Climate-related financial disclosures

Swire Pacific started producing annual disclosures that consider the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) in 2018. Those recommendations were fully incorporated into the IFRS Foundation's ISSB standards in 2023 and inform the disclosure requirements of Hong Kong Exchanges and Clearing Limited as it moves to fully align with these international standards.

The following statement, structured in line with the HKEX ESG Code Appendix C2 Part D, details the risks and opportunities presented by climate change, their implications for our businesses, and actions we are taking to respond.

In 2024, Swire Pacific also became an adopter of the Taskforce on Nature-related Financial Disclosures (TNFD). Please refer to Nature for how we are approaching nature-related risks and opportunities.

Governance

Describe the organisation's governance around climate-related risks and opportunities.

- The Swire Pacific (SPAC) Board, led by the Executive Chairman, has ultimate accountability for climate change-related strategies and the decarbonisation performance of all subsidiaries under Swire Pacific.
- The Board is briefed biannually by the Group Head of Sustainability on climate-related issues and our performance against our decarbonisation targets.
- The Group Finance Director of Swire Pacific has responsibility for the Group sustainability strategy (including Climate Change) and the Group Sustainable Development Office.
- The Board is kept informed of climate risks by the Group Risk Management Committee (GRMC) and Swire Group Sustainability Committee (SGSC), both of which report to the Board via the Audit Committee.
- Swire Pacific maintains a three lines of defence risk governance structure. The first line of defence includes the SGSC, Swire Group Environment Committee (SGEC) and SwireTHRIVE working groups, including the Climate, Water, and Nature working groups. They comprise representatives from our divisions and are responsible for identifying and managing specific areas of risk, proposing policies and reporting performance to the GRMC.
- The Swire Pacific Risk Management Committee (SPACRMC) and four risk forums, including the Environmental, Social, and Governance Risk Forum, are in place to strengthen oversight of risks, including climate change-related risks (see ESG risk management).
- The GRMC, SPACRMC and the risk forums form the second line of defence, providing oversight and assurance to the Board and the Audit Committee that risks are being managed effectively.
- The third line of defence is the internal audit function of the Group and the audit functions in our operating companies.
- The Board provides oversight over all the three lines.
- At a Group and operating company level, we conduct regular risk identification and analysis and review management processes. These exercises result in corporate risk registers, in which the long term effects of climate change have been identified as a top risk.
- To provide additional oversight and direction, the Group Head of Sustainability reports periodically to the Board and leadership team on sustainability matters.
- Both the Board and leadership team have sufficient knowledge of climate-related issues and the impacts of such issues on the company's business and operations. Regular training on climate-related issues is provided to ensure that they are kept abreast of the latest developments. In 2024, the Board received training on ESG trends including climate change and climate-related risks, and emerging dislosure regulations.
- Regarding the potential financial impact climate change may have on the Company, the Environmental, Social, and Governance Risk Forum provides updates to the Group Risk Management Committee and the Audit Committee.
- The Group Head of Sustainability is also required to periodically update the Audit Committee on the governance and oversight of ESG operating and external reporting matters, and reports to the ESG Risk Forum and the Audit Committee on the assessment and management of material environmental and social risks.
- We have conducted a double and dynamic materiality review to gather feedback from internal and external stakeholders through qualitative interviews and focus groups. The topics of climate mitigation, climate adaptation, as well as water and waste management were identified as material issues for our business continuity and development. These issues align with the environmental priorities under SwireTHRIVE.

FIRST LINE

Swire Group Sustainability Committee (SGSC)

Swire Group Environmental Committee (SGEC)

SwireTHRIVE working groups

- Formulate and review climate strategy
- Propose targets and initiatives
- Review the management of climate risk
- Plan and implement climate change mitigation and adaptation policies and measures
- Facilitate the integration of climate-related issues into daily operations

2024 activities

- Updating scope 3 inventory
- Ongoing pilot of a Group Internal Carbon Pricing mechanism
- Undertaking renewable energy market assessment
- Recalibration of emissions reduction target and baseline
- Assessing maturity of the Group's just transition efforts

SECOND LINE

Group Risk Management Committee

SPAC Risk Management Committee

Environment and Social Governance Risk Forum

- Oversees the management of risks relating to climate change and to the sustainability of the businesses, products and services of the Company and its business units
- Review any significant climate change risks and opportunities
- Provide objective support, feedback and ultimately assurance to the Group via the GRMC, that all climate risks have been identified and are being managed

2024 activities

- Establishment of SGSC
- GRMC reviewed Group and divisional risk registers and assessed effectiveness of controls
- Risk Forums met a total of 9 times in 2024, advising GRMC on emerging risks including climate risk
- SGSC reviewed Group and divisional climate risk assessments

THIRD LINE

Group Internal Audit Department

- Provide a second opinion as to whether the internal controls, mitigations and crisis response measures are effective

2024 activities

- Conducting an audit of sustainability (including Climate Change) policy adoption across the Group

Swire Pacific Board of Directors

- Received training on ESG trends and risks including climate change and new climate-related disclosure requirements
- Accountable for sustainability matters including progress against our 2030 key performance indicators including GHG emissions reduction
- Approve targets related to Swire Pacific's decarbonisation

Board / Leadership Team
Committee
SwireTHRIVE working groups
Department

Describe management's role in assessing and managing climate-related risks and opportunities

- The Chairman, Finance Director, and divisional heads meet at least twice a year to consider sustainability matters. These meetings provide direction and oversight to the SGSC, which comprises divisional sustainability and finance heads and is chaired by the Finance Director of Swire Pacific. The SGSC meets three times a year. It has the following responsibilities related to climate change:
  - Ensuring the Group operates sustainably with a consistent, transparent, and coordinated approach
  - Achieving sustainable growth by maintaining & enhancing the Group's economic, environmental, human, technological, and social capital in the long term
  - Identifying and effectively managing the Group's sustainability-related risks and related governance
  - Adopting sustainability-related industry best practice across the Swire Pacific Group
- Our Climate Change Policy guides our approach to climate change mitigation, adaptation, and resilience.
- Climate change and the management of waste and water resources are priorities under the SwireTHRIVE strategy.

Strategy

Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

- Climate change poses increased risks for our business. Flooding, extreme weather events, and increasing temperatures can adversely affect our assets, operations, employees and suppliers. There are also regulatory, market, and reputational risks.
- Climate change is captured in the risk registers at both Group and operating company levels and is discussed in our Annual Report 2024 and Sustainability Report.
- Climate change also creates opportunities as it stimulates business innovation and facilitates the transition to a lower carbon economy. By developing low-carbon and climate-resilient buildings, products, and services, we can meet increasing market demand and mitigate the potential operational costs from extreme weather conditions, such as maintenance and insurance premiums. We have sustainability-linked loans and are committed to integrating sustainability considerations into our future financing mechanisms.

Describe the impact of climate- related risks and opportunities on the organisation's businesses, strategy, and financial planning.

- An analysis of our climate-related risks and opportunities follows in:
  - Key climate-related physical and transition risks
  - Key climate-related opportunities
- Due to the high levels of associated emissions in our aviation investments, we have included a summary of their potential climate-related risks.
- Refer also to the Swire Properties, Swire Coca-Cola, and Cathay Pacific Sustainability Reports for more information on their climate risks assessments.

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

- We are assessing the implications of different long-term climate scenarios. Our Sustainable Development Office and risk functions are working together to assess the robustness of our climate strategy and the uncertainties associated with its execution.
- After the consideration of mitigating strategies, our analysis shows that there is an overall low to moderate risk of physical climate impacts for our global portfolio of assets, in all assessed climate scenarios. This is attributed to the strength of our adaptive capacity and mitigation measures.
- Similarly, the analysis shows our business and sustainability strategies allow us to effectively manage the risks associated with a transition to a net zero economy.

Explore more

ESG risk management

Assessing materiality

Waste

Water

Nature

Further reading

Swire Pacific Annual Report 2024

Swire Pacific Climate Change Policy

Swire Pacific Group Companies Sustainability Reports

● Low ● Moderate ● High

Risk category	Risk	Financial implications	Potential impact rating[1]				Mitigating strategies
			Short-medium term (2030)		Long-term (2050)		
			Low Carbon	High Carbon	Low Carbon	High Carbon	
Physical risks							
Acute	• Coastal and fluvial flooding	• Potential asset damage • More spending to improve the adaptive capacity of our assets and to mitigate adverse effects	●	●	●	●	• We have identified short and medium-term mitigation measures for individual buildings, which include: – Upgrade of flood protection measures and alert systems – Glass façade inspections – Smart Monitoring Systems
	• Typhoons		●	●	●	●	
Chronic	• Extreme temperatures and heat stress	• Lower productivity due to extreme heat • More spending on cooling	●	●	●	●	• Chiller efficiency improvements • Energy Efficiency Policy implementation • Health & Safety Policy implementation
	• Water stress and drought	• Decreased production volume due to reduced water supply • More spending to improve water efficiency of our assets	●	●	●	●	• Conduct water risk assessments (Source Vulnerability Assessments (SVAs)) for all bottling plants • Prepare and implement Water Management Plans for all bottling plants

Risk category	Risk	Financial implications	Potential impact rating[1]				Mitigating strategies
			Short-medium term (2030)		Long-term (2050)		
			Low Carbon	High Carbon	Low Carbon	High Carbon	
Transition risks							
Policy / Regulatory	• Carbon pricing for manufacturing and construction	• Incurrence of carbon taxes and more spending on offsets	●	●	●	●	• Implement internal carbon pricing • Develop Group Carbon Removal Strategy
	• More ambitious national decarbonisation plans and tighter building energy codes	• More spending to improve energy efficiency and to meet compliance	●	●	●	●	• Reduce our scopes 1 and 2 emissions by 50% by 2030 and achieve net zero emissions by 2050 in-line with the NDCs from Hong Kong and the Chinese Mainland • Sustainable Building Design Policy implementation: all new residential and commercial buildings with construction floor area (CFA) of more than 5,000 m^2 to obtain a minimum of the second highest relevant grade or above under an internationally or locally recognised Green Building certification • In 2024, 100% of wholly owned new projects under development achieved the highest green building rating and 96% of wholly owned existing buildings were certified green buildings • Energy Efficiency Policy implementation: commit our businesses to adopt industry best practices to improve energy efficiency in their operations
	• Increasing focus on scope 3 emissions	• Increased supply chain costs • Increased reporting and compliance costs	●	●	●	●	• Map our scope 3 emissions across all sope 3 categories • Pilot the use of a sustainability intelligence platform to improve visibility of scope 3 emissions • Engage with key packaging suppliers on use of recycled materials • Set embodied carbon targets for new developments

Risk category	Risk	Financial implications	Potential impact rating[1]				Mitigating strategies
			Short-medium term (2030)		Long-term (2050)		
			Low Carbon	High Carbon	Low Carbon	High Carbon	
Reputational	• Increasing reputation and litigation exposure • Accusations of greenwashing	• Potential revenue reduction due to changes in consumer preferences • Litigation costs	●	●	●	●	• Set short- and medium-term targets and make longer-term net zero commitment • Develop Climate Transition Plan to outline our roadmap net zero • Regularly report on our performance against targets • Swire Coca-Cola and Swire Properties set decarbonisation targets that have been approved by SBTi

1. Potential financial impact rating (low, moderate, high) is based on inherent climate risk scores, and does not consider climate risk mitigation strategies. On the basis of this assessment and our current mitigation strategies, we have not identified any material climate risk. We align the modelled financial impacts of physical climate risks with the financial impact dimension of our enterprise risk management process to determine what we consider a high, medium or low financial impact (Low = up to HK$100m; Moderate = HK$100m-1bn; High = HK$1bn+).

Investments[1]

Risk category	Risk	Financial implications	Time horizon	Mitigation strategies
Physical risks				
Acute	• Coastal flooding	• Flight delays and diversions due to flooding at airports, customer compensation, and physical damage to aircraft and other assets	• Long-term	• Majority of Cathay Pacific flights are to or from the Hong Kong International Airport (HKIA). They work closely with the Airport Authority Hong Kong (AAHK) in assessing medium to long-term climate resilience at HKIA
	• Tropical cyclones	• Flight delays and diversions, customer compensation, and physical damage to aircraft and other assets (e.g. hangars at airports)	• Long-term	
Chronic	• Extreme temperatures and heat stress	• Lower productivity due to extreme heat • Restrictions on working outside	• Long-term	
Transition risks				
Policy / regulatory	• Carbon pricing for aviation	• Carbon taxes and more spending on offsets	• Medium – Long-term	• Fuel efficiency improvements • Fleet renewal • Commit to using Sustainable Aviation Fuel (SAF) for 10% of Cathay Pacific jet fuel consumption by 2030 • Invest in SAF manufacturer Fulcrum BioEnergy • SAF offtake agreements in place with several suppliers • Corporate Sustainable Aviation Fuel Programme • Introduce shadow carbon pricing for investments that impact jet fuel consumption • Establish 2030 fuel efficiency target
Reputational	• Vilification of aviation – flight shaming	• Reduced revenues from lower demand for air travel	• Medium – Long-term	
Market	• Changes in demand for products and services	• Reduced revenues from lower demand for air travel	• Medium – Long-term	

1. Investments section relates solely to Swire Pacific's associate company Cathay Pacific.

Key climate-related opportunities

Risk category	Risk	Financial implications	Time horizon	Strategies
Businesses where we have operational control				
Resource efficiency	• Use of more efficient production and distribution processes	• Lower operating costs due to higher energy efficiency	• Short – Medium-term	• Swire Properties has an Electricity Use Intensity target for its operations and provides free energy audits for tenants • Swire Coca-Cola has both Water and Energy Intensity targets to drive operational efficiencies
Products and services	• Increased market demand for climate-resilient, green energy efficient buildings	• Increased revenue due to potentially higher demand of green buildings • Increased revenue due to shifts in market preferences	• Medium – Long-term	• Sustainable Building Design Policy implementation • In 2024, 100% of wholly owned new projects under development achieved green building certification ratings
Market	• Sustainable financing (Sustainable Linked Loans and Bonds, Green Bonds)	• Diversified financing sources • Attract green investment • Lower costs of capital	• Short – Medium-term	• Sustainable finance, which represented approximately 55% of total financing across the Group at the end of 2024 • Swire Properties targets for at least 80% of its bond and loan facilities to come from green financing by 2030 • Around 70% of Swire Properties' current financing is from green bonds, green loans, and sustainability-linked loans
Investments[1]				
Resource efficiency	• Use of more efficient modes of transport	• Lower operating costs due to higher energy efficiency	• Medium-term	• Fleet Renewal – adding more fuel-efficient aircraft • Commit to improving carbon intensity by 12% from the 2019 level by 2030. At the end of 2024 it has achieved a 3% improvement in carbon intensity.
Energy source	• Use of lower-emission sources of energy	• Increased revenues from increased demand for products and services	• Long-term	• Commit to using Sustainable Aviation Fuel (SAF) for 10% of Cathay Pacific jet fuel consumption by 2030
Products and services	• Development and/or expansion of low emission goods and services	• Increased revenues resulting from increased demand for products and services	• Short-term	• Fly Greener provides their customers an opportunity to offset their carbon emissions from air travel • Corporate Sustainable Aviation Fuel Programme

1. Investments section relates solely to Swire Pacific's associate company Cathay Pacific.

Risk management

Describe the organisation's processes for identifying and assessing climate-related risks.

- We are assessing how vulnerable our businesses are to flood, heat stress, water stress, and extreme weather events.
- We are using the Climanomics tool provided by S&P to assess the climate risks to our businesses and the resulting financial implications.
  - We have assessed the physical climate-related risks to and opportunities for over 850 of the Group's most valuable assets (by insured value), under four climate change scenarios (RCP 2.6, 4.5, 6.0 and 8.5). This data has allowed us to accurately evaluate the exposure of specific assets and operations in selected timeframes, from the short- to medium-term (2030) to the long-term (2050).
  - We have considered the impact of carbon pricing transition risks based on the carbon pricing models included in IPCC Shared Socioeconomic Pathways SSP3-60 and SSP3-45.
  - Via the Climate working group we worked with a consultancy to incorporate the results from the Climanomics assessment into a broader climate scenario analysis. A summary of the results of this exercise can be found in this report. A similar exercise was conducted for our Beverage Division.
  - The findings will be used as an input for the assessment of climate risk using the Group's ERM framework.
- We have developed two distinct and plausible climate change scenarios to stress test the resilience of our business and strategy to varying future operating environments.
- The scenarios used by Swire Pacific have been informed by several publicly available climate scenarios from recognised authorities including the International Energy Agency ("IEA"), the Network for Greening the Financial System ("NGFS"), and the IPCC who developed the Shared Socio-Economic Pathways ("SSPs"). The scenarios incorporate global and local government policies, environmental, economic, social, and technology indicators and market trends. The scenarios are not intended to be predictions of the future; rather, they seek to stress-test our business against several plausible future states. The scenarios look at time horizons, a short-medium term of 2030, and long- term of 2050.
  - **High Carbon Scenario:** Represents a 'business as usual' world which does not forcefully pursue decarbonisation, and where no additional action is taken above the current policies that are in place. Emissions slow to a plateau in the 2030s and fall slightly by 2050. Almost all the net growth in energy demand to 2050 is met by low emissions sources, but this leaves annual emissions at around current levels. As a result, global average temperatures continue to rise, passing the 1.5°C mark around 2030 and expected to hit 2.6°C above pre-industrial levels in 2100. The focus for stakeholders under this scenario is on adaptation as the world fails to transition to a low-carbon economy.
  - **Low Carbon Scenario:** Represents a world where global warming is limited to 1.5°C through stringent climate policies, innovation, and demand-led change reaching global net zero CO_2 emissions around 2050. In addition to meeting all current net zero pledges, additional pledges from countries are met and there is a significant increase in public and private investment into green technologies. The share of renewables in the global electricity supply increases to more than 60% by 2030 and there are much more stringent government policies such as stricter energy efficiency building codes, significant uptake of Sustainable Aviation Fuel, and the use of recycled material in packaging. Carbon prices are introduced across all regions and rise on average to USD$130 per tonne by 2030 and to USD$250 per tonne by 2050.
- These scenarios together represent balanced science-based scenarios that offer a contrast between the best-case and worst-case scenarios for us to sufficiently consider the risks and opportunities posed by climate change that could potentially impact our business operations and our value chain. They have been used by Swire Pacific and with Swire Coca-Cola in workshops to identify and assess climate risk.
- Swire Properties have conducted detailed asset-level assessments to evaluate the degree of sensitivity and adaptive capacity of individual developments under the potential impacts of climate change. These assessments consider system robustness such as existing flood prevention systems and façade conditions; system redundancy, such as the capacity of chillers and water supply; and susceptibility to past extreme weather events.
- Cathay Pacific has carried out scenario analysis using four different scenarios building upon key insights and evidence on global, local and sector-specific drivers and trends. Within each scenario, key drivers of change were identified, ranging from climate impacts on flight operations to political will, to the emergence of transformative technologies. Please refer to Cathay Pacific's sustainability report.

Describe the organisation's processes for managing climate-related risks.

- Our Climate Change Policy deals with decarbonising our businesses and managing and adapting to climate risk.
- Through the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, we manage our operational risks related to climate change, carbon and energy management. For example, our Property Division manages its daily operational risks related to climate change, carbon and energy management. As of 31st December 2024, approximately 99% of its properties (measured by GFA) in Hong Kong and the Chinese Mainland are certified to the ISO 14001 and ISO 50001 management systems.
- We have set ambitious 2030 decarbonisation targets (see Metrics and targets section below). Our goal is to achieve net zero carbon emissions by 2050.
- Our sustainable development fund (SD Fund) makes available up to HK$100 million per year for sustainable development projects. It is available for investments in sustainability technologies and solutions that would not otherwise meet our financial targets. In 2024, we funded trials of new technologies intended to help our operating companies meet their carbon, water and waste targets.
- Our business continuity plans cover extreme weather events. We have a Business Recovery Plan in place to ensure that we maintain critical crisis planning and execution capabilities in the event of major incidents, including extreme weather events. Swire Properties has local crisis response plans for all its buildings.
- In 2023, we began piloting the use of internal carbon pricing (ICP) within Swire Properties, Swire Coca-Cola and HAECO. These companies, collectively account for over 96% of our scope 1 and 2 emissions. We have adopted a hybrid ICP model which includes:
  - **Carbon Fee:** By linking each unit of CO_2 emissions to a fixed cost, our business units will be further incentivised to integrate low-carbon considerations into their business decisions. Budgets calculated through the fee are set aside for decarbonisation projects that drive or provide additional carbon reduction.
  - **Shadow Carbon Price:** 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.
- To reduce embodied carbon from 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, 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.
- Swire Properties is a leader in developing certified green buildings that are energy-efficient and low-carbon by design and in operation. In 2024, 100 of its wholly owned new projects under development achieved the highest green building rating, 96% of its wholly owned existing buildings were certified green buildings, and more than 97% of its 2024 gross rental income came from certified green buildings.
- Since 2011, Swire Properties have worked 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. This collaboration continues to generate substantial energy savings and allows us to communicate and share new ideas and practices with our employees, business partners, industry peers and other researchers.
- Swire Properties integrates sustainability criteria into the risk assessment process for new acquisitions, including climate adaptation and resilience, flood risk assessment, energy efficiency and carbon emissions.
- Swire Coca-Cola has identified a 'next generation' Cold Drinks Equipment (Vending Machines, Fridges etc.) that uses 50% less energy compared with the current equipment. Implementation of this new equipment across the Chinese Mainland, will result in an estimated reduction in scope 3 emissions by 2030 that equates to just over a third of the overall reductions required to meet its Science Based Target (SBT).
- Swire Coca-Cola has committed to sourcing 100% Renewable Energy by 2026. They are investing in solar photovoltaic (PV) systems on their sites and purchasing renewable energy from electricity retailers and utilities. In 2024, 42% of their total electricity use was from renewable sources.
- Swire Coca-Cola uses independent third parties to assess water risk for its bottling plants, so as to form source vulnerability assessments. The findings are integrated into source water protection plans and are regularly reviewed.
- We support the efforts of the Hong Kong Business Environment Council to promote awareness of climate change in the business community through their Net-zero Carbon Charter.

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.

- Climate-related risks are identified and managed as part of our ERM system at both a Group and operating company level.
- Climate change has been identified as one of our top ten risks in our Group risk register. Climate risk, along with all other top risks, are reviewed by the Risk Forums and the Group Risk Management Committee on a quarterly basis.
- More details on our approach to risk management can be found in the Risk management section of this report and the risk management section of the Annual Financial Report.

Explore more

ESG risk management

Further reading

Swire Pacific Annual Report 2024 - Risk management

Metrics and targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

- The methodology used to calculate our KPIs can be found in our Reporting Methodology document. The metrics used by our operating companies can be found in their own sustainability reports.

Disclose scope 1, scope 2, and, if appropriate, scope 3 GHG emissions, and the related risks.

- We measure and report our energy consumption and the scope 1, 2 and some scope 3 carbon emissions from our operations in accordance with the listing rules of Hong Kong Exchanges and Clearing Limited and in line with the GHG Protocol.

Further reading

Swire Pacific Reporting methodology

Swire Pacific Group Companies Sustainability Reports

Metric	Unit of measure	2020	2021	2022	2023	2024[1]
Carbon emissions (scope 1 and 2) – market-based method	Tonnes of CO_2e	763,000	662,000	569,000	597,000	473,626
Carbon emissions (scope 3)	Tonnes of CO_2e	-	-	7,381,000	10,468,000	12,673,575
Total electricity used by the Group from non-renewable sources	Million kWh	861	828	755	812	646
Total renewable electricity generated on our sites	Million kWh	21	21	22	30	36
Total renewable electricity procured	Million kWh	12	103	126	180	280
% of total electricity used by the Group, generated from renewable sources	%	3.6	13.0	16.4	20.5	32.9
Proportion of Group financing from sustainable finance	%	14	18	35	47	55
Proportion of wholly owned existing buildings which are certified green buildings[2]	%	97	96	95	94	96
Proportion of wholly owned projects under development which are certified green buildings[2]	%	100	100	100	100	100
Gross rental income contributed by certified green buildings[2]	%	>98	>98	>98	>97	>97

1. An increase in our value chain emissions was driven by our Aviation division through the effects of a steady post-pandemic recovery on Cathay Pacific and HAECO.
2. Includes portfolios under Swire Properties only.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

- Swire Pacific has set a target to reduce scope 1 and 2 carbon emissions by 50% by 2030 (compared to a 2018 baseline).
- Our operating companies' targets are science-based targets or are set by reference to Nationally Determined Contributions (NDCs) or, in the case of our aviation businesses, international industry commitments that address our most material value chain emissions.
- Swire Properties was the first real estate developer in Hong Kong and the Chinese Mainland to set science-based targets. The targets are these:
  - Reduce absolute scope 1 and 2 GHG emissions by 25% by 2025 (compared to a 2019 baseline)
  - Reduce scope 3 GHG emissions from downstream leased assets by 28% per sqm by 2030 (compared to a 2018 baseline)
  - Reduce scope 3 GHG emissions from capital goods by 25% per sqm by 2030 (compared to a 2016-2018 baseline)
- Swire Coca-Cola's science-based targets (approved by SBTi in 2020) are:
  - By 2030, reduce carbon emissions by 70% in its core operations (scope 1 and 2) from a 2018 baseline
  - By 2030, reduce carbon emissions by 30% from its value chain (scope 1, 2 and 3) from a 2018 baseline
- Performance against our 2030 target is included in the Climate section of this report. Refer to the sustainability reports of our operating companies for their performance against their targets.
- We encourage the use of renewable energy. Our Beverages Division have committed by 2026 to have transitioned to electricity derived from 100% renewable energy for core operations. Renewable electricity accounted for 32.9% of the Group's total electricity usage in 2024.
- Each year we build on our initial scope 3 mapping exercise, conducted in 2022, in which we identified the material scope 3 emission categories for inclusion in our scope 3 emissions inventory, by incorporating increased levels of primary data. We calculate our scope 3 emissions in alignment with the GHG Protocol Corporate Value Chain (Scope 3) Standard. Refer to the Climate section for more details.
- Cathay Pacific (our investment in the aviation sector) has set emission reduction targets for 2030 and has the goal of achieving net zero carbon emissions by 2050. It targets for sustainable aviation fuel (SAF) to constitute 10% of its total fuel consumption by 2030. It has set a target to improve its carbon intensity by 12% from the 2019 level by 2030.

Explore more

Climate

Further reading

Swire Pacific Reporting methodology