

Climate Change Policy

Swire Pacific Ltd. acknowledges the scientific consensus that the climate is changing due to anthropogenic factors, that our businesses are contributing to that change, and that our supply chain, operations, and customers will continue to be impacted by the effects of climate change. We support the aims of the Paris Agreement as well as industry led, national, regional, and local policy solutions to reduce our carbon emissions and build resilience to climate change.

Given the diversity of the Group's business portfolio, implementation of this policy is handled on a company-by-company basis and is a core responsibility of each company's management team.

The executive management of each company in which Swire Pacific has a controlling interest will set ambitious targets aligned with science to decarbonise, take adequate steps to build its resilience to climate change by identifying and managing climate change risks and opportunities and by developing strategies in line with global best practices to adapt to and mitigate the negative impact of climate change on its operations.

Associated and joint venture companies are encouraged to follow this policy, as are our business partners and suppliers.

MAKING IT HAPPEN

It is the policy of Swire Pacific to:

Mitigation

- Reduce its carbon emissions in accordance with near and medium-term targets that are aligned with science or industry best practice and aligned to its long-term commitment to achieve net zero carbon emissions by 2050;
- Adopt industry best practices to improve energy efficiency in its operations;
- Increase the use of renewable energy in its buildings and operations through on-site energy generation, purchase of renewable energy and other methods, where applicable;
- Encourage its employees, suppliers and customers to reduce carbon emissions in their daily operations wherever practicable;
- Incorporate climate change considerations in its procurement processes and encourage the use of low or zero carbon and energy efficient products and materials;
- Report annually on its progress against targets; and
- Balance the environmental and social impacts of any remaining carbon emissions with an appropriate amount of carefully selected carbon removal and carbon avoidance projects that provide maximum positive impact, transparency, with a high degree of scientific integrity.

Adaptationⁱⁱ

- Assess the financial and other risks and opportunities associated with climate change and its impact on its operations;
- Ensure processes and measures are in place to prevent or minimise the damage caused by climate change and to take advantage of the opportunities that may arise;
- Consider climate change in the location and design of new projects and facilities; and
- Report on its climate risks and opportunities as per the Taskforce for Climate-related Financial Disclosures (TCFD) framework.

Build Adaptive Capacityⁱⁱⁱ

- Incorporate climate change and extreme weather events into its enterprise risk management processes and business continuity plans;
- Ensure that relevant information and resources are available for the monitoring and regular review of the impact of climate change impact on its employees and operations; and
- Support public policies and strategies that deal in a coordinated and consistent manner with the social problems relating to climate change.

Operating companies are encouraged to seek technical assistance from the Sustainable Development Office and the Climate Change Working Group.

REVIEW

We will review this policy as appropriate and, in any event, once every 3 years.

This policy has been endorsed by the Group Risk Management Committee (GRMC), which is delegated with the responsibility to provide oversight of the Group's risks through the setting of risk management policies and strategies by the Swire Pacific Board.

ⁱ Mitigation - *"A human intervention to reduce the sources or enhance the sinks of greenhouse gases (GHGs)"* IPCC, 2014 https://www.ipcc-data.org/guidelines/pages/glossary/glossary_lm.html

ⁱⁱ Adaptation - *"the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities"* IPCC, https://www.ipcc-data.org/guidelines/pages/glossary/glossary_lm.html

ⁱⁱⁱ Adaptive Capacity - *"The ability of systems, institutions, humans, and other organisms to adjust to potential damage, to take advantage of opportunities, or to respond to consequences"* IPCC, -, https://www.ipcc-data.org/guidelines/pages/glossary/glossary_lm.html