



THRIVING TOGETHER



OUR BUSINESS

Task Force on Climate-related Financial Disclosures

Swire Pacific supports the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and started producing annual disclosures that consider these recommendations in 2018.

The following statement, structured in line with the recommended disclosures of the TCFD, details the risks and opportunities presented by climate change, their implications for our businesses and actions we are taking to respond.

Further reading

[The Task Force on Climate-related Financial Disclosures](#) ↗

[Swire Pacific Annual Report 2022](#) ↗

Explore more

[ESG risk management](#) →

Governance



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

- The Swire Pacific (SPAC) Board, led by an 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.
- An Executive 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 GRMC, which reports 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 Swire Group Environment Committee (SGEC) and five subject specific working groups, including the Climate and TCFD 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 Environment and Social and Governance Risk Forum, were introduced to strengthen oversight of risks, including climate change-related risks (see ESG risk management).
- The GRMC, SPACRMC and the new 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.
- At a Group and Operating Company level we also conduct regular risk identification and analysis and review management processes throughout the year through the risk forums and our enterprise risk management (ERM) system. We have corporate risk registers, in which climate change has been identified as an emerging 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 January 2022, the Board received training on ESG trends and insights which included climate change and climate-related risks.
- Regarding the 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.
- In 2021, we conducted a double materiality review to gather feedback from internal and external stakeholders through qualitative interviews and focus groups. The topics of energy efficiency, decarbonisation, climate adaptation and resilience, 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.

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

- The Chairman, Finance Director and divisional chief executives meet twice a year to consider sustainability matters. These meetings provide direction and oversight to the SGEC, which comprises divisional sustainability heads and is chaired by an Executive Director of Swire Pacific. The SGEC meets three times a year. It has the following responsibilities related to climate change:
 - Oversee and implement SwireTHRIVE (including on climate) and sustainability policies
 - Report on Group sustainability activities and performance to the GRMC (including emissions and energy use) and on compliance with sustainability policies
 - Review and report on legislative, regulatory and other sustainability developments
- 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.



FIRST LINE

Swire Group Environmental Committee

SwireTHRIVE Working Groups

- Formulate and review climate strategy
- Approve targets and initiatives
- Executive authority over and accountability for 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

2021/22 Activity

- The SGEC and Climate Change Working Group both met three times in 2022; delivering:
 - A full scope 3 inventory of the Group
 - A Group Internal Carbon Pricing mechanism
 - Developing a strategy towards the use of carbon removal projects within our Net Zero Strategy
 - Developing the Group’s Carbon Transition Action Plan
 - Updated the Group Climate Change Policy

SECOND LINE

Group Risk Management Committee (GRMC)

Swire Pacific Risk Management Committee (SPACRMC)

Environment and Sustainability 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

2021/22 Activity

- The Risk Forums and Committees meet a total of 9 times annually
- The GRMC reviewed the Group and divisional risk registers and assessed how effectively risks are being managed. It also issued the revised climate change policy to the opcos
- The risk forums advised the GRMC on emerging risks including climate change
- Analysed climate risk events that materialised and developed best practice guidance

THIRD LINE

Group Internal Audit Department

Swire Pacific Board of Directors

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

- The Board is actively engaged in formulating and implementing SwireTHRIVE 2.0
- Accountable for sustainability matters including progress against our 2030 key performance indicators including Carbon

2021/22 Activity

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

2021/22 Activity

- Met twice a year to review climate-related risks and to monitor progress against our decarbonization targets
- Approved the pilot implementation of the ICP model

Strategy



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

- Climate change carries 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 appears on our risk registers at both Group and operating company levels and is discussed in our 2022 annual and sustainability reports.

- Climate change also creates opportunities, 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.

Further reading

Climate Change Policy [↗](#)

Explore more

Assessing materiality [↗](#)

Waste [↗](#)

Water [↗](#)



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

- We conducted an analysis of physical risks for over 800 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 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.

- For Swire Pacific, MAAL is calculated using the insured value of each asset. It is the sum of climate-related expenses (cost to repair or upgrade facilities), decreased revenue from business interruption, and is represented as the percentage (or amount) of loss relative to total asset value, as shown in the table below.

Key climate-related physical risks

Risk category	Risk	Financial implications	Short-medium term (2030) MAAL (US\$ million)	Short-medium term (2030) MAAL (%)	Long-term (2050) MAAL (%)	Mitigation strategies
Acute	Coastal flooding	<ul style="list-style-type: none"> More spending to improve the adaptive capacity of our assets and to mitigate adverse effects 	362.5 – 369.8	1.09 – 1.11	1.82 – 2.30	<ul style="list-style-type: none"> We have identified short and medium-term mitigation measures for individual buildings, including: <ul style="list-style-type: none"> – Upgrading flood protection measures and alert systems – Glass façade inspections – Smart Monitoring Systems
	Fluvial flooding		25.7 – 38.0	0.08 – 0.11	0.11 – 0.19	
	Drought		757.2 – 798.1	2.27 – 2.39	2.60 – 3.23	
	Wildfire		66.9 – 71.4	0.2 – 0.21	0.34 – 0.42	
	Tropical cyclones		-0.1 – 0.5	-0.0029 – -0.001	-0.0007 – -0.001	
Chronic	Extreme temperatures and heat stress	<ul style="list-style-type: none"> Lower productivity due to extreme heat More spending on cooling 	-597.7 – -534.8	-1.79 – -1.60	-2.31 – -2.24	<ul style="list-style-type: none"> Chiller efficiency improvements Energy Efficiency Policy Health & Safety Policy
	Water stress	<ul style="list-style-type: none"> Decreased production volume due to reduced water supply More spending to improve water efficiency of our assets 	6.5 – 15.2	0.02 – 0.05	0.02 – 0.04	<ul style="list-style-type: none"> Conduct water risk assessments (Source Vulnerability Assessments (SVAs)) for all bottling plants Prepare and implement Water Management Plans for all sites



Key climate-related transition risks

Risk category	Risk	Financial implications	Time horizon	Mitigation strategies
Policy regulations	<ul style="list-style-type: none"> Carbon pricing for manufacturing and construction 	<ul style="list-style-type: none"> Carbon taxes and more spending on offsets 	<ul style="list-style-type: none"> Short-Medium-term 	<ul style="list-style-type: none"> Implementation of internal carbon pricing Developing Group Carbon Removal Strategy
	<ul style="list-style-type: none"> More ambitious national decarbonisation plans 	<ul style="list-style-type: none"> More spending to improve energy efficiency 	<ul style="list-style-type: none"> Short-Medium-term 	<ul style="list-style-type: none"> In-line with the NDCs from Hong Kong and the Chinese Mainland we have committed to achieving Net-Zero by 2050 and on reducing our scopes 1 and 2 emissions by 50% by 2030
	<ul style="list-style-type: none"> Tighter building energy codes 	<ul style="list-style-type: none"> More spending on compliance 	<ul style="list-style-type: none"> Medium-term 	<ul style="list-style-type: none"> Sustainable Building Design Policy requires all new buildings with construction floor area (CFA) of more than 5,000 m² to obtain a minimum of the second highest relevant grade or above under an internationally or locally recognised Green Building certification – In 2022, 100% of new projects under development achieved the highest green building rating and 96% of existing buildings were certified green buildings Energy Efficiency Policy commits our businesses to adopt industry best practices to improve energy efficiency in their operations
Technology and innovations	<ul style="list-style-type: none"> More use of green and low-carbon technology 	<ul style="list-style-type: none"> More spending on technology 	<ul style="list-style-type: none"> Short-Medium-term 	<ul style="list-style-type: none"> Swire Pacific Sustainable Development Fund - Up to HK\$100 million is available annually to support projects that reduce the carbon, water, and waste footprints of our operating companies, in line with our targets. Since 2019, a new funding stream was created to support trials of innovative green technology solutions Our Internal Carbon Pricing Model includes a carbon fee which is based on the most recent financial year's operational emissions and will fund decarbonisation projects
	<ul style="list-style-type: none"> More use of Renewable Energy (RE) 	<ul style="list-style-type: none"> More spending on renewable energy systems 	<ul style="list-style-type: none"> Short-Medium-term 	<ul style="list-style-type: none"> Swire Pacific SD Fund has to date funded nearly 5 million kWh of onsite RE generation Renewable Energy Targets: <ul style="list-style-type: none"> Swire Coca-Cola has committed to 100% RE by 2026 Swire Properties aims to generate 4-6% of landlord's energy from on-site RE sources in selected new developments
Reputational damage	<ul style="list-style-type: none"> Increased reputation and litigation risks Greenwash accusations 	<ul style="list-style-type: none"> Less revenue due to changes in what consumers want Litigation costs 	<ul style="list-style-type: none"> Medium-Long-term 	<ul style="list-style-type: none"> Have short-medium-term targets as well as the longer-term Net Zero commitment Developing Climate Transition Action Plan to outline our roadmap out to our net-zero target Regularly report on our performance against targets Both Swire Coca-Cola and Swire Properties decarbonisation targets have been approved by SBTi



Key climate-related transition risks

Risk category	Risk	Financial implications	Time horizon	Mitigation strategies
Markets	<ul style="list-style-type: none"> Increase in insurance premiums 	<ul style="list-style-type: none"> Higher insurance costs 	<ul style="list-style-type: none"> Medium – Long-term 	<ul style="list-style-type: none"> Conducted detailed physical climate risk assessment of our assets Our business continuity plans cover extreme weather events Swire Properties integrates sustainability criteria into the risk assessment process for new acquisitions

Investments

Due to the high levels of associated emissions in our aviation investments, we have included a summary of their potential climate-related risks.

Risk category	Risk	Financial implications	Time horizon	Mitigation strategies
Physical risks				
Acute	<ul style="list-style-type: none"> Coastal flooding 	<ul style="list-style-type: none"> Flight delays and diversions due to flooding at airports, customer compensation and physical damage to aircraft and other assets 	<ul style="list-style-type: none"> Long-term 	<ul style="list-style-type: none"> Majority of their flights are to or from the Hong Kong International Airport (HKIA). They work closely with the Airport Authority of the Hong Kong International Airport (AAHK) in assessing medium to long-term climate resilience at HKIA
	<ul style="list-style-type: none"> Tropical cyclones 	<ul style="list-style-type: none"> Flight delays and diversions, customer compensation and physical damage to aircraft and other assets. (e.g. hangars at airports) 	<ul style="list-style-type: none"> Long-term 	
Chronic	<ul style="list-style-type: none"> Extreme temperatures and heat stress 	<ul style="list-style-type: none"> Lower productivity due to extreme heat Restrictions on working outside 	<ul style="list-style-type: none"> Long-term 	
Transition risks				
Policy & regulations	<ul style="list-style-type: none"> Carbon pricing for aviation 	<ul style="list-style-type: none"> Carbon taxes and more spending on offsets 	<ul style="list-style-type: none"> Medium - Long-term 	<ul style="list-style-type: none"> Fuel efficiency improvements Fleet renewal Committed to using Sustainable Aviation Fuel (SAF) for 10% of their jet fuel consumption by 2030 Invested in SAF manufacturer Fulcrum Bioenergy SAF offtake agreements in place with several suppliers Corporate Sustainable Aviation Fuel Programme
Reputational damage	<ul style="list-style-type: none"> Vilification of aviation – flight shaming 	<ul style="list-style-type: none"> Less demand for and therefore revenue from air travel 	<ul style="list-style-type: none"> Medium - Long-term 	
Markets	<ul style="list-style-type: none"> Changes in demand for products and services 	<ul style="list-style-type: none"> Less demand for and therefore revenue from air travel, particularly from executives doing more video conferencing 	<ul style="list-style-type: none"> Medium - Long-term 	



Key climate-related opportunities

Opportunity category	Opportunity	Financial implications	Time horizon	Strategy
Businesses where we have operational control				
Resource efficiency	<ul style="list-style-type: none"> Use of more efficient production and distribution processes 	<ul style="list-style-type: none"> Lower operating costs because of higher energy efficiency 	<ul style="list-style-type: none"> Short – Medium-term 	<ul style="list-style-type: none"> Swire Properties has an Energy Use Intensity target for its operations and provides free energy audits for tenants Swire Coca-Cola has both Water and Energy Use Intensity targets to drive operational efficiencies
Products and services	<ul style="list-style-type: none"> Increased market demand for climate-resilient, green energy efficient buildings 	<ul style="list-style-type: none"> Increased revenue due to potentially higher demand of green building Increased revenue due to shifts in market preferences 	<ul style="list-style-type: none"> Medium – Long-term 	<ul style="list-style-type: none"> Sustainable Building Design Policy In 2022, 100% of new projects under development achieved the highest green building rating
Markets	<ul style="list-style-type: none"> Sustainable financing (Sustainable Linked Loans and Bonds, Green Bonds) 	<ul style="list-style-type: none"> Diversified financing sources Attract green investment Lower costs of capital 	<ul style="list-style-type: none"> Short – Medium-term 	<ul style="list-style-type: none"> Sustainable finance represented more than 35% of total financing across the Group at the end of 2022 Swire Properties targets for at least 80% of its bond and loan facilities to come from green financing by 2030 Around 61% of Swire Properties current financing is from green bonds, green loans, and sustainability-linked loans
Investments				
Resource efficiency	<ul style="list-style-type: none"> Use of more efficient modes of transport 	<ul style="list-style-type: none"> Lower operating costs because of higher energy efficiency 	<ul style="list-style-type: none"> Medium-term 	<ul style="list-style-type: none"> Fleet renewal – adding more fuel-efficient aircraft
Energy source	<ul style="list-style-type: none"> Use of lower-emission sources of energy 	<ul style="list-style-type: none"> Increased revenues from increased demand for products and services 	<ul style="list-style-type: none"> Long-term 	<ul style="list-style-type: none"> Committed to using Sustainable Aviation Fuel (SAF) for 10% of their jet fuel consumption by 2030
Products and services	<ul style="list-style-type: none"> Development and/or expansion of low emission goods and services 	<ul style="list-style-type: none"> Increased revenues resulting from increased demand for products and services 	<ul style="list-style-type: none"> Short-term 	<ul style="list-style-type: none"> Fly Greener provides their customers an opportunity to offset their carbon emissions from air travel Corporate Sustainable Aviation Fuel Programme

- We are working on a methodology to quantify the financial implications of climate change to our mobile assets, such as aircraft.
- See the 2022 sustainability reports of Swire Properties, Cathay Pacific and Swire Coca-Cola for details of their climate risk 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.

- 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.



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 developed by The Climate Service (TCS) 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 and 8.5). This data has allowed us to accurately evaluate the exposure of specific assets and operations in selected timeframes, from the intermediate (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.
 - In 2022/23, via the Climate and TCFD working groups we are working 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 will be made available in future sustainability reports.
 - The findings will be incorporated into the Group's ERM system.
- Swire Properties has 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.

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 2022, approximately 80% 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. The money is available for investments in sustainability technologies and solutions that would not otherwise meet our financial targets. In 2022, 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 will be piloting the use of 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:
 - Carbon Fee: By linking each unit of CO₂ emissions to a fixed cost, our business units will be further incentivised to integrate low-carbon considerations into their business decisions. The funds raised through

the fee will be directed towards 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. 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.
- Since 2011, Swire Properties has 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.



Overview

Our approach

ESG risk management

TCFD

- 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 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 2022, 21% 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 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.

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

We measure:

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

Further reading

Swire Pacific Annual Report – Risk management [↗](#)

Explore more

ESG risk management [↗](#)

Metric	Unit of measure	2019	2020	2021	2022
Carbon emissions (scope 1 and 2) – market-based method	Tonnes of CO ₂ e	-	763,000	662,000	569,000
Carbon emissions (scope 3)	Tonnes of CO ₂ e	-	-	-	7,381,000
Total electricity used by the Group	Million kWh	1,409	861	828	755
Total renewable electricity generated on our sites	Million kWh	16.2	20.7	20.5	22.0
Total renewable electricity procured	Million kWh	0	11.5	103.0	126.1
% of total electricity used by the Group, generated from renewable sources	%	1.1	3.6	13.0	16.8
Proportion of Group financing from sustainable finance	%	-	14.6	18.1	>35
Proportion of existing buildings which are certified green buildings*	%	97	97	96	96
Proportion of projects under development which are certified green buildings*	%	100	100	100	100
Gross rental income contributed by certified green buildings*	%	>95	>98	>98	>98

*Includes portfolios under Swire Properties only.

**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 The Stock Exchange of Hong Kong Limited and in line with the GHG Protocol.


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

- 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.
- 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

- Swire Properties and Swire Coca-Cola have signed up to Business Ambition for 1.5°C.
- 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 16.8% of the Group's total electricity usage in 2022.
- In 2022, we conducted a scope 3 mapping exercise to identify the material scope 3 emission categories for inclusion in our scope 3 emissions inventory. We calculated our scope 3 emissions in alignment with the GHG Protocol Corporate Value Chain (Scope 3) Standard. Please refer to the climate change 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.

Further reading

[Reporting Methodology](#) 

[Sustainable development reports of our operating companies](#) 

Explore more

[Climate](#) 