

Swire Pacific - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Swire Pacific Ltd is a highly diversified group. Operating within 3 core divisions (Property, Beverages and Aviation), we undertake a wide range of commercial activities & conduct them internationally. We have interests in 2 other listed companies, Swire Properties Ltd (“Swire Properties”), & Cathay Pacific Airways Ltd (“Cathay Pacific”).

Swire Properties’ property investment portfolio in Hong Kong comprises office and retail premises, serviced apartments and other luxury and high quality residential accommodation in prime locations. Including hotels, the completed portfolio in Hong Kong totals 13.1 million square feet of gross floor area. In the Chinese Mainland, Swire Properties has major mixed use commercial developments, in joint venture in many cases, which will total 14.9 million square feet on completion. Its property investment portfolio includes developments in Miami, and its trading portfolio comprises completed units available for sale in Hong Kong and Vietnam. Through Swire Hotels it wholly-owns and manages hotels in Hong Kong and has equity share in others. In the Chinese Mainland, Swire Hotels manages four hotels. Swire Properties owns 97% and 50% interests in the Mandarin Oriental at Taikoo Hui in Guangzhou and The Sukhothai Shanghai at HKRI Taikoo Hui respectively. In the USA, Swire Properties manages, through Swire Hotels, EAST Miami and owns a 75% interest in the Mandarin Oriental in Miami.

Swire Coca-Cola (SCC) (formerly Swire Beverages) has the exclusive right to manufacture, market and distribute products of The Coca-Cola Company (TCCC) in 11 provinces and the Shanghai Municipality in the Chinese Mainland and in Hong Kong, Taiwan, Cambodia, Vietnam and an extensive area of the western USA. The acquisitions of the franchise businesses in Cambodia and Vietnam were completed on 25th November 2022 and 1st January 2023 respectively. At the end of 2022, Swire Coca-Cola manufactured 58 beverage brands and distributed them to a franchise population of 782 million people. Once Vietnam and Cambodia is included, the total franchise population will increase to 882 million people.

The HAECO group provides aviation maintenance and repair services. Its primary activities are aircraft maintenance and modification work in Hong Kong (by HAECO Hong Kong), in Xiamen (by HAECO Xiamen) and in the USA (by HAECO Americas), on-wing and off-wing engine support, and engine overhaul work in Hong Kong (by HAECO's 50% joint venture company, HAESL) and in Xiamen (by HAECO Engine Services (Xiamen)). The HAECO group manufactures aircraft seats in the USA. The HAECO group has subsidiaries and joint venture companies in the Chinese Mainland which offer a range of aircraft engineering services, and has a 70% interest in HAECO ITM Limited, an inventory technical management joint venture with Cathay Pacific in Hong Kong. HAECO is a wholly-owned subsidiary of Swire Pacific.

Our Associate company the Cathay Pacific group (we hold 45% equity) includes Cathay Pacific, HK Express & Air Hong Kong & associate interests in Air China & Air China Cargo. Cathay Pacific also has interests in companies providing flight catering & passenger & ramp handling services, & owns & operates a cargo terminal at Hong Kong International Airport. It is listed on The Stock Exchange of Hong Kong Ltd. By December, the Group was operating about one-third of pre-pandemic passenger flight capacity, representing approximately eight times the average capacity the airlines together operated in the first half of the year. Cathay Pacific ended the year operating passenger flights to 58 destinations, double the 29 destinations the airline flew to in January 2022. At 31st December 2022, Cathay Pacific had 181 aircraft and had ordered 32 new aircraft for future delivery. HK Express is a low-cost airline based in Hong Kong and offers scheduled services within Asia. At 31st December 2022, it had 26 aircraft and had ordered 16 new aircraft for delivery up to 2025.

At 31st December 2022, we operated 156 retail outlets in Hong Kong, Macau & 6 in Mainland China. Taikoo Motors sells passenger cars, commercial vehicles, motorcycles & scooters. Its largest business is in Taiwan, where it sells Volkswagen, Mercedes-Benz, Audi & Mazda cars.

Swire Pacific is one of Hong Kong's largest and oldest employers, where we have over 29,000 employees. In the Chinese Mainland, we also have over 35,000 employees. Globally, we employ almost 80,000 people.

One other Swire Pacific company - Cathay Pacific Group also responds to CDP, please also see their responses. Some of the answers included relate specifically to Cathay Pacific Group, as they account for a significant proportion of the Swire Pacific Groups total emissions.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
3 years

Select the number of past reporting years you will be providing Scope 2 emissions data for
3 years

Select the number of past reporting years you will be providing Scope 3 emissions data for
3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

China

China, Macao Special Administrative Region

Hong Kong SAR, China

Singapore

Taiwan, China

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

HKD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Direct operations only [Processing/manufacturing/Distribution only]
Distribution	Direct operations only [Processing/manufacturing/Distribution only]
Consumption	Yes [Consumption only]

C-A C0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

As we do not own or manage any land, we do not have emissions from agricultural/forestry activities.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Sugar

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

Answer:4%

This is a rough estimate based on:

Swire Beverages: Accounts for 59% of the group's revenue. The % of soft drinks sold that contain sweeteners (roughly 66%), of which 4% (based on units sold) is sugar the rest is either HFCS or other sweeteners (it does not take into account the split between sugar cane and sugar beet as that information is not available).

+

Taikoo Sugar - account for 1.7% of the Groups revenue as a total % of the Groups revenue.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	SWIRE PACIFIC LIMITED A - HK0019000162
Yes, an ISIN code	SWIRE PACIFIC LIMITED B - HK0087000532

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board Chair	<p>The Chairman is ultimately accountable for the sustainable development strategy. A key component of this strategy is to encourage our employees to make better decisions with the intention of minimizing the social and environmental impacts of their daily routines. This enables us to make our business more sustainable and help deliver economic value – i.e. profits for shareholders. Being on the Board of Directors and the Management Committee, which oversees the day-to-day operations of all businesses and functions, the leadership and responsibilities of the Chairman can ensure that climate-related issues are being incorporated into corporate strategy formulation and decision-making process, as well as facilitating the implementation of climate-related initiatives across all divisions. The Board is advised by the Group Risk Management Committee (GRMC) who meets on a quarterly basis. The GRMC provides oversight on all the risks to which the Group is exposed, including climate change related matters, except for those expressly covered by the Finance Committee, including setting risk management policies and strategies. It is made up of divisional chief executives and managing directors, is chaired by the Finance Director, and reports to the Board via the Audit Committee. The GRMC is in turn advised by the Swire Group Environmental Committee (SGEC) which is chaired by a Director of the Board, which in turn is advised by working groups covering each of the focal areas of SwireTHRIVE (Climate Change, Waste, Water, People and Communities). The Group Head of Sustainability briefs the Board twice a year on climate change and sustainability matters. They also brief twice a year the Heads of each of our divisions in a meeting chaired by the Chairman. The Chairman approves revisions of the Group sustainability policies (e.g. Climate Change policy), as well as Group sustainability targets (e.g. 2030 decarbonization target and net zero by 2050 commitment), and Swire Pacific joining significant sustainability initiatives (e.g. Cathay Pacific's Corporate Sustainable Aviation Fuel Partnership programme).</p>
Director on board	<p>The Board of Swire Pacific Limited, led by its Chairman, ultimately oversees the Group's action on climate change issues. The Sustainable Development Office reports directly to a Board member who has responsibility for Climate Change and Sustainability. That person is also the Chairman of Swire Coca-Cola which is the largest source of our Scope 1 & 2 emissions, and Chairman of Cathay Pacific which is the primary source of Scope 3 GHG emissions in the Group. That person also the chairs of the Swire Group Environmental Committee (SGEC). The SGEC comprises of senior sustainability management representatives of all Swire Divisions, including directors, general managers and environmental departmental heads. The SGEC oversees the Sustainability issues of the Swire Group including climate change. The SGEC meet 3 to 4 times a year to exchange information and best practices, with a view to developing specific policy recommendations, improving efficiency, reducing costs and engaging staff in sustainable development. The Board is advised by the Group Risk Management Committee (GRMC) who meets on a quarterly basis. The GRMC which is chaired by the Chief Financial Officer, is in turn advised by the SGEC which is chaired by a Director of the Board, which in turn is advised by working groups covering each of the focal areas of SwireTHRIVE (Climate Change, Waste, Water, People and Communities). The GRMC provides oversight on all the risks to which the Group is exposed, including climate change related matters, except for those expressly covered by the Finance Committee, including setting risk management policies and strategies. It is made up of divisional chief executives and managing directors, is chaired by the Finance Director, and reports to the Board via the Audit Committee. To provide additional oversight and direction, the Head of Sustainable Development reports twice a year to the Board on the Group's sus-</p>

Position of individual or committee	Responsibilities for climate-related issues
	ustainability performance. Division heads meet twice a year on sustainability matters under the Chairman of the Board. In 2022, division heads discussed the findings of a materiality assessment, the Group's sustainability performance, revisions to the HKEx listing rules relevant to ESG matters and approaches to carbon target setting.
Chief Financial Officer (CFO)	<p>The Finance Director chairs the Group Risk Management Committee (GRMC). The GRMC provides oversight on all the risks to which the Group is exposed, including climate change related matters, except for those expressly covered by the Finance Committee, including setting risk management policies and strategies. It is made up of divisional chief executives and managing directors, and reports to the Board via the Audit Committee. In addition, via the quarterly management reports, the Finance Director reports to the Board on the Group and divisional performance against the SwireTHRIVE targets e.g. decarbonization targets, and on the allocated CAPEX to our decarbonization efforts.</p> <p>The CFO is also responsible for risk management at the Group and therefore has oversight of the ESG Risk Forum, which also looks at climate risk at the Group. The CFO participates in the Group's climate risk and opportunity scenario analysis. In 2022, two workshops were held to assess transition and physical risks which may potentially impact on the Group.</p> <p>Alongside the Director responsible for Sustainability, they CFO also chair's our SD Fund Committee and therefore approved the decarbonization projects funded by the Group including the funding of an AI energy management system in one of our property developments.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<p>Reviewing and guiding annual budgets</p> <p>Overseeing and guiding employee incentives</p> <p>Reviewing and guiding strategy</p> <p>Reviewing and guiding the risk management process</p>	<Not Applicable >	<p>The Board acknowledges its responsibility to establish, maintain and review the effectiveness of the Group's risk management and internal control systems. The Board of Directors and the management each have a responsibility to identify and analyse the risks underlying the achievement of business objectives, and to determine how such risks should be managed and mitigated. There are two key management committees which monitor risk processes throughout the Group; the Group Risk Management Committee (GRMC) and the Finance Committee. These primarily comprise senior management and both are chaired by the Finance Director, who reports to the Board on matters of significance that arise. Divisional heads of all our businesses meet x2 PA on sustainability matters (including Climate Change) under the chairmanship of the Board Chairman.</p> <p>The Group Risk Management Committee (GRMC) considers climate related risks & informs the Board about them through the Audit Committee. The GRMC uses the skills and experience available within the group to help identify material climate related risks and to propose sustainable mitigants.</p>

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
			<p>A Climate Working Group develops climate related targets with reference to the carbon emissions of our operating companies. They also assess our exposure to physical and transitional climate risks and will develop practicable adaptation proposals. The working groups' membership is representative of the sustainability expertise within the Swire Pacific group.</p> <p>As part of our ERM framework, we assess physical climate risks to our existing and future property developments and other facilities. Climate Change has been identified as a key risk in our risk register, which is disclosed in both our annual financial report and our SD report. We put in place mitigants and resiliency measures intended to ensure the viability of our operations, the safety of our employees and visitors to our facilities, and uninterrupted service for our customers. The Swire Environmental Services Group has investments in businesses developing low carbon technologies and processes.</p> <p>Decarbonising and building the climate resilience of our businesses are integral components of the Swire Pacific Sustainability Strategy SwireTHRIVE.</p> <p>The Swire sustainable development fund offers financial support to operating companies for projects which can provide long-term sustainability benefits but cannot be justified by reference to our cost of capital targets. The HK\$100 million fund is intended to assist in reducing our carbon, water and waste footprints in line with our targets. The fund allows us to test new technologies quickly and at relatively low cost, to determine the solutions most suited to our operations and quantify their actual environmental benefits before implementation at scale.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>Yes, Swire Pacific has a Board Director, who is accountable for the Group sustainability strategy the Group Sustainable Development Office, and hence the Group's response to climate change. This individual, along with the entire Board, received training on climate change, climate-related risks and TCFD in January 2021 and 2022. This was further backed up, with the Board Director for sustainability attending the World Business Council for Sustainable Developments annual conference. In addition, the Group Head of Sustainability briefs the Board twice a year on aspects related to the risks and opportunities created by climate change. We therefore deem them to be sufficiently diverse in knowledge, skills, experience and background to effectively debate and take decisions informed by an awareness and understanding of climate-related threats and opportunities, have sufficient knowledge of climate-related issues and the impact of such issues on the company's business and operations.</p> <p>The Board Director was also consulted on the readiness for and implications of the development and publication of the first IFRS Sustainability Disclosure Standards from the International Sustainability Standards Board (ISSB). The second ISSB standard (S2) focuses on climate-related disclosures, and will become the basis for climate-related disclosures for listed companies in Hong Kong as of 1 January 2024.</p> <p>The Board Director was recently appointed as a member of the Executive Council of the UN ESCAP SUSTAINABLE BUSINESS NETWORK (ESBN), and the Chair of their Energy Taskforce.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Other C-Suite Officer, please specify (Executive Director)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets

Coverage of responsibilities

<Not Applicable>

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Half-yearly

Please explain

Rationale: The Executive Director has responsibility for the Group's sustainability strategy and performance. In addition to being a board director, they also the positions of Chairman of Swire Coca-Cola and Chairman of Cathay Pacific, two companies (one operating company, one associate) with significant relevance for the Group's emissions profile, and whose emissions reductions are essential for the Group achieving its net zero emissions commitment.

Communication: The Executive Director and the Group Head of Sustainability meet on a monthly basis to discuss Group performance towards all SwireTHRIVE related targets, the implementation of initiatives (e.g. Internal Carbon Pricing), the ESG landscape and recommendations for overcoming challenges. Potential proposals on climate-related activities including our approach to governance and driving improvements in emissions reduction are drafted by the Sustainable Development Office, reviewed and approved by the Executive Director and then discussed with the Board to determine what actions will be taken.

Position or committee

Chief Financial Officer (CFO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Providing climate-related employee incentives
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Finance - CFO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Rationale: The CFO has an acute understanding of the Group's finances, investing/divesting, and strategic direction, and is well positioned to provide insight on the risks and opportunities that climate change may pose to the Group.

Communication: The CFO has regular meetings with the Group Head of Sustainability to discuss various topics related to sustainability including climate risks and opportunities and performance against targets.

Through their role on a senior management committee, the CFO receives quarterly updates on progress towards targets and ESG ratings. The CFO is involved in climate scenario analysis workshops to identify risks and opportunities.

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Monitoring progress against climate-related corporate targets

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Rationale: The objective of the Swire Group Environmental Committee is to oversee, on behalf of the Board and Management Team, the management of SwireTHRIVE.

The SGEC advises them on matters required to enable 1) the Group to operate sustainably for the benefit of current & future generations, 2) sustainable growth by maintaining & enhancing Swire Group's economic, environmental, human, technological and social capital in the long term, and 3) the identification and effective management of Swire Group's Sustainable Development (SD) risks.

Communication: The Committee, which meets at least three times each year, is chaired by the Director responsible for the Group sustainable development strategy, co-ordinated by the Group Head of Sustainability, and comprises sustainability heads from operating companies, while being observed by Risk Management Department, Group Public Affairs, Corporate Finance, and Staff Services.

We collect our divisions' planned expenditure in the short and medium term to achieve our decarbonisation targets. On a quarterly basis we assess our performance against targets. The Swire Group Environmental Committee (SGEC), comprising senior representatives from Group functions including Environmental sustainability and Risk, and division representatives reviews this progress. The members are best placed within the Swire group of companies to explain variance between anticipated and actual performance and develop and communicate plans to ensure the Group remains on track.

In addition, we regularly review our policies relating to sustainability. Where we identify policy gaps, we create new policies to guide the Group's approach. Policies are developed at the working group level, before review by the Swire Group Environmental Committee (SGEC) and approval by senior management.

Position or committee

Risk committee

Climate-related responsibilities of this position

Integrating climate-related issues into the strategy

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Risk - CRO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Rationale:

Group departments convene risk committees and working groups comprising subject matter experts from our operating companies to exchange information on best practices, with a view to developing specific policy recommendations, improving efficiency, tracking progress against targets, and managing risks.

They are responsible for identifying and managing specific areas of risk, proposing policies and reporting performance. Part of the role of the functional committees and working groups is to identify risks and opportunities which fall within their respective areas and to draw up policy recommendations for GRMC review and approval.

The policies approved by the GRMC apply to all companies in which Swire Pacific has a controlling interest. The boards of these operating companies are required to adopt these policies and to establish procedures to ensure compliance. Joint venture and associated companies are encouraged to adopt Group policies.

Communication: The approach used by Group Risk Management Committee to assess and prioritise risks has been adopted for the assessment of climate risks. We assess the Group's climate risks and opportunities, The assessment is done by directors and senior representatives from several functions including the CFO, and department heads from risk, treasury, public affairs, legal, and sustainability heads from our divisions. The final assessment is put in front of GRMC to determine which if any climate-related risks are to be included in the Group's risk register.

Position or committee

Other C-Suite Officer, please specify (Group Head of Sustainability)

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Rationale: The Group Head of Sustainability is responsible for developing and implementing the climate risk process and therefore has awareness of how climate risk and opportunities will materialise and impact on our operations.

Communications: The Group Head of Sustainability is involved in climate working groups and risk forum where the Group's approach to managing climate risk, opportunity and performance is set, and where they contribute input on the identification, assessment, prioritisation and management of climate related issues

Position or committee

Business unit manager

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Rationale: Divisional managers have oversight and control of operational aspects of our companies. As such they understand the actual and potential impacts and opportunities posed by climate change, our emissions reduction ambitions and implementation of initiatives to meet these.

Communications: Divisional managers are involved in climate working groups and risk forum to contribute input on the identification, assessment, prioritisation and management of climate related issues.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	To incentivise the achievement of our decarbonisation goals, relevant individuals have incentives in place to link Group performance on climate to individual performance. Individuals include the Group CEO, Head of Sustainability and supporting staff including managers, to our divisional managers.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Bonus – set figure

Salary increase

Retirement plan

Other, please specify (Public recognition)

Performance indicator(s)

Energy efficiency improvement
Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

At Cathay Pacific, short and long-term incentives (e.g. salaries, bonuses and contributions to retirement schemes) for the senior executive team are linked to company financial performance. As jet fuel consumption is one of the company's largest categories of expenses, the executive team – through the successful reduction of fuel consumption and efficiency improvements – can increase the company's profitability and their incentive pay. The KPIs are linked to global performance, and due to its material emissions profile focuses on use of jet fuel from operations and energy consumption from ground emissions.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Air emissions arising from jet fuel consumption account for more than 99% of Cathay Pacific's total emissions, or around half of the Group's scope 3 emissions. Hence, by having a proportion of their annual incentives linked to fuel consumption, it can incentivise the Cathay Pacific senior management team to incorporate fuel efficiency into corporate strategy formulation and decision-making process. This facilitates the successful implementation of our climate transition plan by significantly reducing Cathay Pacific's air emissions in support of the 2050 net zero carbon target, and therefore this is directly linked to the ability of the Group to achieve its commitment to achieve net-zero emissions by 2050. The Group is currently exploring implementation for executive pay linked to sustainability performance for other relevant executives at the Group.

Entitled to incentive

Environment/Sustainability manager

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Salary increase

Performance indicator(s)

Board approval of climate transition plan

Progress towards a climate-related target

Implementation of an emissions reduction initiative

Incentive plan(s) this incentive is linked to

Not part of an existing incentive plan

Further details of incentive(s)

Each year, goal prioritisation at the individual and department level is set to align with Group objectives. A workplan is developed to outline what is needed to achieve said objectives (e.g. decarbonisation targets). At year end, the manager is assessed based on the extent to which the individual achieved the goals set at the beginning of the year. The assessment involves scoring, which is part of their balance scorecard, and therefore performance against the goals ultimately affects bonus and salary increase. 100% of the bonus is linked to sustainability performance at the Group level.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

At the Group level, this incentive is linked to our commitment to reduce scope 1 and 2 emissions by 50% by 2030 and our commitment to achieve net-zero emissions by 2050. The Group Head of Sustainability oversees the Group-level Sustainable Development Office and is involved on climate, waste and water working groups, risk forums, climate scenario analysis, and the implementation of internal carbon pricing. They report directly to an Executive Director and present sustainability updates and proposals to the Board at least twice a year. The incentive ensures the individual is financially invested in ensuring that Group is making progress on its commitments, while having agency to affect change and progress towards those commitments. A separate incentive scheme is available for sustainability managers at Swire Properties and is described separately.

Entitled to incentive

Environment/Sustainability manager

Type of incentive

Monetary reward

Incentive(s)

Other, please specify (Monetary reward)

Performance indicator(s)

Implementation of an emissions reduction initiative

Reduction in emissions intensity

Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Progress against sustainability targets such as emission and energy reduction are built into the appraisal process of all sustainability managers in all of our operating companies. Such achievements and recognition will be reflected in annual appraisals accordingly.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Swire Properties was the first real estate developer in Hong Kong and the Chinese Mainland to join the Business Ambition for 1.5°C campaign, led by the Science Based Targets initiative in partnership with the United Nations Global Compact. We have put in place approved 1.5°C-

aligned science-based targets to support the delivery of net-zero emissions before 2050. The sustainability targets such as emission and energy reduction are align with the company's science-based targets.

Entitled to incentive

Business unit manager

Type of incentive

Monetary reward

Incentive(s)

Other, please specify (Monetary reward)

Performance indicator(s)

Progress towards a climate-related target

Other (please specify) (Progress towards energy reduction target)

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Swire Properties has incorporated the energy reduction performance of our portfolio as part of the portfolios' General Managers' balanced scorecard, and hence their performance / compensation are tied to the energy saving targets and the associated climate-related transition risks. Within each portfolio, these targets would then tie with the performance of the Technical Managers and Building Services Managers, and form part of their annual performance review.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Progress in sustainability objectives including science-based targets' progress, energy reduction and employee engagement works form part of the annual performance review of these managers.

Entitled to incentive

All employees

Type of incentive

Monetary reward

Incentive(s)

Other, please specify (Monetary award)

Performance indicator(s)

Reduction in absolute emissions

Energy efficiency improvement

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Since 2018, Swire Properties' performance development review system was updated to engage employees in our sustainable development (SD) strategy on a deeper level. The office employees have continued to align their annual performance goals with each Pillar of SD 2030 strategy and the Company's SD vision. Overall performance of the employees (e.g. engineers and surveyors) will be linked to individual science-based targets of the business unit managers.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Linking employees (e.g. engineers and surveyors) performance with that of the business unit managers regarding progress on individual science-based targets ensures staff at each level within the company hierarchy are focused on achieving the company's climate commitments.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	In line with standard financial budget planning, Swire Pacific at a Group level requires its businesses to set a sustainability budget, which includes detailed projections for their carbon emissions, energy and water usage and waste production for the next three years, as well as detailed 3-year Capex plan for the projects and investments needed to hit these targets (in addition they are also asked to produce less detailed projections and costings up to ten years). They have all set emission reduction targets & established metrics for their carbon intensity and develop action plans for reducing carbon, energy and water intensity, and waste output of their operations. These metrics in turn drive their decision-making process to be more climate oriented. Our businesses embed energy efficiency best practice in their operation practices, for example, at HAECO our aircraft engineering company they assess environmental benefits for new CAPEX in their procurement process. The new CAPEX has to be assessed and approved by the EHS Manager prior to purchase. They have

	From (years)	To (years)	Comment
			adopted energy saving practices during routine daily operations such as setting optimal indoor temperature and encouraging their staff to switch off unnecessary lighting. Swire Pacific's Group Sustainable Development Department periodically reviews Opco progress in their carbon reduction projects. Environmental considerations are integrated into different areas of our business through environmental and energy management systems that conform to international standards such as the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System. We believe these systems create a robust framework for managing our environmental and energy performance.
Medium-term	3	10	The standard Swire Pacific risk assessment and business plans go out to 5 years. However, the Board also projects out the business strategy to ten years. The Group Sustainability Strategy has set medium-term targets out to 2030. As a group, Swire Pacific commits to achieving the following targets by 2030: 50% reduction in our scopes 1 & 2 greenhouse gas emissions from direct operations from a 2018 base year; 30% reduction in water withdrawal from a 2018 frozen efficiency baseline; 65% waste managed by us diverted from landfill This level of ambition is in line with the 1.5°C goal of the Paris Agreement and supports national and local decarbonisation commitments. In fact Our Property and Beverage Divisions have had their 2030 targets approved by the SBTi. Cathay Pacific has also set a target for sustainable aviation fuel (SAF) to constitute 10% of its total fuel consumption by 2030. The Group risk assessment assesses risk likelihood criteria, which includes once in a lifetime risks, and risks that occur every 10-40 years.
Long-term	10	30	The standard Swire Pacific risk assessment and business plans go out to 5 years. However, the Board also projects out the business strategy to ten years. The Group risk assessment assesses risk likelihood criteria, which includes once in a lifetime risks, and risks that occur every 10-40 years. Swire aims to create long term value for its shareholders. Achieving this depends on the sustainable development of its businesses and the communities in which it operates. In Swire has transformed its goals into the SwireTHRIVE strategy. Under the banner of SwireTHRIVE, Swire Pacific has committed to Net Zero Carbon Emissions, Water Neutrality and Zero Waste to Landfill by 2050. HAECO's own environment and energy strategy will continue to support the SwireTHRIVE which drives initiatives to pursue decarbonisation, better waste and water management, sustainable material sourcing, the protection of our biodiversity and building long-term climate resilience. This will be achieved through business plans and board level focus in the operating companies. HAECO Hong Kong is formulating a new vehicle fleet to include EV saloon cars as part of the initiatives to meet the Airport Authority's requirement. HAECO Group control emissions and reduce carbon emissions via technology, operations, and economic instruments. HAECO Xiamen will invest on environmentally friendly infrastructure for their new facilities in the new Xiamen airport. HAECO Hong Kong invests on phase change material chillers to achieve the optimal operation efficiency.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

All of our businesses have adopted a common approach to Enterprise Risk Management based on the development and management of their risk registers. This involves:

· Identification: Risks are identified by senior executives and categorized by reference to a common risk taxonomy.

· Assessment: Each major identified risk is assessed by two or more senior executives. Plausible scenarios are considered in which the risk could eventuate and the impact of the risk rated in six dimensions. The vulnerability of the entity to the risk is then rated according to

o a) the controls in place to prevent an occurrence,

o b) the readiness of the organization to respond to any risk event and

o c) the degree to which the impact cannot be mitigated.

· Mitigation: Designated risk owners then consider the potential for further mitigation and propose action plans. These plans will be expected to reduce the Company's vulnerability to this risk and improve its overall risk profile.

As per the SPAC risk framework, financial impact are categorized on a 1-5 ranking:

1) Negligible - Up to HK\$100 million

2) Minor - HK\$100 to 250 million

3) Moderate - HK\$250 million – 1 billion

4) Major - HK\$1 – 10 billion

5) Catastrophic - -Above 10 billion

Substantive financial impacts (rank 4 & 5) are evaluated based on monetary value, duration of disruption in operation, possible litigation claims, potential concern of shareholders/ stakeholders as well as degree of media coverage. As a separate exercise, we also identify any climate change opportunities on an ad-hoc basis & if feasible, we would act upon any of the opportunities we have identified.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Climate risk to the Group is identified and assessed through a dimensioning process, in which cross-functional stakeholders conduct a deep-dive evaluation on what the risk means to the business and corresponding mitigations. These mitigations are owned by respective departments, which are responsible for their implementation and execution. A climate risk impact assessment has been performed across six dimensions: financial, disruption, strategic, reputation, regulatory, and human. A pre-defined criteria has been established to determine the materiality of the impact. Top risks are prioritised to highlight risks that have the biggest material impact to the company for the Board's attention. Scenario planning and analysis is used to generate a set of conclusions and recommendations that are being further refined and developed into specific actions to be included in our climate strategy and risk mitigation plans going forward.

Climate risk identification and assessment:

In 2022, we conducted a second assessment of the physical risks that climate change poses to our businesses. We use a specialized cloud-based platform (Climanomics) provided by The Climate Service (TCS) to assess the financial implications of climate-related risks & opportunities to 850 most valuable assets (by insured value) under four Representative Concentration Pathways (RCP 2.6, 4.5, 6 and 8.5).

We conducted climate scenario analysis at the Group level. We worked with a specialist environmental consultancy to develop scenario narratives. The narratives for transition risks were based on IEA Stated Policies Scenario Dataset (STEPS) and IEA Net Zero Emissions by 2050 Scenario. The narratives for physical risks were based on IPCC Shared Socioeconomic Pathway 5-8.5 and IPCC Shared Socioeconomic Pathway 1-2.6. In workshops involving operating company representatives and senior directors and management of Group functions we assessed potential physical and transition risks for the timescale, impact and the company's vulnerability based on existing and planned mitigants. Risks included to our direct operations and to the business as a whole due to impacts along our value chain such as power disruption, supplier disruption, and disruption to distribution networks and for customers accessing our properties. The risks were rated and prioritised in a manner that syncs with our Enterprise Risk Management (ERM) process; opportunities are also considered.

Our climate risk assessment also helps us to align our climate change disclosures with the recommendations of TCFD and ISSB S2 frameworks.

Climate risk management:

The Board of Directors and the management of each division are responsible for identifying, analyzing and, reporting on the risks for which they are responsible and for optimizing the profile of such risks. Risks are mitigated and, where practicable and economic, eliminated. Where risks cannot be eliminated, the related returns should reflect the level of risk being taken. The Board has adopted the three lines of defense model of risk governance which is designed to minimize conflicts of interest and ensure independent oversight of risk management. The Group Risk Management Committee (GRMC) – a second line committee which is responsible for overseeing the management of non-financial risks (including climate change) and for providing assurance to the Board and the Audit Committee that risk is being managed effectively. The GRMC comprises the Finance Director, an Executive Director and five heads of operating businesses. The GRMC (i) regularly reviews the Group's risk profile, (ii) oversees the management of major risks at Group and operating company levels, (iii) identifies emerging risks and potential sources of future risk and (iv) analyses risk events which materialize, with a view to their resolution and to learning from them. In these activities the GRMC is supported by four risk forums., including the Environment and Sustainability Risk Forum which looks at climate change. In addition, the Company has its own risk management committee, the Swire Pacific Risk Management Committee (SPACRMC). The SPACRMC oversees risks specific to the Company itself, identifies risks which have a Group dimension and proposes approaches to the management of such risks to the GRMC. All three of these committees are chaired by the Finance Director, who is also the Company's senior risk officer.

The boards and management of operating companies are responsible for the management of risk at those companies. At the first tier we have a Climate working group, which supports the implementation of our Climate Change Policy, & a TCFD working group comprising sustainability, finance & risk team members.

Our ERM process is used to identify, assess, monitor & manage risks. The implementation of the ERM process follows our ERM policy. The objective of the policy is to ensure that robust & effective risk management systems are in place to enable management to identify, prioritize & mitigate the risks to which our operating companies are & will be exposed. Each division & major operating company is required to implement the ERM process. As part of this policy, operating companies must regularly submit corporate risk registers & changes in risk profiles to SPAC. In order to ensure consistency of approach, these registers are prepared using standard methodology, format & risk ranking criteria. A minimum of 3 times a year identify & report on current/future risks & review risk mitigation & management efforts.

Cathay Pacific: risk and impact identification and assessment is covered in the Group's ESG Risk Assessment approach. This approach is based on a risk taxonomy developed to identify and manage ESG risks across the business. The identification of ESG risks is performed using two approaches:

- Top Down Assessment: cross-functional workshops with different levels of management facilitated by Group Corporate Risk annually to identify risks that are emerging across the business and its subsidiaries. These include risks relating to the three ESG pillars that are considered significant in the execution of the core business strategy and vision.
- Bottom Up Assessment: each Business Unit ('BU'), i.e. Cathay Pacific's departments, outposts and subsidiaries, maintains a risk register that is refreshed annually and is indepen-

dently reviewed by Group Corporate Risk. ESG risks from each of the registers are identified and aggregated at a Group-wide level. Completeness of the risks are assessed and mitigation plans developed where appropriate. The assessment covers the entire Group, including subsidiaries.

Identified risks are prioritised and reported to the Risk Management Committee and Board Risk Committee. A structured approach is in place to develop mitigation. Workshops with a senior group of stakeholders look at risk drivers, root causes, and the consequences of the risk on the business. Mitigation plans are then developed.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Properties division: Swire Properties tracks all regulations around building energy efficiency such as the Buildings Energy Efficiency Ordinance and the Air Pollution Control Ordinance of Hong Kong SAR. It is a leader in developing certified green buildings that are energy-efficient and low carbon by design and in operation. At the end of 2022, 94% of its wholly owned existing buildings have been certified as green buildings under HK BEAM, BEAM Plus, LEED, WELL, China Three Star or Green Mark independent rating systems. Of these, of which 98% have achieved the highest ratings. 100% of wholly owned projects under development have achieved green building certification ratings. Swire Properties works with Tsinghua University's Joint Research Centre for Building Efficiency and Sustainability, to develop and test methods to increase energy efficiency and improve environmental performance in our businesses. It uses its experience, knowledge and influence to improve the environmental performance of our tenants through offering environmental audits and our Green Performance Pledge ("GPP") which is a performance-based, landlord-tenant collaboration towards shared sustainability goals.</p> <p>Swire Coca-Cola: Climate-related risks are identified, described and scored on impact and vulnerability parameters through its ERM system. It considers carbon pricing, more ambitious national decarbonisation plans, and tighter building energy codes to be three key policy and regulation risks in the short to medium term. It is in the process of conducting scenario analysis in line with the description in 2.2 to determine whether other risks should be included.</p> <p>Cathay Pacific: The aviation industry is highly regulated. To ensure we comply with all existing regulations, we adopt and track the latest developments in emissions trading schemes (ETS) in regions with regulatory requirements (e.g. European Union ETS) as any changes could have significant financial and operational impacts on the company. The five core areas of our climate change strategy largely align with the recommended approach by the International Air Transport Association (IATA) and contain two core areas focused on CORSIA and carbon offset programmes. Furthermore, the senior leadership of our Sustainable Development Steering Group is responsible for the management of the CORSIA Taskforce as well as carbon offset and emissions trading.</p>
Emerging regulation	Relevant, always included	Swire Pacific tracks & monitors emerging regulations relevant to our sectors and geographies. The risk posed by carbon pricing and Emissions Trading Schemes (ETS) is assessed as it relates to properties, real estate development and aviation and transportation.

	Relevance & inclusion	Please explain
		<p>China's ETS currently covers the energy sector but is expected to expand to include aviation, construction and manufacturing emissions in the future. For Swire Coca-Cola, the Kigali Agreement to the Montreal Protocol Amendment - caps & reduces use of HFCs . This will freeze consumption of HFCs by 2024 in our key market China.</p> <p>In response to emerging regulation, we are internalising the cost of carbon by piloting internal carbon pricing (ICP) within Swire Properties, Swire Coca-Cola and HAECO. These companies, collectively account for over 94% of our scopes 1 and 2 emissions. We have adopted a hybrid ICP model which includes a Carbon Fee that links each unit of CO₂ emissions to a fixed cost, and a Shadow Carbon Price applicable to future investment decisions and planning for future projects.</p> <p>To reduce emissions from embodied carbon in its development projects and construction activities, our Property Division has established performance-based targets on embodied carbon for concrete, rebar and structural steel for future projects in Hong Kong. They have also specified that low-carbon materials should be adopted in their projects.</p> <p>Our investment in the aviation industry, Cathay Pacific, monitors emerging climate-related regulations associated with the low-carbon transition as new regulations could have significant financial and operational impacts on the company. The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is expected to be the only climate regulation for international aviation from 2021 to 2035. In preparation for CORSIA compliance, we have conducted studies to understand the various potential impacts and have acquired the necessary professional skill sets, knowledge and infrastructure. In 2027, it will be mandatory for CX to offset emissions based on average CO₂ growth of the sector. It is one of the major emerging climate change related regulations that has high potential risk and impact on Cathay Pacific. In addition to CORSIA, there are many domestic/regional climate regulations that are in place or will be introduced in the future.</p>
Technology	Relevant, sometimes included	<p>Swire Pacific and our operating companies track technological improvements on energy efficiency that support a transition to a low carbon economy. Taking advantage of new technologies can transform how energy is used and generated. This can reduce operating costs, increase returns and reduce the use of carbon. To support investment by our businesses into new technologies the Swire Pacific sustainable development fund offers financial support to operating companies for projects which can deliver long term sustainability benefits, but which cannot be justified by reference to our cost of capital targets.</p> <p>1) Property Emissions: There is huge potential for AI & the Internet of Things in property energy management. In 2018, Swire Properties (SPL) launched a pilot cloud-based smart energy management platform at INDIGO, Beijing. The platform tracks energy use, efficiency & KPIs & identifies operational gaps & opportunities to help predict future energy use with data analytics. Since 2011, SPL have worked with Tsinghua University on the Joint Research Centre for Building Energy Efficiency & Sustainability to develop & test new methods to increase energy efficiency & improve environmental performance in our projects. This partnership has been extended to Swire Coca-Cola & HAECO.</p> <p>2) Aviation Emissions: Cathay is well aware of the technology risk and has designated teams for researching, planning and purchasing the latest energy efficient aircrafts as well as sustainable aviation fuel plant investment and adoption. Risks and opportunities arising from any of the latest technological developments would be considered. E.g., we have set up a Sustainable Aviation Taskforce, under direction of senior leadership, focusing on the development and adoption of SAF within the airline. This year, we joined with a group of likeminded organisations as founding members of the Aviation Climate Taskforce (ACT),</p>

	Relevance & inclusion	Please explain
		a new non-profit organisation established to accelerate the development of breakthrough technologies.
Legal	Relevant, always included	<p>Legal risk is always included in corporate risk management. Climate change litigation or legal cases that would lead to non-conformance, non-compliance, commercial dispute and even business suspension are considered as legal risks. The Board is regularly updated on legal and compliance matters for their consideration. Climate change litigation or legal cases that would lead to non-conformance, non-compliance, commercial disputes and even business suspension are considered as legal risks.</p> <p>As a global, diversified business there are a number of legal and litigation risks around compliance with environmental laws in the markets which we operate. These include for example:</p> <p>1) Property: Hong Kong's Air Pollution Control Ordinance (Cap.311) and the Buildings Energy Efficiency Ordinance (Cap. 610) ("BEEO") came into effect on 21 September 2012. The objective of the BEEO is to promote the enhancement of energy efficiency in Hong Kong's buildings.</p> <p>2) Aviation: The International Civil Aviation Organisation (ICAO) - Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). CORSIA sets a cap at 2020 levels and any emissions beyond 2020 levels will need to be offset.</p>
Market	Relevant, always included	<p>The risk of the market's evolving expectations on a company's environmental performance which includes emission standards would be considered. The company would evaluate the risk as well as plan strategies, internal policies & procedures, and improve operations to meet the market's expectations, including but not limited to:</p> <p>1) Property emissions: Increasing demand from potential future tenants to occupy energy efficient green certified buildings. Through tools such as GRESB & Green certification tenants are now able to select landlords on the basis of their buildings emissions & energy efficiency. At the end of 2022, 94% of Swire Properties' wholly owned existing buildings have been certified as green buildings. Of these, 98% have achieved the highest ratings. 100% of its wholly owned projects under development have achieved green building certification ratings. GRESB named them a Global Sector Leader. Swire Properties is ranked fourth place among the 500 companies assessed in the real estate industry on the Dow Jones Sustainability World Index.</p> <p>2) Aviation Emissions: Cathay Pacific continues to evaluate the risk as well as plan strategies, internal policies and procedures, and improve operations to meet the market's expectations, including but not limited to the adoption of more fuel efficient aircrafts and SAF. As part of our efforts to manage this risk, Cathay Pacific has committed to use 10% SAF by 2030 and reaching net zero by 2050. We have also continuously communicated our climate-related efforts and strategies in response to the growing expectations on our climate responsibilities. We communicate our climate commitments and share them through presentations, reports and formal and informal stakeholder engagements.</p>
Reputation	Relevant, always included	<p>The Group Risk Management Committee reviews divisional risk registers, which set out current and emerging risks, including reputational issues that arise from the social and environmental impact of our business decisions.</p> <p>1) Property: About 90 per cent of Hong Kong's electricity is consumed in buildings, which in turn contributes 61 per cent to the city's greenhouse gas emissions. Swire Properties have an approved Science Based Target aligned with the business ambitions to 1.5.</p> <p>2) Aviation: There is an increasing interest in the global agenda to reduce and manage GHG emissions from the aviation sector, including the establishment of IATA Climate Change Task Force in 2011, and the new ICAO global market-based measure (GMBM) to control CO2 emissions from international aviation in 2016. At Cathay Pacific reputation</p>

	Relevance & inclusion	Please explain
		<p>and brand image would be at risk in case of non-conformance to meet international decarbonization targets or other climate change related compliance standards. The magnitude of risk is assessed based on the consequences of the adverse environmental impact, concern of stakeholders and the regional media coverage and duration of the news being published. With the expectations and concern of the global community, stakeholders and customers to decouple GHG emissions growth from growing business activities of aviation industry, there is a potential risk on customer retention and attraction with the potential of customers shifting their preferences to greener passenger and cargo services in the future. To appropriately manage climate reputation risks, Cathay have set up the Climate Actions Steering Group tasked with ensuring Cathay Pacific's approved climate change strategy, targets, and commitment are executed as planned.</p>
Acute physical	Relevant, always included	<p>The Group Risk Management Committee reviews divisional risk registers, which set out current and emerging risks, including physical issues that arise from the social and environmental impact of our business decisions. Operational risk would be considered in corporate risk management:</p> <p>1) Properties: Climate change poses different types of risks to our properties. Apart from physical risks, such as flooding, extreme weather events. Swire Properties has commissioned a study to help identify key risks posed by climate change to its business operations. They are conducting asset-level modelling of acute and chronic physical risks associated with the four Representative Concentration Pathways (RCP 2.6, 4.5, 6 & 8.5) used by the Intergovernmental Panel on Climate Change ("IPCC"). As part of the ongoing climate risk assessment, they are also undertaking detailed risk and resilience assessments at the asset-level to evaluate the degree of vulnerability and criticality of various business and operational areas under the potential effects of the identified climate risks. They have considered individual building's features such as system robustness, redundancy and susceptibility to climate hazards, including flooding, heat stress, water stress and extreme wind effects.</p> <p>2) Aviation: While the major impact will manifest itself in the long term with increased frequency and intensity, ad-hoc weather events would bring about short-term impact as and when they happen, similar to the super-typhoon cases that took place a few years ago. According to Hong Kong Observatory, the mean sea level in Hong Kong and its adjacent waters is expected to rise by 1.07m by the end of the 21st century under the high greenhouse gas concentration scenario. The threat of storm surges brought about by tropical cyclones will correspondingly increase. The global mean tropical cyclone intensity is also likely to increase. Increased typhoons and associated unpredictable weather and flooding could lead to severe flight disruptions such as delays and cancelled flights. This would in turn affect our on-time performance, passenger experience, and would have a knock-on effect on subsequent flights. The increase in strength and frequency of turbulence has also been closely monitored for potential risk to the safety of our passengers and aircrew.</p>
Chronic physical	Relevant, always included	<p>The Group Risk Management Committee reviews divisional risk registers, which set out current and emerging risks, including physical issues that arise from the social and environmental impact of our business decisions.</p> <p>Longer-term shifts because of changes to climate patterns such as sea level rise may be considered in finding new premises for operations to avoid significant structural damage and ensure operational safety:</p> <p>1) Properties: Swire Properties has commissioned a study to help identify key risks posed by climate change to its business operations. The study will look at both the physical risks to its assets as well as the transitional risks. The assessment will include an analysis of several climate risk scenarios associated with various climate projections and refer to local and international scientific data to evaluate the exposure of their operations. It will use the findings of the study to develop a plan for mitigating climate change risks and building climate resilience.</p> <p>2) F&B: Climate change threatens access to water and its availability and quality. At Swire</p>

	Relevance & inclusion	Please explain
		<p>Coca-Cola, selecting the right location for new bottling plants is critical to water stewardship. For all new bottling plants, Swire Coca-Cola assesses water access, quality and quantity risks. The risks (to its own bottling operations, the environment and local communities) are assessed by independent third parties forming a Source Vulnerability Assessment. The findings are reflected in source water protection plans. The majority of Swire Coca-Cola's operations are in areas of medium-to-high water risk, indicating the need for efficient operation in order avoid a negative impact on water resources.</p> <p>3) Aviation: At Cathay Pacific longer-term shifts in climate patterns such as sea level rise may be considered in finding new premises for operation to avoid significant structural damage and ensure operational safety. Operation will be suspended in extreme high temperature days. our operation involves working outdoor and indoor (inside aircraft cabin with limited ventilation) which the temperature will significantly affect our staff. Under extremely hot days, our staff has to suspend their work or take frequent break as to prevent from heat stroke. This eventually affect our overall productivity and quality of work, mitigation actions will put significant extra costs on the company.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Other, please specify (Changes in precipitation patterns and extreme variability in weather patterns)
------------------	---

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In Swire Coca Cola, there are six facilities in Chinese Mainland are located in regions with high overall inherent water risks brought about by climate change. The six facilities source water from Yangtze River, Yellow River, Huai River, Jinsha River, and Huangpu River water basins. Inadequate sewage system connection and the lack of treatment facilities in the community cause pollutants such as pathogens, nutrients and chemicals to enter water bodies and threaten the public health, ecosystem and the businesses. In certain area, Hefei for example, leach of applied agrochemicals also adds to the risk of eutrophication and hypoxia. Increased competition of water is also an issue in many of these water basins due to upstream activities and population and economic growth. While our Yunnan facility faces high drought risk. No significant challenge on water sourcing is identified in the reporting year. However, given the water-related risks identified, it is possible that the production capacity of these facilities could be impacted by risk factors, such as deteriorated water quality, water restriction, increased operational costs due to higher water rates and more frequent water treatment facilities maintenance, community conflicts over water, stringent water discharge regulations, etc., if mitigation measures are not implemented.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

89000000

Potential financial impact figure – maximum (currency)

375000000

Explanation of financial impact figure

Operating revenue that is exposed to the inherent water risk is used in our estimation of potential financial impact. We measure the business revenue that is dependent on the identified manufacturing facilities based on 2021 figures. The scope includes manufacturing facilities located in water stress area with direct operational and financial control. This excludes a joint venture operation within Luohe plant as we do not have financial control on it.

Using 2021 annual revenue as a starting point, we multiply it with the percentage production volume in highest and lowest production months of the six facilities located in water stress areas, and divide it by two as we adopt an impact duration of 2 weeks. To measure risk exposure, the results from the six facilities are aggregated as maximum and minimum potential financial impact figures.

A few assumptions are made in our estimation, including: 1) Impact to revenue is proportional to production volume of each facility, 2) Complete close down of the facility for an impact duration of 2 weeks is used in this estimation. This is the longest historical water outage duration caused by water quality issue we identify in our Source Vulnerability Assessments.

Cost of response to risk

960000

Description of response and explanation of cost calculation

Description: Through the standard water risk assessment process, Water Management Plans are prepared and implemented in each of our facilities based on risk factors identified in SVA. During the reporting year, we have started to reuse reverse osmosis washing water in Hefei, Shanghai and Yunnan plants. An ultrafiltration system which enables 50% chemical cleaning reduction was piloted during the year and the proven solution will be scaled.

In addition to water security improvement achieved and planned internal to our operation, we engage with water users in the vicinity by initiating collective actions. Shanghai Shenmei Beverage Co., Ltd. started providing reclaimed water to its neighbouring electronics and machinery manufacturing plants through pipelines constructed by the Jinqiao Industrial Park for cooling, landscape irrigation, car washing and toilet flushing. This win-win solution reduces the buyer's freshwater costs and generates income for our plant from reclaimed water sales and sewage discharge fee deduction, making this project a demonstration project of industrial water saving for the Shanghai Municipality. The plant provided approximately 31.8 million litres of reclaimed water in 2021. These responses are aligned to Goal 6 , 14 and 17 on UN SDG.

Explanation: As part of the monitoring plan for WMP and other sustainability initiatives implementation, we require each of our market to submit quarterly environmental reports, in which a water intensity reduction target, current performance and planned key initiatives (including costs, timeframe and expected impact) have to be provided. Actual costs are provided, which were used in this answer. All the aforementioned projects have been completed.

Comment

No comment.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Other, please specify (Changes in precipitation patterns and extreme variability in weather patterns)
------------------	---

Primary potential financial impact

Other, please specify (Supply Chain Disruption)

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Over 80% of our water use sits within the agricultural supply chain in Swire Coca Cola (SCC). SCC's business uses a significant volume of corn-derived sweetener, high fructose corn syrup, as a sweetener in our beverages (linked to over 60% of SCC's revenue), including in our Chinese Mainland market. If the production of corn is impacted, a significant portion of our product portfolio will be directly impacted, potentially increasing cost and creating challenges on the availability of sourcing for a key ingredient. We therefore consider the water-related risks in the growing (i.e. sourcing) of this raw material to be a critical risk to monitor and understand.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

419000000

Potential financial impact figure – maximum (currency)

1277000000

Explanation of financial impact figure

Operating revenue that is exposed to the inherent water risk is used in our estimation of potential financial impact. We measure the business revenue that is dependent on the identified sourcing region based on 2021 figures. The scope includes all high fructose corn syrup sourced from Chinese mainland as key agricultural ingredient for production in our direct operations.

Using 2021 annual revenue as a starting point, we multiply it with the percentage production volume in highest and lowest production months of the market(s) in which HFCS sourced from Chinese Mainland is used, and divide the product by two. The result reflects revenue that is exposed to risk of supply disruption for a duration of two weeks.

A few assumptions are made in our estimation, including: 1) Impact to revenue is proportional to production volume of each facility, 2) Sweetener-containing products contribute to the same proportion of total production volume throughout the year.

Cost of response to risk

100000

Description of response and explanation of cost calculation

Description: We are working toward the target of 100% third-party validation for our key agricultural ingredients suppliers' implementation of Principle for Sustainable Agricultural (PSA), which ensures long-term sustainability of water resources by maximizing water use efficiency. Suppliers are encouraged to use the most efficient and cost effective irrigation system available. We organise various supplier engagement platforms, such as supplier summits, workshops, and cross-supplier visits, for awareness raising and experience sharing. Through annual supplier survey, we will start engaging our suppliers to voluntarily report water risk level and water use efficiency in the coming year.

Explanation: Cost is based on annual spending on supplier summit.

Comment

No comment.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services
---------------------	--

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Cathay Pacific (CX) operates total of 58 destinations and also has interests in companies providing flight catering & passenger & ramp handling services, & owns & operates a cargo terminal at Hong Kong International Airport. CORSIA is expected to be the only climate regulation for international aviation from 2021 to 2035. There were important changes to the CORSIA scheme decided in the 41st Session of the ICAO Assembly in 2022. While emission baseline for 2021-23 would be set at 2019 level, from 2024 onwards the baseline was now reduced to 85% of 2019 emissions level. Any emissions above this newly reduced level will need to be offset by airlines. It means that airlines would need to offset more, sooner. Cathay Pacific has begun complying with CORSIA with the submission of our emissions monitoring reports since 2019. We have also conducted studies to understand the various potential impacts and acquiring the necessary professional skill-sets and knowledge for CORSIA compliance. In 2021, some states will start volunteering to be part of the offsetting scheme and there is only very limited impact to Cathay as China is not part of the scheme at the moment. Major impact on Cathay would come from 2027 onwards when CORSIA enters mandatory phase. To prepare for CORSIA, Cathay Pacific has a solid fleet modernisation plan and

strong fuel efficiency improvement process to reduce our emissions. On top of that, Cathay has also pledged to increase its usage of Sustainable Aviation Fuel (SAF) to up to 10% by 2030, which counts towards CORSIA obligation. For remaining amount, Cathay plans to purchase CORSIA eligible carbon offset units

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

861000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

This cost is for illustrative purposes only of how the financial impacts can be calculated, and should not be construed as a definitive projection of Cathay Pacific's financial exposure or future financial performance. Cathay Pacific continues to review and revise estimates of impact.

With CORSIA's baseline set at 2019 emissions level, we do not expect financial obligation for carbon offsets in the short term as traffic levels have decreased significantly because of COVID-19. Industry projections have international aviation gradually return to pre-pandemic levels from 2024 onwards, which aligns with our expectation to reach pre-pandemic capacity levels by the end of 2024. Hence, CORSIA is expected to have large financial implications for the industry and to Cathay Pacific over the medium term.

Cathay Pacific may need to buy in the order of US\$1,100 million (i.e. ~HK\$8,610,000,000) in total offsets throughout the CORSIA programme up to year 2035 based on the following assumptions:

- The country participation list to CORSIA as of July 2022, indicating China will participate in the offsetting phase from 2027 onwards.
- Carbon pricing to be US\$10 to US\$33 per tonne based on IATA's projection, which is uncertain and highly variable.
- The Cathay Group's target to increase operation level to 70% by end of 2023 and then return to the pre-pandemic level by end of 2024.
- Excluding the impact from any additional mitigation measures other than ongoing fleet re-

newal efficiency gains (e.g. the use of SAF).impact from any additional mitigation measures other than ongoing fleet renewal efficiency gains (e.g. the use of Sustainable Aviation Fuel).

Cost of response to risk

7280000

Description of response and explanation of cost calculation

Description: Cathay Pacific set up various taskforces such as the CORSIA taskforce and SAF taskforce to formulate and execute strategies relating to better understanding compliance requirements and commercial implications, as well as to support and actively advocate policy development around various climate regulations globally. An ad-hoc working group comprising representatives from the relevant operational, strategic/policy and commercial teams and departments helps to provide the necessary inputs to ensure an effective strategy and meet compliance requirements. Cathay Pacific has closely involved in different ICAO task forces (e.g. CORSIA and Fuel taskforce) focused on market based solutions and alternative fuel. We have conducted studies to understand the various potential impacts, and have acquired the professional skill-set and knowledge to prepare ourselves to meet CORSIA's requirements. We are also a member of Sustainable Aviation Fuel Users Group (SAFUG), the Roundtable for Sustainable Biomaterials (RSB) and Commercial Alternative Aviation Fuels Initiative (CAAFI) to help drive and support biofuel development.

Explanation: This is an illustrative cost based on Cathay Pacific's existing efforts to manage this climate regulatory risk. The setting up and functioning of such taskforces involved deploying time and resources of staff members to work on this issue. Liaising and participating with external organisations is part of the remit of the team and other relevant departments, and is part of our operating cost.

Comment

No comment.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
--------	----------------------------

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

According to the Intergovernmental Panel on Climate Change (IPCC), the aviation industry accounts for around 2% of global GHG emissions and by 2050, this is projected to rise to 3%.

Despite the relatively low industry carbon footprint, there is an increasing expectations on the aviation industry, in particular the airlines, to reduce and manage its GHG emissions. Meanwhile, vilification of aviation and a perceived lack of action to counteract the industry's significant environmental impact on climate change could adversely hamper demands for air travel. Hence, Cathay Pacific (CX) operates total of 58 destinations and also has interests in companies providing flight catering & passenger & ramp handling services, & owns & operates a cargo terminal at Hong Kong International Airport, there is a climate market risk for Cathay Pacific relating to customer retention and attraction as preferences may shift to greener forms of passenger and cargo services in the future. The risk is still low given that there is lack of alternatives available on the market, however Cathay Pacific has been preparing for alternative fuel and new technology adoption once the customer and market are ready for the shift.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

721680000

Potential financial impact figure – maximum (currency)

7216800000

Explanation of financial impact figure

This cost is for illustrative purposes only of how the financial impacts can be calculated, and should not be construed as a definitive projection of Cathay Pacific's financial exposure or future financial performance. Cathay Pacific continues to review and revise estimates of impact. The impact from the aforementioned re on operating revenue is expected to be minimal in the short term. The impact on demand reduction is relatively small (less than 5%), limited to specific regions (mainly in Europe), and mainly for domestic travel. This is not a market Cathay Pacific operates in as we carry long-haul, international passengers from Europe to Asia and the Southwest Pacific. In the medium term, if the reduction in demand remains at the 5% level and affecting only our European market, the impact to Cathay Pacific is expected to be 1% of our annual passenger revenue (according to 2019 ASK share). In the long term, if the trend becomes global and the impact on passenger demand doubles, it could have an impact of up to 10% of our operating revenue. In 2019, passenger revenue was HK\$72,168 million - a 1% and 10% reduction will cost Cathay Pacific from HK\$721,680,000 to HK\$7,216,800,000.

Cost of response to risk

1026000

Description of response and explanation of cost calculation

Description: We continue to focus our efforts on reducing our CO2 emissions while monitoring the latest atmospheric science research findings from globally recognised climate organisations. We communicate our carbon commitments and share them through presentations, reports and formal and informal stakeholder engagements. In particular, we raise awareness on sustainability and carbon impacts amongst our customers through our FLY Greener offset programme, which offers passengers the option to offset the carbon emissions associated with their flights. It also gives them the chance to support the development of emissions reduction projects. This programme was the first of its kind by an Asian airline when we started it in 2007.

Explanation: This is an illustrative cost based on Cathay Pacific's existing efforts to manage this climate market risk. The cost of communication and awareness raising programmes forms part of the remit of our staff, and is incorporated into our operating costs, estimated direct cost involved is around HK\$500,000. In 2021, offsets for our employees duty travel, corporate clients, and by individual customers had an associated approximate cost of HK\$526,000.

Comment

No comment.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced direct costs

Company-specific description

Water is a long-term and complex issue. The UN predicts that there will be a 40% shortfall in global water supplies by 2030. In Southern China, the presence of significant industry and manufacturing coupled with high population density means that water quality is an emerging issue. Freshwater availability can also be a concern in the future, especially for our U.S. operations. This mix of geographical and social factors mean that we as a company need a thorough water stewardship strategy. Swire Coca Cola approach to water stewardship involves reducing our demand for freshwater through improving the efficiency of our manufacturing processes and applying water recycling technologies, including the use of rejected reverse osmosis water or final rising water for cooling towers or general cleaning , for instance.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1760000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Swire Coca Cola implemented a number of water efficiency projects. Over HKD 3.16 million was invested to install or upgrade water efficiency technologies and processes in our manufacturing plants. This enabled the operation to achieve annual water savings of 55,400 m³ , translating to an avoidance of approximately HKD 1.76 million in operating cost in the course of the next ten years. Local unit price of water is used in estimating the financial impact figure. As part of the sustainability management plan, each of SCC's market are required to submit quarterly environmental report, in which water intensity reduction target, performance and key initiatives planned (including cost, timeframe and expected impact) have to be provided. The time span of these projects are normally under a year.

Cost to realize opportunity

500000

Strategy to realize opportunity and explanation of cost calculation

A number of water efficiency projects were implemented. SCC's manufacturing site in Huizhou has piloted an upgrade to ultrafiltration water treatment system which is expected to enable 50% reduction in the number of chemical cleanings required. Replacement of chiller and clean-in-place optimisation were also carried out in Hong Kong and Taiwan plant respectively. In Chinese Mainland, we have been conducting daily water balance analysis at sites with low water efficiency, which resulted in identifying and realising up to 18% improvement in water efficiency performance there.

Water rooms were also enhanced with efficient filtration systems at Denver and Salt Lake City facilities. The new filtration systems have improved the quality of treated water and resulted in higher proportions of recovered water from a double filtration process. This improvement will achieve a 53,000 cubic meters reduction in water consumption per year and lead to a 10% improvement in our water usage efficiency. It will be further rolled out in other US plants.

SCC is committed to a 18% reduction in our Water Use Ratio from 2019 level by 2030. To cascade down the company, plant-level targets & KPIs are incorporated into annual budget process to enhance ownership and accountability for sustainability commitments.

Comment

No comment.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Within Cathay Pacific, aircraft emissions constitute 99% of our overall CO2 emissions, and 1,689,558 tonnes of jet fuel was consumed by our aircraft in 2022. Cathay Pacific had 181 aircraft and had ordered 32 new aircraft for future delivery. Fuel is one of the Group's most significant cost, accounting for 28.0% of our total operating costs in 2022. Hence, using more efficient modes of transport in the form of new modern aircraft and fuel efficiency improvement initiatives can reduce both our carbon footprint and fuel expenses.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

5320000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

This saving is for illustrative purposes only of how the financial impacts can be calculated and should not be construed as a definitive projection of Cathay Pacific's financial exposure or future financial performance. Cathay Pacific continues to review and revise estimates of impact.

At the end of 2022, 63 out of 222 (28.38%) of all aircraft operated by the Cathay Pacific Group was new generation aircraft (include but not limited to A320neo, A321neo, A330neo, A350s, B777X), which can deliver up to 25% fuel efficiency savings compared with the older aircraft model used by our competitors. If we replace all our aircraft with the more fuel efficient models in the years to come, expected annual fuel cost savings could be up to HK\$5,320 million (HK\$29,711 million x 71.62% x 25%) based on 2019 data at pre-COVID operating level.

Cost to realize opportunity

101283000000

Strategy to realize opportunity and explanation of cost calculation

This is an illustrative cost based on Cathay Pacific's existing efforts to capture this resource efficiency opportunity.

One of Cathay Pacific's decarbonisation pillars focuses on adding modern, more fuel-efficient aircraft to our fleet. Since 2021, the Group has taken delivery of 11 new generation aircraft, and scheduled the delivery of another 48 from 2023 onwards. Based on public figures, the cost for fleet modernisation will be about HK\$101 billion.

Meanwhile, since the 1980s, we have been working on improving our fuel efficiency for operational cost saving through technological innovations, operational optimisation, infrastructural improvements and economic measures. Cathay Pacific has achieved 33.8% fuel efficiency improvement per revenue tonne kilometre (RTK) and 29.4% fuel efficiency improve-

ment per available tonne kilometre (ATK) since 1998.

A few examples of our fuel efficiency initiatives include: (1) Introducing the fuel-efficient A350 aircraft family, which is 25% more fuel-efficient compared with previous generation competitor aircraft; (2) Discretionary fuel optimisation project, which encourages carrying an optimal level of fuel, and saved about 15,000 tonnes in one year; (3) Reducing engine operation during taxiing in, which reduces our ground-level fuel-burn as well as carbon emissions; and (4) Establishment of the Fuel Forum Steering Committee, which is tasked with better managing and improving the fuel efficiency of our airlines.

Comment

Some of the fuel efficiency improvement measures involve behavioral or procedural change only, and no cost is required to realise the opportunities.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We do not have a feedback mechanism in place, but we plan to introduce one within the next two years

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

Our Operating Companies Swire Coca-Cola and Swire Properties both have SBT's aligned with 1.5 degrees and these are detailed in their SD reports

[SCC_SR2022_SBT_EN.pdf](#)

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	IEA STEPS (previously IEA NPS)	Company-wide	<Not Applicable>	<p>For scenario analysis on transition risk we align with the TCFD recommended approach of using two scenarios: high and low carbon. The scenarios are IEA Stated Policies Scenario Dataset (STEPS), and IEA Net Zero Emissions by 2050 Scenario.</p> <p>The transition narrative for High Carbon illustrates the consequences of existing implemented and announced policies and targets on energy use, emissions and energy security. The High Carbon scenario is characterised by a limited transition to a low-carbon economy, and as a result, transition risks and opportunities have a low materiality under this scenario.</p> <p>It takes into account:</p> <ul style="list-style-type: none"> ▪ The impact of climate and energy-related policies that have already been implemented; ▪ The likely effects on energy consumption and emissions of official climate and energy policy announcements targets and plans, such as the NDCs; and ▪ Falling costs of energy technologies, reflecting learning curves.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	IEA NZE 2050	Company-wide	<Not Applicable>	<p>For scenario analysis on transition risk we align with the TCFD recommended approach of using two scenarios: high and low carbon. The scenarios are IEA Stated Policies Scenario Dataset (STEPS), and IEA Net Zero Emissions by 2050 Scenario.</p> <p>Our Low Carbon scenario for transition risk aims to ensure that energy-related and industrial process CO2 emissions are reduced in line with a 1.5°C scenario, with no or low or limited temperature overshoot assessed in the IPCC in its Special Report on Global Warming of 1.5°C. This is a normative IEA scenario that shows a narrow but achievable pathway for the global energy sector to achieve net zero CO2 emissions by 2050, with advanced economies reaching net zero emissions in advance of others.</p> <p>ill be reduced in the same proportion as energy emissions.</p>
Physical climate scenarios	RCP 2.6	Company-wide	<Not Applicable>	<p>We use two scenarios for scenario analysis on physical risk representing a high carbon and a low carbon scenario in line with TCFD guidance. We use IPCC Shared Socioeconomic Pathway 1-2.6 for the low carbon scenario. This is a Paris-aligned low carbon scenario which would result in a warming between 1.3°C and 2.9°C (mean 2°C). It implies net-zero emissions in the second half of the century.</p> <p>We developed low carbon narratives that describe plausible futures in our main markets; Greater China including Chinese Mainland, Hong Kong SAR and Taiwan, and also USA. Where possible we factor in downscaled assessments for the locations where we operate, for example from Hong Kong Observatory, that describe how climate stressors will develop over time for IPCC 2.6 RCP.</p>
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	<p>We use two scenarios for scenario analysis on physical risk representing a high carbon and a low carbon scenario in line with TCFD guidance. We use IPCC Shared Socioeconomic Pathway 5-8.5 for the high carbon scenario. This is a high reference scenario with no additional climate policy (Business-as-usual). Our high carbon scenario assumes that CO2 emissions will roughly double from current levels by 2050, and result in an average global temperature rise of more than 2°C above pre-industrial times by 2050 rising to >3.8°C by the end of the century. This scenario is comparable to RCP8.5, which is considered to be “worst” scenario and recommended by the TCFD.</p> <p>We developed high carbon narratives that describe plausible futures. Physical climate trends are grouped into those related to temperature, precipitation, and sea level rise. Additional parameters assess trends in specific hazard events – for example typhoons. Based on the list of key hazards associated with RCP8.5 we consider the potential impacts on our businesses.</p>
Physical climate scenarios	Customized publicly available physical scenario	Company-wide	1.6°C – 2°C	<p>We conducted an analysis of physical risks for over 850 of our highest value (by insured value) immovable assets and projected Modelled Average Annual Loss (MAAL) of the different physical climate risks associated with the four Representative Concentration Pathways (RCP 2.6, 4.5, 6 and 8.5) used by the</p>

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
			Intergovernmental Panel on Climate Change (IPCC). These pathways broadly represent comprehensive climate scenarios related to three projected global average temperature increases: 1.5°C, 2°C and 3°C. The outputs also fed into our physical climate risk scenario analysis.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Our purpose in conducting scenario analyses is to understand our changing risk profile as a result of climate change, and particularly in the management of transitions towards a net zero-carbon future.

Swire Pacific Limited recognizes that climate changes pose different types of risks and opportunities to the Group and our individual businesses. Apart from physical risks such as extreme weather events, heat, sea level rise etc., climate change also presents significant regulatory, reputational, market based and financial risks to our businesses. We, therefore, need to build our capacity to assess, anticipate, mitigate and adapt to these risks.

The focal questions of scenario analysis project aimed to do the following:

- Analyze the resilience of the group and its business strategy to climate risk;
- Which of our most valuable assets are most exposed to climate risk, and what would be the financial implications of this risk;
- What is the overall risk exposure of the Group;
- Benchmark our current disclosures against those of the TCFD recommendations

Questions include:

- Is the list of identified transition/physical risks and hazards comprehensive?
- Which risks have greatest potential relevance to the company in the short/medium/long-term?
- What is the potential impact of the risk on the company? (Impacts are scored in line with our ERM risk rating hierarchy).
- What mitigants are in place, or planned, to address material risks?
- What is the company's level of vulnerability based on the timescale, impact and mitigants?

Results of the climate-related scenario analysis with respect to the focal questions

Our analysis showed that there is an overall low to moderate level risk of flooding, heat stress, water stress and extreme wind for our global portfolio in all assessed climate scenarios. This is attributed to the relatively robust adaptive capacity and mitigation measures we have integrated into our buildings.

Our Real Estate company, Swire Properties have identified short- and medium-term measures for individual buildings that will mitigate risks and building resilience across our portfolios. These include upgrading flood protection measures and alert systems, chiller efficiency improvements, glass façade inspections and smart monitoring systems. Some of these resilience measures will also be incorporated into the planning and design stages of new developments. By doing this, we believe our assets will continue to be resilient under other future climate scenarios.

In our aviation investment at Cathay Pacific, their analysis found:

The climate-related scenario analysis found that the future of air travel hinges on the nature of the future climate change regime. Turning point will likely be social behavioural change and the extent to which it drives political change and willingness to decarbonise, along with the availability of new technologies that enables that change. This scenario planning exercise explored four plausible scenarios based on these critical uncertainties.

Across all scenarios, a key area of mitigation is to ensure security of SAF supply for the Cathay Group over the medium to long term. Besides that, a number of other areas of mitigation will further reinforce the commitment that Cathay Pacific has made to tackle climate change. These include improving the proposition that allows customers (individuals, corporates, cargo, agents) to offset their travel emissions; incorporating an internal carbon pricing model across key areas such as Capex evaluations, fleet planning and network planning; improving operational resilience to tackle the impacts of climate change on the ground (e.g. contingency plans at HKIA) and in the air (e.g. safety incidents caused by air turbulence); to be seen as part of the solution, not part of the problem, by being involved in the development of radical new technology required to decarbonise aviation operations, e.g. alternatively powered aircraft, direct carbon capture and storage, and the production of synthetic aviation fuel.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	At our aviation investment Cathay Pacific we actively promote carbon offsetting directly to our customers so that they can make greener travelling choices. The Green Friday promotion ran globally with attractive flight deals and complimentary carbon offset, and in some markets, double carbon offset. This year, we offset 30,083 tonnes of carbon emissions from over 50,000 journeys purchased from our website during the Green Friday 2022 campaign. As of the end of 2022, we have purchased over 300,000 tonnes of verified CO2 offsets.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	Yes	<p>Medium - Long-term Strategy: Biofuel remains one of the key ways for airlines to decarbonise. Cathay Pacific have been exploring the use of biofuels since 2014, looking at ways to increase supply of biofuels as part of our fuel mix. In 2021, the Fulcrum facility began production. Cathay Pacific has committed to buying 1.1 million tonnes of Sustainable Aviation Fuel (SAF) expected delivery from 2024 onwards. Our Corporate SAF Programme accelerates the global transition to sustainable aviation while providing our customers with clear documentation of their Scope 3 emissions reductions.</p> <ol style="list-style-type: none"> 1. Customers contribute to the purchase of SAF on Cathay Pacific and Cathay Pacific Cargo flights. The SAF purchased is certified by internationally recognised sustainability standards.* 2. Cathay Pacific will make use of the SAF, instead of standard fossil jet fuel, to power its flights. 3. Cathay Pacific will issue a verified emissions reduction certificate and proof of sustainability, to help corporates reduce Scope 3 carbon emissions from business travel or cargo transportation. This includes the Science Based Targets initiative (SBTi) for in-sector emissions reduction for aviation-related indirect emissions. <p>In our property division, Swire Properties they offer free energy audits to tenants. Since 2008, audits have covered 5.5 million square feet of commercial space, identifying potential annual energy savings of 9 million kWh. With the Hong Kong University of Science and Technology's Department of Civil and Environmental Engineering, it has evaluated the cradle to site carbon footprint of One Taikoo Place. It is cost-effective to manage carbon emissions from construction, including emissions from carbon embodied in construction materials. In 2019, Swire Properties developed a carbon accounting tool to measure embodied carbon in new development projects.</p>
Investment in R&D	Yes	<p>Long-term Strategy: Cathay Pacific sees biofuel as a key way to decarbonise the aviation sector. This present an opportunity for the industry to invest in the technology and future potential with biofuels. To this end, Cathay Pacific have directly invested in a biofuel technology company in the USA- Fulcrum Bioenergy. Fulcrum began production in 2021. Cathay Pacific has committed to buying 1.1 million tonnes of Sustainable Aviation Fuel (SAF) expected delivery from 2024 onwards.</p> <p>Swire Properties and Swire Coca-Cola have partnered with Tsinghua University to investigate opportunities to improve their energy efficiency.</p> <p>With Nanyang Technological University, Swire Pacific Offshore is working on a research project - Project Hafnium to assess the viability of alternative fuels for the marine sector and the feasibility of hydrogen-powered support vessels.</p> <p>The Swire Pacific Sustainable Development Fund earmarks HK\$100 million per annum to invest in projects to improve our performance in sustainable development. This funding is available to support projects that would not otherwise meet our internal financial targets. In 2020, the Fund authorised spending money on innovation trials intended to reduce our environmental footprint.</p>
Operations	Yes	<p>Short-Term Strategy: Operating flights efficiently is part and parcel of the business. Cathay Pacific's Fuel Steering Committee explores opportunities to improve fuel efficiency through enhancing aircraft operation, airspace and route optimisation and use of ground equipment, such as auxiliary power units, that are not powered by jet fuel. Cathay Pacific has a fuel monitoring system, uses data</p>

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
		analytics and performs frequent core engine washing to improve fuel efficiency. In 2020, ISO 50001:2011 certifications have been obtained for Swire Properties' energy management systems in all of its Hong Kong properties and in its Taikoo Hui, Guangzhou, and Taikoo Li Sanlitun, Beijing, properties in Mainland China.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures	<p>At Swire Coca-Cola, we use the Aqueduct Water Risk Atlas, a publicly available tool, to map and analyse current and future water risks based on facilities' location. The tool is adopted to evaluate projected Change in Water Stress from Baseline (1950-2010) to 2030 under Business-as-Usual Scenario RCP8.5 and Shared Socioeconomic Pathways SSP2. Manufacturing facilities located at regions with >1.4 times increased Water Stress by 2030 are identified and put onto watch list. This enables us to obtain an initial mapping of water risks and identify facilities with high water risks in the coming decade, where water efficiency or replenishment projects should be focused. We used Climonomics tool developed by The Climate Service to identify substantial risks posed by climate change to our assets under four climate change scenarios over the intermediate (2030) and long-term (2050). This data has allowed us to evaluate the exposure of specific assets and operations in selected timeframes, from the intermediate (2030) to the long-term (2050).</p> <p>Water stewardship is integrated as one of our business objectives through 2030 Sustainable Development Strategy. Water efficiency target and third party-verified adherence to sustainable sourcing are committed in our direct operations and key agricultural ingredients sourcing respectively. Upcoming water efficiency improvement projects include upgrade of filtration systems in our US and Chinese Mainland plants. We partnered with local NGOs and the communities in source water protection and water replenishment projects and created synergy with other industries by rolling out water reused arrangement. The Colorado River Connectivity Channel (Windy Gap) project located in region with future water stress, for example, aims to reconnect the river channel and to eliminate impact of water dam on aquatic habitat.</p> <p>When completed in 2022/23, it is expected to replenish 74 million litres of water per year. Close monitoring of emerging risks is achieved through the use of WRI Aqueduct and our internal Source Vulnerability Assessment and Water Management Plans. We have rolled out a five-year plan to introduce third party verification to SVAs and WMPs by 2025. We are also contributing to climate change mitigation through committing to the Science-Based Target of 30% absolute carbon reduction in the value chain by 2030. These water stewardship goals and targets will be due and reviewed by 2030.</p> <p>In our aviation division we see biofuel as a long-term future opportunity, and have allocated</p>

	Financial planning elements that have been influenced	Description of influence
		<p>capital to invest directly in biofuel technology company - Fulcrum Bioenergy - in 2014. Cathay is also investing in upgrading its fleet in order to improve its fuel efficiency and reduce its emissions. In 2019, it invested in six new Airbus A350-1000 aircraft, which are up to 25% more fuel efficient than existing wide-bodied aircraft.</p> <p>We are gaining experience in green technologies. We are investing in biofuels through equity interests in Fulcrum BioEnergy, Inc., and in Greentech firms Avantium N.V. and NanoSpun Technologies Limited. Founded in 2008, Swire Blue Ocean installs, maintains and decommissions offshore wind turbines. Its vessels have contributed to the installation of 2.97 GW of offshore wind energy in European waters. This figure is expected to increase to 3-3.5 GW on completion of work on the Beatrice Offshore Wind Farm off Scotland's northeast coast. More information on Swire Blue Ocean can be found on their website.</p> <p>In the short and mid-term (within ten years):</p> <p>Since 2009, Cathay Pacific is required by our parent company, the Swire Group, to budget our carbon emissions for the future five years every year, establish metrics for our carbon intensity and develop action plans for reducing the carbon intensity of our operations. Progress is reviewed by the Swire Group Risk Management Committee, the Swire Group Sustainability Committee regularly, and since 2013, by Swire Management on a quarterly basis. The Swire Group is also exploring opportunities to increase energy efficiency to generate carbon credits and to conduct internal carbon trading.</p> <p>As an airline, we recognise that carbon emissions growth cannot be left unchecked since this is recognised as a risk to our business. Thus, a significant part of our ongoing strategy is focused on reducing fuel consumption and emissions (we subscribe to the International Air Transport Association (IATA) emission targets as well as having our own even more ambitious CO2 target as part of our Sustainable Development Strategy commitments). This is done through modern technology, enhanced operational procedures, appropriate economic measures and improved infrastructure. This affects our long term business strategy as well as short term every-day decision-making and operations, reflected in the decisions we make on, for example, purchases of aircraft and inflight products.</p> <p>The high cost impact from fuel consumption has direct impacts on our costs. The planning and strategy development including the purchase of energy efficient aircraft which are part of the business strategy are discussed at Board meetings.</p> <p>Fuel Forum Steering Committee (FFSC) FFSC is chaired by Chief Operations and Service Delivery Officer. The Forum aims to identify ways to improve our operation efficiency and to evaluate investment in emissions reducing technologies with an aim to increase fuel efficiency, thus reducing carbon emission intensity from our operation and reducing direct costs. FFSC meets bi-monthly and is attended by representatives from Procurement, Customer Experience Design, Engineering and Flight Operations.</p> <p>Transition risks (e.g. market risk, reputational risk as well as policy and legal risk) are risks that will result in both decreased revenue and increased operating costs. For instance, there is an increasing interest in the global agenda to reduce and manage GHG emissions from the aviation sector. With the growing expectations and concerns of the global community, there is a market risk to customer retention and attraction with the potential of customers shifting their preferences to greener form of passenger and cargo services in the future, or to reduce demand overall, severely impacting our revenues.</p> <p>The global mean tropical cyclone intensity is also likely to increase. Increased typhoons and associated unpredictable weather and flooding could lead to severe flight disruptions such as delays and cancelled flights. This would in turn affect our on-time performance, and revenue.</p>

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

121399

Base year Scope 2 emissions covered by target (metric tons CO2e)

566731

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

688131

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

99.9

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

99.9

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3:

Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

99.9

Target year

2050

Targeted reduction from base year (%)

100

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e)
[auto-calculated]**

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

120000

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

449000

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

569000

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The target setting approach makes reference to the methodology outlined in the GHG protocol.

Divestments, acquisitions, mergers or changes in reporting boundary will trigger a restatement of our historical data and base year recalculation of our target base year if they contribute to over 5% of our emissions portfolio.

Due to the divestment of HUD and SPO, and as a result of the rescoping exercise, HAESL and Cathay Pacific Group's emission are now classified under category 15 under Scope 3 (in-line with GHG Protocol), while HUD and SPO is removed from our target baseline.

Plan for achieving target, and progress made to the end of the reporting year

In next year, our climate working group will build on our 2030 decarbonization plans to develop a roadmap to Net Zero by 2050. We had carbon offsetting guidelines and are implementing internal carbon pricing across the Swire Group. We had map out our scope 3 emissions and will strengthen our TCFD reporting and scope 3 emissions disclosure. We will build on our renewable purchasing guidelines and will facilitate the sharing of information about renewable energy purchase agreements.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

121399

Base year Scope 2 emissions covered by target (metric tons CO2e)

566731

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

688131

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

99.9

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

99.9

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

99.9

Target year

2030

Targeted reduction from base year (%)

50

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e)
[auto-calculated]**

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

120000

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

449000

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

569000

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The target setting approach makes reference to the methodology outlined in the GHG protocol.

Divestments, acquisitions, mergers or changes in reporting boundary will trigger a restatement of our historical data and base year recalculation of our target base year if they contribute to over 5% of our emissions portfolio.

Due to the divestment of HUD and SPO, and as a result of the rescoping exercise, HAESL and Cathay Pacific Group's emission are now classified under category 15 under Scope 3 (in-line with GHG Protocol), while HUD and SPO is removed from our target baseline.

Plan for achieving target, and progress made to the end of the reporting year

In next year, our climate working group will build on our 2030 decarbonization plans to develop a roadmap to Net Zero by 2050. We had carbon offsetting guidelines and are implementing internal carbon pricing across the Swire Group. We had map out our scope 3 emissions and will strengthen our TCFD reporting and scope 3 emissions disclosure. We will build on our renewable purchasing guidelines and will facilitate the sharing of information about renewable energy purchase agreements.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 3

Is this a science-based target?

No, but we anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Business division

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

43034

Base year Scope 2 emissions covered by target (metric tons CO2e)

77305

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

120339

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
0.65

Target year
2035

Targeted reduction from base year (%)
55

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e)
[auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
27774

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

40443

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

68217

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

Ground emissions stem from all non-aircraft operations, covering our airline ground operations and ground subsidiaries in Hong Kong.

Plan for achieving target, and progress made to the end of the reporting year

While ground emissions contribute considerably less than aircraft emissions, we work to reduce our carbon footprint from these operations by concentrating on electricity consumption, equipment efficiency, and vehicular emissions.

Electricity consumption & equipment efficiency: As of the end of 2022, 80% of sites owned by the Cathay Pacific Group in Hong Kong, including Cathay City, Cathay House, CPCS Building and VLS Yuen Long Plant, are covered by ISO 14001:2015 standard. To reduce our carbon footprint, we have invested in energy-saving measures such as replacing all traditional T8 fluorescent tube lights to LED lighting at our headquarters premises. Other reduction methods include using sensors and chilled water system optimisation at our Airline Store Building and Cathay House, the latter offers energy efficiency improvements of up to 21%. Furthermore, we will install our 2nd solar-power generation system at our headquarters premises at target

100kW rating.

Energy audit: To better understand where the most impactful opportunities for energy savings occur, we conducted company-wide energy audits to inform our initiatives and retrocommissioning implementation processes. Results of this exercise, which include more than 100 energy saving opportunities, provided important context which will help us more effectively align our carbon reduction efforts with a trajectory required to achieve our target.

Fleet modernisation: For vehicular emissions, our Ground Services Equipment (GSE) and Vehicle Replacement Programme focuses on fleet modernisation which to date has led to the upgrade of 40% of our vehicle fleet to electric vehicles.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 4

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2020

Target coverage

Business division

Scope(s)

Scope 1

Scope 2

Scope 3

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 13: Downstream leased assets

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

90966

Base year Scope 2 emissions covered by target (metric tons CO2e)

386790

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

2272679

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

133544

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

157029

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

798419

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

3361671

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

3839426

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

96

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

96

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

89

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

100

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

84

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

85

Target year

2030

Targeted reduction from base year (%)

30

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

82107

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

280495

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

2317972

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

105207

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

160063

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

1074604

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3710000

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

4073000

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The target boundary covers all Scope 1 and 2 emissions associated with all Swire Coca-Cola wholly and majority owned operations (i.e., bottling plants, sales and distribution centres), in four markets: the Chinese Mainland, Hong Kong SAR, Taiwan Region and U.S. It covers Scope 1 stationary fuel and mobile fuel combustion, and fugitive emissions from refrigerants; Scope 2 purchased electricity, steam and Towngas. Scope 3 target covers emission sources that contribute over 80% of its total Scope 3 emissions in 2018. Several emission sources are excluded from the boundary because they are either not material or data is not available. For example, the emissions associated with Swire Coca-Cola's largest copackers, CCBMH, were also included in the Scope 3 target boundary. Meanwhile, emissions associated with all other copackers and secondary and tertiary packaging were excluded. In addition, we also excluded the emissions of use of capital goods (manufacturing equipment), waste from manufacturing sites, all air and rail business travel, employee commuting, leased office, EOL disposal of packaging by the customer.

Plan for achieving target, and progress made to the end of the reporting year

Comparing our 2022 performance with the base year of 2018, total absolute Scope 1, 2 and 3 emissions have experienced a slight increase of 5%; total absolute Scope 1 and Scope 2 emissions reduced by 24%. This reduction is largely explained by the reduction initiatives in Scope 2 emissions, especially electricity: expansion of the offsite renewable electricity procurement in the Chinese Mainland, onsite-generated renewable electricity in the Taiwan Region and U.S., and the drop in Hong Kong SAR's grid factor. On the other hand, we are facing the challenge of increase in Scope 3 emissions: increased number of CDE and packaging weight in Chinese Mainland.

In CN and TW Region, we managed to increase the efficiency of chillers and coolers at manufacturing sites by upgrading the compressor system and chilling system, replacing cooled-water chiller and high air pressure compressor, and retrofit the existing coolers using hydrocarbon refrigerants. In U.S., the newly opened warehouse facility in Colorado Springs is designed to reduce energy usage by sunlight and natural warmth, and meeting spaces with an open-floor concept and glass façade. We continue our efforts in pushing forward our commitment of 100% RE for our core operation. In 2022, 27% of the electricity consumption in our CN manufacturing sites are RE, including new on-site PV installation projects in multiple cities. 100% RE at our Yunnan, Hubei, Hangzhou and Wenzhou sites and partially RE at Guangxi and Anhui plants. Onsite PV installation project in the U.S. has covered approximately 1% of the total electricity consumption in the U.S. In TW, rooftop solar PV panel supports 5% of its electricity consumption. For Scope 3, we increase the recycled primary packaging content to reduce our Cat. 1 emissions, and improved energy efficiency and changed refrigerants used in CDE to low-emission refrigerants.

We are planning to review our RE roadmap and develop a strategy to close the gap to our 100% RE target by 2026, encourage business investments that align with our carbon reduction objectives, engage our suppliers to help them set SBTs and work with them to reduce emissions and review the targets to incorporate our newly acquired facilities.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 5

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2021

Target coverage

Business division

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

12244

Base year Scope 2 emissions covered by target (metric tons CO2e)

218021

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

230265

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

25

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e)
[auto-calculated]**

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

9183

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

163516

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

166000

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

100% coverage of Scope 1 and 2 emissions

Plan for achieving target, and progress made to the end of the reporting year

Swire Properties has implemented energy saving measures into their HVAC system of their Hong Kong portfolio, set strict control for the circulation pumps of the heat-pump system at Taikoo Li Sanlitun, Beijing, and decreased electricity usage for HKRI Taikoo Kui and Taikoo Hui Guangzhou. Swire Coca-Cola has procured renewable energy in Chinese mainland, and commenced numbers of solar PV installation projects for the sales and distribution centers in the US.

28 % Reduction of Scope 1 and 2 absolute GHG emissions

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 6

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 13: Downstream leased assets

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

2557667

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

125291

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

157029

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

1032984

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

3872971

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

12978702

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

88

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

91

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream

transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

99

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

36

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

Target year

2030

Targeted reduction from base year (%)

85

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e)
[auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

2317972

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

105207

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

160063

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

1074604

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3710000

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

7381180

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

50% of our scope 3 emissions in 2022 are covered by the SBT Target of our Swire Coca-Cola Limited.

Plan for achieving target, and progress made to the end of the reporting year

We are facing the challenge of increase in Scope 3 emissions covered by the target due to increased number of CDE and packaging weight in Chinese Mainland.

For Scope 3, we increase the recycled primary packaging content to reduce our Cat. 1 emissions, and improving energy efficiency and changing refrigerants used in CDE to low-emission refrigerants to reduce our downstream leased equipment emissions.

Our strategy to achieve the target is to decarbonise our core operation by 70%, reduce absolute emissions from our value chain by 30% and adopting the TCFD recommendations.

Specifically, we are targeting to reduce GHG emissions from core operations by 70% from 2018 levels, achieve 100% RE for core operation, and reduce value chain GHG emissions by 30% from 2018 levels. Facing the challenges of limited current and projected availability of local RE in our markets, and local regulation limitation on recycled material in food packaging in Chinese Mainland, our progress in 100% RE and 30% GHG emission reduction in value chain are behind plan. We also need to consider our newly acquired operations in Vietnam, Cambodia and the Chinese Mainland's implications of our projected absolute emissions. We are planning to review our RE roadmap and develop a strategy to close the gap to our 100% RE target by 2026, encourage business investments that align with our carbon reduction objectives, engage our suppliers to help them set SBTs and work with them to reduce emissions and review the targets to incorporate our newly acquired facilities.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2019

Target coverage

Business division

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 2: Capital goods

Intensity metric

Metric tons CO2e per square meter

Base year

2018

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0.7787

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.7787

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

36.8

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

36.8

% of total base year emissions in all selected Scopes covered by this intensity figure

0

Target year

2030

Targeted reduction from base year (%)

25

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

Upfront carbon emissions of Swire Properties' new development projects. Trading properties are excluded in this Category and reported Under Category 1.

Plan for achieving target, and progress made to the end of the reporting year

Plans for achieving target:

- Procure low carbon building materials – concrete with pulverized fuel ash (“PFA”) or ground granulated blast furnace slag (“GGBS”), rebar and structural steel with recycled content
- Optimise design to reduce construction waste by use of (i) BIM models and (ii) prefabricated structural items and modularized E&M elements

2022 Progress: 17% carbon intensity reduction

- Since 2020, we have included low-carbon procurement specifications - developed in accordance with international standards such as ISO 14067 - for construction materials such as concrete with pulverized fuel ash (“PFA”) or ground granulated blast furnace slag (“GGBS”), rebar and structural steel with recycled content.
- In 2022, we continued to work closely with our contractors and suppliers to procure these low-carbon building materials and foster better energy management at our construction sites – including Two Taikoo Place and Six Pacific Place energy management at our construction sites - including Two Taikoo Place and the Company's upcoming office building on Queen's Road East

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Int 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2019

Target coverage

Business division

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 13: Downstream leased assets

Intensity metric

Metric tons CO₂e per square meter

Base year

2018

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

0.136

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.136

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

35.6

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

35.6

% of total base year emissions in all selected Scopes covered by this intensity figure

0

Target year

2030

Targeted reduction from base year (%)

28

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

0.81

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.81

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

Emissions from operation of assets owned by Swire Properties and leased to other entities (i.e. tenant's emissions)

Plan for achieving target, and progress made to the end of the reporting year

Plans for achieving target:

- Tenant energy audit
- Tenant power metering (pilot)
- Green kitchen initiative
- Smart waste reduction programme (pilot)

- Year-round waste recycling programmes (for >20 recyclables collected)
- Procurement of renewable electricity for both landlord and tenants

2022 Progress: 40% reduction

- Improvements in tenants' energy-use intensity by implementation of tenant engagement activities, including (i) free energy audit - that help tenants identify energy-saving opportunities; (ii) Green Kitchen Initiative - which provides sustainable design and operation guidelines to F&B tenants; and (iii) Smart Waste Reduction Pilot Programme - a Hong Kong office tenant initiative launched since 2021 that uses technology to track and gamify the waste reduction journey
- Tenant operations in Taikoo Hui, Guangzhou and Sino-Ocean Taikoo Li Chengdu and becoming powered by 100% renewable electricity since 2021 and 2020 respectively

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Target year for achieving net zero

2050

Is this a science-based target?

No, but we are reporting another target that is science-based

Please explain target coverage and identify any exclusions

The target setting approach makes reference to the methodology outlined in the GHG protocol.

Divestments, acquisitions, mergers or changes in reporting boundary will trigger a restate-

ment of our historical data and base year recalculation of our target base year if they contribute to over 5% of our emissions portfolio.

Due to the divestment of HUD and as a result of the rescoping exercise, Cathay Pacific Group's emission are now classified under category 15 under Scope 3 (in-line with GHG Protocol) and HUD is removed from our target baseline.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

Near-term:

Swire Pacific committed one million HKD in support to Cathay Pacific's Corporate Sustainable Aviation Fuel (SAF) Programme, which provides corporate customers the opportunity to reduce their carbon footprint from business travel or airfreight by contributing to the use of SAF uplifted for the first time from Hong Kong International Airport (HKIA) on Cathay Pacific flights.

Planned actions to mitigate emissions beyond your value chain (optional)

NA

Target reference number

NZ2

Target coverage

Other, please specify (Investment portfolio)

Absolute/intensity emission target(s) linked to this net-zero target

Abs3

Target year for achieving net zero

2050

Is this a science-based target?

No, but we anticipate setting one in the next two years

Please explain target coverage and identify any exclusions

Cathay Pacific's ground and fleet emissions.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

The 2050 net zero target requires immediate reductions in carbon emissions within the next decade. This presents the challenge of driving down emissions in the short term, while the technologies we require for decarbonization are still in development. Our stop-gap solution is carbon offset. We only go with the carbon offset schemes fulfilling the most stringent sustainability criteria, adding incremental decarbonization effort, and is audited by reliable third

party to ensure no double counting. We also work with business partners and our customers through our Fly Greener programme to enable all who fly with us to offset. As of 2021, we have purchased over 300,000 tonnes of CO2 offsets.

Planned actions to mitigate emissions beyond your value chain (optional)

At Cathay Pacific, we recognize the importance of working with industry partners to develop the kinds of radically new technologies that will be required to decarbonize airline operations beyond our own net-zero goal. In 2021, we joined with a group of like minded organizations as founding members of the Aviation Climate Taskforce (ACT), a new non-profit organization established to accelerate the development of breakthrough technologies. The majority of ACT's focus will be on critical medium-term solutions, such as synthetic fuel and direct air capture. It will also look at near-term solutions, such as emerging bio-based SAF pathways, and long-term solutions, such as hydrogen technologies. Through the ACT we will engage with experts, activists, policymakers, and thought leaders to help offer a clear way forward for the deployment of innovative technologies to mitigate emissions beyond our value chain.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	2	4570
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Company policy or behavioral change	Resource efficiency
-------------------------------------	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

4000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

6720000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Cathay Pacific electronic Flight Folder, a digitized inflight manual, has replaced as much as 75kg of paper on each flight. Accessed through tablet computers, the Flight Folder centralizes Flight Deck manuals, charts, maps and pre-flight paperwork. The weight reduction can result in dramatic fuel savings and hence emissions reduction.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

570

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

14989867

Investment required (unit currency – as specified in C0.4)

7829015

Payback period

<1 year

Estimated lifetime of the initiative

21-30 years

Comment

Estimated lifetime of the initiative: 15 to 25 years

Optimisation of fresh air demand-controlled ventilation for air handling units in Pacific Place Mall

Replacement of air-cooled chiller in Berkshire House, Taikoo Place

Chiller improvement in Sino-Ocean Taikoo Li Chengdu

C4.3c**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Dedicated budget for other emissions reduction activities	All our major business units also incorporated SD considerations into their annual budgets and shared proposed budget allocations with the relevant Sustainable Development working groups.
Dedicated budget for energy efficiency	In 2020, we reviewed and defined energy reduction targets and strategies for individual portfolios to support our SBTs. The respective financial requirements have also been incorporated into the annual budgeting process.
Dedicated budget for low-carbon product R&D	Since 2011, Swire Properties have worked with Tsinghua University through the Joint Research Centre for Building Energy Efficiency and Sustainability to develop and test new methods to increase energy efficiency and improve environmental performance in our projects. This collaboration continues to generate substantial energy savings and allows us to share new ideas and practices with our employees, business partners, industry peers and other researchers.
Internal finance mechanisms	Swire Pacific's sustainable development fund offers financial support to operating companies for projects which can provide long-term sustainability benefits but cannot be justified by reference to our cost of capital targets. The HK\$100 million fund is intended to assist in reducing our carbon, water and waste footprints in line with our targets. In 2020, the fund started to support trials of new technologies that have the potential to achieve significant environmental benefit. Operating companies invite cleantech companies to pitch solutions to sustainability problems. Successful applicants receive funding to pilot the solution. If the pilots are successful, they can be scaled up for wider use in the Group. The fund allows us to test new technologies quickly and at relatively low cost, to determine the solutions most suited to our operations and quantify their actual environmental benefits before implementation at scale. In 2022, the fund allocated approximately HK\$21 million to projects at three operating companies.
Compliance with regulatory requirements/standards	At Swire Pacific, it is in our Climate Change policy that we adopt industry best practices to improve energy efficiency in its operations; which would include the compliance with all climate related regulations.
Financial optimization calculations	Improving fuel efficiency is Cathay Pacific's key pillar in lowering its greenhouse gas emissions. Their strategies focus on two key aspects: Technology and operations, and Infrastructure. While we are reliant on the work of governments and regulators to ensure

Method	Comment
	<p>that we are allowed to fly the most efficient routes and operate in the most efficient manner during all flight phases, these strategies help us to achieve our GHG emissions targets.</p> <p>Technology presents the best prospects for reducing aircraft emissions. As part of our continual efforts to improve fuel efficiency, we keep abreast of the latest aircraft technologies and regularly review the performance of our existing fleet. We introduce fuel-efficient aircraft to stay competitive and lower our carbon footprint.</p>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (ICAO's CORSIA Sustainability Criteria for CORSIA Eligible Fuels)

Type of product(s) or service(s)

Biofuels	Other, please specify (HEFA - Hydroprocessed Esters and Fatty Acids)
----------	--

Description of product(s) or service(s)

We considered SAF as a low-carbon product. Compared to traditional jet fuel, the SAF Cathay Pacific used can reduce life cycle greenhouse gas emissions by up to 100%. It also meets the requirements set out by ICAO for CORSIA eligible fuel.

In 2022, we launched Asia's first major Corporate SAF Programme where corporate customers contribute to the purchase of internationally recognised SAF that would be used to power Cathay Pacific flights. In the pilot phase, we received financial support from eight launch customers.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify ((CORSIA Emissions Reduction methodology for CORSIA Eligible Fuel))

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Other, please specify (Well-to-wake)

Functional unit used

Lifecycle emissions per MJ of energy for SAF

Reference product/service or baseline scenario used

Jet A-1 fuel

Life cycle stage(s) covered for the reference product/service or baseline scenario

Other, please specify (Well-to-wake)

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

1274

Explain your calculation of avoided emissions, including any assumptions

Percentage of difference from LCA value between SAF and jet fuel is multiplied to the amount of Neat SAF used in tonnes. The product of this is then multiplied to an emissions factor which is defined under CORSIA.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0.01

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

243000

Comment

In 2021, we reassessed our report boundary and concluded that we should exclude companies which we do not have operational control. The principal effect of this is to exclude Cathay Pacific, which we do not control because it is an associate. As recommended in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting & Reporting Standard, we have included a proportion of Cathay Pacific's GHG emissions under the group's scope 3 emissions. The proportion is 45%, which is the same as our percentage ordinary shareholding interest in Cathay Pacific. Hong Kong Aero Engine Services Limited (HAESL), a joint venture company between Rolls-Royce plc and HAECO Group, will also be excluded.

For ease of comparison, we have restated past years' data so as to exclude data relating to Cathay Pacific and HAESL.

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

577000

Comment

In 2021, we reassessed our report boundary and concluded that we should exclude companies which we do not have operational control. The principal effect of this is to exclude Cathay Pacific, which we do not control because it is an associate. As recommended in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting & Reporting Standard, we have included a proportion of Cathay Pacific's GHG emissions under the group's scope 3 emissions. The proportion is 45%, which is the same as our percentage ordinary shareholding interest in Cathay Pacific. Hong Kong Aero Engine Services Limited (HAESL), a joint venture company between Rolls-Royce plc and HAECO Group, will also be excluded. For ease of comparison, we have restated past years' data so as to exclude data relating to Cathay Pacific and HAESL.

Scope 2 (market-based)

Base year start

January 1 2020

Base year end

December 31 2020

Base year emissions (metric tons CO2e)

537000

Comment

2020 is our first year reporting market-based scope 2 emissions.

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

2518000

Comment

Consists of Scope 3 Cat 1 emissions from our Properties, Beverage, and Motor Companies

Scope 3 category 2: Capital goods

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

78000

Comment

Consists of Scope 3 Cat 2 emissions from our Properties, and Motor Companies

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

112000

Comment

Consists of Scope 3 Cat 3 emissions from our Properties, Beverage, and Motor Companies

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

168000

Comment

Consists of Scope 3 Cat 4 emissions from our Properties, Beverage, and Motor Companies

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

31000

Comment

Consists of Scope 3 Cat 5 emissions from our Properties, and Motor Companies

Scope 3 category 6: Business travel

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

4000

Comment

Consists of Scope 3 Cat 6 emissions from our Properties, and Motor Companies NA

Scope 3 category 7: Employee commuting

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

14000

Comment

Consists of Scope 3 Cat 6 emissions from our Properties and Motor Companies

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

NA

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

NA

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

NA

Scope 3 category 11: Use of sold products

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

810000

Comment

Consists of Scope 3 Cat 11 emissions from our Properties and Motor Companies

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

2000

Comment

Consists of Scope 3 Cat 1 emissions from our Properties, and Motor Companies

Scope 3 category 13: Downstream leased assets

Base year start

January 1 2022

Base year end

December 31 2022

Base year emissions (metric tons CO2e)

1205000

Comment

Consists of Scope 3 Cat 1 emissions from our Properties, Beverage, and Motor Companies

Scope 3 category 14: Franchises**Base year start****Base year end****Base year emissions (metric tons CO2e)**

0

Comment

NA

Scope 3 category 15: Investments**Base year start**

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

8316000000

Comment

As recommended in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting & Reporting Standard, we have included a proportion of Cathay Pacific's GHG emissions under the group's scope 3 emissions. The proportion is 45%, which is the same as our percentage ordinary shareholding interest in Cathay Pacific.

Scope 3: Other (upstream)**Base year start****Base year end****Base year emissions (metric tons CO2e)**

0

Comment

NA

Scope 3: Other (downstream)**Base year start****Base year end****Base year emissions (metric tons CO2e)**

0

Comment

NA

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

Hong Kong Environmental Protection Department, Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings, 2010

IEA CO2 Emissions from Fuel Combustion

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

120000

Start date

January 1 2022

End date

December 31 2022

Comment

No Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

171400

Start date

January 1 2021

End date

December 31 2021

Comment

The 30% decrease from 2021 was largely due to the divestment of Swire Pacific Offshore since 22 April 2022, as well as COVID-19 related reductions in business activity.

Past year 2**Gross global Scope 1 emissions (metric tons CO2e)**

226000

Start date

January 1 2020

End date

December 31 2020

Comment

Following a revision to our report boundary in 2021, we have restated past years' data so as to exclude data relating to Cathay Pacific and HAESL.

Past year 3**Gross global Scope 1 emissions (metric tons CO2e)**

228000

Start date

January 1 2019

End date

December 31 2019

Comment

Following a revision to our report boundary in 2021, we have restated past years' data so as to exclude data relating to Cathay Pacific and HAESL.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**Row 1****Scope 2, location-based**

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Only Swire Properties had verifiable sources to report its market-based figure. For other operating companies' energy supplied in Hong Kong and China, market-based emission factor is not available. A location-based emission factor which reflect the average emission intensity of grid is used.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

529000

Scope 2, market-based (if applicable)

449000

Start date

January 1 2022

End date

December 31 2022

Comment

No Comment

Past year 1

Scope 2, location-based

557000

Scope 2, market-based (if applicable)

490200

Start date

January 1 2021

End date

December 31 2021

Comment

No Comment

Past year 2

Scope 2, location-based

550000

Scope 2, market-based (if applicable)

537000

Start date

January 1 2020

End date

December 31 2020

Comment

No Comment

Past year 3

Scope 2, location-based

571000

Scope 2, market-based (if applicable)

Start date

January 1 2019

End date

December 31 2019

Comment

No Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2518121.02

Emissions calculation methodology

Other, please specify ("WBCSD/WRI's GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Country-specific emission factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5")

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Methodology

The primary data of the key inputs identified are multiplied by the appropriate emission factors to calculate emissions in this category.

Source of activity data:

- Primary procurement spend data
- Primary water - municipal data
- Primary consumption data of construction materials and construction activities in the development of residential buildings
- GFA of residential buildings overseas
- Weight of purchased ingredients, primary packaging
- Energy consumption in bottling plants

Source of Emission factor:

- "Supply Chain GHG Emission Factors for US Commodities and Industries" published by United States Environmental Protection Agency
- Hong Kong Water Supplies Department (WSD) Annual Report
- Hong Kong Drainage Services Department (DSD) Sustainability Report
- Global industry average data for quantification

Capital goods**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

78376.36

Emissions calculation methodology

Other, please specify ("WBCSD/WRI's GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard")

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Under our property division, capital goods refer to upfront embodied carbon emissions of new investment properties. With technical support from a research team at the Hong Kong University of Science and Technology (HKUST)'s Department of Civil and Environmental Engineering, Swire Properties has developed a carbon accounting tool to calculate the cradle-to-site carbon footprint for new development projects. For reporting purpose, the emissions are allocated to the year of project completion.

Source of activity data:

- Primary consumption data of construction materials and construction activities from main contractor
- Primary spend data

Source of Emission factor:

- "Supply Chain GHG Emission Factors for US Commodities and Industries" published by United States Environmental Protection Agency
- "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong" published by the EPD and EMSD
- Institution of Civil Engineers (ICE) Database
- Sustainability reports of the local utility companies (for electricity and town gas in Hong Kong)
- CIC Green Product Certification in Hong Kong
- Swire Properties and HKUST jointly published academic paper at the 8th International Conference on Innovative Production and Construction

Fuel-and-energy-related activities (not included in Scope 1 or 2)**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

112414.16

Emissions calculation methodology

Other, please specify ("WBCSD/WRI's GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard")

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Methodology:

Third party provided emission factors are applied to the primary data on amounts of electricity, gasoline, diesel, natural gas, and other fuels or supplied to end users to calculate emissions in this category.

Source of activity data:

- Primary energy data

Source of Emission factor:

- The Department for Environment, Food and Rural Affairs (Defra) in the UK
- Country-specific GHG emission factors from electricity by the International Energy Agency (IEA)
- Country-specific GHG emission factors from Ecoinvent version 3
- Country-specific GHG emission factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5
- Country-specific energy and fuel price data
- Country-specific transmission and distribution losses from the World Bank database library
- Sustainability reports of the local utility companies (for electricity in Hong Kong)

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

167718.99

Emissions calculation methodology

Other, please specify (Comprehensive Environmental Data Archive (CEDA) U.S. version 5)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Methodology

The primary data related to transportation and distribution of good and services are multiplied by the appropriate emission factors to calculate emissions in this category.

Source of activity data:

- Distribution volume
- Fuel consumption
- Distance travelled
- Spend data

Source of Emission factor:

- Factors from Comprehensive Environmental Data Archive (CEDA) U.S. version 5
- Supply chain GHG emission factors for US industries and commodities by the U.S. Environmental Protection Agency (EPA)

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

31405

Emissions calculation methodology

Other, please specify (“WBCSD/WRI’s GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard”)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Methodology

Waste data is multiplied by corresponding emission factors to calculate emissions in this category.

Source of activity data:

- Primary waste data

Source of Emission factor:

- “Guidelines to Defra’s Greenhouse Gas Conversion Factors for Company Reporting” published by the Department for Environment, Food and Rural Affairs (Defra) of the UK

Business travel**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

4323.37

Emissions calculation methodology

Other, please specify (Cathay Pacific’s Fly Greener Programme)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Methodology:

- Air-travel: Flight distance is multiplied by corresponding emission factors to calculate emissions in this category.
- Non Air-travel: Emissions in this category are derived from the amount employee spend on ‘automobile’ and ‘hotel room’

Source of activity data:

- Travel related data provided by travel providers
- Primary procurement spend data

Source of Emission factor:

- Cathay Pacific's Fly Greener Programme
- GHG Protocol Scope 3 Evaluator
- Supply chain GHG emission factors for US industries and commodities by the U.S. Environmental Protection Agency (EPA)

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

13591.41

Emissions calculation methodology

Other, please specify ("WBCSD/WRI's GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard")

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Methodology:

Emissions in this category are derived from the number of employees

Source of activity data:

- Number of employees

Source of Emission factor:

- GHG Protocol Scope 3 Evaluator
- The Department for Environment, Food and Rural Affairs (Defra) in the UK

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not employ leased assets upstream.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Emissions from third party distribution networks are not counted as they are not just delivering our products.

Processing of sold products**Evaluation status**

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The overall contribution to the Groups emissions footprint is immaterial - with 90% coming from our Aviation division primarily from the use of jet fuel.

Use of sold products**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

809790.64

Emissions calculation methodology

Other, please specify ("WBCSD/WRI's GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard")

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Methodology:

- Property division: The design electricity use intensity of the residential buildings and their projected future change, is multiplied by corresponding projected emission factors of the entire use stage to calculate emissions in this category
- T&I division: The type and quantity of sold cars is multiplied by corresponding emission factors to calculate emissions in this category

Source of activity data:

- Design electricity use intensity of residential buildings developed by Swire Properties
- GFA of residential buildings
- Type and quantity of sold products

Source of Emission factor:

- The Department for Environment, Food and Rural Affairs (Defra) in the UK
- Grid factors from local utility companies
- International Energy Agency (IEA) database
- Hong Kong's Climate Action Plan 2050
- COP26: ASEAN's Commitment in The Energy Sector

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2238.4

Emissions calculation methodology

Other, please specify ("WBCSD/WRI's GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard")

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Methodology:

- Property division: GFA of the residential buildings is multiplied by the end-of-life carbon emission factor to calculate emissions in this category
- T&I division: The type, quantity and weight of sold cars is multiplied by corresponding emission factors to calculate emissions in this category

Source of activity data:

- GFA of residential buildings
- Type, quantity, and weight of sold products

Source of Emission factor:

- The Department for Environment, Food and Rural Affairs (Defra) in the UK
- “Comprehensive Evaluation of Carbon Emissions for the Development of High-Rise Residential Building”, MDPI Journal - Buildings 2018

Downstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1205267.47

Emissions calculation methodology

Other, please specify (Hong Kong Portfolio - Aggregate data)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Methodology:

- Property division:
 - o Hong Kong Portfolio: Aggregate data of metered electricity consumption from tenants are multiplied by local emission factors (market-based method) to calculate emissions in this category.
 - o Chinese Mainland Portfolio: Data of metered electricity consumption at individual tenant level are multiplied by respective emission factors (market-based method) to calculate emissions in this category.
- Beverage division: The total annual electricity consumption value (EC value) of CDE is multiplied with the electricity grid factor (Annual EC value: Multiply daily EC value with the number of equipment and operating days (assumed as an all-year operation)).
- T&I division: region, building type and GFA is considered when multiplied to corresponding emission factors to calculate emissions

Source of activity data:

- Region, building type and GFA
- Climate zone of region
- Annual electricity consumption of CDE, consisting of coolers, vending machines and fountains
- Primary electricity data

Source of Emission factor:

- Grid factors from local utility companies
- “Methodology for Carbon Emissions Reduction in Commercial Complex Buildings” (by Tsinghua University) published in Journal of Building Energy Efficiency (Nov 2020 Edition)

- References from the Chinese Mainland government and industry associations including China Renewable Energy Development Assessment Report by National Energy Administration, China Energy Statistical Yearbook by National Bureau of Statistics and China Electricity Council

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not have franchises.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2437933.17

Emissions calculation methodology

Other, please specify (IPCC's emission factor of 3.153)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

In 2022, we reassessed our report boundary included Hong Kong Aero Engine Services Limited's (HAESL) GHG emissions under the Group's scope 3 emissions. We account for 50% of Hong Kong Aero Engine Services Limited (HAESL)'s total GHG emissions under the Group's scope 3 emissions as HAESL is a joint venture company between Rolls-Royce and HAECO group. We also account for 45% of Cathay Pacific Group's total GHG emissions under the Group's scope 3 emissions, which is the same as our percentage ordinary shareholding interest in Cathay Pacific.

For Aviation Jet Fuel, we include all flights in the calculation, including testing and training flights and flights by dry leased and wet leased aircraft. As fuel density varies according to a number of factors, we use the Joint Inspection Group's² recommended specific gravity of 0.80 kg/L to calculate the weight of fuel. We use the IPCC's emission factor of 3.153 to deter-

mine CO2 emissions from the combustion of aircraft fuel. We also only calculate CO2 emissions and assumes that all other GHGs are negligible as the impacts are still uncertain.

Source of activity data:

- Primary energy data

Source of Emission factor:

- Grid factors from local utility companies
- Country-specific GHG emission factors from electricity by the International Energy Agency (IEA)
- Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purpose) in Hong Kong published by the Environmental Protection Department (EPD) of Hong Kong SAR Government (all Hong Kong operations)
- The Department for Environment, Food and Rural Affairs (Defra) in the UK (operations outside of Hong Kong)

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

NA

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

NA

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1 2021

End date

December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)

131214

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

2117

Scope 3: Upstream transportation and distribution (metric tons CO2e)

6652

Scope 3: Waste generated in operations (metric tons CO2e)

40358

Scope 3: Business travel (metric tons CO2e)

865.28

Scope 3: Employee commuting (metric tons CO2e)

0

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

54

Scope 3: Downstream leased assets (metric tons CO2e)

131478

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

2727000

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Past year 2

Start date

January 1 2020

End date

December 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)

90124

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

2063

Scope 3: Upstream transportation and distribution (metric tons CO2e)

6652

Scope 3: Waste generated in operations (metric tons CO2e)

38698

Scope 3: Business travel (metric tons CO2e)

0

Scope 3: Employee commuting (metric tons CO2e)

12750

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

51

Scope 3: Downstream leased assets (metric tons CO2e)

139414

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

3415000

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

NA

Past year 3

Start date

January 1 2019

End date

December 31 2019

Scope 3: Purchased goods and services (metric tons CO2e)

113849

Scope 3: Capital goods (metric tons CO2e)

0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

1922

Scope 3: Upstream transportation and distribution (metric tons CO2e)

5571

Scope 3: Waste generated in operations (metric tons CO2e)

36969

Scope 3: Business travel (metric tons CO2e)

0

Scope 3: Employee commuting (metric tons CO2e)

12750

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

49

Scope 3: Downstream leased assets (metric tons CO2e)

179515

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

8324000

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

NA

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Sugar

Do you collect or calculate GHG emissions for this commodity?

Yes

Reporting emissions by

Total

Emissions (metric tons CO2e)

56529

Denominator: unit of production

<Not Applicable>

Change from last reporting year

This is our first year of measurement

Please explain

Data includes emissions from Beet Sugar and Cane Sugar.

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future

<Not Applicable>

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000062054

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

569000

Metric denominator

unit total revenue

Metric denominator: Unit total

91693000000

Scope 2 figure used

Market-based

% change from previous year

34

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption
Other emissions reduction activities

Please explain

The emission intensity dropped due to Increased renewable energy procurement across the group in particular on our Swire Properties and Swire Coca-Cola and continued energy efficiency upgrades across its portfolio.

During the year, our electronic Flight Folder, a digitized inflight manual, has replaced as much as 75kg of paper on each flight. Accessed through tablet computers, the Flight Folder centralizes Flight Deck manuals, charts, maps and pre-flight paperwork. The weight reduction result in dramatic fuel savings and hence an approximate 4,000 tonnes of CO2 emissions reduction.

At Swire Properties, energy efficiency has improved in buildings with the optimisation of fresh air demand-controlled ventilation for air handling units, replacement of air-cooled chiller and chiller improvements across its portfolio, which results to an approximate 570 tonnes CO2e emissions reduction.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	114100	IPCC Fifth Assessment Report (AR5 - 100 year)
CH4	110	IPCC Fifth Assessment Report (AR5 - 100 year)
N2O	670	IPCC Fifth Assessment Report (AR5 - 100 year)
HFCs	5400	IPCC Fifth Assessment Report (AR5 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
China	40100
Hong Kong SAR, China	16400
Singapore	9300
United States of America	50000
Taiwan, China	4700

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Property	9856
Aviation	15178
Beverages	79765
Marine	9312
Trading & Industrial	6170

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Distribution

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

36868

Methodology

Region-specific emissions factors

Please explain

Greenhouse gas (GHG) emissions are calculated using emission factors from the following sources:

- "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purpose) in Hong Kong" published by the Environmental Protection Department (EPD) of Hong Kong Government (all Hong Kong operations).
- Department for Environment, Food and Rural Affairs (Defra) in the UK (operations in Mainland China and Taiwan)
- "General Reporting Protocol" published by the Climate Registry in the US (operations in the USA)
- Electricity purchased: -

Hong Kong: Conversion factor supplied by the local power supplier, China Light and Power;
Mainland China: Conversion factors are applied to the emission factors listed in Baseline Emission Factors for Regional Power Grids in China, 2019 Edition; for purchased compressed air, consumption is converted to electricity purchased using 0.2071 kWh/cubic meter. The conversion factor is calculated from contracted unit cost of compressed air and electricity. International and national standard energy conversion for compressed air are not observed;
Taiwan: Conversion factor is applied to the emission factor listed in Bureau of Energy's

Annual Electricity Carbon Emission Factor (2019); and
USA: Conversion factors are applied to the emission factors listed in US EPA eGrid 2021.

- The emission factor of renewable energy is 0.

The following gases are included in GHG calculations as according to the Greenhouse Gas Protocol: carbon dioxide (CO₂), methane, sulphur dioxide, nitrous oxide, and hydrofluorocarbons. These are expressed in carbon dioxide equivalents (CO₂e). Swire Coca-Cola does not have any material biogenic sources of CO₂.

The source of the GWP is "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for buildings (Commercial, Residential or Institutional Purpose) in Hong Kong" published by EPD. These guidelines cite the IPCC Second Assessment Report (1995), and World Resources Institute (2005), Calculating HFC and PFC Emissions from the Manufacturing, Installation, Operation and Disposal of Refrigeration & Air-conditioning Equipment (Version 1.0) - Guide to calculation worksheets, World Business Council for Sustainable Development.

Activity

Processing/Manufacturing

Emissions category

<Not Applicable>

Emissions (metric tons CO₂e)

45704

Methodology

Region-specific emissions factors

Please explain

Greenhouse gas (GHG) emissions are calculated using emission factors from the following sources:

- "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purpose) in Hong Kong" published by the Environmental Protection Department (EPD) of Hong Kong Government (all Hong Kong operations).
- Department for Environment, Food and Rural Affairs (Defra) in the UK (operations in Mainland China and Taiwan)
- "General Reporting Protocol" published by the Climate Registry in the US (operations in the USA)
- Electricity purchased: -

Hong Kong: Conversion factor supplied by the local power supplier, China Light and Power;
Mainland China: Conversion factors are applied to the emission factors listed in Baseline Emission Factors for Regional Power Grids in China, 2019 Edition; for purchased compressed air, consumption is converted to electricity purchased using 0.2071 kWh/cubic meter. The conversion factor is calculated from contracted unit cost of compressed air and electricity. International and national standard energy conversion for compressed air are not observed;

Taiwan: Conversion factor is applied to the emission factor listed in Bureau of Energy's Annual Electricity Carbon Emission Factor (2019); and
USA: Conversion factors are applied to the emission factors listed in US EPA eGrid 2021.

- The emission factor of renewable energy is 0.

The following gases are included in GHG calculations as according to the Greenhouse Gas Protocol: carbon dioxide (CO₂), methane, sulphur dioxide, nitrous oxide, and hydrofluorocarbons. These are expressed in carbon dioxide equivalents (CO₂e). Swire Coca-Cola does not have any material biogenic sources of CO₂.

The source of the GWP is "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for buildings (Commercial, Residential or Institutional Purpose) in Hong Kong" published by EPD. These guidelines cite the IPCC Second Assessment Report (1995), and World Resources Institute (2005), Calculating HFC and PFC Emissions from the Manufacturing, Installation, Operation and Disposal of Refrigeration & Air-conditioning Equipment (Version 1.0) - Guide to calculation worksheets, World Business Council for Sustainable Development.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
China	348800	272100
Hong Kong SAR, China	131900	128700
Singapore	65	65
United States of America	36800	35800
Taiwan, China	110	110

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Property	185958	155693
Aviation	43515	43515
Marine	65	65
Beverages	278237	228587
Trading & Industrial	21111	21111

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

Swire Properties Limited

Primary activity

Real estate owners & developers

Select the unique identifier(s) you are able to provide for this subsidiary

ISIN code - equity

LEI number

ISIN code – bond

<Not Applicable>

ISIN code – equity

HK0000063609

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

5299001L12PHYVQ92465

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

98.56

Scope 2, location-based emissions (metric tons CO2e)

185958

Scope 2, market-based emissions (metric tons CO2e)

155693

Comment

NA

Subsidiary name

HAECO Group

Primary activity

Transportation support services

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

15179

Scope 2, location-based emissions (metric tons CO2e)

43515

Scope 2, market-based emissions (metric tons CO2e)

43515

Comment

Scope 3 emissions = 12 metric tons CO2e

Subsidiary name

Cathay Pacific Airways Limited

Primary activity

Transportation support services

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

0

Scope 2, market-based emissions (metric tons CO2e)

0

Comment

Scope 3 emissions= 2,426 metric tons CO2e

Subsidiary name

Swire Coca Cola

Primary activity

Food & beverage wholesale

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

79765

Scope 2, location-based emissions (metric tons CO2e)

278237

Scope 2, market-based emissions (metric tons CO2e)

228588

Comment

Scope 3 emissions= 3,658 metric tons CO2e

Subsidiary name

Swire Resources

Primary activity

Apparel stores

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

37451

Scope 2, location-based emissions (metric tons CO2e)

2462

Scope 2, market-based emissions (metric tons CO2e)

2462

Comment

NA

Subsidiary name

Taikoo Motors

Primary activity

Engines & motors

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

825

Scope 2, location-based emissions (metric tons CO2e)

5530

Scope 2, market-based emissions (metric tons CO2e)

5530

Comment

Scope 3 emissions= 860,289 metric tons CO2e

Subsidiary name

Qinyuan Bakery

Primary activity

Baked goods & cereals

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

Scope 2, location-based emissions (metric tons CO2e)

11879

Scope 2, market-based emissions (metric tons CO2e)

11879

Comment

NA

Subsidiary name

Taikoo Sugar

Primary activity

Sugar

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

1

Scope 2, location-based emissions (metric tons CO2e)

772

Scope 2, market-based emissions (metric tons CO2e)

772

Comment

NA

Subsidiary name

Swire Waste Management Limited

Primary activity

Waste management

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

2570

Scope 2, location-based emissions (metric tons CO2e)

468

Scope 2, market-based emissions (metric tons CO2e)

468

Comment

NA

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	14195.046	Decreased	0.02	<p>In 2022, the renewable energy procurement in our Chinese Mainland portfolio increased from 103,039,551 kWh in 2021 to 126,049,110 kWh in 2022. We adopt the emission factor from IEA when accounting for our emissions. The emission factor for Chinese Mainland is 0.617 kg CO2e/kWh.</p> <p>Associated emission savings are: $((126,046,110 - 103,039,551) / 1000) * 0.617 = 14,195.046$ tonnes CO2e</p> <p>Emissions Value (%): $14,195.046 \text{ tonnes CO2e} / 661,000 \text{ tonnes CO2e} = 0.02\%$</p>
Other emissions reduction activities	741	Decreased	0.11	<p>Swire Properties:</p> <ul style="list-style-type: none"> • Conversion to variable primary flows in Chilled Water Systems at Cityplaza, which is expected to save 220,000 kWh/year • Replacement of air-cooled chillers at Berkshire House, which is expected to save 249,000 kWh/year • Installation of automatic chiller condenser tube cleaning system for all chillers at Devon House, which is expected to save 384,000 kWh/year • Chiller replacement project at Sino-ocean Taikoo Li Chengdu, which is expected to save 100,000 kWh/year • Installation of variable-speed drive cooling tower at Taikoo Hui Guangzhou, which is expected to save 100,000 kWh/year • Replacement of fluorescent lighting with LEDs at Swire Hotels, which is expected to save 21,000 kWh/year • Chiller replacement at The Opposite House, which is expected to save 150,000 kWh/year <p>Total energy savings = 1.2 million kWh ~ 741</p>

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
				tonnes CO2e Emissions Value (%): 741 tonnes CO2e / 661,000 tonnes CO2e = 0.11%
Divestment	16761.994	Decreased	0.025	For 2022, the environmental and H&S data for Swire Pacific Offshore covers the period from January to April. The associated emission reduction adopts the figures from May to December 2021. (16,761.994 tonnes CO2e) Emissions Value (%): 16,761.994 tonnes CO2e / 661,000 tonnes CO2e = 0.025%
Acquisitions	0	No change	0	NA
Mergers	0	No change	0	NA
Change in output	0	No change	0	NA
Change in methodology	0	No change	0	NA
Change in boundary	0	No change	0	NA
Change in physical operating conditions	0	No change	0	NA
Unidentified	0	No change	0	NA
Other	0	No change	0	NA

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 25% but less than or equal to 30%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	505690	505690
Consumption of purchased or acquired electricity	<Not Applicable>	126164	800675	926839
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	49360	49360
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	22003	<Not Applicable>	22003

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Total energy consumption	<Not Applicable>	148167	1355725	1503892

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

NA

Other biomass

Heating value

LHV

Total fuel MWh consumed by the organization

9767

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

NA

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

NA

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

255098

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No Comment

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

240825

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

NA

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

505690

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	22003	22003	22003	22003
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

China

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

15527

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or re-powering)

2020

Comment

No Comment

Country/area of low-carbon energy consumption

China

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

27701

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Comment

No Comment

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Hong Kong SAR, China

Consumption of purchased electricity (MWh)

223230

Consumption of self-generated electricity (MWh)

415

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

China

Consumption of purchased electricity (MWh)

453450

Consumption of self-generated electricity (MWh)

20730

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

49363

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Taiwan, China

Consumption of purchased electricity (MWh)

20520

Consumption of self-generated electricity (MWh)

546

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

United States of America

Consumption of purchased electricity (MWh)

102960

Consumption of self-generated electricity (MWh)

22287

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

49363

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Singapore

Consumption of purchased electricity (MWh)

150

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

China, Macao Special Administrative Region

Consumption of purchased electricity (MWh)

350

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

64233

Metric numerator

diverted 38,027 tonnes of waste from landfill

Metric denominator (intensity metric only)

Diversion Rate = $38,027/64.233 = 59\%$

% change from previous year

13

Direction of change

Increased

Please explain

The response provided for this metric includes our three core divisions (Swire Properties, Swire Coca-Cola and HAECO Group). This accounts for over 95% of Swire Pacific's waste portfolio.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place

	Verification/assurance status
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[limited_assurance_opinion2023.pdf](#)

Page/ section reference

Full document

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[limited_assurance_opinion2023.pdf](#)

Page/ section reference

Full document

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Investments

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[limited_assurance_opinion2023.pdf](#)

Page/section reference

Full document

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

0.09

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1 2022

Period end date

December 31 2022

Allowances allocated

6804

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

5060

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

No Comment

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Swire's Strategy:

In preparation for the EU ETS for aviation, Cathay Pacific has set up an EU ETS Compliance Working Group in 2009, comprising representatives from the relevant operational, strategic/policy and commercial teams, to ensure Cathay Pacific is prepared and able to meet the compliance, monitoring, reporting and verification requirements of the EU ETS. Our Monitoring and Emissions plans and reports have been submitted and approved by our Competent Authority, the UK Environment Agency.

Cathay Pacific is involved with the Sustainable Aviation Fuel Users Group (SAFUG) in accelerating the commercialisation of biofuels, and are a member of the Roundtable for Sustainable Biofuels, an international initiative that certifies biofuels and actively develops and implements the RSB Global Sustainability Standards for biofuels. Biofuels would help reduce ETS costs.

Case Study:

In 2014, the International Civil Aviation Organisation (ICAO) began the development of a global market-based measure (MBM) to address the growth of international aviation emissions.

The Global Market-based Measure Technical Task Force (GMTF), comprising representatives and experts from ICAO member states, industry and NGOs, was convened. Cathay Pacific is a member of the GMTF and has been actively engaged in the dialogue on the implementation of a global MBM for aviation emissions under ICAO, including membership of IATA's advisory group on this issue.

Cathay Pacific is a part of a small group of IATA carriers that are members of the expert groups looking at specific technical aspects of a global MBM through the ICAO Advisory Committee on Environmental Protection (CAEP), together with NGOs, states and academia.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Internal fee

How the price is determined

Other, please specify (A range of price is used to evaluate exposure to the European Union Emissions Trading Scheme (EUETS) as well as the proposed Global Market Based Measure (GMBM) currently being developed at the International Civil Aviation Organization (ICAO))

Objective(s) for implementing this internal carbon price

Change internal behavior
Stakeholder expectations

Scope(s) covered

Scope 3 (downstream)

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

increase

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO₂e)

78

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO₂e)

273

Business decision-making processes this internal carbon price is applied to

Value chain engagement

Mandatory enforcement of this internal carbon price within these business decision-making processes

No

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

In Cathay Pacific, a range of internal carbon prices is used to evaluate exposure to the European Union Emissions Trading Scheme (EUETS) as well as CORSIA developed by the International Civil Aviation Organization (ICAO). Carbon pricing will increase operating costs for less efficient technologies and management systems which shall be taken into account in our business planning and strategy. Cathay Pacific has already begun the transition to more efficient aircraft with the acquisition of the new A350 aircraft family as well as the implementation of our fuel optimization projects.

Type of internal carbon price

Internal fee

How the price is determined

Other, please specify (Carbon Fee - The median carbon price reported by companies to CDP)

Objective(s) for implementing this internal carbon price

Change internal behavior
Drive energy efficiency
Navigate GHG regulations
Stakeholder expectations

Scope(s) covered

Scope 1

Scope 2

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

Increase

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

172

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

172

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for some decision-making processes, please specify (Applies to capital expenditure decision making regarding additional projects that decarbonise our businesses.)

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Swire Pacific and our operating companies have set decarbonisation targets in line with climate science, nationally declared contributions or jurisdictional commitments. We are on track to achieve our 2030 targets and are developing a roadmap to achieve net zero by 2030. Investments in the abatement levers that will drive the deep decarbonisation of our companies will be needed. The use of the Internal Carbon Pricing will provide additional funding for significant decarbonisation projects and help to further embed the cost of carbon into our business planning. Our Carbon Fee links each unit of CO₂ emissions to a fixed cost. In doing so, our businesses are further incentivised to integrate low-carbon considerations into their business decisions. The fee is applied to each businesses' previous year's emissions. The funds raised through the fee are directed towards projects that drive or provide additional carbon reduction. In doing so, they are additional to already planned capital expenditure. Planning and finance departments are empowered to direct funding towards meeting the business' climate ambitions and in turn make progress towards Swire Pacific's commitments.

Type of internal carbon price

Shadow price

How the price is determined

Other, please specify (Shadow Fee - Based on data from the high-level commission on carbon prices and the cost of carbon under the International Energy Agency (IEA) 2°C scenario)

Objective(s) for implementing this internal carbon price

Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Navigate GHG regulations
Stakeholder expectations

Scope(s) covered

Scope 1
Scope 2
Scope 3 (upstream)
Scope 3 (downstream)

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

Increase

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

391

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

391

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for some decision-making processes, please specify (Capital expenditure and investments)

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

The Shadow Carbon Fee is applicable to future investment decisions and planning for future projects. It is a tool used to reveal hidden risks and opportunities throughout our operations and to support strategic decision making related to future capital investments. For projects that exceed an investment threshold, our businesses, in addition to presenting the projected EBIT/IRR for a project to the Group's investment committee, would need to also present the EBIT/IRR including the Shadow Carbon Price (Scopes 1 & 2). In doing so, the cost of carbon is factored into decisions making and lower-carbon options that may have higher initial outlay, may prove beneficial to our carbon commitments.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

Other, please specify (Encourage/incentivize innovation)

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Beyond compliance, we engage with our key agricultural ingredients and other voluntary suppliers to drive innovations in water management. The rationale is that through engaging key suppliers with higher readiness to make a change, we want all of our suppliers to see the value and eventually learn from these sustainable practices.

We focus on promoting and enabling farmers to achieve improvements in yield, efficiency, and positive environmental impacts, such as water savings. Supplier summits and cross-supplier visits were organised to enable knowledge sharing on technologies and management tools available, and most importantly, to drive change in mindset. Third party experts were also introduced to advise and oversee improvement projects under the World Class Operation (WCO) programme. We have also committed to ensuring the farms that supply our key agri-

cultural ingredients (sugar and corn) meet the requirements of the PSA, as verified by third-party audits, by 2025.

Impact of engagement, including measures of success

We treat suppliers as partners and invest time and resources in working with them to innovate and test new technologies, processes and approaches that could achieve sustainable outcomes.

Based on our strategy to source sustainably, our measure of success is year on year increase in coverage of our supplier's corn field in Chinese mainland with third-party verified PSA. The PSA provide detailed guidance on human and workplace rights, environment and ecosystems, animal welfare, farm management systems and transparency. Fulfilling this target has proved challenging in the context of agriculture standards and regulations in the Chinese Mainland. In partnership with TCCC and several strategic suppliers, a combined 8,288 hectares of planting area in the Chinese Mainland have now been verified as meeting the PSA.

Comment

The Leader/Mover/Improver Framework help in evaluating compliance and performance of our supply farm base to reflect the continuum of improvement in sustainability practices. It helps prioritizing the actions to the system's most material sustainability risks, including climate change, water resources, ecosystems and biodiversity, human rights, health & welfare. Leader level – supply volume verified to TCCC approved standards, with third-party assurance aligned with PSA

Mover level - supply volume sourced from farms using other agricultural farming standard(s), effectively identifying and addressing key sustainability issues and advancing sustainable practices

Improver level - supply volume smallholder/small scale producers participating in a support program and continuously improving practices to address their most material sustainability issues over time

Type of engagement

Other, please specify (Purchase in low carbon building materials)

Details of engagement

Other, please specify (Supplier Compliance Monitoring & Sustainable Procurement)

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

To prepare for the transition to a low-carbon economy, we have established carbon-reduction targets and initiatives under our SD 2030 Strategy for our Hong Kong and Chinese Mainland

portfolios. We have ramped up our science-based targets (“SBTs”) to align with the 1.5°C pathway. These were officially approved in September 2021, making us the first real estate developer from Hong Kong and the Chinese Mainland to establish 1.5°C-aligned decarbonisation goals in line with the Paris Agreement for our global portfolio.

Impact of engagement, including measures of success

To reduce embodied carbon from our development projects and construction activities, we have established performance-based targets on embodied carbon for concrete, rebar and structural steel for future projects in Hong Kong. We have also specified that low-carbon materials should be adopted in our projects and activities such as concrete with pulverised fuel ash or ground granulated blast-furnace slag, rebar and structural steel with recycled content, and the optimisation of structural design to minimise material consumption. We have delivered our message of low carbon procurement in our supplier engagement events and seminars/webinars organised by industry associations. The market availability of low carbon construction materials is increasing afterwards.

We are also committed to exploring new procurement options for off-site renewable electricity for our portfolio, where feasible. Since 2021, Taikoo Hui Guangzhou became powered by 100% renewable electricity, joining Sino-Ocean Taikoo Li Chengdu in achieving net-zero carbon in its annual electricity consumption for both landlord and tenant operations and setting a new standard for the real estate sector in Asia. In 2022, Taikoo Li Sanlitun became our third portfolio in the Chinese Mainland to enter into an off-site renewable electricity agreement, with 15% of the landlord’s annual electricity consumption from clean energy sources.

Comment

NA

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Provide training, support, and best practices on how to set science-based targets
Directly work with suppliers on exploring corporate renewable energy sourcing mechanisms
Facilitate adoption of a unified climate transition approach with suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

Scope 3 emissions represent over 80% of our total carbon footprint. To achieve our target of a 30% reduction in emissions across our value chain by 2030, we must lead our suppliers to decarbonise their businesses. Our Procurement team has developed the following six-step

process to build awareness and alignment with suppliers in the Chinese Mainland. Step 1 is to engage with the suppliers to communicate our sustainability objectives, SBTs and actions for GHG emissions; Step 2 is to align with suppliers through a non-binding letters for decarbonisation commitment; Step 3 is to help the suppliers map their GHG by providing best practices and GHG inventory methodology; Step 4 is to measure the suppliers' performance through review and tracking their GHG emissions; Step 5 is to disclose the emissions and decarbonisation progress upon readiness and mutual agreement with the suppliers; Step 6 is to inspire our suppliers to benchmark and refer to the peers in the industry and share the best practices to improve across the supply chain.

Impact of engagement, including measures of success

We integrate sustainability into our procurement decisions and work with suppliers to identify opportunities to reduce the environmental footprint of our packaging and cold drink equipment (CDE). We use an internal tracking system to collect information on carbon emissions and recycled content for packaging sourced in the Chinese Mainland. In the U.S., sustainability is one of six dimensions against which we score potential packaging suppliers, including Quality, Innovation, Delivery, Sustainability, Cost and Relationship (QIDSCR). We share our sustainability requests and suppliers' responses with other Coca-Cola bottlers. Our procurement teams work with suppliers to identify or develop packaging and CDE options that help us meet our sustainability targets. In 2022, through proactive collaboration between our group-level Procurement team and our beverage cooler suppliers, the 'next generation' CDE, which operates at a 50% lower energy consumption compared to the current equipment, has been identified. As the new technology is phased-in across the Chinese Mainland, this will result in a significant reduction in Scope 3 emissions. We require recycling partners to comply with our Sustainable CDE End-of-Life Policy and will conduct on-site assessments to ensure CDE are dismantled and disposed of responsibly.

We have also taken various initiatives with the suppliers on packaging. We conducted a commercial trial to find a recyclable alternative to the non-recyclable nylon component in our bag-in-box (BIB) packaging, and replaced it with ethylene vinyl alcohol (EVOH). Additionally, we searched for a 100% recyclable pouch to package our Aquarius powder in the Hong Kong SAR. We have also made it mandatory that the paper used to package multi-pack cans in the Chinese Mainland comes from certified sustainable sources. To further enhance our packaging options, we supported the launch of the 330ml sleek can in the Taiwan Region. Moreover, we worked with our suppliers to design a light-weight and sturdy handgrip for sales promotions of bundled products. Finally, we conducted trials using cans made from 40% recycled aluminum from used beverage cans in the Hong Kong SAR and 6% UBC in the Taiwan Region.

Comment

We partner with our suppliers to advocate for industry-shaping changes in legislation and regulation that will benefit our business, society and the environment. Increasing the recycled content in our packaging is one of our most significant opportunities to reduce Scope 3 emissions. In the Chinese Mainland, collection rates for UBCs and PET bottles can be as high as 99% and 95%, respectively. Due to regulatory restrictions, however, the collected material is not currently being recycled into food-grade packaging. We provided technical support and leveraged our network to help two suppliers in the Chinese Mainland test a chemical and mechanical process for rPET, achieving 25% and 100% recycled content, respectively. They have or are expected to become approved suppliers of TCCC. We help these suppliers connect to

our global bottler network. Together with the China National Research Institute of Food & Fermentation Industries (NFI), eight brands and 15 suppliers, we have established a working group to advocate for using recycled aluminium (rAL) from UBCs in the Chinese Mainland. In collaboration with other beverage producers, we encouraged our aluminium sheet suppliers in the Chinese Mainland to study the feasibility of incorporating pre-consumer aluminium scraps into new sheets (closed-loop recycling). In 2022, our supplier produced sheets containing about 3% recycled aluminium industrial scrap. In 2022, we supported the development of an association standard, “Recycled aluminium alloy sheets and containers in contact with food”. The standard applies to rAL sheets used to make beverage packaging. It defines key terms and specifications, methods for testing and inspection, and proposed requirements for product markings, packaging, transportation, storage and quality certification. This will enable organisations in the beverage can value chain to standardise their approach to closed-loop rAL.

We will continue to use the Six-Step Approach to support our suppliers to reduce at least 30% GHG emissions across their own value chain by 2030, and roll out the approach to our other markets as appropriate.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation	Run a campaign to encourage innovation to reduce climate change impacts
----------------------------	---

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

In 2007, Cathay Pacific launched a carbon offset programme FLY greener, which is the first by an Asian airline. The programme is part of Cathay Pacific's ongoing effort to engage with all passengers on climate change issues. Passengers can contribute to projects that reduce CO2 emissions, and increase their awareness on climate change issues. Under the same programme, they offset the CO2 of staff travelling on business, who are also passengers on its airlines. Link to our Fly Greener webpage can be found in all e-ticket issued by Cathay Pacific, therefore reaching all our customers.

Impact of engagement, including measures of success

Cathay Pacific has been offering a carbon offset programme since 2007. Customers may purchase carbon offsets using cash or frequent flyer miles. In 2022, a total of 32,565 tonnes of carbon emission produced by our operations were offset by the programme. This included 801 tonnes contributed by our corporate clients, 30,083 tonnes for a promotional campaign and 1,681 tonnes by individual customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)
-------------------------------	---

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

Energy Audit & Green Shop Alliance

Rationale: % include Tenant

Impact of engagement, including measures of success

Impact & Measure of success: The potential energy saving can help in reducing Group's Scope 3 emissions (Leased Assets Upstream or Downstream)

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services
-------------------------------	---

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

Healthy Living Campaign & World Without Waste Goal

Rationale: 100% - Customers (depend of % of products/packaging)

Impact of engagement, including measures of success

Impact & Measure of success: Reduce in sugar % production, Food Safety & Clear Labelling

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Green Finance - We are committed to integrating sustainability considerations into our financing mechanisms. We have been incorporating sustainability into our annual budgeting process to plan the capital required to realise our decarbonisation goals. It ensures adequate resources are allocated towards mitigating and adapting to climate-related risks and to fully recognise opportunities to building our climate resilience. A total of HKD 3,159 million has been budgeted as

the future three-year (2023 to 2025) forecast expenditure for climate-related projects, including funds generated from ICP.

Since 2018, we have obtained green financing through a number of green bonds, green loans and sustainability-linked loans. These fund green projects related to renewable energy, energy efficiency and climate change adaptation. We issue an annual Green Finance Report 2022 that provides information on projects funded by the green bonds and green loan and their estimated quantitative environmental impacts, including energy and water savings, renewable energy generation and wastewater management impacts. In 2022, approximately 60% of our current bond and loan facilities were in a green format. In 2023, Swire Properties will begin piloting the use of internal carbon pricing (“ICP”) to drive our transition to a low-carbon economy.

Our New Ventures department works with investors, accelerators and experts from around the world to source new technologies that add strategic value to our operations, including low-carbon technologies. In 2019, we launched UrbanLab, the first corporate accelerator programme in the Chinese Mainland to focus on PropTech to foster the application of innovative technology solutions relevant to the real estate sector. In 2020, we established a new USD50 million corporate venture capital fund which will be used to invest in relevant and innovative technology companies to help fuel the Company’s ongoing creative and digital transformation.

Pioneering Programmes & Extensive Tenant Engagement

Cutting-edge technologies include energy initiatives such as an integrated photovoltaics (“PV”), fuel cell & direct current (“DC”) microgrid solution at Taikoo Li Sanlitun in Beijing, which can generate and store solar energy, as well as distribute it more efficiently. This breakthrough solution is set to launch in 2022 at selected locations, and is expected to reduce carbon emissions by 10%.

To further improve energy efficiency, the Company continues to roll out a cloud-based smart energy management platform across its portfolios around the world, to generate energy-saving insights through artificial intelligence (“AI”) and big data analysis. In Hong Kong, the smart platform has helped Cityplaza save over 200,000 kWh of energy over three months between June and August 2021; equivalent to the monthly electricity consumption of 500 typical four-person households.

Through the Joint Research Centre for Building Energy Efficiency and Sustainability, the Company will continue to work with Tsinghua University to develop and test new methods to increase energy efficiency and improve the environmental performance of its developments.

Aviation Climate Taskforce (ACT)

This year, Cathay Pacific joined with a group of like minded organisations as founding members together with Boston Consulting Group and a few other airline leaders to confound the Aviation Climate Taskforce (ACT), a new non-profit organisation established to accelerate the development of breakthrough technologies. ACT will support the advancement of emerging technologies through two key pillars, an Innovation Network and Collaboration Forum. The Innovation

Network will use proven tools to pinpoint collaboration opportunities across the ecosystem and provide grant funding as well as utilise challenge platforms to tackle critical barriers from novel angles. The Collaboration Forum will identify other ways to expedite the adoption and scale-up of next generation technologies. The majority of ACT's focus will be on critical medium-term solutions, such as synthetic fuel and direct air capture. It will also look at near-term solutions, such as emerging bio-based SAF pathways, and long-term solutions, such as hydrogen technologies. Through the ACT we will engage with experts, activists, policymakers, and thought leaders to help offer a clear way forward for the deployment of innovative technologies.

To foster climate action in the aviation industry as a whole, we actively involved in committees and organisations that would shape the industry's climate action plan. We have been part of International Civil Aviation Organisation (ICAO)'s CORSIA task force under the Committee of Aviation Environmental Protection (CAEP) that leads the aviation industry's work in developing proposals for a fair, equitable and effective global agreement on emissions. We also take part in the ICAO Fuel Task Group under the same committee which specialises in the adoption of sustainable aviation fuel.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

Swire Coca Cola require suppliers to demonstrate compliance to relevant regulations set out by the government as well as TCCC in accordance with SCCL's supplier qualification and relationship management systems.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

On-site third-party verification

Response to supplier non-compliance with this climate-related requirement

Suspend and engage

Climate-related requirement

Climate-related disclosure through a non-public platform

Description of this climate related requirement

As outlined in our Supplier Code of Conduct, suppliers should report their status and progress in priority environmental areas in relation to climate, waste and pollution upon our request. Cathay Pacific has a strong preference for suppliers whose goods or services can make a significant difference to reducing our environmental impact.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Suspend and engage

Climate-related requirement

Waste reduction and material circularity

Description of this climate related requirement

As outlined in our Supplier Code of Conduct, suppliers should have in place an effective policy and routine monitoring system or process for managing environmental issues in other areas such as water use, hazardous materials use, waste management, noise and other environmental aspects relevant to their operation. Meanwhile, they should adopt internationally recognised environmental management systems and guidance, such as ISO 14001 and ISO 50001, where applicable, and use pollution-controlling equipment, modify production and maintenance to minimise or eliminate generation of waste. Cathay Pacific has a strong preference for suppliers whose goods or services can make a significant difference to reducing our environmental impact.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Grievance mechanism/Whistleblowing hotline

Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Suspend and engage

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Other, please specify (To reduce carbon emissions from packaging materials and ingredients.)

Description of management practice

Tackling emissions across the supply chain demands collaboration. Working with TCCC and other stakeholders, by mapping out upstream and downstream emissions through engagement with suppliers and partners.

Your role in the implementation

Operational

Procurement

Explanation of how you encourage implementation

By compliance with comprehensive sets of principles and codes established by TCCC and company. Promote PSA with suppliers to achieve resilience and improvements in yield, efficiency, and positive environmental impacts. Collaborate with suppliers to foster awareness and encourage actions towards the triple bottom line.

Climate change related benefit

Emissions reductions (mitigation)

Increasing resilience to climate change (adaptation)

Comment

NA

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Cathay Pacific SD Report 2022 P.25

[Cathay -Pacific Sustainable-Development-Report-2022 EN.pdf](#)

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

The Board is ultimately accountable for sustainable development strategy and performance at Cathay Pacific. It is supported in its duties by three governance bodies that steer the Group's approach in sustainability matters under the leadership of the Chairman. They are the Sustainable Development Committee (SDC), Sustainable Development Steering Group (SDSG), and the Climate Actions Steering Group (CASG). The CASG has been set up to strengthen our governance in climate change mitigation. It is tasked with ensuring that the Group's approved climate change strategy, targets, and commitment are executed as

planned.

- Cathay Pacific was the first airline investor in Sustainable Aviation Fuel (SAF) manufacturer Fulcrum BioEnergy back in 2014. Cathay Pacific has also committed to buying 1.1 million tonnes of SAF over a 10-year period, enough to cover 2% of our operations. The use of SAF can reduce life cycle carbon emissions by up to 80%. In 2021, we committed to using SAF for 10% of Cathay Pacific's jet fuel consumption by 2030. We also signed an agreement with Aemetis, a renewable fuel supplier headquartered in the United States, together with oneworld Alliance members for the joint purchase of more than 350 million gallons of blended SAF.

- Cathay Pacific constantly renews its fleet as each new-generation aircraft can improve fuel efficiency by up to 25%. From 2017 to 2021, Cathay Pacific has taken delivery of 43 brand new

Airbus A350 aircraft. The Group has ordered 53 new aircraft for delivery in the coming years.

- Cathay Pacific was the first Asian carrier to introduce a voluntary carbon-offset programme. In 2021, a total of 27,280 tonnes of carbon emission produced by our operations were offset by the programme. To date, we have purchased over 300,000 tonnes of CO2 offsets.

- Cathay Pacific has also committed to reducing our ground emissions as a Group by 32% by 2030 and 55% by 2035, from the 2018 baseline. Our 2035 target formed part of our pledge signed in 2021 with Hong Kong International Airport, which underscored our commitment to net zero operations by 2050. This is in line with the science-based target to limit global warming to 1.5°C compared to pre-industrial levels.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

While Cathay Pacific supports emissions trading as one of the interim solutions to reducing aviation's emissions, we do not support the imposition of the European Union's Emissions Trading Scheme (EU ETS) to carriers based outside of Europe for several reasons. These include: • distortion of the market; • additional bureaucracy and cost; • no guarantee that revenue generated from the scheme will be directed into funding much needed climate change initiatives. We are members of the following organisations which engage policy makers on advocating emission strategies, commitments and implementations, through lobbying and responding to consultations: • International Civil Aviation Organisation (ICAO) - on emission

strategies and goals • International Air Transport Association (IATA) - on setting emission targets and implementation. Cathay Pacific Head of Environment has sat on IATA's Climate Change Task Force (CCTF) since 2011. CCTF is leading the industry's work to develop airlines' commitment to carbon neutral growth for 2020 (CNG2020) and to develop proposals for a global agreement on emissions under ICAO's leadership. • Aviation Global Deal (AGD) - in supporting a global solution to emissions - Cathay Pacific has been working with the AGD Group on a global solution to emissions that meets environmental and developmental needs whilst ensuring a level playing field in our industry, in full support of ICAO.

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate transition plans

Emissions – CO2

Policy, law, or regulation geographic coverage

Regional

Country/area/region the policy, law, or regulation applies to

Iceland

Liechtenstein

Norway

EU27

Your organization's position on the policy, law, or regulation

Oppose

Description of engagement with policy makers

Cathay Pacific has been calling for aviation emissions to be regulated under a global sectoral scheme under ICAO (as opposed to regional schemes such as the EU ETS) for four years, which we believe is more appropriate for the global nature of the industry. Nonetheless, we remain in full compliance with the EU ETS regulations but our commitment is towards seeking a global MBM solution that is fair, equitable and avoids market distortion.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

NA

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Emissions trading schemes

Specify the policy, law, or regulation on which your organization is engaging with policy makers

The Environmental Impact Assessment (EIA) for the Airport Authority Hong Kong (AAHK)'s Expansion of the Hong Kong International Airport project was completed and released for public consultation in July 2014. Cathay Pacific provided a consultation response. The EIA was endorsed with conditions by the Advisory Committee on the Environment, and the Director of Environmental Protection issued an Environmental Permit for the project in November 2014. Whilst Cathay Pacific acknowledged that aviation has an impact on the environment and climate change, the industry is working to ensure that we are also part of the solution in its commitment to achieve sustainable long-term growth, reduce its environmental impact whilst continuing to generate significant benefits for societies, tourism, world trade and economies. To support the EIA studies, Cathay Pacific has provided past emissions/engine performance, air traffic data and future forecast plans to AAHK. Cathay Pacific is also an active participant in the EIA technical briefing groups, and provided support on community liaison groups, exhibitions, and public forums.

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate transition plans

Policy, law, or regulation geographic coverage

Sub-national

Country/area/region the policy, law, or regulation applies to

Hong Kong SAR, China

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Cathay Pacific fully support AAHK's efforts in developing a comprehensive Environmental Impact Assessment (EIA) that fully complies with Hong Kong's regulations, responds to stakeholder concerns, proposes relevant and appropriate mitigation measures and is guided by international best practice. It is also expected that AAHK will ensure that the construction of a 3rd runway will be undertaken with the least impact to the environment and that the mitigation measures proposed will be fully implemented.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Environmental Impact Assessment

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Business Environment Council - a Hong Kong based Corporate Membership NGO)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Our position on the need for Hong Kong to decarbonize in -line with the level of ambition set within the Paris agreement is aligned with BEC's own position. As a Board member we are able to ensure that their policy feedback submissions to government are aligned with this position. We participated Low Carbon Charter Scheme organised by BEC and signing up to participate in the Net-Zero Carbon Charter Scheme organised by BEC

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

0

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

International Air Transport Association

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

At the 77th IATA AGM in 2021, the AGM approved a resolution for the global air transport industry to achieve net-zero carbon emissions by 2050. This commitment will align with the Paris Agreement goal for global warming not to exceed 1.5°C. This is in line with Cathay Pacific's position.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

90828.95

Describe the aim of your organization's funding

The above funding ensures Cathay Pacific remains its status as an IATA member to be part of its committees and working groups for policy advocacy, and standard setting and adoption in the areas of sustainability and climate change.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

Research organization

State the organization or individual to which you provided funding

Swire Coca Cola:

Drink Without Waste (#DWW)

Tsinghua University

Swire Properties Limited:

World Green Building Council's Project Taskforce, which developed and introduced the Asia Pacific Embodied Carbon Primer.

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

0

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Swire Coca-Cola: Drink Without Waste is a coalition of concerned stakeholders who have come together to achieve a common goal - to reduce waste generated from beverage consumption and to keep all soft drink primary packaging from entering landfills. It made up of major beverage producers and bottlers including Swire Coca-Cola, retailers, NGOs and the waste management industry. In 2019, #DWW began exploring ways to try and influence the

Government to design an industry-led Producer Responsibility Scheme (PRS) under Hong Kong's legal and regulatory framework. In 2021, the Government received overwhelming support to launch a producer responsibility scheme for beverage containers during its 3-month consultation. It is anticipated that the legislation will be implemented in 2024.

SPROPS: Swire Properties is a member of the World Green Building Council's Project Taskforce, which developed and introduced the Asia Pacific Embodied Carbon Primer. The primer includes a case study about how it worked with supply chain partners to adopt low-carbon construction materials at One Taikoo Place and its enhanced material specifications. Since 2011, Swire Properties has worked with Tsinghua University through the Joint Research Centre for Building Energy Efficiency and Sustainability to develop and test methods of increasing energy efficiency and improving the environmental performance of its properties.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

[SCC SR2022 Full EN.pdf](#)

[SwirePacific-SDReport-2022-EN \(1\).pdf](#)

Page/Section reference

Full document of Swire Pacific, LTD, Swire Coca Cola and Swire Properties Limited reports.

Swire Pacific Report - Page 15

Swire Coca Cola - Page 90

Swire Property,

https://sd.swireproperties.com/2022/pdf/en/SwirePropertiesSustainableDevelopmentReport2022_EN.pdf, Page 221

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures
Emission targets

Comment

NA

Publication

In mainstream reports

Status

Complete

Attach the document

[Cathay -Pacific Sustainable-Development-Report-2022_EN.pdf](#)

Page/Section reference

Cathay Pacific, https://sustainability.cathayair.com/wp-content/uploads/2023/04/Cathay-Pacific_Sustainable-Development-Report-2022_EN.pdf,
Page 109

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics

Comment

With reference to TCFD recommendations

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C Global Reporting Initiative (GRI) Community Member Task Force on Climate-related Financial Disclosures (TCFD)	SPAC is a Council Member of BEC, a Base Member of WBCSD, and a supporting member of GRI Community. Swire Properties is a TCFD supporter and also a TNFD taskforce member, providing inputs to the Taskforce to develop the TNFD framework. Swire Properties and Swire Coca-Cola have both signed up to Business Ambition for

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
	Task Force on Nature-related Financial Disclosures (TNFD) World Business Council for Sustainable Development (WBCSD) Other, please specify (Business Environment Council's (BEC))	1.5C. Swire Properties has put in place approved 1.5C-aligned science-based targets to support the delivery of net-zero emissions before 2050, while Swire Coca-Cola has amplified their commitment to reducing emissions in line with the Paris Agreement goals.

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Soil

Water

Description of impacts

Within our supply chain, suppliers use fertilizer for the growth of agricultural products such as beet, cane, corn and tea. Pollutants from fertilizers impacting water quality include ammonia and nitrates. They can potentially cause eutrophication and impaired oxygen transport in

blood respectively. The Product Water Footprint Assessments carried out by TCCC and the Nature Conservancy in 2010 indicates that nitrate and ammonia from fertilizer could be leached from the crop field of sugar beet and enter groundwater. Our facility level Source Vulnerability Assessments suggested that surface run-off and improper wastewater treatment can also cause water contamination with fertilizers, impacting ecosystems and downstream water users. The scale of the impact is mostly localised to the immediate downstream area, but can vary depending on the crop field size and quantity leached. Risk management with regard to the use of these chemicals are stipulated in TCCC's Operating Requirements. To further mitigate impact of our supply chain operation on water quality, we use PSA as a framework to assess our suppliers' sustainable agriculture practices, including their application of fertilizers and wastewater treatment and land management practices, through third party verification.

Have any response to these impacts been implemented?

Yes

Description of the response(s)

We adopt the Principles for Sustainable Agriculture (PSA) to manage our suppliers of key agricultural ingredients, including sugar beet, cane and corn. The Principles is adopted as it provides a comprehensive set of approaches to mitigate fertilizers-related water pollution risk in our agricultural supply chain, where fertilizers application mostly occurs. The PSA includes management requirements on agrochemicals handling, transport, storing, application, and disposal in accordance with all applicable laws to prevent negative impacts on human health and the environment, minimising reliance on agrochemicals, land management practices to minimise soil erosion and impacts of diffuse pollution on surface and groundwater bodies, and management of treatment systems for all wastewater discharges to prevent degradation of receiving water bodies. Based on these requirements, we target to achieve 100% compliance with PSA verified through third-party assessment by 2025. Our measure of success is increase coverage of our supplier's corn field in Chinese mainland with third-party verified PSA, year on year. Audit on each principle of PSA is carried out for such purpose. In managing the potential impact of water pollution to our business, we follow standard internal requirements of water and wastewater treatment and testing throughout our value chain. And strictly monitor quality of incoming water, beverages products and wastewater (including fertilizers-related parameters such as nitrogen, ammonia and dissolved oxygen) as a measure of management effectiveness and compliance to relevant regulations and our internal standards. The absence of contamination-related incidents (e.g. product recalls and fines) is an additional indicator of success.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	The Board is ultimately accountable for sustainable development strategy and performance at Swire Pacific . It is supported in its duties by three governance bodies that steer the Group's approach in sustainability matters under the leadership of the Chairman. They are the Sustainable Development Committee (SDC), Sustainable Development Steering Group (SDSG), and the Climate Actions Steering (CASG). The SDSG covers a range of sustainable development topics including biodiversity, sustainability in operations, human trafficking, and modern slavery.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to avoidance of negative impacts on threatened and protected species Commitment to no trade of CITES listed species Other, please specify (Commitment to sustainability considerations, Procurement of certified sustainable food items)	CITES

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations

Upstream
Downstream

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

ENCORE tool
IBAT - Integrated Biodiversity Assessment Tool
TNFD - Taskforce on Nature-related Financial Disclosures

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

Swire Properties has guidelines to integrate biodiversity considerations into new developments and targets a minimum 20% site coverage of greenery. In 2022, Swire Properties' Deputy Head of Sustainable Development joined the Taskforce on Nature-related Financial Disclosures (TNFD) as a member, providing inputs to the Taskforce to develop the framework. It also partnered with the World Business Council for Sustainable Development (WBCSD) to pilot the TNFD beta framework.

The Encore and IBAT tools are used to define biodiversity risk by industry and region, including site-specific biodiversity risk analysis. We have conducted high-level biodiversity risk analysis, and use these assessments to determine our risk profile and strategy.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments	SwirePacific-SDReport-2022-EN (1).pdf biodiversity.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Swire Pacific are developing carbon offset guidelines that prioritise the purchase of verified high-quality carbon offsets that offer co-benefits such as protecting or enhancing biodiversity in addition to neutralising emissions.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Executive Director of Swire Pacific Ltd	Director on board



Still need help? [Contact us.](#)

© 2024 CDP Worldwide

Registered Charity no. 1122330

VAT registration no: 923257921

A company limited by guarantee registered in England no. 05013650

[Accredited solutions providers](#)

[Offices](#)

[Staff](#)

[Trustees, board and advisors](#)

[Cookies](#)

[Privacy](#)

[Terms & Conditions](#)

[Careers](#)

[LinkedIn](#)

[Twitter](#)

[YouTube](#)

[Vimeo](#)