

# SUSTAINABILITY REVIEW



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Sustainable development is integral to our approach to business and investment. Providing quality products and services that our customers can trust, investing in our people and communities, and protecting shared natural resources is not only the right thing to do, it is fundamental to our ability to create long-term value for our shareholders. Through SwireTHRIVE 2.0, our sustainable development strategy, we aim for innovation and continuous improvement in five areas: Climate, Waste, Water, People and Communities.



We have stretching near-term targets to reduce carbon, water and waste. Our ambition is to achieve net-zero carbon emissions, water neutrality and zero waste to landfill by 2050. Acquisitions that occurred after December 2023, the target setting year, are excluded from our commentary on performance against targets, but included in commentary on overall performance.

Environmental, social and governance topics not covered by SwireTHRIVE are important to our investors, regulators and customers. We have policies on human rights, biodiversity and sustainable procurement.

## Governance of Sustainability

Our Board is ultimately accountable for sustainability matters. It is kept informed of sustainability risks and performance by the Swire Group Sustainability Committee and Group Risk Management Committee, which report to the Board via the Audit Committee. The Group Head of Sustainability reports monthly to the Group's Finance Director, who is an Executive Director of the Company, and briefs the Board and division heads twice a year on sustainability matters.

There are group risk forums which are relevant to SwireTHRIVE. They deal with environment, social and governance, human resources and health and safety. For details, see the Risk Management sections of this report and of our 2024 Sustainability Report. Other Group committees and working groups relevant to SwireTHRIVE are the Swire Group Environment Committee, the Health and Safety Committee, the Diversity & Inclusion Steering Committee and the Philanthropy Committee.

The Sustainable Development Office is responsible for the environmental areas of SwireTHRIVE. Our Group Risk Management and Diversity, Equity & Inclusion departments and the Swire Trust also have SwireTHRIVE responsibilities.

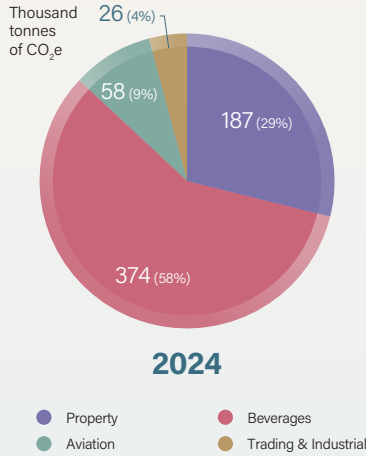
## Sustainable Development Fund

The Swire Pacific Sustainable Development Fund offers financial support to operating companies for projects which can deliver significant environmental benefits, but which cannot be justified by reference to our cost of capital targets. The fund has supported trials of innovative green technology projects. In 2024, funding of about HK\$91 million was approved for 9 projects at various operating companies.

## Sustainable Finance

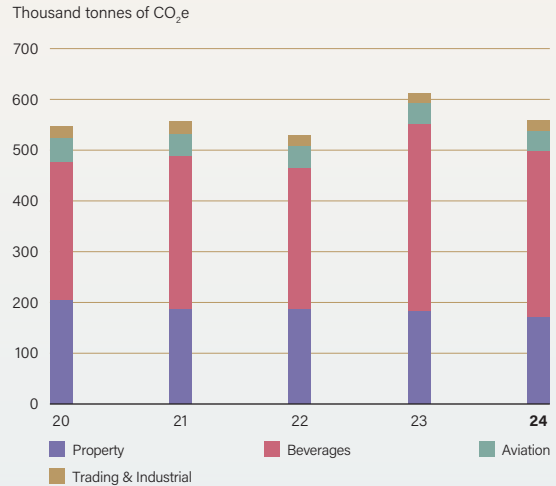
At the end of 2024, sustainable finance (where part of the cost is linked to the achievement of sustainability targets) represented more than 55% of our total financing.

### Total Scope 1 and 2 GHG Emissions by Division



**Notes:**  
 1. Swire Pacific tracks its energy consumption and GHG emissions through utility bills and purchase or service records. When such records are not yet available, consumption is captured through direct measurements (e.g. readings of submeters). These figures are updated upon availability of records.  
 2. Totals may not be the exact sum of numbers shown due to rounding.

### Scope 2 GHG Emissions by Division



**Note:**  
 Swire Pacific tracks its energy consumption and GHG emissions through utility bills and purchase or service records. When such records are not yet available, consumption is captured through direct measurements (e.g. readings of submeters). These figures are updated upon availability of records. The figures for 2023 have been updated to reflect such availability.

## Climate

The world must halve emissions by 2030 and reach net-zero emissions by 2050 to avoid the worst effects of climate change. Reducing our greenhouse gas (GHG) emissions is a business imperative. We must ensure that our assets and operations can withstand and adapt to climate-related risks.

### Climate Risk

We consider the physical, regulatory and financial impact of climate change on our businesses. The results of our physical and transition scenario analysis are included in our climate risk disclosures, available in our 2024 Sustainability Report. These follow the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) which are now fully incorporated into the IFRS Sustainability Disclosure Standards.

### Greenhouse Gas Emissions

Our target is to reduce by 50% our scope 1 and 2 GHG emissions by 2030 from their 2018 levels. We aim to reach net-zero GHG emissions by 2050.

In 2024, our scope 1 and 2 GHG emissions<sup>(i)</sup> were 645 thousand tonnes of carbon dioxide equivalent (CO<sub>2</sub>e), an 11% decrease from 2023. Businesses covered by our 2030 target achieved a 40% reduction in scope 1 and 2 emissions against a 2018 baseline. Swire Properties and Swire Coca-Cola accounted for 87% of the Group's operational emissions in 2024. They have set science based targets (SBTs) which have been approved by the Science Based Targets initiative (SBTi).

In 2024, Cathay Pacific's GHG emissions were 14,133 thousand tonnes of CO<sub>2</sub>e. We report 44.985% of them (our percentage ordinary shareholding interest in Cathay Pacific at year end), or 6,358 thousand tonnes of CO<sub>2</sub>e. Cathay Pacific has committed to achieving net-zero carbon emissions by 2050, for sustainable aviation fuel to represent 10% of its fuel consumption by 2030,

**Note:**  
 (i) Performance disclosed in this report is based on the location-based method. Refer to the Swire Pacific 2024 Sustainability Report for our market-based performance.

and to improve its emission intensity by 12% per revenue tonne kilometres (RTK) by 2030 from a 2019 baseline. In 2024, its carbon intensity, measured in grammes of CO<sub>2</sub> per RTK, decreased by 3% compared with 2023.

Since 2023, we have piloted internal carbon pricing. We use carbon fees and shadow pricing. The carbon fee for each operating company is based on its most recent financial year's operational GHG emissions and budgets are set aside for decarbonisation projects based on the carbon fee.

Shadow pricing is applied to projects exceeding a threshold value. Swire Coca-Cola, Swire Properties and HAECO (which account for more than 95% of our GHG emissions) are participating in this initiative.

## Energy

Electricity consumption is our largest source of scope 1 and 2 GHG emissions. In 2024, our GHG emissions (primarily derived from purchased electricity) were 565 thousand tonnes of CO<sub>2</sub>e, an 8% decrease from 2023. Across the Group we retrofitted buildings and improved operational procedures. Energy saving and increased use of renewable electricity helped.

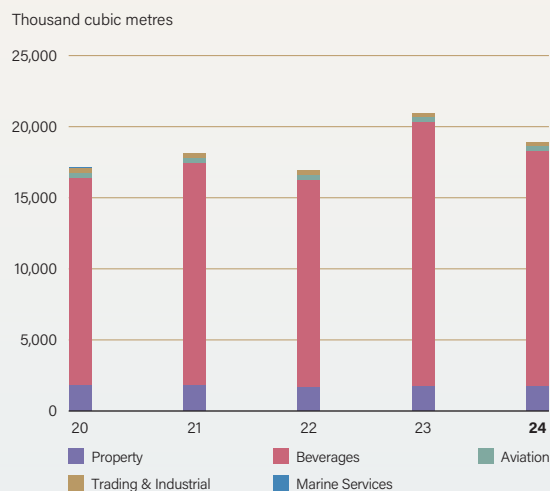
In line with the Group Green Building Policy, new and substantially renovated buildings over a threshold construction floor area should obtain the highest or second highest international or local building environmental certification. All existing buildings without major renovations or refurbishments are encouraged to obtain similar standard where practicable.

Swire Properties designs, constructs and operates properties with a view to reducing energy use. At the end of 2024, 100% of its wholly-owned new projects under development achieved the highest green building rating, 96% of its wholly-owned existing buildings were certified green buildings, and over 97% of its 2024 gross rental income came from certified green buildings.

In 2024, Swire Properties' absolute scope 1 and 2 GHG emissions achieved a reduction of 40% compared with a 2019 baseline year. In its wholly-owned portfolios, 53% of office tenants have signed the Green Performance Pledge to jointly improve environmental performance by 2025. Tenants are supported in identifying ways in which they can reduce energy, waste and water consumption.

In 2024, more than 36.3 million kWh of electricity was generated from renewable sources at Swire Properties, Swire Coca-Cola and HAECO. Two Swire Properties' developments and eight

## Water Withdrawal by Division



### Note:

Swire Pacific tracks its water consumption through utility bills and purchase or service records. When such records are not yet available, consumption is captured through direct measurements (e.g. readings of submeters). These figures are updated upon availability of records. The figures for 2023 have been updated to reflect such availability.

Swire Coca-Cola bottling plants in the Chinese Mainland are powered by 100% renewable electricity. In 2024, 32.9% of the electricity used by the Group came from renewable sources.

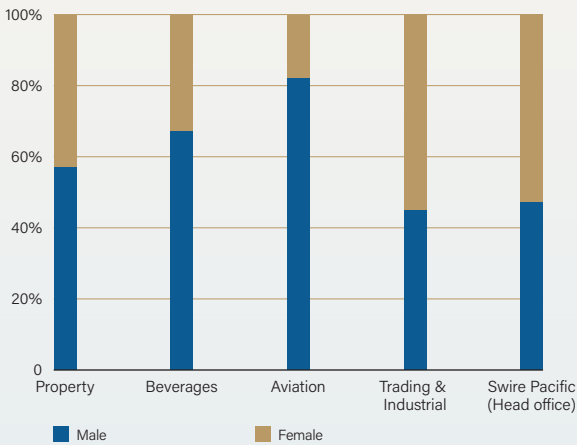
## Waste

We aim to minimise the total amount of waste we generate and seek to divert as much as possible from landfill, through recycling, reuse and reducing waste at source.

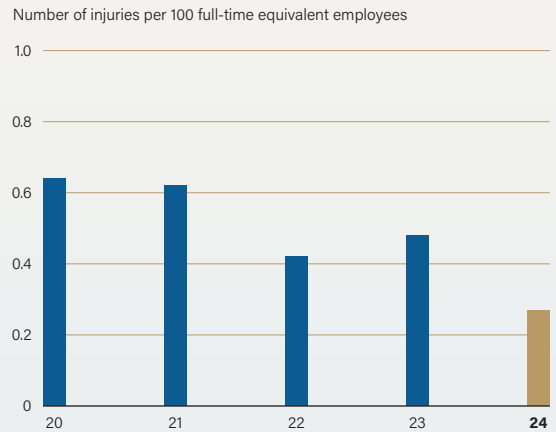
In 2024, the Group generated 74,458 tonnes of waste, an 18% decrease from 2023. Swire Properties and Swire Coca-Cola account for more than 90% of the Group's waste. Our targets are to divert 65% and 100% of our non-hazardous waste from landfill by 2030 and 2050, respectively. Businesses covered by our 2030 target maintained the same waste diversion rate as in 2023.

Single use plastic can damage the environment unless it is recovered and recycled. In line with The Coca-Cola Company's World Without Waste initiative, Swire Coca-Cola has the following aims:

### Employee Breakdown by Gender and Division



### Lost Time Injury Rate (LTIR)



- By 2025, primary packaging will be 100% recyclable
- By 2030, primary packaging will comprise 50% recycled content

New Life Plastics, a subsidiary in Hong Kong in which we have equity interest, can process 35,000 tonnes of PET and HDPE per annum.

### Water

Our businesses depend on water. Some of them use it extensively. Water stress can affect our suppliers, the communities in which we operate and the biodiversity of the areas in which we operate. We aim to use water responsibly and sustainably, and to protect our water sources.

We comply with wastewater treatment laws. By doing this, we protect our own resources and help the communities in which we operate and live to have access to safe, good quality water. Our target is to reduce our water usage (except in Coca-Cola beverages) by 30% from a 2018 frozen efficiency baseline. We aim to achieve water neutrality by 2050.

In 2024, we used 18.9 million cubic metres of water, 10% less than in 2023. Businesses covered by our 2030 target achieved a 23% reduction in water use against a 2018 baseline.

In 2024, Swire Coca-Cola accounted for 88% of our water use. Its water intensity (the amount of water needed to produce a litre of beverage), decreased by 4% in 2024 to 1.81 from 1.88 in 2023.

Swire Coca-Cola aims to return to the environment water in amounts equivalent to those which it uses in its products.

### People

We aim to be an employer of choice that attracts and retains the most talented people. We do this by creating safe, healthy and inclusive workplaces where everyone is treated with respect and has equal opportunities to succeed.

At the end of 2024, the Swire Pacific Group (excluding the Cathay group and HAESL) employed approximately 57,000 people. The majority of our people are based in Hong Kong and the Chinese Mainland.

Staff turnover is monitored with a view to identifying areas of improvement and managing issues as they arise. In 2024, the turnover rate was 13%, the same as 2023.

## Health and Safety

We aim to conduct our operations in a manner which safeguards the health and safety of our people, contractors, suppliers, customers and visitors to our business premises and the communities in which we operate. We aim to improve our health and safety management systems continuously with a view to causing zero harm.

In 2024, the number of injuries per 100 full-time equivalent employees (lost time injury rate or LTIR) decreased by 44% to 0.27 from 0.48 in 2023.

Regrettably there was one work-related employee fatality occurred at HAECO Xiamen in 2024. Following full investigation, enhanced mitigation measures were implemented.

We aim to continuously improve our health and safety performance and culture through systems improvements, training, learning and transparent reporting. We expect our contractors to observe high safety standards. Regrettably, there was one work-related fatality of a contracted worker in 2024. This incident occurred in HAECO Xiamen construction site at the new airport. Following thorough investigations HAECO Xiamen has enhanced its contractor safety management protocols.

We care about the mental and physical health and wellbeing of our people. Group initiatives include health checks, employee assistance programmes with 24-hour confidential hotlines, and policies on flexible working and parental leave. We will continue to enhance our wellbeing strategy in 2025.

## Diversity, Equity and Inclusion

We believe in creating an environment where people feel comfortable at work and are able to realise their full potential. We are committed to creating an inclusive and supportive working environment for our people regardless of their age, gender, gender identity, sexual orientation, relationships, family status, disability, race, ethnicity, nationality and religious or political beliefs.

## Board Breakdown by Gender



We have set diversity targets including 30% of women on our board of directors (Board) by 2024. Women represent 33.3% of our Board.

We have provided unconscious bias training to those responsible for recruitment and promotion. Employees are required to comply with applicable employment and other laws. We provide training in order to assist our people to better understand their rights and obligations under Hong Kong anti-discrimination legislation.

## Training and Development

We need an agile and well-trained workforce in order to respond to competitive and changing business environment. We provide on-the-job training, mentoring and coaching classroom training and online learning. All new joiners take part in induction programmes that include anti-discrimination and anti-corruption training as well as site visits to our businesses.

Our in-house leadership development company designs and provides learning and development programmes for management staff. Managers attend business management and executive programmes at INSEAD and Stanford. Training programmes emphasise sustainability and contribute to the development of a strong corporate culture and a style of leadership that is consistent with our values.

We recruit high-calibre individuals with a view to developing them into future leaders within the Group. They are trained in management, finance and human resources. They have access to coaching and mentoring.

Our summer internship programme gives exceptional students the opportunity to gain experience of working at Swire. Interns learn about our values and what we do, and then work on business projects at our operating companies.

We communicate with our people on a regular basis via our intranet, newsletters, surveys and staff forums.

## Communities

We believe that when the communities in which we operate prosper, so do we. We concentrate on doing things where we believe we can make a difference. We support our communities with monetary donations, provision of products and services and with the time and energy of our staff, and through the Swire Group Charitable Trust (the Trust).

In 2024, the Swire Trust supported 45 education, marine conservation, arts, and other community and collaborative network building programme grants, completed 9 projects and distributed approximately HK\$47 million. The Swire Trust continues to support inspirational projects in the respective three focus areas, connecting the Company's staff, the Trust's NGO partners, and the community to build social capital, create opportunities, and motivate positive change in Hong Kong.

Our employees contributed 1,176 hours of service in 2024 via the Swire Trust staff engagement programme. During the year, the Group including our operating companies made charitable contributions (cash and in-kind) of HK\$132 million.

## Engaging with Suppliers

Operating companies are committed where possible to purchasing products which do not adversely affect the environment. Our guidelines on doing so are in accordance with international standards.

Our Supplier Corporate Social Responsibility Code of Conduct deals with regulatory compliance, forced labour, child labour, health and safety, environmental issues, compensation and working hours, human rights, subcontractor management, ethics and reporting.

Our businesses engage with thousands of suppliers. They supply goods and services which include aircraft parts, fuel, sugar, auditing, office supplies and uniforms. A group-wide assessment has been carried out to identify the potential ESG risks associated with our key suppliers. We prefer to work with suppliers that share our high standards and values. We share information and best practices with suppliers and encourage them to adopt appropriate sustainability and other standards.

## Reporting and Recognition

Our sustainability performance is disclosed in detail in a separate Sustainability Report, which is available on our website. It has been prepared with reference to the Global Reporting Initiative (GRI) Standards and the ESG Reporting Code for listed companies issued by The Stock Exchange of Hong Kong Limited. Deloitte Touche Tohmatsu has provided a limited assurance report in respect of selected sustainability information of Swire Pacific for the year ended 31st December 2024. Further information on the scope and boundaries of our sustainability data and the full limited assurance report can be found at <https://www.swirepacific.com/en/sustainability/sustainability-reports>

Swire Pacific is included in the Dow Jones Best-in-Class Asia Pacific Index, the Hang Seng Corporate Sustainability Index, the Hang Seng Corporate Sustainability Benchmark Index, the Hang Seng (Mainland and HK) Corporate Sustainability Index, the S&P Global Sustainability Yearbook 2025 and Sustainability Yearbook (China) 2025, and the MSCI ACWI ESG Leaders, Hong Kong ESG Leaders, ACWI ESG Universal and ACWI SRI Indices. We received a AA rating from MSCI. Swire Pacific is included in the 2023 Bloomberg Gender-Equality Index.

Swire Properties was ranked first in the world in the Dow Jones Best-in-Class World Index (DJSI World) 2024 in the Real Estate Management & Development Industry category. It is the Global Sector Leader (Listed) and the Global Development Sector Leader (Mixed Use sector) on the Global Real Estate Sustainability Benchmark (GRESB). It is ranked number one in the Hang Seng Corporate Sustainability Index and is included in the FTSE4Good.

In 2024, Swire Pacific achieved a score of A- for CDP Climate Change. Swire Coca-Cola achieved a score of B for CDP Water Security.