



SWIRENEWS

CENTRE STAGE

Land of Opportunity: Swire in the United States

May 2017



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The Swire group is a multinational, multi-disciplined commercial group, with its principal areas of operations in the Asia Pacific region, and centred on the Greater China area. Hong Kong is home to publicly quoted Swire Pacific, whose core businesses are grouped under five operating divisions: property, aviation, beverages, marine services, and trading & industrial. John Swire & Sons Limited, headquartered in the UK, is the parent company of the group. In addition to its controlling shareholding in Swire Pacific, John Swire & Sons Limited operates a range of wholly-owned businesses, including deep-sea shipping, cold storage, offshore and road transport logistics services, waste to energy, mining services, and beverage ingredients with main areas of operation in Australia, Papua New Guinea, East Africa, Sri Lanka, the USA and the UK.

Please send material to the Editor, GPO Box 1, Hong Kong, or email us at cindycheung@jsshk.com. For pictures, we welcome prints, colour slides or computer graphics in JPG format (500dpi and 20cm x 16cm), and digital photos taken by cameras with 8 Megapixels or above.

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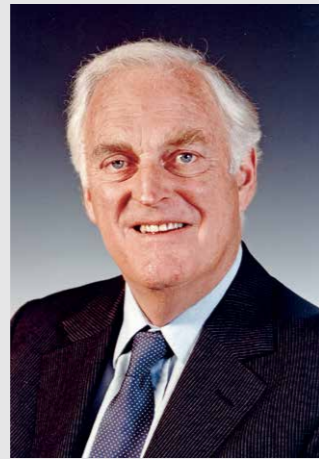
The recent expansion of Swire's food and beverage interests in the United States promises even greater possibilities. Story on page 14.

Sir John Anthony Swire CBE (1927-2016)

Sir John Swire, Chairman of John Swire & Sons Limited from 1966 until 1987, died at his home in the UK on 28th November 2016.

A service of thanksgiving for his life was held in Canterbury Cathedral on 20th February 2017; it was attended by over 600 people, among them nearly 200 past and present employees of Swire group companies.

John Anthony Swire, the elder son of Jock Swire, joined Butterfield & Swire (as it was then) in 1950. He was posted to Hong Kong, to Japan, to Australia and back to Hong Kong – a period of his life that was the source of many of his considerable store of affectionate anecdotes. On his return to London (towards the end of the decade), he took over responsibility for the recruitment and training of the House Staff. He dedicated himself to this role and most successfully built on the foundations laid by his father to ensure that the hallmark of his own subsequent Chairmanship was an explicit and credible company commitment to recognition and care for individual managers and their families, to career development and training and to deepening ties with the communities of which Swire operations formed part.



Through his membership of the Oxford University Appointments Board, and the INSEAD Euro-Asia Advisory Board, John Swire was able to ensure that the company had access to best practice; more importantly, he personally interviewed all House Staff candidates for 30 years, and chaired the annual staff conference in Hong Kong. His overseas visits represented a rare exception to the popular conception of dread of the arrival of the Man from Head Office: he was an excellent raconteur, but also a good listener, with an excellent memory for family details and the occasional eccentricities of Swire staff.

John Swire also laid, and then built on, the foundations of an active approach to environmental responsibility well before this became best corporate practice elsewhere. A knowledgeable bird-watcher and expert fly fisherman, he developed a deep personal commitment to species protection; this was most visibly evident in the establishment of the Hong Kong University's Swire Institute of Marine

Science and the early use of environmentally sensitive farming practices on Clyde Agriculture's red dirt properties, an Australian investment in which he took particular interest.

John Swire became Chairman of JS&S in 1966 and with his brother Adrian led the firm for two decades. In expressing the division of roles between the two brothers it may be simplistic to suggest that John concentrated on the People and Adrian on the Businesses but, bearing in mind that they worked very closely together and regarded the People and the Businesses as of equal but different importance, this may be the fairest summary of a rare partnership. (Although, as an exception perhaps, John Swire was a long-standing Chairman of the Hong Kong Association in the UK). As the Hong Kong-based businesses expanded exponentially in both size and diversity throughout this period, and with the listing on the Hong Kong Stock Exchange of Swire Pacific (1959), HAECO (1965) and Cathay Pacific (1986), the brothers engineered a gradual shift in the London role from the traditional all-seeing proprietorial function to one consonant with both contemporary governance and with the practical challenges of managing increased size and variety at great distance. This entailed, inter alia, an enhancement in the role of the Hong Kong Chairman, or *Taipan*, and his executive office and, naturally, in due course of the public company boards.

During the two decades of John Swire's Chairmanship, Taikoo went through an era of great change, more or less in parallel with Hong Kong's emergence as a great entrepot and maritime centre and its rapid evolution through the 'Tiger' stage of light industrial prowess. John Swire presided over this with care, great enthusiasm and admirable sang-froid during periods of tougher going. In 1987 he handed over the Chair to his younger brother, Adrian, but remained an active member of the Board until 1997, when, with the prospect of his sons John (known as Jonathan) and Barnaby becoming respectively Non-executive and Executive Directors, he became Life President.

(This account of Sir John Swire's life in and contribution to JS&S was first published in 2016, and is re-printed here in mildly edited form. It was written by former JS&S Chairman, James Hughes-Hallett.)

Sir Adrian Swire writes, "Not wanting to expand on the obituary, I should just like to reiterate that throughout John Swire's long working life he dedicated himself unreservedly to the welfare of the Swire group. In his role as Chairman, he set standards of the highest integrity and his consistent concern for all those working in the firm was paramount. In short he was a great and consistent leader over several decades and his very high moral standards imbued the behaviour of the staff giving the firm its distinct ethos. An apt comment about John was made to me that his was 'a life of achievement, service, humility and decency'. As his brother and business partner I cannot better that short description."



At the Taikoo Dockyard Chinese Welfare Centre in the 1950s.



At Butterfield & Swire's centenary party in Hong Kong in 1967: John Browne OBE, John Swire and his father John (Jock) Swire.



At the observation hide donated by Swire to the Mai Po Nature Reserve in Hong Kong.



Proposing a toast to the guests at the opening reception for John Swire & Sons' Beijing office in 1984.



At the opening ceremony of the Swire Institute of Marine Science in November 1990.

2016 Annual Results

Swire Pacific Limited

	HK\$M	Change
Revenue	62,389	+2%
Profit attributable to shareholders (underlying)	3,063	-69%
	HK\$	Change
Earnings per share (underlying)		
'A' share	2.04	-69%
'B' share	0.41	
Dividends per share		
'A' share	2.10	-46%
'B' share	0.42	

The results of the Group in 2016 were affected by difficult economic conditions. Oil prices recovered somewhat, but this did not lead to a recovery in exploration and production spending by oil majors. Retail sales in Hong Kong slowed. Intense competition and overcapacity reduced demand for our airlines' passenger and cargo services. Economic growth in the USA was robust, but a stronger US dollar and depreciation of the Renminbi adversely affected the Group's results.

Underlying profit attributable to shareholders, which principally adjusts for changes in the valuation of investment properties, fell 69% to HK\$3,063 million. The decrease primarily reflected weak results from the Aviation and Marine Services divisions (which included impairment charges at Swire Pacific Offshore ("SPO") and HAECO) and the absence of profits from sales of units in OPUS HONG KONG recorded in 2015.

Swire Beverages made an attributable profit of HK\$813 million in 2016, a 17% decrease from 2015. The decrease in attributable profit principally reflected lower profits in

Mainland China. Overall sales volume increased by 2% to 1,105 million unit cases, compared with an increase of 4% in 2015. Volume grew in the USA, reflecting the inclusion of sales in Arizona and New Mexico with effect from August 2016. Volume declined in Mainland China, Hong Kong and Taiwan.

The Beverages Division continues to expand. In Mainland China, conditional agreements were entered into in 2016 which, if they become unconditional, will result in a realignment of the Coca-Cola bottling system in Mainland China. If the realignment proceeds, it will result in Swire Beverages having controlling interests in companies operating in territories in which 49% of the Mainland China population live (compared to 31% prior to the realignment). Swire Beverages will control larger bottling operations in contiguous territories. This is expected to improve efficiency and save costs.

The Marine Services Division recorded higher losses. Low oil prices and a reduction in exploration and production spending by oil majors continued to have a material adverse effect on the market. SPO reported an attributable loss of HK\$3,033 million in 2016, compared to a loss of HK\$1,285 million in 2015. The results for the year included vessel impairment charges of HK\$2,313 million, and a loss of HK\$118 million arising from the disposal of SPO's logistics subsidiary, Altus Oil & Gas Services, in November 2016.

Attributable profit from the Trading & Industrial Division in 2016 decreased by 26% to HK\$114 million. The decrease principally reflected weaker results from Swire Retail, costs associated with developing the cold storage business and losses from Swire Environmental Services. The attributable profits of Swire Foods and Taikoo Motors increased. Results from Akzo Nobel Swire Paints were similar to last year.

	HK\$M	Change
Revenue	16,792	+2%
Profit attributable to shareholders (underlying)	7,112	+1%
	HK\$	Change
Earnings per share (underlying)	1.22	+1%
Dividends per share	0.71	-

on the sales of residential units in the USA. Fewer residential properties were sold in Hong Kong. The performance of the hotels in Mainland China improved, while at the same time hotels in Hong Kong were adversely affected by a reduction in the number of visitors to Hong Kong.

Swire Properties Limited

Underlying profit attributable to shareholders, which principally adjusts for changes in the valuation of investment properties, increased by HK\$34 million from HK\$7,078 million in 2015 to HK\$7,112 million in 2016. The 2015 profit included a loss of HK\$229 million on disposal of four hotels in the UK. In 2016, there was a small decrease in underlying profit from property investment and a small increase in underlying profit from property trading. Disregarding the loss on disposal in 2015, the underlying loss from hotels was little changed in 2016.

Gross rental income was HK\$10,773 million in 2016 compared to HK\$10,716 million in 2015. Gross rental income fell in Hong Kong and increased in Mainland China and the USA. The reduction in Hong Kong largely reflected lower retail rental income consequent on lower retail sales. Office rental income in Hong Kong increased despite the loss of rental income resulting from the Taikoo Place redevelopment. In Mainland China, gross rental income increased by 2% despite a 6% depreciation of the Renminbi against the Hong Kong dollar. Profit from property trading in 2016 included that recognised

Cathay Pacific Airways Limited

	HK\$M	Change
Revenue	92,751	-9.4%
(Loss)/profit attributable to shareholders	(575)	-109.6%
	HK\$	Change
(Loss)/earnings per share	(0.146)	-109.6%
Dividends per share	0.05	-90.6%

The Cathay Pacific Group reported an attributable loss of HK\$575 million for 2016. This compares to a profit of HK\$6,000 million in 2015. The operating environment for the Group's airlines was difficult in 2016, with a number of factors adversely affecting their performance. Intense and increasing competition with other airlines was the most important. Other airlines significantly increased capacity. There were more direct flights between Mainland China and international destinations. Competition from low cost carriers increased. Overcapacity in the market was a particular competitive problem for the cargo business. Three economic factors were also important, the reduced rate of economic growth in Mainland China, a

reduction in the number of visitors to Hong Kong and the strength of the Hong Kong dollar. All these factors put severe competitive pressure on yields. The Group benefited from low fuel prices, but the benefit was reduced by fuel hedging losses, largely incurred on hedges put in place when the fuel price was much higher than today. The contribution from subsidiary and associated companies was satisfactory.

The Group's passenger revenue in 2016 was HK\$66,926 million, a decrease of 8.4% from 2015. Capacity increased by 2.4%, reflecting the introduction of new routes and increased frequencies on other routes. The load factor decreased by 1.2 percentage points, to 84.5%. Yield, which was under intense pressure throughout the year, fell by 9.2% to HK\$54.1 cents.

The Group's cargo revenue in 2016 was HK\$20,063 million, a decrease of 13.2% compared to the previous year. The cargo capacity of Cathay Pacific and Cathay Dragon increased by 0.6%. The load factor increased by 0.2 percentage points, to 64.4%. Tonnage carried increased by 3.1%. Yield fell by 16.3% to HK\$1.59, reflecting strong competition, overcapacity and the suspension of Hong Kong fuel surcharges.

Hong Kong Aircraft Engineering Company Limited ("HAECO")

The HAECO Group reported an attributable profit of HK\$975 million in 2016. The profit included a gain of HK\$805 million on disposal of Hong Kong Aero Engine Services Limited's ("HAESL") interest in Singapore Aero Engine Services Pte. Limited ("SAESL") and an impairment charge of HK\$285 million in respect of the goodwill recorded on the acquisition of TIMCO Aviation Services, Inc. Disregarding the gain on disposal in 2016 and impairment charges in both years, the HAECO Group's 2016 attributable profit was HK\$516 million, 8.2% higher than in 2015.

Manhours sold by HAECO in Hong Kong ("HAECO Hong Kong") for airframe services decreased by 4.6% in 2016. This reflected deferral of work by some customers to 2017. Line services results benefited from increased aircraft movements and more work being done per movement. More components and avionics maintenance manhours were sold in Hong Kong. The profit of HAECO ITM Limited ("HAECO ITM") decreased. This reflected lower demand for the loan of aircraft parts and higher financing charges. The profits of HAESL increased, as more work was done per engine.

The non-statutory accounts (within the meaning of section 436 of the Companies Ordinance (Cap. 622) (the "Ordinance")) in this document are not specified financial statements (within such meaning). The relevant specified financial statements have been or will be delivered to the Registrar of Companies in Hong Kong in accordance with section 664 of the Ordinance. Auditor's reports have been prepared on those specified financial statements. Those reports were not qualified or otherwise modified, did not refer to any matters to which the auditor drew attention by way of emphasis without qualifying the reports and did not contain statements under section 406(2) or 407(2) or (3) of the Ordinance.

For full results of these companies, please visit our websites:
www.swirepacific.com | www.swireproperties.com | www.cathaypacific.com | www.haeco.com

	HK\$M	Change
Revenue	13,760	+13.8%
Profit attributable to shareholders	975	+110.1%
	HK\$	Change
Earnings per share	5.86	+110.1%
Dividends per share	3.90	+129.4%

HAECO USA Holdings, Inc. ("HAECO Americas") recorded a higher loss in 2016. This principally reflected losses on some seat contracts and a reduction in the number of seats sold and in cabin integration work. The profit of Taikoo (Xiamen) Aircraft Engineering Company Limited ("HAECO Xiamen") increased in 2016. Fewer airframe services manhours were sold but the work was more profitable. Taikoo Engine Services (Xiamen) Company Limited ("TEXL") performed well, with more engines overhauled and more component repair work. The overall contribution from the Group's other activities in Mainland China improved.

Board changes

Swire Pacific



Michelle Low has been appointed Finance Director of Swire Pacific with effect from 1st October 2017. Michelle will replace Martin Cubbon, who will be retiring from the Swire group at the end of September. She will also become a Non-Executive Director of Cathay Pacific.

Cathay Pacific



Ivan Chu has been appointed Chairman of John Swire & Sons (China) Limited with effect from 1st May 2017. He will remain on the boards of Cathay Pacific as a Non-Executive Director and Swire Pacific.



Rupert Hogg has been appointed Chief Executive Officer of Cathay Pacific with effect from 1st May 2017. He will become Chairman of Cathay Dragon and will remain the chairman of the executive committee of Cathay Dragon.



Paul Loo has been appointed Chief Customer and Commercial Officer of Cathay Pacific with effect from 1st June 2017. He has also been appointed as an Executive Director of Cathay Pacific.



Greg Hughes has been appointed Chief Operations and Service Delivery Officer of Cathay Pacific with effect from 1st June 2017. He has also been appointed as an Executive Director of Cathay Pacific and re-designated as a Non-Executive Director of HAECO.

Swire Properties



Fanny Lung has been appointed Finance Director of Swire Properties with effect from 1st October 2017. She will cease to be a Director of HAECO.



Lily Cheng has been appointed as an Independent Non-Executive Director of Swire Properties with effect from 17th March 2017. Ms Cheng was President, Asia Pacific of TripAdvisor, Inc. from July 2014 to June 2016.



May Wu has been appointed as an Independent Non-Executive Director of Swire Properties with effect from 15th May 2017. Ms Wu is currently Chief Strategy Officer of Homeinns Hotel Group and an independent director of Noah Holdings Limited.

HAECO



Rebecca Sharpe has been appointed Group Director Finance of HAECO with effect from 1st October 2017.



Chris Gibbs has been appointed Group Director Components & Engine Services of HAECO with effect from 1st June 2017. He has been re-designated as an Executive Director of HAECO.

James Finlay



Philippe de Gentile-Williams has been appointed Chairman of James Finlay with effect from 1st March 2017, taking over from Merlin Swire.

TaiKoo Hui mall achieves Platinum rating

TaiKoo Hui mall in Guangzhou has been awarded LEED Platinum certification under the LEED (Leadership in Energy and Environmental Design) for Existing Buildings: Operations and Maintenance (EBOM) rating system. This certification was awarded in recognition of the mall's sustainable operations and management, which offer major benefits to the environment and to building occupants. It is the first time that a LEED Platinum Certificate under the EBOM category has been presented to an enclosed shopping mall. LEED's EBOM rating system places a strong emphasis on running buildings in a way that offers maximum environmental benefits, without a huge capital outlay for the newest, greenest technologies. TaiKoo Hui mall was recognised as having performed outstandingly against all benchmarks, ranging from the use of materials, to water saving and energy consumption.



More connectivity



Cathay Pacific has signed an agreement with the Lufthansa Group that will see the airline codeshare on flights operated by Lufthansa, Swiss and Austrian Airlines to a number of destinations in Europe. Under the agreement, Cathay Pacific will offer 14 new destinations in Germany, Belgium, Hungary, Norway, Italy, Switzerland and Austria and the Lufthansa Group will codeshare on Cathay Pacific services between Hong Kong and Auckland, Cairns, Melbourne and Sydney. Meanwhile, Cathay Pacific's current four-times-weekly service to London Gatwick is to become a daily operation from 1st June. Together with its services to Heathrow, the airline will operate up to six daily non-stop flights between Hong Kong and London – more than any other carrier. Cathay Pacific is also to introduce a new seasonal service between Hong Kong and Christchurch in New Zealand from December 2017, directly linking the two cities by air for the first time. The non-stop Christchurch service will operate three times per week, between 1st December and 28th February 2018, complementing Cathay Pacific's existing seasonal double-daily flights to Auckland.

Innovative solutions

To meet the increasing demand for tea and coffee ingredients and solutions in the USA, Finlay Extracts & Ingredients USA has developed a new facility to expand production capacity and product innovation capabilities. Located in North Kingstown, Rhode Island, the new facility will be completed in two phases, with Phase One including a 28,800-square-foot Global Research and Development Centre and Manufacturing Plant. Phase Two will include an additional manufacturing facility of over 65,000 square feet. The initial facility is expected to be launched in late 2017, with development of the second phase set to begin in 2018.



Artist's impression of the new Finlays' facility in Rhode Island.

USCS expands in Dallas and Sacramento

United States Cold Storage ("USCS") has recently opened its second facility in Sacramento, California, to meet the increasing demand from the northern California market. The 6.8 million-cubic-foot, multi-temperature site offers more than 31,000 pallet positions and 20 dock doors, providing multi-vendor consolidation, crossdocking, a dedicated quality laboratory, and a special temperature-controlled handling room. USCS has also completed Phase Three of its warehouse in Dallas, Texas. Together with the newly-added 5.3 million-cubic-foot capacity, the Dallas site now offers 14.9 million cubic feet of cold storage, with room for 56,809 pallets stored at temperatures ranging from -20°F to +40°F.

Finlay Beverages wins back Sainsbury's

Finlay Beverages has won a major five-year, open-book contract to supply Sainsbury's, a major UK supermarket chain. The contract covers the annual supply of approximately 3,000 tons of black tea in a range of package formats. Finlays had held this contract for 109 years – from its first signing in 1903, until 2012, when it was lost to a competitor – so this win is particularly symbolic for the Finlays UK team.



Washington refranchising completed

In February, Swire Coca-Cola, USA completed the refranchising from The Coca-Cola Company of territories in Washington State, including the acquisition of nine sales and distribution facilities and one production plant. The acquisition has significantly increased the size of Swire Coca-Cola's franchise territories in Washington and has boosted its workforce by over 1,000 employees. The Utah-based company now operates in 13 western states in the USA.



Three-in-one high-speed packaging line



The new high-speed production line in operation.

Swire Guangdong Coca-Cola's new high-speed bottled water production line went into operation at its Huizhou plant in February. Representing an investment of more than RMB 70 million, it is Swire Coca-Cola's first high-speed, fully-automated production line to combine every procedure in the packaging process from PET bottle-blowing, to filling and capping. The new, fully-integrated production line has a maximum capacity of 48,000 bottles an hour.

Feeding Mainland China's sweet tooth

On 9th December 2016, the first "Bakerland·Mövenpick" dual brand concept store held its grand opening at the MixC Mall in Chongqing. The outlet offers customers a selection of European-style bakery goods and freshly-brewed coffee, as well as a variety of delicious Mövenpick ice-cream options. The stylish, inviting store is quickly proving popular with shoppers at the Mall, while keen home-cooks can even sign up to join baking workshops.

Bakerland is a high-end bakery brand, recently launched by the Swire Foods group, while Mövenpick coffee and ice-cream are exclusively distributed in Mainland China by Swire Foods. The unique crossover concept will help to raise the profile of both brands amongst consumers and will further enhance their retail presence in Mainland China – a crucial element of Swire Foods' growth strategy.



The dual brand concept store provides an extensive choice of bakery goods and ice-cream.

New solar power system for cold store

Finlays Colombo has installed a Photo Voltaic Solar Power system on the roof of its cold storage facility at Welisara, Sri Lanka. With a generating capacity of 1,000kWp, the system consists of smart solar modules that offer superior functionality – including panel level power tracking and monitoring, as well as an emergency switch-off safety feature. Electricity is a key cost driver in cold chain operations

and the new system is expected to generate 27% of Finlay Cold Storage's current electricity requirements; it will also act as a cushion against adverse future tariff increases. The installation will also help to reduce carbon emissions and it is estimated that it will save at least 900 tonnes of carbon per annum. This project was supported by the Swire Sustainable Development Fund.

At the unveiling of the new solar power system on 9th February are: (left to right) Gihan Jayasinghe, Director, Finlays Colombo, Merlin Swire, Chief Executive of John Swire & Sons, Kumar Jayasuriya, Chairman of Finlays Colombo, Philippe de Gentile-Williams, Chairman, James Finlay Limited, and Hunter Crawford, Managing Director, Finlays Colombo.



Kalari and HSE merge

John Swire & Sons Pty has announced the merger of its bulk road haulage specialist Kalari and materials handling company, HSE Mining. The merger provides both companies with an opportunity to pursue growth and improved productivity in an industry sector which has faced significant financial pressure over the past few years. Kalari's former Managing Director, Peter O'Shannessy, has taken responsibility for leading the merged company, to be known as Kalari HSE; meanwhile, former HSE Mining Managing Director, Allan Fidock, has been appointed Executive General Manager Mining Development for John Swire & Sons Pty, and will be dedicated to winning new business in the mining services sector. Both companies will continue trading under their existing brand names for the foreseeable future.

Swire Shipping expands North Pacific service



With effect from February, Swire Shipping has upgraded its multipurpose liner service to the Micronesia region by doubling its service frequency to Guam and Saipan, offering up to four sailings per month from Asia. The doubling of sailings into key ports will offer greater frequency, faster transit times and better coverage for customers in Micronesia. It is a big step forward for Swire Shipping, in a region where steady growth is anticipated. This is particularly driven by the tourism sector, with both locations reporting an increase in visitor numbers in 2016 and major hotel, resort and casino construction underway.



Go Wild sells a wide range of exciting outdoor apparel and equipment.

Go Wild in Hong Kong

In December 2016, Swire Resources launched Go Wild, a new adventure travel and outdoor specialist shop, at Hong Kong's Cityplaza shopping mall. The store features more than 20 exclusive outdoor travel brands and over 1,000 accessories and gadgets to prepare travellers for their next adventure. A Go Wild online store has also been launched at <https://m.gowild.hk>.

Spreading a little warmth

Cathay Pacific has donated around 6,000 inflight blankets to the Society for the Prevention of Cruelty to Animals ("SPCA") in Hong Kong, to provide animals in need with comfort and warmth in the last winter. Every blanket means a lot to animals that are injured, distraught, requiring medical treatment or just waiting for adoption. Some 4,000 of these blankets have also been passed on to other animal welfare organisations to spread a little more warmth and care.



Inflight blankets keep animals snug during the cold winter months.

Charity Ride in Malaysia



The day out earned big smiles from the orphans.

Late last year, Swire Motors in Malaysia organised a charitable event called "Toy Drive Charity Ride" for orphans in Klang. On 9th December, Swire Motors volunteers collected a group of 30 children from the Good Samaritan Orphanage and drove them to Paradigm Mall in six Volkswagen cars. Each child received a welcome gift and the day continued with an art and craft activity, a radio station tour and a movie, followed by dinner at seafood restaurant. It was a memorable, happy day – not just for the children, but for Swire Motors staff too!

TaikooGO



The interactive TaikooGo app helps users explore Island East.

Swire Properties has launched the "TaikooGo" mobile app, which is designed to provide self-guided eco-tours of the Taikoo Place, Cityplaza and Taikoo Shing neighbourhood, enabling users to explore the biodiversity and heritage of the area in a fun, interactive way.

"TaikooGO" uses real-time GPS location tracking to send users on a treasure hunt to locate various "checkpoints", where they can complete a challenge to earn a collectable card with information about ecological or historical aspects of the neighbourhood. The app is designed as an adventure for children to embark on with their parents. After completing each successful quest, the app allows players to select one of Swire Properties' NGO partners, to which the company will donate HK\$10.

Women of Wine



At the event are: James Tong, Director Public Affairs (first from left), Olivia Wong, Chairwoman of the Swire Women's Network (second from left), Yvonne Cheung, Director of Wine at Swire Hotels (third from left), Michelle Low, Chairwoman of the Swire Group Gender Diversity Committee (fourth from left) and other participating colleagues.

On 10th March, the inaugural Swire Women of Wine Festival ("WoW Festival") was held in Hong Kong, as a grand finale to International Women's Week. The event, co-organised by the Hong Kong General Chamber of Commerce and The Women's Foundation, was attended by around 300 guests, and featured a plethora of inspiring seminars, wine tasting workshops and over 50 wines from the city's top female importers. Swire group supported the event as title sponsor, as part of the Swire Women's Network programme – an initiative that provides a forum for women executives in the group to connect with each other and support women's career development. Senior executives from the group also shared their insights and knowledge at the festival. Olivia Wong, Chairwoman of the Swire Women's Network, opened the event with a speech highlighting Swire's efforts in promoting gender diversity. Anna Thompson, Cathay Pacific's Director Flight Operations was one of the speakers at an inspirational seminar on women's leadership, and guests were treated to a tutored tasting by Yvonne Cheung, Director of Wine at Swire Hotels.

Land of Opportunity: Swire in the United States

For many, the name Swire is synonymous with business operations in Asia Pacific, and yet the group has enjoyed a strong presence in the United States for decades. In recent years, there has been rapid expansion in the food and beverage market across three of our operating companies. In this issue of *Swire News*, we examine how Swire Coca-Cola, USA ("SCCUSA"), United States Cold Storage ("USCS") and James Finlay ("Finlays") have led the way in this sector, and look at what the future holds for this market.

Swire's growing footprint in the United States

Swire set up its first branch office in the USA, in New York, in 1874, after building its UK trading business on imports from North America and the West Indies for more than half a century. Over the years, Swire has evolved from a trading firm to a global conglomerate and in addition to beverages and cold storage, the group's substantial interests in the United States today range from property development to aircraft engineering: Swire Properties is a major developer in Miami, while HAECO Americas is one of the leading aircraft Maintenance, Repair and Overhaul providers in the country. In 2016, Swire's US businesses produced a turnover of US\$3,922 million, with US\$2,569 million in capital employed and over 11,000 people working across various operations.

Compared with other business areas within the group, the food and beverage industry is generally characterised by stable growth rates and steady returns on investment, which can play a balancing role alongside some of Swire's cyclical businesses. Added to this is the fact that the group's growing food and beverage footprint in the United States' domestic market represents a source of profits quite unrelated to the economies of China and other East Asian countries, therefore offering additional resilience within the Swire portfolio.

The group's success in expanding its activities in the United States has hinged on Swire's reputation and dedication to excellence, but each business has been able to take advantage of different opportunities to develop without the need for centralised direction. For example, Swire Beverages' decades-long record for high-quality execution has encouraged The Coca-Cola Company to grant new franchise

territory to SCCUSA. In the case of USCS, growth is the direct result of investing in modern warehouses and developing top-quality customer service. At Finlays, the ability to provide consumer insight and innovative solutions has been a compelling factor, enabling the company to stay ahead in the fast-growing ready-to-drink tea and coffee markets.

Finlays USA: creating opportunities through key acquisition

In the United States, Finlays is a leading supplier of tea and coffee to major beverage brand-owners and food-service companies. Its portfolio consists of tea extracts, tea leaves and coffee extracts. Formed during the 18th century in Glasgow, Scotland, Finlays has played an important role in the development of the global tea industry.



(Left to right) Jack Pelo, President and Chief Executive Officer, Swire Coca-Cola, USA, Steve Olyha, Chief Executive Officer, Finlay Extracts and Ingredients USA and Dave Harlan, President and Chief Executive Officer, United States Cold Storage



Finlays is a leading supplier of tea and coffee extracts to major beverage brand-owners and food service companies.

For Steve Olyha, Chief Executive Officer of Finlay Extracts and Ingredients USA, the United States market offers a host of opportunities due to a willingness among consumers to try new products: "With a population of more than 320 million, the market here is large, diverse and innovative. Tea and coffee are well-established parts of a typical consumer's beverage habits, but we continually see innovation and change – as with the recent, rapid growth of cold-brewed coffee," he says.

A landmark move in Finlays' rapid expansion in the US was the acquisition of Autocrat, LLC, in early 2014. Autocrat was a prominent supplier of high-quality coffee extracts, and the strategy enabled Finlays to take a leading position in this market. As Steve Olyha explains, "Both businesses had common customers, and today they have seamlessly integrated across all functions as part of the global Finlays family. The integration of the sales force has

seen wider geographical coverage, greater focus on core accounts and improved sales. This was achieved by introducing training programmes that give our teams the ability to cross-sell the tea and coffee portfolio. Today, roughly 60% of our revenue comes from tea and 40% is from coffee and, last year, revenue grew by 10% and 17% respectively in these markets."

SCCUSA: building on a strong foundation

Swire is the third largest independent bottler for The Coca-Cola Company in the United States. The story dates back to 1978, when the group sought to expand its soft drinks business beyond Asia Pacific, and purchased the franchise rights to become The Coca-Cola Company's bottler in Salt Lake City, Utah. Since then, Swire has purchased other franchised bottling operations, forming the bottling, distribution and sales company SCCUSA. Growth continued at a modest but steady rate until 2014,

when the company embarked on an expansion strategy that would quadruple its size over three years.

SCCUSA's latest growth is due to The Coca-Cola Company's decision to reshape its development strategy and operating model by instituting a refranchising strategy. "Coca-Cola's refranchising plan enables better execution and has led to faster revenue growth for the entire Coca-Cola System," explains Jack Pelo, President and Chief Executive Officer, SCCUSA. "The first transaction of our recent expansion was the purchase of the Mile High Territory (Eastern Colorado and Denver) from The Coca-Cola Company in 2014. This was followed by the acquisition of territory in Southern Arizona and New Mexico in 2016, and in the Pacific Northwest in April 2017. By late summer 2017, we will complete the acquisition of production plants in Tempe, Arizona, and Denver, Colorado. In just over three years, we will have added 4,000 employees and grown to 47 sales



The recent expansion of SCCUSA's franchise territories has brought major increases in sales volume.



USCS's Covington facility in Tennessee. USCS has 38 temperature-controlled warehouses spread across 13 states.

centres and six production plants in 13 states across the western United States, while increasing sales volume."

USCS: first-rate solutions for diverse customers

Attracting more customers is at the heart of every business. For USCS, which is the third largest public refrigerated warehouse company in the US, strong growth has gone hand-in-hand with fostering solid relationships with a range of customers. With a footprint comprising 38 temperature-controlled warehouses spread across 13 states, the company has doubled in size and tripled its revenue over the past decade, thanks to a large customer base of household names, including Kellogg's, Unilever, Amy's Kitchen and Land O'Lakes, among others.

But as Dave Harlan, President and Chief Executive Officer at USCS, explains, "We also have smaller customers in places such as the Carolinas and Delaware. Those

facilities are more focused on processing meat or poultry, and import and export-type businesses. In the central valleys of California we have customers who produce fruit and vegetables, and in Laredo, Texas, we have a lot of cross-dock products coming in from Mexico. It is hugely varied, but our core customers are food manufacturers that need frozen and refrigerated distribution services."

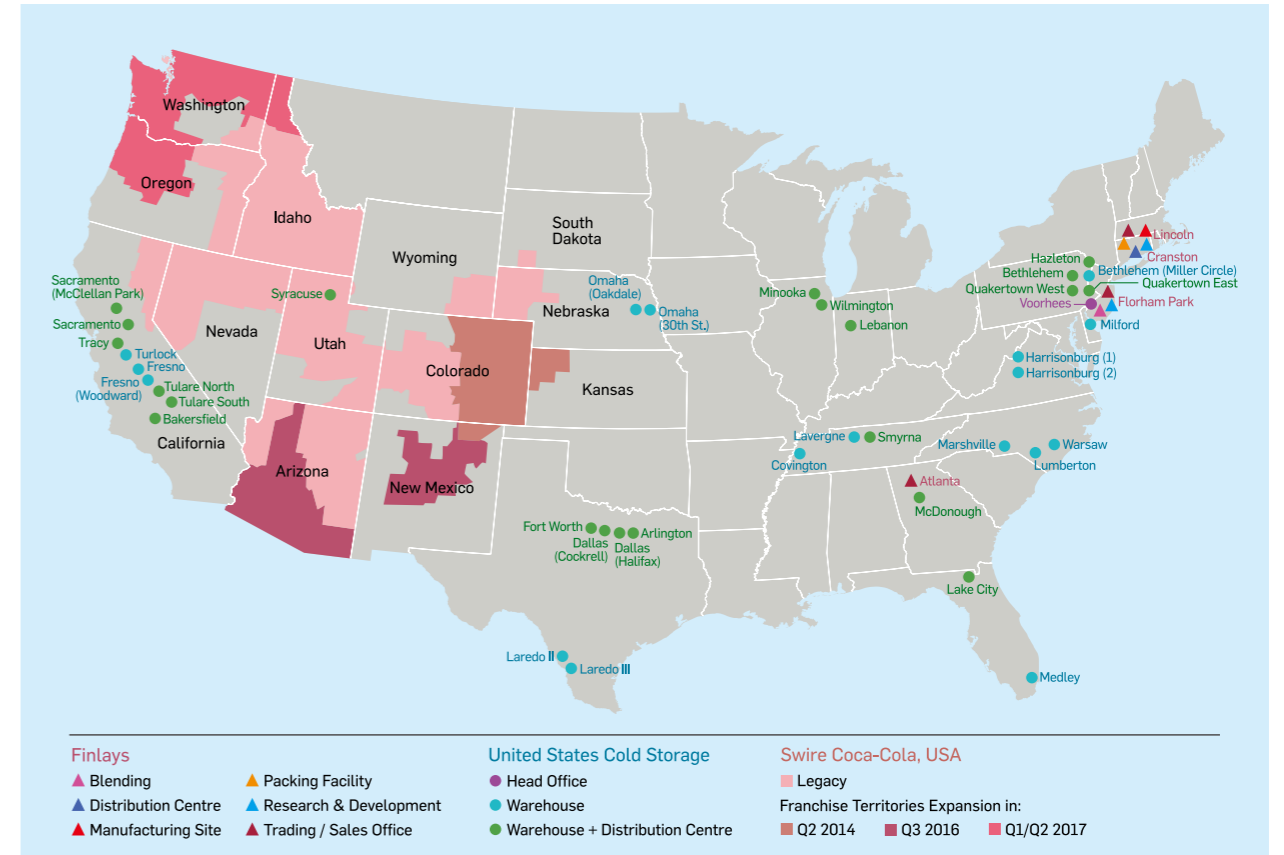
A bigger, bolder future

However, none of these three Swire businesses exists in complete isolation from one another. While it is true they operate in different sections of the food and beverage industry's food chain, they share some common customers. Because of this, skills and knowledge have proved transferrable. For example, SCCUSA CEO, Jack Pelo, is also a Director of the Board at USCS, to which he brings useful insights and experience. Meanwhile, USCS has been able to help Finlays gain a firmer grasp of the processes and risks associated with land acquisition and site development in

the United States, thanks to its own growth over the past decade.

One characteristic that defines each of Swire's food and beverage businesses in the United States is a vision of exciting growth over the coming years. USCS is to double the size of the company through innovation and expansion into new markets. As CEO Dave Harlan says, "We are looking at expanding into Denver, Colorado, the Los Angeles area and Minneapolis, Minnesota, and we have initiatives in place to develop employees and embrace automation to make us more efficient. We have also gotten away from using ammonia as a refrigerant in most of our new warehouses and now operate more CO₂ cascade refrigeration systems than any of our competitors."

While SCCUSA's main focus for 2017 is the completion of its current expansion programme, there is also a desire to integrate all newly acquired operations, territories and associates into the company. Says Jack Pelo: "We are the only bottler in the United States whose territory stretches



from the Canadian border to the Mexican border. The expansion means an obvious increase in sales volume and customers, but we are also excited about the synergies that will be created by adding new production proficiencies and unifying our customer care approach across a broader geography."

Looking at longer-term prospects, Jack Pelo says that although the non-alcoholic ready-to-drink market in the United States is quite mature, it is changing. "SCCUSA and the entire Coca-Cola System recognise that changes need to be made in order to meet growing consumer demand for low and no-sugar options as well as more still beverages. Therefore, the shift in our business strategy is to become a 'total' beverage company, by giving people more of the drinks they want – including low and no-sugar options

across a wide array of categories – in more packages, sold in more locations."

Finlays' main growth driver is product innovation, which is why the company continuously invests in research and development, consumer research and market insight. In addition to its coffee extracts manufacturing facility and R&D laboratory in Lincoln, Rhode Island, and its tea "Centre of Excellence" in Florham Park, New Jersey, Finlays is currently constructing a new facility in Rhode Island, scheduled for completion in late 2017. The first phase of the facility will consist of a world-class R&D centre, alongside a pilot manufacturing facility for tea extracts, heralding a major expansion in manufacturing capacity. As CEO Steve Olyha says, "We expect to see continued fast

growth in both tea and coffee in the United States market, and the new R&D centre and expanded production capacity in coffee extracts will support our growth. Finlays' global aim is to be the preferred supplier of tea for the world's leading beverage brands and food service companies. In the United States, we also seek to play a major role in supplying coffee extracts to the same customers."

The future of Swire's food and beverage operations in the United States is exciting and promises ever greater possibilities. Each company is driven by a passion for innovation and the determination to expand its footprint across the country. It is this outlook, coupled with Swire's unswerving dedication to excellence, which has already established a solid platform for achieving even more success in the future.

Operation Outback

Clinton Lockett hails from an area of Australia where indigenous culture still thrives. His role as Operations Supervisor at Kalari – a wholly owned subsidiary of John Swire & Sons Pty which offers logistics solutions to mining operations across some of Western Australia's harshest terrain – brings together his heritage and professional skills. Here, Clinton talks to *Swire News* about his career, and how Kalari enables him to give back to the community.



Clinton works for Kalari as an Operations Supervisor.

When did you join Kalari and what satisfaction does it give you?

I joined Kalari in November 2015, and since then I have been involved with growing the business in Port Hedland, which is a logistics hub on the north coast of Western Australia. My background is in mining – iron ore, gold and coal – based mainly on mine sites where I worked with 1,000-tonne diggers and trucks carrying 350 tonnes of material. My current role centres on haulage logistics – specifically road trains transporting raw material from mines around the region to Port Hedland, often over huge distances. I enjoy implementing logistical strategies, such as maintaining clear lines of communication with drivers on the road in case I need to resolve an issue 500 kilometres away, for example. It is a welcome challenge.

Describe your typical week at work and some of the challenges it brings.

A typical working week for me involves a whole range of activities; from managing people, ensuring drivers adhere to guidelines and allocating machines, to inspecting workplaces, helping new-starts find their feet and arranging drivers' rosters. One of the biggest challenges is the heat, which can easily reach over 40°C. This tends to push equipment to its limit and affect road conditions. Therefore, it is critical our workshop has equipment available and is on call, in case they need to attend a road train breakdown.



Port Hedland is the main export port for the iron ore mined in the Pilbara region.



Clinton (left) is especially proficient in playing the didgeridoo, a wind instrument developed 1,500 years ago by indigenous Australians.

What are Port Hedland's logistical advantages?

Port Hedland is the central hub of the Pilbara region of Western Australia. It has a natural deep-anchorage harbour, which is the main container receiving point for the region. It is one of the largest iron ore loading ports in Australia, with 633.5 million tonnes of raw material being shipped out every year. Because of this, there are plenty of opportunities for those willing to work hard and set themselves up for the future.

As well as its vast deposits of minerals, Pilbara is renowned for its indigenous heritage. Can you explain more about this?

The heritage, the language, the culture – it's alive and well in Pilbara. In fact, there are around 30 distinct Aboriginal languages in the area. Port Hedland's Aboriginal name, *Marrapikurrinya*, meaning "place of good water", describes what made it such an important site for local people. Further afield, the Burrup Peninsula has thousands of

spectacular ancient rock carvings, and the untouched coastline offers plentiful fishing and what we call "bush tucker" – wild food central to indigenous people's culture. There are also spectacular panoramic views of the landscape to be savoured. Personally, I enjoy going on bushwalks into the middle of nowhere. It's not a bad place to get out and be with nature.

As an Aboriginal Australian, how do you celebrate your indigenous culture?

For me, the very act of celebrating indigenous culture is so important, because this is how our stories, beliefs, artwork, music and languages have been passed on for thousands of years. For my part, I've been fortunate enough to play the yidaki – also known as the didgeridoo – in a variety of international settings. The instrument is made from a hollowed-out trunk of the eucalyptus tree, and its distinctive sound is produced with the lips and a special technique called circular breathing. Different rhythms and accompanying dances tell a variety of stories. Where I'm from in Arnhem Land, in Northern Territory,

these stories are handed down from generation to generation this way, so you could say the didgeridoo is like a university that teaches our culture.

How does your role with Kalari help you give back to your community?

Working for a company that recognises and respects indigenous culture is a great motivator, which is the reason I joined. Kalari always seeks to employ local residents, especially women and indigenous people. This is why our reputation is held in high regard within the community, and I believe Kalari can greatly improve the lives of local indigenous people by providing opportunities for training and employment. I personally drive the indigenous employment strategy at our base in Port Hedland. Since I started with the company, we have employed seven indigenous drivers, and two more as contractors. There's still more to do but we are definitely growing in that space, which is wonderful to see and be a part of.

The Scott Cup 2017

The 68th Scott Cup Competition took place at the Shek O Golf Club in Hong Kong on 10th February 2017. As tradition appears to dictate for the annual golfing gathering, it was the coldest day of the year in Hong Kong, with temperatures plummeting to a chilly 12°C.

This made the playing conditions particularly difficult for our overseas guests from Kenya, Australia, the US and Singapore. By contrast, visitors from Tokyo, Beijing and Manchester found the conditions positively balmy, with Graham Bardsley, the UK Scott Cup Winner, thriving in the relative heat and claiming the runner-up prize with a very creditable score of 36 Stableford points.

The Scott Cup Champion for 2017, winning the trophy for a record fourth time, was the ever-popular, ever-competitive James Barrington from HAECO, with a score of 38 points off a handicap of seven.

The second runner-up was Patrick Wong, also from HAECO, with a score of 35 points, edging out Eddie Tsao of Cathay Pacific Catering Services and Martin Murray of Cathay Pacific on a count-back.

The Alethea Scott Rose Bowl (now in its 54th year) was won for the second year running by Cathay Pacific's Yumiko Noguchi, with a score of 39 points off a handicap of 25. The runner-up was Lily Liang, also of Cathay Pacific and also off a handicap of 25, with a score of 37 points.

The Rose Bowl was originally presented to the Swire group by Mrs Alethea Scott – wife of JS&S Director, John Swire Scott – in 1964, as a trophy for the wives of Scott Cup competitors. The field for the

Rose Bowl is now up to 14 players and growing year-on-year, and there have been increasing requests from male spouses to enter the competition.

An executive decision was made to reserve the Rose Bowl for the ladies, but to allow a male spouse to compete for the Taikoo Cup, a trophy donated by Sir John Swire in 1973 for the leading Hong Kong-based golfer. As a result, the Taikoo Cup was won this year by Ernest Wong, husband of Kelly Chak from Cathay Pacific Services Limited, with a score of 38 points.

Kelly Chak herself won the women's nearest-the-pin prize for the fourth

hole. Nero Jung of Cathay Pacific was closest to the pin on the 17th and Nakano Sumiko of Cathay Pacific had the straightest drive on the 13th.

The men's novelty prizes went to Ed Higgs and Colin Siem of Cathay Pacific for nearest-the-pin holes, while the longest drive (at 263.2 yards) was a tie between Jackie Lee of Cathay Pacific and James Ong of China Navigation.

The Award for Sportsmanship (which means the lowest Stableford points score!) went to Alfie Weston of Cathay Pacific, playing in his first Scott Cup. Alfie was apparently delighted with his score of 13 points!

Thanks are due to Mr and Mrs John Slosar for hosting the awards dinner at No.3 Shek O and for presenting the winners with their trophies.

18 competitors representing five group companies. In occasionally damp conditions, Captain Dave Boggon of Cathay Pacific won the Taikoo London Trophy with 34 points off a handicap of six, while Graham Bardsley of Cathay Pacific Manchester, runner-up on 33 points, won the trip to Hong Kong. Norman Gray of Swire Oilfield Services won nearest-the-pin and Julian Davies of Finlays, the longest drive.

North America

The North American Scott Cup was held on 9th September 2016 at the Park Meadows Country Club in Park City, Utah. Thirty golfers representing Swire Coca-Cola, United States Cold Storage, HAECO and Purestream Services participated, with Eric Anderson of Swire Coca-Cola, Arizona, winning the tournament.

Australia

The Scott Cup qualifier took place on 2nd December 2016, at Moore Park Golf Club, Sydney. Local Sydney competitors were joined by the winners of the four inter-state competitions held in November: Meng Chung Thong (Cathay Pacific) from Western Australia, Tate Plummer (Cathay Pacific) from Victoria, Jared Hatfield (Swire Cold Storage) from Queensland and Gareth Lloyd (Cathay Pacific) from South Australia. Retirees Peter Lamrock and Mike Courtney joined 21 other golfers representing six associated Swire companies for the tournament. The golfing conditions were perfect, with the course in great condition; the sun shone the whole way around and there was only a light breeze. It was very warm (around 30°C), but it felt cool when compared to last year's playing conditions (41°C).

The winner of the local competition, the Martin Speyer Trophy, was David Gibson from Polar Fresh with 35

UK

The UK Scott Cup qualifier was held on 15th June 2016 at the Royal Wimbledon Golf Club, with





James Barrington from HAECO receives the trophy from John Slosar.



The runner-up prize went to Graham Bardsley of Cathay Pacific Airways (UK).



The Rose Bowl was won by Cathay Pacific's Yumiko Noguchi.

points. Additional trophies went to the winners of the Retirees Trophy, Mike Courtney, Cathay Pacific Cup, Murray Cassar and the Ross Gregg Shipping Trophy, Denis Speyer. The winner of the John Masson Armada Plate and the trip to Hong Kong to represent Swire Australia was Tate Plummer, who scored 36, off an impressive handicap of five.

Kenya

The Scott Cup Competition was held on 12th November 2016 at Kericho Golf Club. There were 40 participants who played in fine weather. Nicholas Tonui emerged the winner, with 34 points, playing off a handicap of 20. Sammy Kirui was the runner-up and Chris Birgen took third place, while Simeon Hutchinson came fourth. Nicholas therefore represented the East Africa Region in the final Scott Cup competition in Hong Kong.

Singapore

The Southeast Asia Scott Cup was held at the Singapore Island and Country Club on 4th November. This year the weather was not so kind and play was interrupted by an extended thunderstorm. Perhaps it was the long delay, or perhaps it was the copious amount of beer on hand, but there seemed to be more competition for the Wooden Spoon than the winner's trophy. The top prizes were dominated by the usual favourites, with Lee Ingram ("CNC") picking up both nearest-the-pin and longest drive, while James Ong ("CNC") won the trophy for a second time, with a respectable score of 37 Stableford points. Alistair Beck claimed the Wooden Spoon with eight Stableford points.

Mainland China

The Swire China Scott Cup was held at Xiamen Kaikou Golf Club on 15th November 2016. Twenty-four players from most of the Swire operating companies in China joined the tournament. The competition started in the afternoon after a half-day warm-up round and Thomas Woolsey, Swire Properties' Senior Portfolio Officer, was the winner.

Japan

The Japan Scott Cup qualifier was held on 13th May 2016 at Narita Taiheiyo Club. This year, there were 26 players from the various Cathay Pacific outports and the winner was Takao Kobayashi, Cargo Sales Manager East Japan, who scored 31 points.

Taiwan

The qualifier took place on 19th December at Tashee Golf Club, in Taoyuan County. This year, there were a total of five teams (19 players), representing Cathay Pacific, Cathay Dragon, Swire Coca-Cola Beverages, Taikoo Motors and Swire Travel.

The weather for the tournament was sunny and the participants had a fabulous time golfing and catching up. This year's champion was Jeffery Chen from Cathay Pacific, who received his trophy from Ian Shiu, who recently retired from the Swire group. Several prizes were also given for nearest-the-pin and longest-drive and Mr Shiu thanked all the players for their participation and support for the event.

A Helping Hand



(photo credit: The Australian/Lyndon Mechtelsen)

Paddy (right) and his elder brother Tristan are both AIEF Scholarship recipients and students of St Joseph's Nudgee College.

In 2014, John Swire & Sons Pty announced an AUD 1 million, six-year partnership with the Australian Indigenous Education Foundation ("AIEF"). AIEF provides scholarships that enable indigenous students to attend leading Australian schools and universities, as well as mentoring and career support; 93% of graduates go on to university and/or full-time employment. Swire works with AIEF to identify training and employment opportunities for scholarship students.

One of AIEF's scholars is Paddy, a young man who grew up in Lockhart River, a small community on the east coast of Cape York Peninsula. Paddy is a boarder at St Joseph's Nudgee College in Brisbane. Now in Year 12, Paddy's favourite thing about Nudgee is the connections he has made: "I love Nudgee because

you make good friendships – you're introduced to all kinds of people, which is so great."

One of the connections Paddy has made is with Jarrod, his AIEF mentor. Jarrod, a Warehouse Manager at Swire Cold Storage, knew nothing about AIEF before he was approached to join the mentor programme. "I was really humbled and surprised by the request," he says. "I started to think about how I could add value to someone's life."

The AIEF Mentor Programme pairs students with volunteers from AIEF's corporate partners and aims to create structured, trusting relationships that will support students through school and beyond.

Jarrod and Paddy were both nervous at the beginning, but soon found they shared an interest in sports and a similar sense of humour. "We keep

finding more and more in common," says Jarrod. For Paddy, "Speaking to Jarrod is just like I'm speaking to my best friend." Paddy has learnt many things from his mentor, but he considers perseverance to be the most important: "He taught me that no matter how hard the job is, you just have to keep going. You never know, you could end up being one of the most successful people if you just stick to it."

Jarrod says it's important to realise everyone has something to contribute: "Simply by having worked for a number of years, there's so much experience we have that can help others. To be honest, I think I'm getting more out of the programme than Paddy is! You learn so much and get so much satisfaction."



Runners storm across the starting line at the beginning of the Lantau Island race.



The challenging yet scenic race route.

King of the Hills

Attracting hundreds of entrants this year, Hong Kong's King of the Hills Mountain Marathon Series 2016-2017 came to a close in March. Swire Pacific, Swire Resources and Swire Coca-Cola HK were race sponsors for the second year running. The challenging four-race series took place at Wong Nai Chung Gap on Hong Kong Island (27th November 2016), on Lantau Island (8th January), in Sai Kung (12th February) and in Tai Po (5th March). All the routes offered great views, and were specially designed by Seyon Asia, the race organiser and an experienced race and adventure travel event company.

Runners from across the Swire group attempted to conquer this trail race series. Challenging their boundaries with either a full or half marathon, they all demonstrated relentless determination and great

stamina. As its name suggests, this event is not about running long sections on pavement, or even using the more established trails; instead, runners race off-road, along some very rough and tumble routes. Chilly weather was no barrier and spirits were high.

Despite the gruelling conditions, William Davies, Swire Beverages' Global Safety & Sustainability Transformation Lead, won three races in his age category this season. Rivalry aside, the Swire runners are united by their common passion for trail running and some firm friendships have been fostered.

Taking part in another capacity, around 15 Swire volunteers helped out at each race, serving food and drink at the finish area and cheering on the runners, to help boost their morale along the way.



Swire runners and volunteers celebrate after a race.



Volunteers cheer on the runners along the route.

Appointments

Cathay Pacific Airways Ltd.

Mark Konrad
joined Financial Services Department as Finance Manager – Shared Services.

John Swire & Sons (H.K.) Ltd.

Emmy Lau Sau Man
joined Group Public Affairs Department as Manager Group Public Affairs.

Edward Leung Oh Hin
joined Group Internal Audit Department as Auditor.

Kay Lin Kit Man
joined Group Internal Audit Department as Auditor.

Esther Wong Yuk Mui
joined Staff Director's Department as Executive Assistant.

Linna Wong Lin Na
joined Group Internal Audit Department as I.T. Auditor.

Mike Yung Yik Hin
joined Group Internal Audit Department as Auditor.

Swire Pacific Ltd.

Marc Hempstead
joined Corporate Finance Department as Corporate Finance Manager.

Taikoo Sugar Ltd.

Chan Siu Lok
joined Plant Operation and Technical Service Department as Supply Chain Manager – China.

Keung Siu Hei
joined Commercial Department as Sales Manager – Food Service.

CORRECTION

In last issue's Appointments section, we stated that David Carr, Finola Fennell, John Palfreyman and Delyn Pindai all joined James Finlay Ltd. They were in fact transferred from Finlays to John Swire & Sons Ltd; titles remained valid as reported. Our sincere apologies for the error.

Swire (Beijing) Management Consultancy Ltd.

Maria Zhang Bingyue
joined Group Internal Audit Department as Auditor.

Promotions, Transfers & Title Changes

Cathay Pacific Airways Ltd.

Amanda Bolzan
has been appointed Manager IT Risk & Security.

Christophe Chavry
has been appointed Manager Digital Retail.

Matthew Choi
has been appointed Commercial Manager Strategic Transformation.

Joshua Rogers
has been appointed Manager Customer and Operational Excellence.

HAECO Group

HAECO Hong Kong

Cyril Fan Kin Kiu
has been promoted to Grade B as Group Treasurer.

John Swire & Sons (H.K.) Ltd.

Stella Chan Suk Wai
of Group Internal Audit Department has been promoted to Grade B as Deputy Head of Group Internal Audit Department.

Benjamin Cheng Tak Man
of Group Internal Audit Department has been promoted to Grade C as I.T. Audit Manager.

Jacqueline Koo Che Ling
of Staff Department has been promoted to Grade D as Senior Personnel Officer.

Josephine Lam Nai Yan
of Staff Department has been promoted to Grade D as Senior Personnel Officer.

Cecelia So Suk Yee
of Taxation Department has been promoted to Grade A as Group Taxation Manager.

Angel Wong Lai Yin
of HK Archive Service Department has been promoted to Assistant Archive Manager.

Banson Wong Sun Wing
of Group Internal Audit Department has been promoted to Grade C as Internal Audit Manager.

Jenny Wong Ching Yee
has been transferred to China Operations and was appointed Executive Assistant to Director of John Swire & Sons (H.K.) Ltd.

Swire (Beijing) Management Consultancy Ltd.

Wendy Chen Yunxia
has been retitled Senior Risk Manager, China.

Stella Zhan Xiaodan
of Group Internal Audit Department has been promoted to Audit Manager.

Swire Pacific Cold Storage Ltd.

Chan Chi Fung
has been retitled Senior Engineering & Technical Manager.

Fan Ho Kam Fai
has been retitled Head of I.T.

Swire Properties Ltd.
(Effective progressively in 2017)

BEIJING

Hardy Wang
has been appointed Assistant e-Services Operations Manager.

Jackie Yu
has been appointed Assistant Director, Business Development (Beijing).

Summer Zhang
has been appointed Assistant Director, Training & Development.

Taikoo Li Sanlitun
William Huang
has been appointed Assistant Director, Property Management.

Marvin Jiang
has been appointed Assistant Technical Manager.

GUANGZHOU*TaiKoo Hui*

Charlene He
has been appointed Assistant Marketing Manager (Digital).

Jason Huang
has been appointed Assistant Director-Government Liaison.

Susan Li
has been appointed Assistant Administration Manager.

Yuki Li
has been appointed Finance Manager.

Sam Lu
has been appointed Assistant e-Services Operations Manager.

Nicole Mai
has been appointed Assistant Portfolio Manager.

Yang Shun
has been appointed Assistant Property Manager.

Vincy Wu
has been appointed Assistant Portfolio Manager.

Tasha Yang
has been appointed Marketing Manager.

HONG KONG*blueprint*

Anthony Liu Ming Fai
has been appointed New Ventures Lead – blueprint.

Development & Valuations

Catherine Chiu
has been appointed Senior Portfolio Manager (DVMO).

James Fan
has been transferred to Senior Advisor's Office and was appointed Senior Development Manager.

Henry Lee
has been transferred to Senior Advisor's Office and was appointed Development Manager.

e-Services

Carter Ma
has been appointed Assistant e-Services Applications Manager.

Finance

Roy Lau
has been appointed Senior Treasury Manager.

HR&A

Rebecca Cheng
has been appointed Assistant Human Resources Manager.

Sharon Yim
has been appointed Assistant Human Resources Manager.

Marketing & Communications

Kamini Kishor
has been appointed Communications Manager.

May Lam-Kobayashi
has been appointed General Manager, Public Affairs.

Oriental Landscape

Ada Lee
has been appointed Assistant Manager-Projects.

Jim Yau
has been appointed Project Manager-Landscape.

Portfolio Management

Janet Choi
has been appointed Portfolio Manager (PPMO).

Teresa Lau
has been appointed Senior Portfolio Manager (CPMO).

Priscilla Leung
has been appointed Senior Portfolio Manager (PPMO).

Arnold Tsang
has been appointed Assistant Manager, Design.

Chiu Wing Man
has been appointed Senior Portfolio Manager (PPMO).

Vincent Lau
has been appointed Portfolio Manager (CGMO).

Sophie Swingewood
has been appointed Assistant Portfolio Manager, PPMO – Star Street Precinct.

Iris Wong
has been appointed Portfolio Manager (CPMO).

Residential

Katie Lei
has been appointed Portfolio Manager.

MIAMI

Stephanie Butler
has been appointed Senior Manager, Financial Planning and Advisory.

Paris Del Rio
has been appointed Senior Project Manager.

Stephen Owens
has been appointed part-time Senior Advisor.

Lesbia Reyes
has been appointed Development Manager, Community Outreach.

The China Navigation Co. Pte. Ltd.

SINGAPORE

Robert Etchells
has been retitled Financial Controller, Divisional.

Long Service

A long service presentation was held in Hong Kong on 14th December 2016 at the Centre of Excellence in Oxford House. John Slosar, Chairman of John Swire & Sons (H.K.) Limited, presented medals to the following staff, who have served the group for 30 – 40 years: (left to right) Priscilla Tse, Patricia Lo, Delia Lam, Julie Tse, Joseph Lee, John Slosar, Christina Ma, Patrick Lau, Joe Lee and Eric Kwok.

**30 years****John Swire & Sons (H.K.) Ltd.**

Maggie Yim Wai Ching
– Administration Officer, Group Retirement Benefits Department

25 years**Swire Oilfield Services Ltd.**

Adrian Bruce
– Tester

20 years**Swire Oilfield Services Ltd.**

John Anderson
– Forklift Driver

Dean Cowie
– Welder

15 years**John Swire & Sons (H.K.) Ltd.**

Nora Pun Fung Ping
– Manager – Human Resources, Staff Department

Swire Oilfield Services Ltd.

James Buchan
– Welder

Ian Craig
– Welder

Philip Dalgarno
– Test Engineer

Taikoo Sugar Ltd.

Lewis Ling I Shu
– Plant Operation & Technical Service Director, Plant Operation and Technical Service Department

10 years**Ethos International Ltd.**

Tomas Bay
– Principal Consultant – Learning & Development, Learning & Development Department

John Swire & Sons (H.K.) Ltd.

Cecelia Lam Kam Chu
– Accounts Clerk, Swire Pacific Ltd. – Group Finance

Mike Scantlebury
– Finance Director, Steamships Trading Co. Ltd.

Swire Oilfield Services Ltd.

Marc Evans
– General Worker

Gary Law
– Welder

Joseph Leaper
– Tank Fitter

Michael Pirie
– General Worker

Retirements

John Swire & Sons (H.K.) Ltd.

Teresa Ko Wing Chun
Executive Assistant to Chief Executive, Swire Properties Ltd. of John Swire & Sons (H.K.) Ltd., retired in December 2016 after 16 years of service with the company.

Andrew Leung Chi Kwan
Managing Director of Swire Travel Ltd., retired in January 2017 after 40 years of service with the company.

Marriages

Chen Xianzhe
of Swire Cold Chain Logistics (Shanghai) Co. Ltd. married **Hua Sha** in October 2016.

Ivy Tong Yick Fung
of John Swire & Sons (H.K.) Ltd. married **Yan Tsz Ki** in December 2016.

Births

To **Donald Blake** of Swire Altus Shipping – Indonesia, and **Samantha**, a son, **Cameron Santiago**, in January 2017.

To **Arthur Burnand** of Swire Hotels – Shanghai, and **Georgina**, a son, **Archibald Francis Geoffrey**, in December 2016.

To **Mark Celenk** of Cathay Pacific Airways Ltd., and **Jeanine**, a daughter, **Savannah Lin**, in December 2016.

To **Samantha Ho Sze Nga** of John Swire & Sons (H.K.) Ltd., and **To Ka Hei**, a daughter, **Yik Tung**, in October 2016.

To **Rozana Lee Yoke Cern** of Swire Properties Ltd., and **Canizares Juan Andres**, a daughter, **Amelia**, in November 2016.

To **Laura Percy** of Swire Properties Ltd., and **Christopher**, a son, **George**, in December 2016.

To **Pun Hiu Kwan** of Taikoo Sugar Ltd., and **Lo Kit Lun**, a son, **Jasper Lok Wah**, in December 2016.

To **Richard Sell** of Swire Pacific – Trading & Industrial Division, and **Sarah**, twin sons, **William Angelo** and **Charles Ernest**, in March 2017.