe environment to transform the wider place?



# Wellbeing

## KEY IMPACTS

Taikoo Li's open-plan, lane-driven design gives way to safe and comfortable pedestrian walkways. Users who participated in surveys and interviews expressed a high level of satisfaction with multiple aspects of Taikoo Li. Impact pathways that have enabled Taikoo Li to exemplify a healthy and safe place are:

- Taikoo Li's layout and design has created pedestrian walkways that support the "eyes-on-the-street" phenomenon, providing the area with the highest safety score
- A barrier-free design is consistent throughout the complex, supporting accessibility for all visitors
- The street scale is pedestrian-friendly and actively draws visitors to spend time there

## WELLBEING INDICATOR 1

# Safety Index

Safety and security in an urban setting are directly related to the quality of public spaces and their ability to attract people to keep the place active throughout the day.

### ROAD SAFETY EVALUATION

The concept of “eyes on the street” stems from the idea that the more people there are on the street, the safer it becomes – the public’s eyes serving as the informal surveillance of the urban environment. For residents to move safely through the streets and public spaces, other people need to be present, contributing to an atmosphere of safety.

Moreover, the safer the road is, the more suitable it is for walking and other human activities, further supporting the creation of safe places. The level of safety in the study area has been determined by conducting an overall evaluation of road design and the availability of barrier-free design and facilities on the site.

For the purpose of this study, the vehicular roads around the study area were divided into six sections to conduct a comprehensive safety evaluation.

The evaluation showed that roads no. 1 and no. 6 around Taikoo Li have the highest scores, which indicate that the roads around Taikoo Li are the most pleasant and safe for pedestrians. Over the last decade, Taikoo Li has invested in the road design and safety enhancements for these roads such as, installing outdoor lighting, widening the sidewalks and adding rows of trees and planters.



## WELLBEING INDICATOR 2

# Place Satisfaction

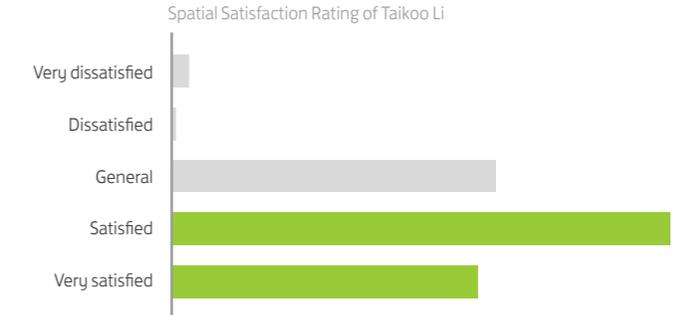
Place satisfaction can be an indicator of wellbeing, drawing a correlation between how, if people spend time in a place that they enjoy, their perceived satisfaction and happiness can potentially be improved.

More than 400 visitors were surveyed on their place satisfaction

### SPATIAL SATISFACTION

The spatial satisfaction score in Taikoo Li was determined by evaluating the following aspects: layout rationality, central piazza, entrance piazza, public seating, toilets and overall atmosphere.

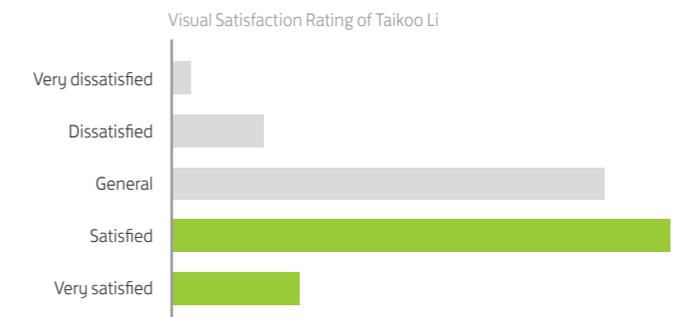
71% of survey respondents were satisfied or very satisfied with Taikoo Li’s spatial design.



### VISUAL SATISFACTION

The five categories used to measure visual satisfaction were architectural design, overall environmental quality, building colours, ground pavement and greenspace.

54% of survey respondents were satisfied or very satisfied with Taikoo Li’s visual appearance.

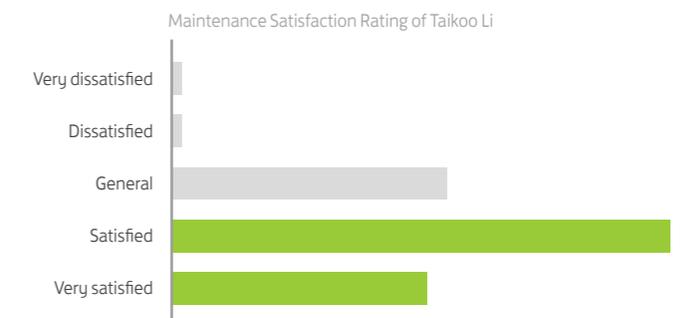


The design of Taikoo Li is the product of several industry leading designers, including Kengo Kuma, The Oval Partnership, Lot-EK and SHoP Architects. This approach truly set Taikoo Li up for success – building strong foundations for diversity, inclusivity and adaptability.

### MANAGEMENT SATISFACTION

Management satisfaction was assessed through six categories: cleanliness, order management, safety measures, outdoor maintenance, waste disposal facilities and Wi-Fi connectivity.

72% of survey respondents were satisfied or very satisfied with Taikoo Li’s management and operations.



## WELLBEING INDICATOR 3

# Design for Enjoyment

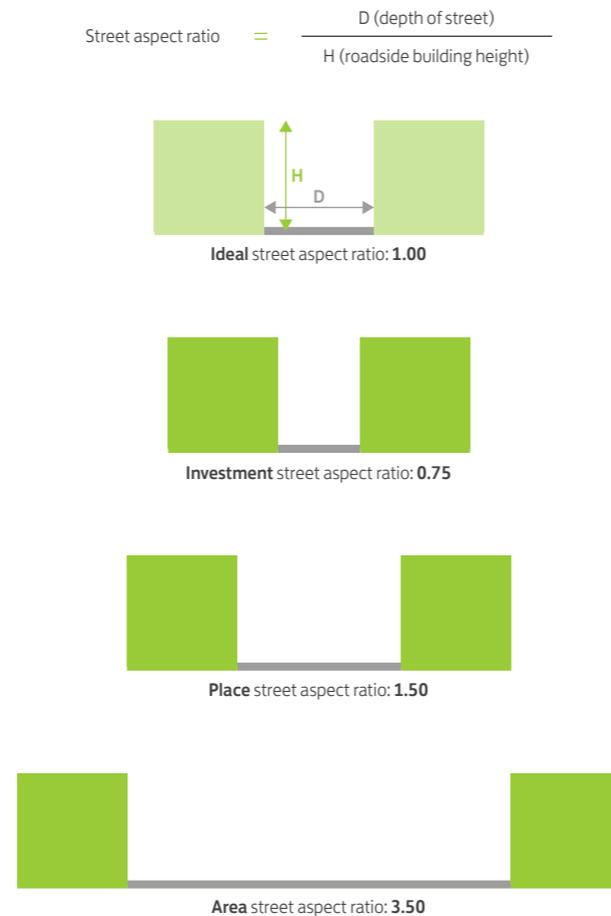
Whether a site design is user-friendly and pleasant has a significant impact on the wellbeing of people using the place. Done well, appropriate planning and design can make visitors feel more attached to a place. Moreover, finding pleasure in a place can be mostly attributed to how pedestrians feel and what they experience when walking through the streets, inherently evaluating the quality and enjoyability of the place.

### STREET ASPECT RATIO

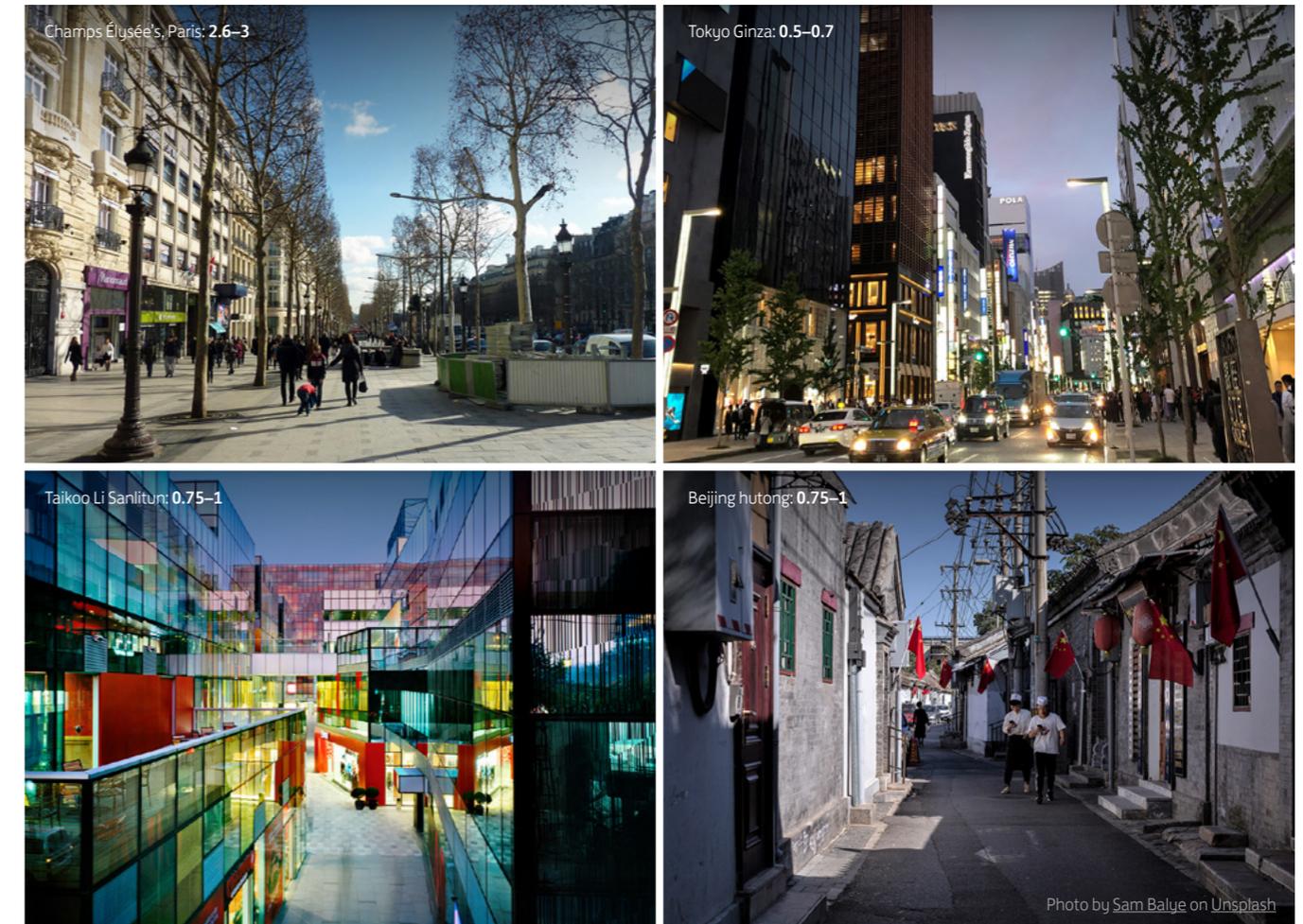
The street aspect ratio is the value of the width of the street to the average height of buildings on both sides. A ratio value of around 1.00 would be the most ideal, symbolising a balance between the width of the streets and the height of the buildings.

On average, the roads that bound Taikoo Li have a street aspect ratio of between 1.00 to 2.00, while the average ratio inside the Taikoo Li site is between 0.75 to 1.00, which is closest to the ideal ratio.

Taikoo Li's street aspect ratio accurately replicates the space scale of the Beijing hutong layout to create a low-density street space appropriate for the human scale that allows visitors to feel engaged and improves their affinity to the place.



Street Aspect Ratio from Different Perspectives



### SPATIAL FEASIBILITY INDEX

The spatial feasibility index (“SFI”) is the ratio of pedestrian walkway area to vehicle roadway area. A higher SFI illustrates a space where more people and more activities can be accommodated.

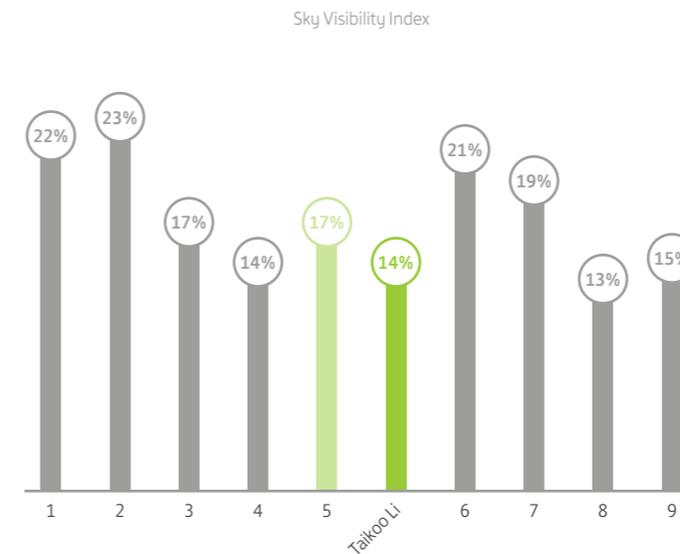
Although the average SFI of the block where Taikoo Li is located is lower than that of the rest of the Sanlitun Area, the SFI of streets inside of Taikoo Li are far higher than the average value of the surrounding place, reaching 0.86. This indicates that Taikoo Li has created a comfortable and safe walking environment in the investment site, where the width of the area designed for walking is almost as wide as that of the nearby roads for motor vehicles.



### SKY VISIBILITY INDEX

Sky visibility index describes the proportion of sky that is within the human visual range that is not obstructed by high-rise buildings. It is another factor that has a significant influence on how people feel when travelling down a street.

The overall sky visibility index of streets in Taikoo Li is about 14%. This proportion of visibility is considered to be of ideal range, where we have successfully balanced the width of the street to facilitate interest in street-facing businesses and also the amount of daylight visible, thereby creating a more pleasant shopping environment for visitors in Taikoo Li.



Places with Different Sky Visibility





Place resilience considers the ability of a place to plan, prepare and recover from future shocks in the physical, social and economic spheres. Therefore, the resilience of a place extends beyond physical assets to promote sustainable development and consider community wellbeing and inclusive economic growth. This section explores the following questions:

**What strategies has Taikoo Li adopted to ensure long-term sustainability and resilience?**

**How is social, economic and environmental performance measured under the umbrella of resilience?**



# Resilience

### KEY IMPACTS

Our continuous investment in hardware and software at Taikoo Li demonstrates a long-term commitment to improving the place, while contributing positively to the environment and to the community in which we operate.

Impact pathways that contribute to Taikoo Li's resilience include:

- Continuous programming and activities to deepen relationships with the surrounding communities and local authorities
- Maintained economic resilience by employing an effective business strategy throughout the COVID-19 pandemic
- Adapted the Taikoo Li loyalty programme as a platform to communicate with valued customers and keep pace with online shopping and social media trends
- Regular upgrades and enhancements to infrastructure and hardware
- Completed a thorough climate risk assessment of Taikoo Li to identify, analyse and manage business risks

## RESILIENCE INDICATOR 1

# Social Resilience

Social resilience is a crucial ingredient when it comes to creating a well-integrated and inclusive place. Long-term placekeeping strategies ensure that places integrate and become part of the communities in which they are located and Taikoo Li remains committed to providing support to the surrounding community through public welfare activities.

### COOPERATION WITH LOCAL AUTHORITY ON COMMUNITY DEVELOPMENT

#### Case Study: The Opposite House Community Garden

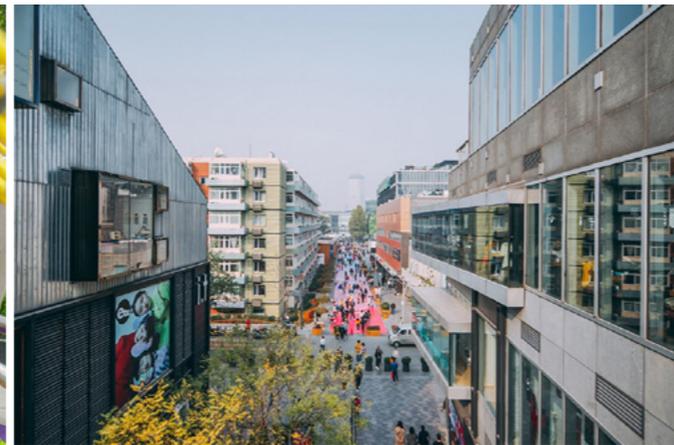
In use since October 2017, the community garden across from The Opposite House was the product of a collaboration between Swire Properties and the Sanlitun Street Office.

The community garden provides visitors and residents with additional greenspace, an art pavilion, a children's playground and resting areas.

#### Case Study: Revitalisation of Sanlitun West Street

Taikoo Li worked closely with the Sanlitun Street Office in the renovation project of Sanlitun West Street where a master plan for the overall revitalisation of the site was developed and led to the local government's campaign "Cultural Sanlitun". Launched in 2017, it aims to provide a platform for community organisations, local government and developers to work together and share resources and ideas on promoting the cultural development of the district.

Upon completion, the revitalisation of Sanlitun West Street introduced nearly 300 square meters of grass and more than 3,000 plants and trees of various species to the area. More than 200 columns and planters along the side of the business district were also repainted, forming a coordinated and unified aesthetic.



The Creative Transformation of Taikoo Li Sanlitun

"In the post-pandemic era, resilience has become increasingly important more now than ever, affecting all scales of places – from countries to small regions, down to communities and even buildings. As a People's Congress Deputy elected to represent the Sanlitun area, I'm glad to see that we have not only effectively responded to the impacts of the pandemic, but also quickly and successfully resumed business-as-usual, demonstrating healthy, steady and sustainable development, with increased resilience."

Lin Yan, Member of the 16th People's Congress of Chaoyang District, Beijing

#### Case Study: The Beisanli Garden

Swire Properties commissioned a landscape architecture firm to transform a small garden in the Beisanli neighbourhood, an old community in Sanlitun Area, taking an underused space of approximately 500 square metres in size and turning it into a comfortable and welcoming place for the community to gather and relax in. Swire Properties maintains daily upkeep of the community garden, believing that its existence is an important part of the community.

Swire Properties' long-standing elderly care initiatives take place every quarter in Beisanli Garden. Workshops and activities such as flower arranging, lantern-making and cotton scarf tie-dyeing are organised regularly, with an aim to enrich the lives of seniors in the community.



Swire Properties

### SOCIAL COHESION DURING THE COVID-19 PANDEMIC

During the COVID-19 pandemic, Taikoo Li actively responded to the government's call to fight the pandemic, working closely with members of the Sanlitun Street Office to prevent the spread of COVID-19 and to mitigate its physical and emotional toll on our communities. Taikoo Li responded quickly to prioritise the health and safety of customers, employees and tenants, following strict pandemic prevention and control measures while continuing to maintain high-quality customer service.

#### Case Study: Angel Protection Stall

The Angel Protection Stall initiative was organised to thank the "silent heroes" of the pandemic – hardworking individuals who deliver food, disinfect buildings and streets, and many other service staff. Our tenants contributed goods and daily necessities to these stalls so that products could be provided free of charge to frontline staff.



## RESILIENCE INDICATOR 2

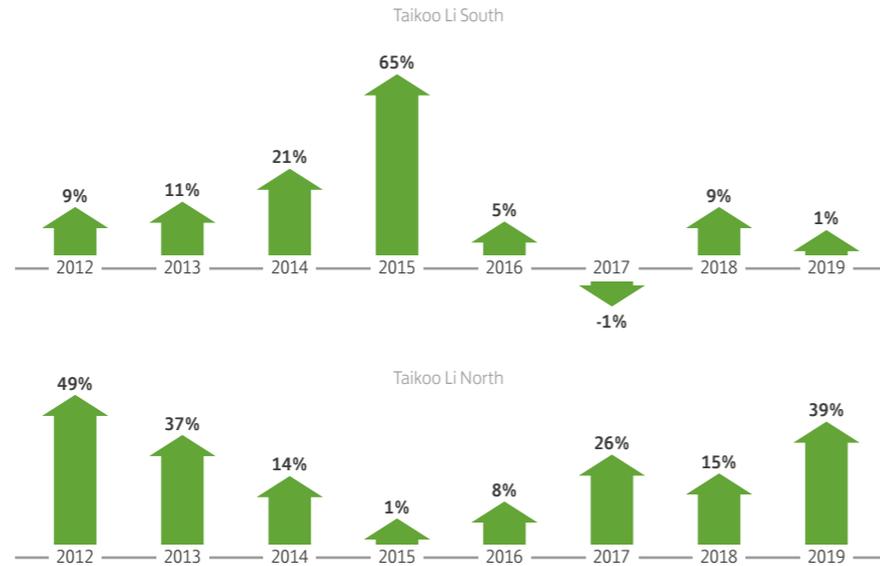
# Economic Resilience

Taikoo Li's strong financial performance make it a desirable location for many brands and especially new brands entering the Chinese Mainland market. Taikoo Li also exhibits many seasonal programmes and completes regular upgrades to ensure that customers can enjoy the best shopping environment.

### YEAR-ON-YEAR RETAIL SALES

Since its opening, Taikoo Li has steadily established itself as a prominent retail hub, and the retail sales growth over time is a strong indicator of that fact.

Even with challenges posed by the pandemic, Taikoo Li quickly recovered and rebounded with retail sales in Q1 2021 increasing by 113% year-on-year.



### ECONOMIC RECOVERY DURING COVID-19

In 2020, despite a challenging year in which economic growth was stalled by the COVID-19 pandemic, Taikoo Li retained a focus on its "First Store" strategy, and supported 80 openings.



## RESILIENCE INDICATOR 3

# Environmental and Physical Resilience

Taikoo Li strives to exceed government-regulated requirements for physical infrastructure, spearheading the industry’s long-term decarbonisation and sustainability efforts without compromising business operations.

### ENERGY REDUCTION AND DECARBONISATION

In December 2020, Swire Properties signed on to the Business Ambition for 1.5°C campaign, becoming the first real estate company in the Chinese Mainland and Hong Kong to commit support. This commitment will be critical to support the delivery of a net-zero emissions economy by 2050.



### HEATING, VENTILATION AND AIR-CONDITIONING (“HVAC”) SYSTEM UPGRADES

In 2018, Swire Properties worked closely with a tenant during their renovation to trial an HVAC system upgrade. The original decentralised electrical heat and pump systems within the tenant space were upgraded to a new centralised, high-energy performance and frictionless chiller system to better manage energy use and improve thermal comfort. The new system has reduced air-conditioning energy use by over 66% during summer months – an estimated energy saving of over 582,000 kWh per year resulting in cost savings of approximately RMB518,000 for the tenant.

With such positive results, Swire Properties kicked off a full scale retrofit in early 2019, with the plan to complete the upgrade for all tenants in Taikoo Li by 2024.

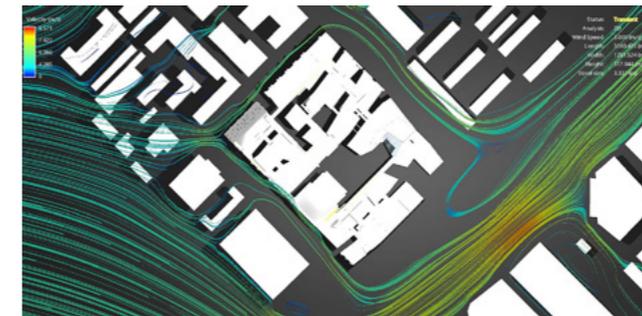
### LEED GREEN BUILDING CERTIFICATION

Both Taikoo Li South and North zones obtained LEED Gold Certification for Existing Buildings: Operations and Maintenance Version 2009 in 2017.

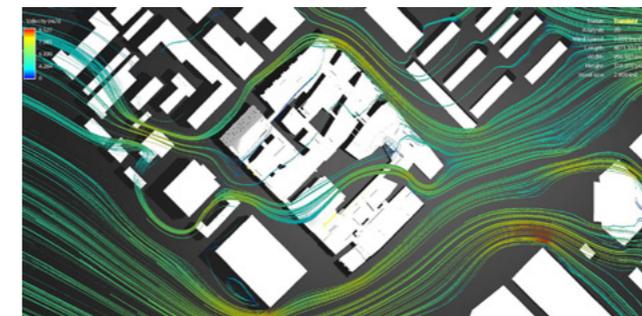
### VENTILATION

Taikoo Li’s unique open-air layout supports good ventilation and airflow through all seasons. In winter months, the wind speed at Taikoo Li remains within the range of 0 to 5 metres per second. During summer, the wind speed typically stays within the range of 5 to 10 metres per second, which provides visitors with a comfortable breeze.

Taikoo Li South Ventilation in Winter Season



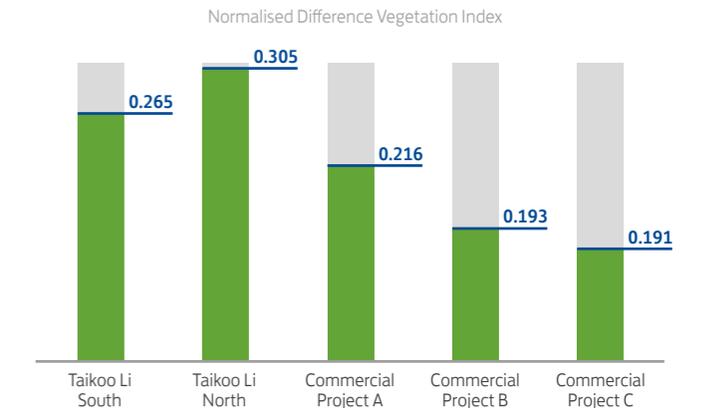
Taikoo Li South Ventilation in Summer Season



### NORMALISED DIFFERENCE VEGETATION INDEX (“NDVI”)

Most commercial complexes use hard paving and typically have less green and grassy areas, therefore the NDVI, an indicator that measures density of greenspace, is generally low.

Due to the underground parking lot, only some parts of Taikoo Li can be used for tree and plant growth. While this foundational element is hard to change, Swire Properties has planted three rows of trees along Sanlitun Road outside the property boundary to address the lack of internal greening. Through daily maintenance, the three rows of trees have grown to become a lush display of greenery, providing pedestrians with shade and safety from busy vehicular traffic. In total, there are more than 220 trees of various species in Taikoo Li.



## RESILIENCE INDICATOR 4

# Risk Management

Swire Properties has established a risk management structure, which provides oversight for key areas including information disclosure, risk identification and analysis, and crisis response.

### ENTERPRISE RISK MANAGEMENT (“ERM”) SYSTEM

Swire Properties has an ERM system with a clear organisational structure in place. The Swire Properties Board of Directors and senior 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.

### TCFD-ALIGNED CLIMATE-RELATED FINANCIAL DISCLOSURES

In accordance with the Company’s Climate Change Policy, Swire Properties publishes climate-related financial disclosures with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) on an annual basis to communicate its management approaches and strategies for climate mitigation, adaptation and resilience to stakeholders.

### CLIMATE RISK ASSESSMENT

Swire Properties completed a comprehensive assessment of the key physical risks posed by climate change to its global assets and business operations, with an aim to develop long-term strategies that protect the business from future climate-related risks.

The analysis identified that there is a moderate level of flooding risk for Taikoo Li, because the development is situated on relatively flat ground at the junction of Worker’s Stadium North Road and Sanlitun Road. Beijing currently experiences some water stress, and Taikoo Li has a certain number of dining outlets and water features that are reliant on water resources.

However, with consideration of the robust adaptive capacity and mitigation measures integrated into the assets of Taikoo Li, the climate risk assessment analysis identified that overall, there are low to moderate levels of risk for flooding, heat stress, water stress, and extreme wind in all assessed climate scenarios. As a result of the assessment, Swire Properties has also identified short and mid-term measures for individual buildings to mitigate risks and build resilience across its investment portfolio over time.



THEN



NOW



## THE MOST COMPELLING EVIDENCE OF PLACE IMPACT IS:

# “What makes Taikoo Li a great place?”

We were able to draw many useful insights from our initial study which focused on Taikoo Place in Hong Kong. This time around, we applied our framework in a second location – Sanlitun in Beijing – to deepen our understanding of what makes a place great.

Through this research, what we have found is that a great place depends on the connections it has with people. Specifically, exceptional places have an ability to facilitate a connection with and amongst the people who spend their time there in a way that allows them to feel personally attached. This is achieved through a delicate combination of well-planned physical space – what we call placemaking, together with well-managed, dynamic social events to activate the space and continually engage visitors – what we call placekeeping.

The creation of Taikoo Li and what we see today was no small undertaking. On the surface, it may seem that Swire Properties’ edge lies primarily in creative design – which without doubt has been a key strength of ours. However, having now completed two comprehensive studies on places impact in two different cities, we have determined that good placemaking and placekeeping requires a holistic approach from the very beginning of the project that encourages cross-functional planning and execution to consider how the place will be used and by who, coupled with constant upkeep and innovative management throughout the lifecycle of the place – this is the essence of how great places are made.

Based on these insights, we conclude that there are some unique elements that make Taikoo Li a great place:

- The open-lane outdoor design promotes walkability, and the piazzas provide a high quality public realm for all visitors, whether for shopping, resting or socialising
- A diverse mix of tenants and eye-catching aesthetics has popularised Taikoo Li as a must-see fashion destination in the Chinese Mainland, creating a strong pull for youth and international visitors
- Ongoing seasonal events, limited time pop-ups and attractions using the on-site event spaces help sustain vitality and economic resilience

Our research on the place impact of Taikoo Li reveals a dramatic change in the area over the past 12 years. Taikoo Li was a pioneer of Swire Properties’ Taikoo Li model. We revitalised Sanlitun by introducing innovative architectural design catered to the human scale and actively managed the place to create an original modern metropolis for shopping, cultural and hospitality offerings.

1

Together, the four dimensions have combined to influence a shift in the centre of social and economic activity in the Sanlitun Area. Since opening over a decade ago, the growth in points of interest in and around Taikoo Li has risen dramatically. The annual growth in retail sales and the continued increase in traffic have effectively shifted the centre of gravity eastwards.

2

Taikoo Li is under constant evolution – with a consistent flow of new openings from international brands and other first stores to regularly refresh the space and cater to emerging trends and support a greater diversity among why people visit the place. This combined with porosity and connectivity within the complex enables a myriad of experiences compared with conventional and formulaic mall setting.

3

Taikoo Li has always maintained a strong relationship with the local residents and visitors through community investment and partnerships with the Sanlitun Street Office. Despite the COVID-19 pandemic, Taikoo Li has remained resilient from an economic and social perspective, having supported 80 store openings during the pandemic, this demonstrates that the connections visitors feel to Taikoo Li are strong, ensuring that the place and its surrounding community are resilient through challenging times.



# The Creative Transformation Continues

While Taikoo Li has achieved considerable impact in all four dimensions of place, to ensure continued success, it will need to continue to improve the place and engage the surrounding community in the future. Creative transformation for the benefit of the community, district and city is an ongoing process.

## WHAT'S NEXT?

Currently in development is Taikoo Li Sanlitun West, which is underway and will transform the shopping centre previously known as Sanlitun Yashow. Swire Properties invited world-renowned architectural firm ARQUITECTONICA to lead the building's transformation, which will draw inspiration from the idea of an art museum, further contributing to a Cultural Sanlitun.

Expected to open in the fourth quarter of 2021, Taikoo Li West will be a standalone building, but its look and feel will be fully integrated with the Taikoo Li neighbourhood. An elevated pedestrian link bridge will connect the third floors of Taikoo Li West and Taikoo Li South. Natural sunlight in the building will be maximised and the current carpark will be transformed into a garden to enhance the visitor experience and public realm. A future underground connection to Gongti Station will be added to improve connectivity in the area.

In January 2021, Building 15 located between Taikoo Li South and North zones was acquired. Currently under renovation, Building 15 will be integrated with Taikoo Li North and serve as a gateway to better connect The Opposite House and the South and North zones.

“When it comes to Taikoo Li Sanlitun, one of our proudest achievements is the partnership we've built with local government. Our work alongside the city, district, and street level governments to achieve a better Sanlitun neighbourhood has been extremely rewarding, and exemplifies Swire Properties' dedication to enhancing the wider places in which we develop.”

—Guy Bradley, Chief Executive of Swire Properties

## FUTURE COLLABORATIONS

The interaction and multi-party cooperation with local government at all levels is an important factor for the sustainable and sound development of Taikoo Li and its surrounding areas.

The Taikoo Li West expansion, along with its related landscaping and connectivity improvements will allow Taikoo Li to continue to support the vision of a Cultural Sanlitun and the Beijing government's Greater Sanlitun Commercial District work plan to help position the city as an international destination, attracting tourists through its “First Store” strategy and promotion of the Night-time Economy, a government initiative aimed at improving evening entertainment.

In the future, Taikoo Li has the opportunity and responsibility to play a greater role in the establishment of urban characteristics, establish unique cultural capital, and further enhance the urban competitiveness and economic growth of the Sanlitun Area.

With its pedestrian-friendly, open-air design and green features combined with community enhancements and cultural events, Taikoo Li reflects the creative long-term approach Swire Properties takes for its business, as well as our belief that value creation depends upon the sustainable development of our business and the communities in which we operate.

**The Creative Transformation continues...**



# Glossary

## APPENDIX I: METHODOLOGY AND INDICATORS EXPLAINED

### RESEARCH PRINCIPLES AND METHODOLOGIES

The production of this report, from data collection and analysis to data presentation and design is the result of a collaborative effort from many parties. The research was led by the Lab for Architectural Programming and Post-occupancy Evaluation at Tsinghua University. Various departments within Swire Properties have also made significant contributions to this project through historical data and business records. The Sanlitun Street Office and the Special Committee on Economic Development also supported this study and contributed useful information and data.

### SOURCE OF DATA

The Places Impact Framework used for this study requires analysis across a wide range of topics. The data used for this study come from six sources:

#### 1. Surveys and Interviews

Place satisfaction surveys were completed by visitors, tenants and employees from businesses surrounding Taikoo Li from October to December 2020. With support from the Sanlitun Street Office, questionnaires were also sent to residents in representative residential neighbourhoods nearby. Interviews were also conducted with a designer who was involved in the development of Taikoo Li, senior management from Swire Properties and Taikoo Li, representatives from nearby enterprises and residents from the surrounding neighbourhoods.

#### 2. Points of Interest (“POI”)

POI data was from Baidu’s Places Collection, which details the location of various types of amenities like restaurants, shops, institutions, libraries and banks, amongst others, and maps them along lines of latitude and longitude. While the data from Baidu’s Places Collection may not be completely free of biases and limitations, the platform is used by millions of individuals daily to find business locations. With such popularity, this dataset is a useful source to study the spatial distribution and the evolution of the amenities in the study area over time.

#### 3. Taikoo Li CCTV Records

Artificial intelligence (AI) technology was used to observe visitor behavioural patterns. With over 20 security cameras operating in Taikoo Li, AI technology was applied in the analysis of the footage, and machine learning helped to determine how visitors travel through the complex.

#### 4. Taikoo Li Business and Operation Data

Taikoo Li provided records of business and operation data to support this study. These included but were not limited to rental and employment information, as well as operational data for water and electricity consumption.

#### 5. Taikoo Li Design Drawings and Maps

Technical drawings and original design files that depicted the layout of Taikoo Li were used in the analysis of the site’s spatial characteristics.

#### 6. Other Studies and Reports

Information was collected from Swire Properties’ past studies and existing publications. For example, the potential impacts of climate change from the climate risk assessment and existing resilience and risk mitigation strategies are publicly disclosed in the [SD Report](#).

### VIBRANCY

**Circulation** – Circulation is determined by pedestrian route-choice, where the number of times each street segment is part of the shortest route between all pairs of segments within the study area is counted. A space syntax tool was used to determine the route-choice in Taikoo Li and in other comparable commercial complexes in Beijing.

**Development Intensity** – Development intensity is an analysis of both floor area ratio, which is calculated by dividing the total floor area by planned construction land area and building density, which is calculated by dividing the total base area by planned construction land area. This indicator evaluated the Taikoo Li investment and the other comparable commercial complexes in Beijing.

**Intersection Density** – This indicator refers to the number of intersections that exist per square-kilometre. The number of intersections in each of the nine sections of the Sanlitun Area spatial scope were counted to calculate density for comparison.

**Parcel Size** – The parcel size is determined by the length of an uninterrupted street or walkway between intersections. The average parcel size lengths and widths were used to compare the performance between different blocks in the Sanlitun Area spatial scope.

**Pedestrian Route-choice** – Pedestrian route-choice expressed that many pathways an individual can choose to take to travel from point A to point B on foot. This indicator is used to understand circulation, where the number of times each street segment is part of the shortest route between all pairs of segments within the study area is counted.

**Visitor Behaviour** – Using machine learning technology, a thermal map was created to simulate how visitors travel within Taikoo Li and use the public space. The darker areas highlight the popular gathering spaces.

### LIVELIHOOD

**Employment** – The employment data of Taikoo Li and the companies in the surrounding area were based on number of employees at Taikoo Li Sanlitun and Sanlitun Corporate Directory in 2020.

**POI Distribution** – POI are locations on a map that visitors may find useful or interesting. The POI data used was from Baidu’s Places Collection, which details the location of various types of amenities like restaurants, shops, institutions, libraries and banks, amongst others, and maps them along lines of latitude and longitude.

**Visitors** – The visitor data used in this report was collected from visitor satisfaction surveys and the sample size was 411.

**Nearby Residents** – Data from nearby residents was collected from 283 completed surveys.

## WELLBEING

**Management Satisfaction** – The satisfaction survey used a rating scale of one to five (one meaning very dissatisfied and five meaning very satisfied) to evaluate the following aspects: cleanliness, organisation, safety measures, outdoor maintenance, waste disposal facilities and Wi-Fi connectivity. The overall management satisfaction score in Taikoo Li is the average rating of those six aspects.

**Safety Evaluation** – The vehicular roads around the place level spatial scope were divided into six sections and a comprehensive safety evaluation was conducted to consider the road safety within and surrounding the site. The safety factors were public lighting, tidiness, greenspace, CCTV, view obstruction, safety enforcement services, commercial activity, traffic signs and stop lights, pedestrian fencing and traffic flow. Each safety factor was assigned a weighting score and entropy was used to determine the safety score.

**Spatial Feasibility Index** – The spatial feasibility index (“SFI”) is the ratio of pedestrian walkway area to vehicle roadway area. The higher the SFI, the more people and their respective activities, can be accommodated. A higher SFI also means that the space supports a comfortable walking experience that is more appealing to users.

**Spatial Satisfaction** – The satisfaction survey used a rating scale of one to five (one meaning very dissatisfied and five meaning very satisfied) to evaluate the following aspects: layout rationality, central piazza, entrance piazza, public seating, toilet and overall atmosphere. The overall spatial satisfaction score in Taikoo Li is the average rating of those five aspects.

**Sky Visibility Index** – The static street view photos were captured every 100m along the streets of the study scope and from a consistent perspective and viewing height using Baidu Map and Google Maps. The sky visibility index was determined by the proportion of sky captured in each street view.

**Street Aspect Ratio** – The street aspect ratio is the value of the width of the street to the average height of buildings on both sides. This geometrical index is expressed as a depth/height (“D/H”) value and it mimics the visual feeling experienced by pedestrians on the street.

**Visual Satisfaction** – The satisfaction survey used a rating scale of one to five (one meaning very dissatisfied and five meaning very satisfied) to evaluate the following aspects: architectural design, overall environmental quality, building colours, ground pavement and greenspace. The overall visual satisfaction score in Taikoo Li is the average rating of those five aspects.

## RESILIENCE

**Climate Risk Assessment** – A comprehensive climate risk assessment to identify the key risks posed by climate change to our business operations was completed. We conducted asset-level modelling of both the acute and chronic physical risks associated with various climate scenarios, in selected timeframes from the immediate term to the distant future.

**Enterprise Risk Management** – Under our risk management framework, 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.

**Normalised Difference Vegetation Index (“NDVI”)** – This indicator measures the density of greenspace in an area. Data from remote sensing image of the Gaofen-2 satellite on May 23, 2020 was used to inform this index.

**TCFD-Aligned Disclosures** – We communicate our management approaches and strategies for climate mitigation, adaptation and resilience to our stakeholders. We publish climate-related financial disclosures under the four categories on Governance, Strategy, Risk Management and Metrics and Targets.

**Ventilation** – The ventilation study was carried out using a numerical simulation method based on computational fluid dynamics which modelled wind speeds in the summer season and the winter season in both Taikoo Li South and North zones.

**Year-On-Year Sales** – This indicator was calculated by using financial data and sales records from Taikoo Li between 2009 and 2020.



## 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. In addition to Hong Kong, the Company has investments in the Chinese Mainland, the United States, Indonesia and Vietnam. In the Chinese Mainland, Swire Properties has six completed mixed-use developments in Beijing, Guangzhou, Chengdu and Shanghai, including Taikoo Li Qiantan, the retail project in Shanghai which is set to open in September 2021. The Company’s attributable portfolio in the Chinese Mainland amounts to some 1,277,000 sqm.

## ACKNOWLEDGEMENTS

This report is co-produced by Swire Properties and The Lab of Architectural Programming and Post-Occupancy Evaluation, School of Architecture, Tsinghua University.



Special thanks goes to the Sanlitun Street Office for their support in this study.



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### What makes a great place?

This is our second Places Impact Report and we asked ourselves the same simple question: what are the qualities that help shape a healthy, vibrant and resilient place?

We applied our “Places Impact Framework”, first developed in our [inaugural report](#), to conduct an assessment on the impact of our placemaking and placekeeping efforts in Beijing. In this report, we focus on Taikoo Li Sanlitun – a retail-led mixed-use development and our first operational development in the Chinese Mainland.

Following this research, we are more motivated than ever to create and maintain quality places that serve our communities and contribute to resilient cities.



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