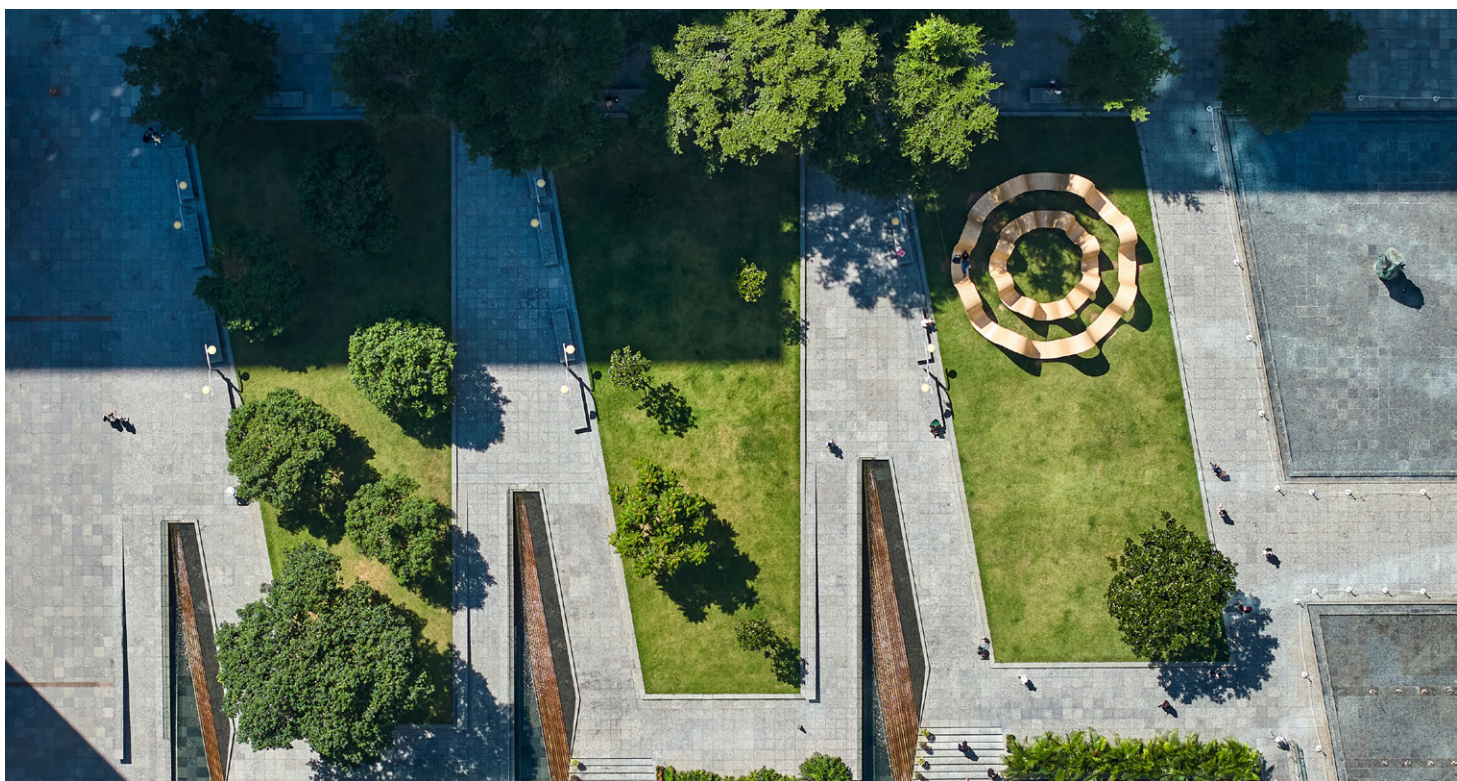


# SD 2050 STRATEGY



For more than half a century, Swire Properties has established ourselves as a responsible real estate developer and management company that works to create vibrant and sustainable communities.

**WHERE**  
*NEXT*



## SD 2050 Strategy

For more than half a century, Swire Properties has established ourselves as a responsible real estate developer and management company that works to create vibrant and sustainable communities. We remain committed to managing and operating our Company in an environmentally, socially and economically responsible manner.

The concept of “Creative Transformation” encapsulates our sustainable development approach and philosophy, highlighting the innovative mindset and long-term vision that drive us to seek new perspectives and original ideas that transcend convention. This approach allows us to unlock the potential of spaces, creating vibrant destinations that foster growth and deliver sustainable value to our stakeholders.

In 2016, we formulated our Sustainable Development 2030 Strategy to implement our SD vision: To become the leading sustainable development performer globally in our industry by 2030.

Over time, we embedded sustainability into every facet of our operations, ensuring that sustainability considerations are part of all our operations and business decisions, and delivering value to stakeholders. Our leadership has been consistently recognised through top-tier performance on global sustainability indices. This year, seeking to build on this momentum and ensure that our SD strategy remains ambitious and credible for decades to come, we kicked off a wide-ranging strategy refresh process using a stakeholder-driven, iterative and evidence-based methodology.

This process produced our new long-term SD 2050 vision and mission, supported by our **Sustainable Development 2050 Strategy** which is designed to advance our sustainability aspirations and support our ambitious business growth plans in the next decade. SD 2050 marks a significant evolution, broadening our focus to creating lasting value for all our stakeholders and the wider community. This is a strategic progression that builds on the strong foundation created by our SD 2030 Strategy.

Our sustainability strategy conforms with and reinforces the core pillars of Swire Pacific’s SD 2050 Strategy, ensuring that our initiatives and targets, in particular on climate, nature, waste, water, people and communities, directly contribute to Swire Pacific’s long term ambitions.

GRI  
2-22

HKEX  
Mandatory  
Disclosure  
Requirement

### SD 2050 Vision

## Building the World’s Most Sustainable Communities

### SD 2050 Mission

**Lead transformative change in the built environment that harmonises business, people and nature. Through our commitment to placemaking, strategic partnerships and sustainability performance, we will build thriving and inclusive communities that create long-term value for our stakeholders.**

## Our Commitments to “Zero”

Anchored by the SD 2050 commitments to “Zero” – Zero Harm, Net-Zero Carbon, Zero Waste to Landfill and Water Neutrality – we aim to continue driving impactful change through bold targets and innovative strategies. SD 2050 aims to strengthen partnerships for a resilient value chain; reinforce our role as a preferred landlord with future-ready, industry-leading buildings; and foster a purpose-driven culture that aligns employee values with corporate goals. This strategy will enhance our market competitiveness while contributing to sustainable outcomes.

### ZERO HARM

Zero Harm – We have committed to eliminating or mitigating health and safety hazards across our operations, encompassing all our people. This commitment means no fatalities, no injuries and no harm to both physical and mental wellbeing as a result of our business activities.

### ZERO WASTE

Net-Zero Carbon – We have put in place the approved 1.5°C-aligned science-based targets to support the delivery of net-zero carbon emissions before 2050. Our strategy focuses on reducing the demand for energy and resources, improving the efficiency of our energy and material consumption and transitioning to low-carbon energy sources.

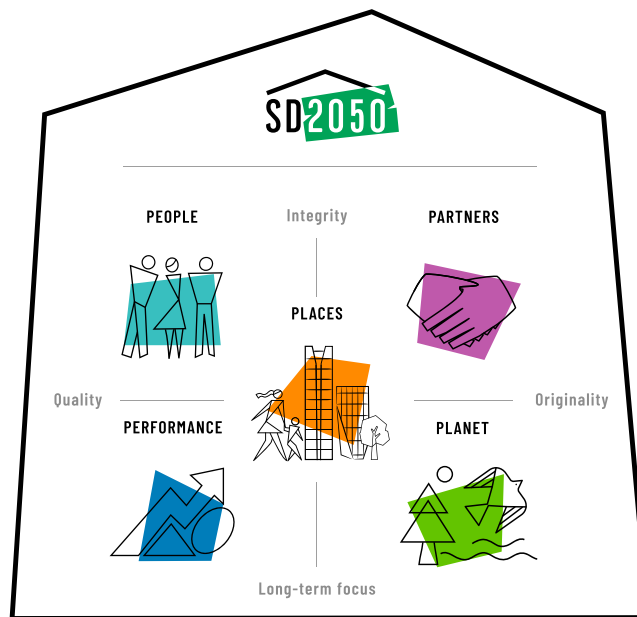
### NET-ZERO CARBON

Zero Waste to Landfill – We have an ambitious goal to diverting all waste from landfills by 2050. We aim to achieve this through reduction of waste at source, promoting recycling, reuse and recovery and deepening our contributions to the circular economy.

### WATER NEUTRALITY

Water Neutrality – We aspire to attain water neutrality by implementing measures to improve water use efficiency, recycling and reusing water, utilise alternative water sources, and, replenishing freshwater supplies through strategic partnerships.

## SD 2050 – Pillars and Focus Areas



Swire Properties’ SD 2050 Strategy is structured around 27 focus areas, with a set of 76 KPIs for 2030 and 64 KPIs for 2035 across the five Strategic Pillars: Places, People, Partners, Planet, Performance. These targets are designed to cement our leadership in sustainability and drive transformative impact for our partners and communities.

### Places



Places is at the heart of Swire Properties’ SD 2050 Strategy. Our vision is to build the world’s most sustainable communities through placemaking, creating vibrant, resilient environments where individuals and communities can thrive. We are also committed to the continued investment in our communities to ensure they flourish and grow sustainably through placekeeping efforts.

#### Focus Areas for Places:



Placemaking and Placekeeping

We continuously transform places to create long-term value and social impact, setting new benchmarks for sustainable development. By connecting people, nature and business, we build sustainable communities that retain local character, support wellbeing and enhance lives.



Community Investment

We draw on the Company’s core values, competencies and assets to foster vibrant and inclusive communities. Through collaborative engagement, we strengthen social cohesion and resilience, address evolving social needs and elevate quality of life to build a foundation for a sustainable and thriving future.

## People



The contributions of our employees are indispensable to our success.

We empower our people to deliver long-term value for our business and communities. By fostering an industry-leading workplace culture where our values are lived out, and with safety, employee experience and wellbeing at the core, we help our people grow and thrive as they drive transformative change and build inclusive, sustainable communities.

### Focus Areas for People:



Occupational Health and Safety

Occupational health and safety is embedded into SD 2050. Guided by our ultimate aspiration of Zero Harm and our Health and Safety Policy, we have an unwavering pledge to eliminate risk and prevent all harm, physical and mental, across our operations for our employees and contractors.



Candidate and Employee Experience

We focus on attracting, engaging and retaining top talent through a best-in-class “hire-to-retire” journey that brings our Employee Value Proposition to life. We aim to foster a supportive environment by strengthening engagement and refining our talent and workplace strategies. This enhances employee satisfaction, improves retention, and increases operational efficiency.



Wellbeing

Guided by our Workplace Wellbeing Framework and People+, our approach focuses on making wellbeing a tangible, meaningful and fundamental characteristic of the way we work and our employee experience. Through various wellness activities, programmes and resources, we empower our people to maintain healthy lifestyles, manage stress and build resilience.



Diversity, Equity, Inclusion and Belonging

Diversity, Equity, Inclusion and Belonging at Swire Properties is guided by a formal policy and supported by clear governance structures. We work to cultivate an environment where all employees feel respected, valued and motivated to be their best. These commitments inform culture, talent practices and decision-making across the Company.



Culture and Values

Our culture and values provide the foundation for our Company identity. We build awareness and alignment so our people can live our values in their day-to-day work. This shared understanding supports positive employee sentiment and engagement, reinforcing a strong and unified culture.



Volunteering

Our volunteering programmes encourage employees to contribute their time and skills to community engagement and charitable initiatives that create meaningful social impact. These strengthen the communities we serve and help our people build purpose, connection and personal fulfilment.

## Partners



Our partners play a vital role in our SD 2050 Strategy. We are committed to building long-term, mutually beneficial relationships with our suppliers, tenants, customers and other key stakeholders to enhance environmental, social and economic performance across our operations and along our value chain, driving innovation and sustainability in every aspect of our business.

### Focus Areas for Partners:



Suppliers

We are transforming the way we engage with our suppliers by moving towards a proactive, strategic partnership. Our approach emphasises sustainability performance, transparency, and collaboration, ensuring that suppliers are actively contributing to shared goals for a responsible and resilient supply chain.



Office Tenants

We encourage our office tenants to adopt environmentally and socially responsible practices. We collaborate on sustainability initiatives with them in three key areas: operational performance, sustainable fit-out and reinstatement, and community building.



Retail Tenants and Customers

We work hand-in-hand with retail partners and F&B tenants to integrate sustainability throughout store design and operations. We aim to develop and operate sustainable retail destinations that enable and engage customers in sustainable actions.



Residential

We are committed to embedding sustainability into every aspect of our residential portfolios. Our efforts focus on sustainable home design, resident satisfaction and ensuring sustainable estate management.



Government



NGOs



Joint Venture  
Partners

### Planet



Swire Properties is committed to building and managing our developments sustainably, aim to achieve net-zero carbon emissions, water neutrality, and zero waste to landfill by 2050. To reach these goals, we design, construct and operate high-quality projects that make a positive contribution to the environment and the communities in which we operate.

#### Focus Areas for Planet:



Climate Transition

We are committed to leading the transition to a low-carbon future by reducing emissions, improving energy efficiency and increasing the use of renewable energy across our operations. We strive to understand and mitigate climate-related risks, strengthen resilience, set ambitious decarbonisation targets and embed climate-conscious decision-making into our operations and investment.



Energy

We strive to continuously reduce energy consumption in our operations, while recognising the critical role of electrification in achieving our net-zero goals. We aim to expand the use of innovative technologies and strategies to advance this objective.



Resource and  
Circularity

We support the transition to a circular economy through efforts to "design out" waste, promote reuse and enhance resource recovery and recycling throughout building design, construction and operations. We engage tenants, customers and suppliers to incorporate waste prevention, reuse and recycling considerations, with the ultimate goal of zero waste to landfill by 2050.



Water

We closely monitor water consumption and deploy efficiency measures like metering, flow regulators and automated fixtures. We engage stakeholders on water conservation, conduct regular water quality assessments and prioritise managing water risks and reducing total consumption.



Nature and Biodiversity

We integrate nature and biodiversity considerations into our business strategies and new developments and operations, promote the sustainable use of natural resources and work to minimise any adverse impacts from our value chain activities on biodiversity and ecosystems.



Building Wellness

Supporting occupant health and wellbeing is a core priority. We continuously monitor occupant wellbeing in all buildings, and conduct assessments to identify risks and opportunities to improve the health and wellbeing of our tenants and communities. We also incorporate wellness features and initiatives in all our development projects.



Green Building Certification

We actively promote the development of green buildings and pursue certification through reputable environmental building assessment schemes. These schemes provide objective standards and benchmarks to assess and enhance our performance.

**Performance**



Swire Properties believes that long-term value creation depends on the sustainable growth of our business. We aim to deliver a resilient economic performance coupled with strong corporate governance, high ethical standards and robust risk management.

**Focus Areas for Performance:**



Green Financing

We are committed to integrating sustainability into our financing. We leverage green finance instruments like green bonds, green loans and sustainability-linked loans to support our transition into a low-carbon, resource-efficient and sustainable company. We have adopted an internal carbon pricing mechanism to incorporate the cost of carbon into investment appraisals and incentivise carbon reduction initiatives.



Corporate Governance

We are committed to conducting our operations in accordance with high ethical standards. We believe that acting with integrity, transparency and accountability is essential to creating sustainable value for shareholders while advancing our sustainability impacts and promoting the interests of our employees, business partners and communities.



Risk Management

Our risk governance structure and risk management process ensure a balance between challenges and opportunities. This framework enables the identification and analysis of the risks associated with achieving our business objectives and determines how such risks should be managed and mitigated.



Disclosure and Communications

The Company is dedicated to providing transparent and effective communication about our sustainability performance. We strive to provide clear, accurate and timely disclosures that align with global standards and stakeholder expectations, as this builds trust, fosters collaboration and drives continuous improvement in our sustainability journey.



Financial Performance

We are committed to maintaining strong financial fundamentals and delivering sustainable returns for our stakeholders. By harnessing innovation, enhancing operational efficiency and optimising our portfolio, we aim to create enduring value and support the continued growth of Swire Properties.

## Focus Areas and 2030 and 2035 KPIs



### Places

**HKEX**  
KPI A1.5, A1.6,  
A2.3, A2.4,  
A3.1, Part D  
Para 37

Focus Areas	2030 KPI
Placemaking and Placekeeping	Implement guidelines to integrate placemaking and placekeeping principles into the design of new development projects and the operations of portfolios, in order to effectively measure, benchmark, enhance and communicate the value created by our places
Community Investment	<ul style="list-style-type: none"> <li>Attract &gt; 700,000 participants to community events annually</li> <li>Partner with &gt; 100 community partners and &gt; 500 business partners annually</li> <li>Organise and support &gt; 500 community events annually</li> <li>Engage &gt; 10,000 volunteers annually</li> <li>Publish a Community Investment Report annually to disclose the outputs, outcomes and social value generated</li> </ul>

### Swire Properties' SD 2050 Community Investment Strategy

Our new Community Investment (“CI”) Strategy, part of the wider SD 2050 Strategy, defines our approach to delivering measurable shared value in the communities where we operate. Through collaborative engagement, we strengthen social cohesion and resilience, address evolving social needs and elevate quality of life to build a foundation for a sustainable and thriving future.

### CI Framework: Five Focus Areas

Our CI Framework has five focus areas, each with a clear intent, activities, outputs and outcomes. We will use evidence-based measurement and transparent disclosures to track the positive changes the strategy creates.



## 1. Arts, Culture and Heritage

Cultivating a cultural and creative ecosystem that builds vibrant and valuable communities.

- **Placemaking through art and heritage:** We transform our properties into vibrant cultural destinations, commissioning public art, preserving heritage and creating spaces that inspire and connect.
- **Nurturing local creative talent:** We elevate local talent, providing platforms for recognition and growth, and fuelling the local creative ecosystem.
- **Fostering cultural engagement:** We make art and culture accessible to all, sponsoring and curating world-class arts events, exhibitions, performances and educational programmes that build cultural capital and community pride.

## 2. Environmental Stewardship

Promoting environmental stewardship and sustainable living through education, advocacy and experiential engagement.

- **Building eco-knowledge:** We empower partners and the community with a deeper understanding of environmental issues, enabling them to turn awareness into action.
- **Awakening awareness and connection:** Our spaces and experiences foster a personal, sensory connection with nature, cultivating a culture of stewardship.
- **Promoting sustainable lifestyles:** We reduce barriers to sustainable living by providing the infrastructure, tools and solutions to help the community adopt green practices with greater ease.

## 3. Youth Empowerment

Nurturing the next generation of changemakers by providing platforms for personal growth, skill development and civic engagement.

- **Building competence and confidence:** We leverage our placemaking knowledge and experience to offer structured opportunities for young people to develop practical skills, creative expression and leadership abilities.
- **Strengthening connection and caring:** Our programmes create spaces and roles for youth to build positive relationships, empathy, and a sense of responsibility to and belonging within their communities.
- **Fostering character and civic contribution:** We support youth-led initiatives that benefit the wider community, nurturing agency and a spirit of civic engagement.

## 4. Healthy Lifestyles

Building healthy communities by fostering an environment that supports physical activity, mental resilience and strong social connections.

- **Supporting physical wellbeing:** We provide accessible infrastructure and diverse programming to encourage active, healthy lifestyles for all.
- **Nurturing mental wellbeing:** We design spaces and provide programmes and resources that offer sanctuaries from stress, promoting mental clarity, resilience and peace.
- **Fostering social wellbeing:** We create welcoming spaces and facilitate programmes that strengthen social bonds and foster genuine relationships.

## 5. Community Care

Providing a platform that brings people together, fosters a collaborative network to address social needs and builds a culture of care and collective impact.

- **Unlocking altruism:** We empower individuals to contribute their skills, knowledge and passions through volunteer work.
- **Strengthening NGO capacity:** We provide resources, training and platforms to help NGOs deepen their impact and enhance their responsiveness to social needs.
- **Driving shared value and innovation:** Through trusted partnerships and funding, we catalyse grassroots ideas and support community creativity to deliver meaningful impact.



### People

Focus Areas	Indicators	2030 KPI	2035 KPI
Occupational Health and Safety	Safety	Maintain zero work-related fatalities and zero serious incidents <sup>1</sup> for employees and direct contractors employed by Swire Properties	
		<ul style="list-style-type: none"> <li>• Portfolio: Maintain an LTIR of ≤ 1.2</li> <li>• Hotels: Maintain an LTIR of ≤ 2.0</li> </ul>	<ul style="list-style-type: none"> <li>• Portfolio: Maintain an LTIR of ≤ 0.6</li> <li>• Hotels: Maintain an LTIR of ≤ 1.0</li> </ul>
Candidate and Employee Experience	Engagement, Employer Branding	Achieve an Employee Net Promoter Score (eNPS) of > 50	Achieve an Employee Net Promoter Score (eNPS) of > 60
	Engagement	Achieve Employee Engagement Index > 80%	
	Retention	Achieve a Voluntary Turnover Rate of < 10%	
	Effectiveness	<ul style="list-style-type: none"> <li>• Portfolios: Achieve average training hours/employee/year &gt; 18 hours</li> <li>• Hotels: Achieve average training hours/employee/year &gt; 30 hours</li> </ul>	<ul style="list-style-type: none"> <li>• Portfolios: Achieve average training hours/employee/year &gt; 20 hours</li> <li>• Hotels: Achieve average training hours/employee/year &gt; 30 hours</li> </ul>
Wellbeing	Employee Sentiment and Experience	Achieve a Wellbeing Index of > 80%	
Culture and Values	Alignment and Awareness / Employee Sentiment	Achieve a Culture and Values Index of > 80%	
Diversity, Equity, Inclusion and Belonging (“DEIB”)	Gender	No single gender to exceed 60% representation in the total workforce	
		Maintain a gender balance for strategic leader positions at a 50/50 ratio	
		Achieve gender pay gap <sup>2</sup> of 0%	
	Employee Sentiment	Achieve an Inclusion Index of > 80%	

<sup>1</sup> According to the Swire Pacific’s Fatal and Serious Incident Reporting Policy, a “Serious Incident” is defined as “a life-threatening or life-altering injury to an employee, contractor or other third party arising from an incident which is directly connected with the operations.”

<sup>2</sup> The gender pay gap refers to the difference between the mean basic pay for men and women employees, expressed as a percentage of men employees’ average basic salary.



## Partners

Focus Areas	Indicators	2030 KPI	2035 KPI
Suppliers	Sustainability Monitoring and Engagement	<ul style="list-style-type: none"> <li>100% of suppliers committed to the Supplier Code of Conduct</li> <li>100% of suppliers to undergo sustainability/ESG risk screening</li> </ul> For new development projects, perform sustainability/ESG risk screening in prequalification checks for main contractors	
	Sustainable Procurement	Projects: 30% of products and services purchased for wholly-owned or construction-managed new investment portfolios shall be sustainable <sup>3</sup>  Portfolios: 40% of products and services purchased for wholly-owned or managed existing investment portfolios shall be sustainable <sup>3</sup>  Hotels: 45% of food products <sup>4</sup> purchased for wholly-owned hotels and JV hotels shall be sustainable <sup>3</sup>	Projects: 35% of products and services purchased for wholly-owned or construction-managed new investment portfolio shall be sustainable <sup>3</sup>  Portfolios: 50% of products and services purchased for wholly-owned or managed existing investment portfolios shall be sustainable <sup>3</sup>  Hotels: 50% of food products <sup>4</sup> purchased for wholly-owned hotels and JV hotels shall be sustainable <sup>3</sup>
		100% of main contractors for projects and major renovations in Hong Kong and the Chinese Mainland are certified to ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System or equivalent local standards	100% of main contractors for projects and major renovations in Hong Kong, the Chinese Mainland and Southeast Asia are certified to ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System or equivalent local standards
Focus Areas	Indicators	2030 KPI	
Suppliers	Contractor Health and Safety	Reduce five-year rolling average of accident rate per 1,000 contractor workers in our Hong Kong new development projects by 70%	
		Explore possible commitments to promote a health and safety culture with our contractors	
Focus Areas	Indicators	2030 KPI	2035 KPI
Office Tenants	Sustainable Office Operation	70% of office tenants to sign the Green Performance Pledge ("GPP") <sup>5</sup>	80% of office tenants to sign the GPP <sup>5</sup>
Focus Areas	Indicators	2030 KPI	
Office Tenants	Sustainable Office Design	30% of GPP tenants undergoing new fit-outs or major renovations to participate in the Sustainable Fit-out and Renovations Programme <sup>6</sup>	

<sup>3</sup> Products that meet specific sustainability criteria such as being sustainability-labelled, certified green or accredited by reputable, independent third parties. For hotel operations, these include food items that are locally or regionally sourced.

<sup>4</sup> Food products include: coffee, tea, chocolate, seafood, and local vegetables and fruits.

<sup>5</sup> Measured by occupied lettable floor area ("LFA") of office portfolios on a 100% basis. Includes Taikoo Place, Pacific Place and One Citygate in Hong Kong, and Taikoo Hui Guangzhou, HKRI Taikoo Hui, and INDIGO in the Chinese Mainland.

<sup>6</sup> Measured by occupied lettable floor area ("LFA") of office portfolios on a 100% basis. Includes tenants in Taikoo Place, Pacific Place and One Citygate in Hong Kong who have completed the GPP Sustainable Fit-out and Renovations Programme or obtained LEED / BEAM Plus equivalent green building certifications.

Focus Areas	Indicators	2030 KPI
Retail Tenants and Customers	Tenant Engagement	100 retail tenants committed to Green Retail Partnership <sup>7</sup> 35% of food and beverage premises to participate in the Green Kitchen Initiative <sup>8</sup>
	Customer Experience	Major marketing and engagement campaigns are designed to strategically incorporate sustainable development elements Be recognised by our customers as the leading developer and operator of sustainable retail destinations <sup>9</sup>
Residential	Sustainable Home Design	Establish a Sustainable Home Design Standard to enhance SD performance in new residential development projects
	Resident Satisfaction	Achieve a satisfaction score of 70% or higher in the biennial Resident Satisfaction Survey <sup>10</sup>
	Sustainable Estate Management	All residential properties to communicate environmental performance to residents annually <sup>10</sup>



## Planet

Focus Areas	Indicators	2030 KPI	2035 KPI
Climate Transition	Decarbonisation	<ul style="list-style-type: none"> <li>Scope 1 &amp; 2: Reduce absolute GHG emissions by 46%<sup>11,12</sup></li> <li>Scope 3 – Downstream Leased Assets: Reduce GHG intensity by 28% per sqm<sup>11,12</sup></li> <li>Scope 3 – Capital Goods: Reduce embodied carbon intensity from new major developments by 25% per sqm<sup>13</sup></li> <li>Commit to install no new fossil fuel equipment that is owned or financially controlled by the Company in its building portfolios from 1 January 2030</li> </ul>	Align with new SBTi Buildings Criteria by 2034 <sup>14</sup> : <ul style="list-style-type: none"> <li>Whole Building In-use<sup>15</sup>: Reduce GHG intensity by 75.7% per sqm</li> <li>Embodied Carbon: Reduce GHG intensity by 69.5% per sqm</li> <li>Use of Sold Product: Reduce GHG intensity by 63.8% per sqm</li> <li>Fuel and energy related activities: Reduce absolute GHG emissions by 35%</li> </ul>
	Climate Resilience	Conduct climate risk due diligence for new investments and land acquisitions  For new development projects and existing portfolio: Conduct climate risk assessments and incorporate climate resilience design and adaptation measures	

<sup>7</sup> Includes new retail stores in new development projects and portfolio expansion, as well as store upgrades in portfolios.

<sup>8</sup> Measured by occupied F&B lettable floor area (“LFA”) on a 100% basis for portfolios in operation on or before 2025.

<sup>9</sup> Measured through annual retail tracking survey.

<sup>10</sup> Include all managed residential properties, and serviced apartments, owned or managed by Swire Properties.

<sup>11</sup> Compared to the 2019 baseline.

<sup>12</sup> Gross emissions target which measures the total amount of greenhouse gas emissions without accounting for any reductions from carbon offsets.

<sup>13</sup> Compared to the 2016-2018 baseline.

<sup>14</sup> Compared to the 2022 baseline.

<sup>15</sup> “Whole Building In-use” refers to Scope 1, Scope 2 and Scope 3 Category 13 (Downstream Leased Assets) related emissions.

Focus Areas	Indicators	2030 KPI	2035 KPI
Energy	Energy Reduction	Hong Kong: Reduce EUI (kWh/m <sup>2</sup> ) <sup>16</sup> by 8%	Hong Kong: Reduce EUI (kWh/m <sup>2</sup> ) <sup>16</sup> by 12%
		The Chinese Mainland: Reduce EUI (kWh/m <sup>2</sup> ) <sup>16</sup> by 5%	The Chinese Mainland: Reduce EUI (kWh/m <sup>2</sup> ) <sup>16</sup> by 10%
		EUI (kWh/m <sup>2</sup> ) <sup>16</sup> for new development projects and major renovations <sup>16</sup> to perform 10% better than the 2022 average EUI for the respective property type	
Energy	Electrification	For existing portfolio, study the feasibility of converting existing fossil fuel central space heating and central hot water heating systems to non-fossil fuel heating methods	Convert 20% of existing portfolios' fossil fuel central space heating and central hot water heating systems to non-fossil fuel heating methods
		For selected new development projects and major renovations, use non-fossil fuel heating methods for central space heating and central hot water heating systems	
	New or retrofitted non-fossil fuel central heating systems' energy efficiency to be 50% better than full electric boiler systems		
	Smart Grid and On-site Energy Storage	For selected new development projects, study the feasibility of using smart grids or on-site energy storage (electrical or thermal). Adopt systems in at least one selected development	New development projects to study the feasibility of using smart grids or on-site energy storage (electrical or thermal). Adopt systems in at least one selected development
Resource and Circularity	Waste Diversion	Waste Diversion Rates 50% of commercial waste	Waste Diversion Rates 60% of commercial waste
		<u>New Development Projects Waste Diversion Rates</u>  Hong Kong <sup>17</sup> : 85% of demolition waste 70% of construction waste  The Chinese Mainland <sup>18</sup> : 75% of construction and demolition waste	<u>New Development Projects Waste Diversion Rates</u>  Hong Kong <sup>17</sup> : 90% of demolition waste 75% of construction waste  The Chinese Mainland <sup>18</sup> : 80% of construction and demolition waste
	Waste Reduction	Reduce total waste intensity by 5% <sup>19</sup> (tonne/m <sup>2</sup> for portfolio; tonne/guest night for hotels)	Reduce total waste intensity by 10% <sup>19</sup> (tonne/m <sup>2</sup> for portfolio; tonne/guest night for hotels)
Focus Areas	Indicators	2030 KPI	
Resource and Circularity	Circularity Practices	Introduce clauses relating to circularity requirements in the tender specifications for major renovation and reinstatement projects	
		Implement green event guidelines for all key marketing and engagement campaigns <sup>20</sup>	

<sup>16</sup> Compared to the 2022 baseline.

<sup>17</sup> Calculated in accordance with BEAM Plus 2.0. Flexibility will be allowed for projects that Swire Properties do not have construction-control on, and for projects with major contractor(s) already on board.

<sup>18</sup> Calculated in accordance with LEED requirements. Flexibility will be allowed for projects that Swire Properties do not have construction-control on, and for projects with major contractor(s) already on board.

<sup>19</sup> Compared to the 2024 baseline.

<sup>20</sup> Includes key marketing and engagement campaigns involving large-scale venue setup.

Focus Areas	Indicators	2030 KPI	2035 KPI
Water	Water Reduction	<p>Hong Kong portfolio: Reduce water intensity (m<sup>3</sup>/m<sup>2</sup>) by 15% for buildings with freshwater cooling towers<sup>21</sup></p> <p>Reduce water intensity (m<sup>3</sup>/m<sup>2</sup>) by 20% for buildings with non-freshwater cooling towers<sup>21</sup></p> <p>Chinese Mainland portfolio: Reduce water intensity (m<sup>3</sup>/m<sup>2</sup>) by 8%<sup>21</sup></p> <p>Hotels: Reduce water intensity (m<sup>3</sup>/guest night) by 15%<sup>21</sup></p>	<p>Hong Kong portfolio: Reduce water intensity (m<sup>3</sup>/m<sup>2</sup>) by 20% for buildings with freshwater cooling towers<sup>21</sup></p> <p>Reduce water intensity (m<sup>3</sup>/m<sup>2</sup>) by 25% for buildings with non-freshwater cooling towers<sup>21</sup></p> <p>Chinese Mainland portfolio: Reduce water intensity (m<sup>3</sup>/m<sup>2</sup>) by 10%<sup>21</sup></p> <p>Hotels: Reduce water intensity (m<sup>3</sup>/guest night) by 20% in both HK and Chinese Mainland hotels<sup>21</sup></p>
Nature and Biodiversity	Land Use Conversion	Conduct due diligence on nature and biodiversity risk for all new investments and land acquisitions	
	Sustainable Use of Natural Resources	<p>Introduce nature-related procurement specifications for high-impact commodities</p> <p>Require high-impact commodity suppliers (i.e. concrete and steel) to implement site-level nature and biodiversity management plans that aim to achieve no net loss</p> <p>75% of timber products procured are from reused, recycled or certified sustainable timber</p>	<p>Mandate nature-related procurement specifications for high-impact commodities</p> <p>Mandate high-impact commodity suppliers (i.e. concrete and steel) to implement site-level nature and biodiversity management plans that aim to achieve no net loss</p> <p>100% of timber products procured are from reused, recycled or certified sustainable timber</p>
	Urban Biodiversity	<p><u>Portfolio</u> Conduct regular biodiversity studies</p> <p>Establish a biodiversity and ecosystem services index</p> <p>15% of plant species in landscape area are native</p>	<p><u>Portfolio</u> Achieve an improvement in the established biodiversity and ecosystem services indices to achieve biodiversity net gain</p> <p>30% of plant species in landscape area are native</p>

<sup>21</sup> Compared to a 2019 baseline.

Focus Areas	Indicators	2030 KPI	2035 KPI
Nature and Biodiversity	Urban Biodiversity	<p>New Development Projects Incorporate nature-positive design to achieve no net loss or biodiversity net gain, compared to the pre-development baseline</p> <p>Conduct a biodiversity baseline study</p> <p>20% of plant species in the landscaped area are native</p> <p>100% of landscape area designed with nature-based solution (“NbS”) components and provide ecological connectivity to surrounding habitats</p>	<p>New Development Projects Incorporate nature-positive design to achieve no net loss or biodiversity net gain, compared to the pre-development baseline</p> <p>Conduct a biodiversity baseline study</p> <p>30% of plant species in the landscaped area are native</p> <p>100% of landscape area designed with nature-based solution (“NbS”) components and provide ecological connectivity to surrounding habitats</p>
Building Wellness	Indoor Air Quality Management	For common areas, 100% of buildings to achieve IAQ Excellent Class in our Hong Kong portfolio and fulfil local IAQ standards in our Chinese Mainland portfolio	
	Wellness Certification	70% of existing portfolio is certified under a building wellness assessment scheme	90% of existing portfolio is certified under a building wellness assessment scheme
Green Building Certification	Environmental Building Assessment Schemes	100% new and existing developments to achieve the environmental building assessment scheme rating, with 90% achieving the highest rating	100% new and existing developments to achieve the environmental building assessment scheme rating, with 95% achieving the highest rating

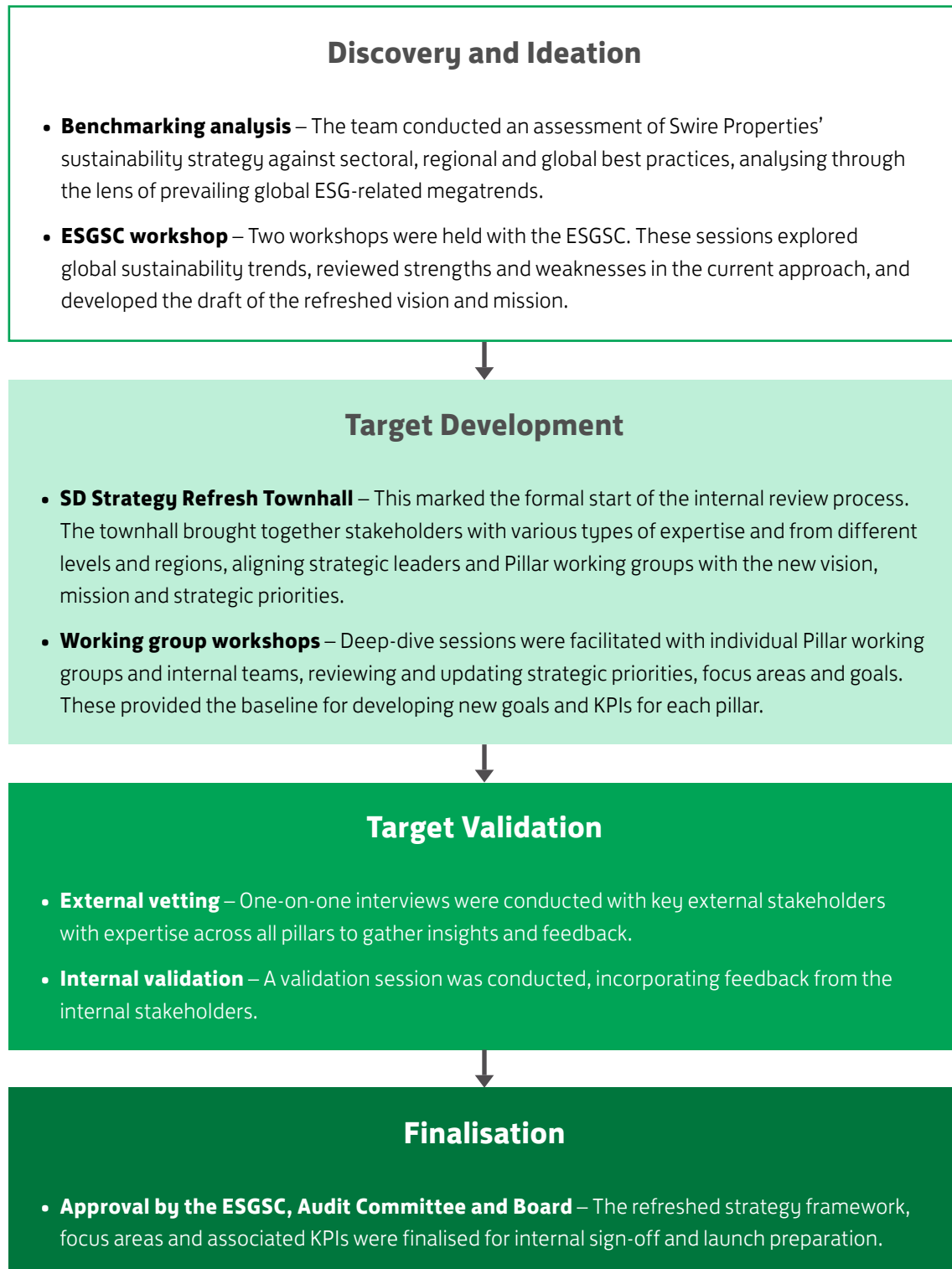


## Performance

Focus Areas	Indicators	2030 KPI	2035 KPI
Green Financing	External Green Financing	Achieve ≥80% of bond and loan facilities from green financing	Achieve ≥90% of bond and loan facilities from green financing
	Internal Carbon Pricing	<p>Identify, prioritise and implement low-carbon projects across operations</p> <p>Regularly review the internal carbon price to ensure alignment with global projections</p>	
Corporate Governance	Anti-fraud and Anti-corruption	Annual fraud and corruption risk review by the Executive Committee	
	Executive Compensation	Disclosure of linkages between executive remuneration and climate/sustainability performance	
	Board Diversity	Maintain ≥ 30% female representation on the Board	
	Board Effectiveness Evaluation	Conduct board effectiveness evaluation internally at least once every two years	Conduct board effectiveness evaluations by an external party at least once every two years, with internal evaluations conducted in alternate years

## SD 2050 Strategy Review Process

In late 2024, our ESG Steering Committee (“ESGSC”) began a deep review of our SD vision and strategy to ensure that it remained ambitious, credible and aligned with global megatrends and industry best practices. The result is a new vision, mission and strategy designed to drive impact from the present through to 2050. The process was divided into several phases.



All sustainability-related metrics and targets disclosed do not have a material effect on the Group’s financial position, cash flows or access to capital over the short to medium term. As data is less reliable in the long term, we will continue to monitor and assess how our exposure to long-term sustainability-related risks may change.

# SD 2050 Interconnections Map



This diagram visually represents the web of interconnections and linkages that exist between the major focus areas of the five Pillars of our SD 2050 Strategy – Places, People, Partners, Planet, Performance. The varying line thicknesses represent the relative strength of the links: The thicker the line, the stronger the connection.