

SWIRENEWS

CENTRE STAGE

Cultivating Britain's young Chinese speakers

May 2018



CONTENTS

May 2018

01
NEWSWIRE

14
CENTRE STAGE

18
INSIDER

23
PEOPLE

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.

Swire News is published in Hong Kong, by the Swire Group Public Affairs Department.

To view the digital version, please go to www.swire.com/swirenews

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Established in 2016, the Swire Chinese Language Foundation helps improve the quality and reach of Chinese language teaching in the UK. Story on page 14.

Board change

Merlin Swire will succeed **John Slosar** as Chairman of Swire Pacific Limited, with effect from 1st July 2018. Mr Swire will also become Chairman of Swire Properties Limited and Hong Kong Aircraft Engineering Company Limited ("HAECO") in place of Mr Slosar. Mr Slosar will remain as Chairman of Cathay Pacific Airways Limited, but will otherwise retire from the Swire group.



Merlin Swire

the group's business and reaffirms the Swire family's long-term commitment to Swire Pacific at a time of rapid change and exciting growth opportunities. I would like to add my thanks to John for his leadership and immense contribution to the development of Swire Pacific over his career." Commenting on Mr Swire's appointment, John Slosar said, "Merlin's appointment continues Swire's longstanding practice of appointing leaders from within the group. As Chairman, he will deepen our key relationships in the region and will lead the group in its next chapter of growth. Our future is in good hands."

Merlin Swire, aged 44, is currently Chief Executive Officer and a Director of John Swire & Sons. He is also a Director of Swire Pacific, Swire Properties, Cathay Pacific and HAECO. He joined the Swire group in Hong Kong in 1997, and has worked in Hong Kong, Sydney, Shanghai, Xiamen, and London.

Of his appointment, Merlin Swire said, "This move back to Hong Kong reflects how important Hong Kong is to

Senior management appointments

Swire Pacific Offshore
Roy Shearer has been appointed Finance Director.

United States Cold Storage
Larry Alderfer has been appointed Chief Operating Officer.

Australian divestments

On 22nd December 2017, John Swire & Sons completed the sale of Swire Cold Storage Australia and Swire Cold Storage Vietnam to US-based Emergent Cold. Swire entered the cold storage market in Australia in 1956 and built the business into the leading national provider; the group was an early mover into the Vietnam market in 1998.

On 31st January, the group also completed the sale of the Alex Fraser Group to Hanson Australia, a wholly-owned subsidiary of Heidelberg Cement of Germany. Swire first acquired an interest in Australia's leading recycler of construction and demolition waste in 2006 and grew the business substantially.

Swire in Australia has recently merged Kalari, its specialist logistics and haulage business, with its contract mining company HSE. The group is now focused on growing this combined entity into a top-tier service provider to the mining and logistics sector. At the end of 2017, Kalari HSE acquired Pearce Logistics, providing an entry into the woodchip haulage sector, based at Mount Gambier in South Australia, and servicing the "green triangle" of forestry products centred on the Victoria/South Australia border.

Visit to Chongqing and Chengdu

In January, John Swire & Sons (China) Chairman, Ivan Chu, paid courtesy calls on senior officials in the Municipality of Chongqing and in Chengdu, the provincial capital of Sichuan Province. While in Chongqing, Mr Chu met with Vice Mayor, Mr Liu Guiping, who was keen to discuss recent developments in the city. In particular – given Chongqing’s strategic location – Mr Liu highlighted the opportunity presented by China’s “One Belt, One Road” to establish the city as a modern service hub for central and western China. He encouraged Swire to continue seeking business opportunities in logistics, real estate, aircraft maintenance and other industries within the municipal area. In response, Mr Chu expressed his gratitude to the Chongqing Municipal

Government for their strong support for the Swire Foods business.

In Chengdu, Mr Chu met with Party Secretary, Mr Fan Ruiping, and Vice Mayor Mr Liu Shoucheng at the Chengdu Party Committee Guest Hall. Mr Fan expressed his appreciation for Swire Properties’ very successful joint development of Sino-Ocean Taikoo Li Chengdu, which he said had enhanced the quality of living and competitiveness of the city. He hoped Swire would look for further opportunities that would see it taking an even more significant role in the transformation of the ancient city, and would continue the expansion of the group’s existing bakery and logistics businesses.



Ivan Chu and Mr Liu Guiping



Ivan Chu and Mr Fan Ruiping

Nurturing young talents

Swire recently announced two initiatives that aim to help Hong Kong’s younger generation engage with Mainland China. The Swire China Scholarships were launched on 1st December last year and will provide funding for Hong Kong students to pursue tertiary courses at nine renowned Mainland Chinese universities. Swire has also announced its partnership with the HKSAR Government in the newly established Pilot Scheme on Corporate

Summer Internship, which will offer 22 Hong Kong undergraduates summer placements in the offices of five businesses headquartered in Beijing, Chongqing, Chengdu, Guangzhou, Shanghai and Xiamen. Both initiatives offer opportunities to familiarise Hong Kong’s young people with the economic, social and cultural landscape in Mainland China, and to enhance their understanding of their country.

2017 Annual Results

Swire Pacific Limited

	HK\$M	Change
Revenue	80,289	+29%
Profit attributable to shareholders (underlying)	4,742	+55%
	HK\$	Change
Earnings per share (underlying)		
‘A’ share	3.15	+54%
‘B’ share	0.63	
Dividends per share		
‘A’ share	2.10	–
‘B’ share	0.42	

The consolidated profit attributable to shareholders for 2017 was HK\$26,070 million, a 170% increase compared to 2016. Underlying profit attributable to shareholders, which principally adjusts for changes in the valuation of investment properties, increased by 55% to HK\$4,742 million. Disregarding significant non-recurring items in 2017 and 2016, the 2017 adjusted underlying profit was HK\$4,762 million, compared with HK\$4,997 million in 2016. Better results from the Property, Beverages and Trading & Industrial Divisions were more than offset by weaker results from the Aviation and Marine Services Divisions.

Swire Beverages’ profit of HK\$2,441 million in 2017 included gains of HK\$1,222 million arising out of the realignment of the Coca-Cola bottling system in Mainland China. These gains arose from the disposal of the Shaanxi franchise business and

the remeasurement of the fair value of interests in three joint venture franchise businesses when they became subsidiary companies. There were non-recurring gains in the USA of HK\$289 million. These gains arose out of the terms on which new franchise territories and production and distribution assets were acquired. Disregarding these gains, Swire Beverages made an attributable profit of HK\$930 million in 2017, a 14% increase from 2016. Overall sales volume increased by 37% to 1,512 million unit cases. Sales revenue increased by 85% to HK\$34,067 million. Volume and revenue grew in Mainland China and the USA, principally reflecting the inclusion of sales from additional territories. Volume and revenue increased in Hong Kong. In Taiwan, volume was in line with 2016 and revenue increased.

The Marine Services Division recorded a loss of HK\$2,232 million in 2017. The loss included an impairment charge of HK\$1,015 million. Disregarding impairment charges and profits and losses on disposal of vessels in both years and the loss on disposal of Altus Oil & Gas Services in 2016, the Division’s loss was HK\$1,201 million in 2017, compared with a loss of HK\$729 million in 2016. The level of exploration and production spending by oil majors remained weak in 2017. The oversupply of offshore support vessels resulted in reduced charter hire and utilisation rates.

Attributable profit from the Trading & Industrial Division in 2017 was HK\$69 million. This included a loss of HK\$94 million on disposal of Swire Brands’ interest in Rebecca Minkoff. Disregarding this loss, the Division’s attributable profit in 2017 was HK\$163 million, compared with HK\$114 million in 2016. The increase principally reflected better results from Taikoo Motors and Akzo Nobel Swire Paints and a reduction in losses at Swire Environmental Services. The losses of Swire Pacific Cold Storage increased, and profits from Swire Retail and Swire Foods decreased.



Swire Properties Limited

Underlying profit attributable to shareholders, which principally adjusts for changes in the valuation of investment properties, increased by HK\$722 million from HK\$7,112 million in 2016 to HK\$7,834 million in 2017. The underlying profit from property investment increased by 12%. The underlying profit from property trading decreased slightly. Hotel losses decreased.

Gross rental income was HK\$11,252 million in 2017, compared to HK\$10,773 million in 2016. In Hong Kong, office rental income increased due to positive rental reversions and firm occupancy. This was despite the loss of rental income resulting from the Taikoo Place redevelopment. Retail rental income in Hong Kong was little changed in 2017. In Mainland China, gross rental income increased by 12%, mainly due to positive rental reversions and improved occupancy. In the USA, gross rental income increased following the opening of the first phase of the Brickell City Centre development in 2016.

Underlying profit from property trading in 2017 arose mainly from the handover of pre-sold units at the ALASSIO development in Hong Kong. Property sales slowed in the USA. Hotels reported reduced losses in 2017, reflecting improved results from EAST, Miami since its opening. Occupancy was stable at our managed hotels in Hong Kong and Mainland China.

	HK\$M	Change
Revenue	18,558	+11%
Profit attributable to shareholders (underlying)	7,834	+10%
	HK\$	Change
Earnings per share (underlying)	1.34	+10%
Dividends per share	0.77	+8.5%



but fuel hedging losses reduced. As the year progressed the Group began to see positive results from its transformation programme and business also benefited from a strong cargo business, a weaker US dollar, and improved premium class passenger demand. The contribution from subsidiary and associated companies was satisfactory.

Passenger revenue in 2017 was HK\$66,408 million, a decrease of 0.8% compared to 2016. Capacity increased by 2.8%, reflecting the introduction of new routes and increased frequencies on other routes. The load factor decreased by 0.1 percentage point, to 84.4%. Yield, which was under pressure

for most of the year, fell by 3.3% to HK52.3 cents, albeit improving by 3.1% in the second half of the year compared to the first half.

The Group's cargo business benefited from robust demand in 2017, with cargo revenue increasing by 19.1% to HK\$23,903 million. The cargo capacity of Cathay Pacific and Cathay Dragon increased by 3.6%. The load factor increased by 3.4 percentage points, to 67.8%. Tonnage carried increased by 10.9%. Yield rose by 11.3% to HK\$1.77, benefiting from the resumption (from April) of the collection of fuel surcharges in Hong Kong and from strong demand.

Hong Kong Aircraft Engineering Company Limited ("HAECO")



In 2017, most HAECO businesses did well but those businesses in America continued to incur losses. The HAECO Group overall reported an attributable loss of HK\$541 million in 2017. This loss included an impairment charge of HK\$625 million in respect of the goodwill attributable to HAECO USA Holdings, Inc. ("HAECO Americas") and a write-off of HK\$249 million in respect of HAECO Americas' net deferred tax assets. This compares with a profit of HK\$975 million in 2016, which included a gain of HK\$805 million on disposal of the interest of Hong Kong Aero Engine Services Limited ("HAESL") in Singapore Aero Engine Services Pte. Limited ("SAESL") and an impairment charge of HK\$285 million in respect of the goodwill attributable to HAECO Americas. Disregarding the impairment charges in both

	HK\$M	Change
Revenue	14,546	+5.7%
(Loss)/profit attributable to shareholders	(541)	-155.5%
	HK\$	Change
(Loss)/earnings per share	(3.25)	-155.5%
Dividends per share	1.03	-73.6%

years, the net deferred tax asset write-off in 2017 and the gain on disposal in 2016, the HAECO Group made an attributable profit of HK\$340 million in 2017, compared with an attributable profit of HK\$516 million in 2016.

More airframe and line services work was done by the Group in Hong Kong and in Xiamen in 2017. Line services results benefited from increased aircraft movements. The increase in airframe services work reflected higher demand and the deferral of some customers' work from 2016. In America less airframe services work was done, reflecting the completion of some significant aircraft and cabin modification programmes in 2016 and the loss of significant work from a major customer from August 2017.

Cathay Pacific Airways Limited

	HK\$M	Change
Revenue	97,284	+4.9%
(Loss)/profit attributable to shareholders	(1,259)	-119.0%
	HK\$	Change
(Loss)/earnings per share	(0.32)	-119.2%
Dividends per share	0.05	–

The Cathay Pacific Group reported an attributable loss of HK\$1,259 million for 2017. This compares to a loss of HK\$575 million in 2016. The Group reported an attributable profit of HK\$792 million in the second half of 2017, compared to an attributable loss of HK\$2,051 million in the first half of 2017 and an attributable loss of HK\$928 million in the second half of 2016.

The factors which affected the performance were largely the same as in 2016. Overcapacity in passenger markets led to intense competition with other airlines and continued pressure on yields on many of the key routes. Fuel prices were higher,

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

One Taikoo Place tops out



Computer rendering of One Taikoo Place



Swire Properties' Chief Executive, Guy Bradley (left) and Director, Office, Don Taylor, unveiled details of One Taikoo Place at the topping-out ceremony.

In February, Swire Properties celebrated the topping out of One Taikoo Place, its latest triple Grade-A office tower. A core component of the HK\$15 billion Taikoo Place redevelopment project, One Taikoo Place is already 75% pre-leased. High profile multinational tenants include Baker McKenzie, one of the world's largest international

law firms, and social media giant, Facebook, who will take up 100,000 square feet of space respectively. Leading global professional services organisation, EY, will meanwhile lease eight floors at One Taikoo Place – approximately 160,000 square feet of office space.

Swire Properties to develop second project in Shanghai

Citi-Fame Development Limited, an indirect wholly owned subsidiary of Swire Properties Limited, has acquired a 50% equity interest in Shanghai Qianxiu Company Limited from Shanghai Newbund Industrial Development Co., Ltd., for a consideration of approximately RMB1,349 million. Shanghai Qianxiu holds the land-use rights for a parcel of land located at Qiantan, in Pudong New District, Shanghai. The joint venture will develop a major retail project at Qiantan – an area envisioned as Shanghai's newest international business district. The project will be Swire Properties' second development in Shanghai, after HKRI Taikoo Hui in Puxi, and its sixth project in Mainland China.

First green bond

Swire Properties has priced its first green bond, raising US\$500 million at a coupon rate of 3.5%, due in 2028. A substantial portion of the bond was placed with institutional investors that have a strong commitment to sustainable financing initiatives. The issuance of the ten-year green bond is part of the company's Sustainable Development 2030 Strategy, and the net proceeds will be used to fund or refinance new or existing green projects; part of the proceeds will be used to finance the LEED Platinum pre-certificated One Taikoo Place, to be completed later this year. Swire Properties' green bond is the first in Hong Kong to obtain pre-issuance stage certification under the Green Finance Certification Scheme, recently launched by the Hong Kong Quality Assurance Agency.



The lobby of The Middle House, Shanghai – the fourth property in Swire Hotels' award-winning The House Collective. The Middle House offers 111 hotel rooms as well as 102 serviced apartments under The Middle House Residences. The interiors of the House and apartments were created by Milan-based architect and designer Piero Lissoni, with architecture by Lissoni Architettura, and Wong and Ouyang. The Middle House was opened in April.

Award winning hotels

Three hotels from Swire Hotels' The House Collective have taken top awards across multiple categories in the 2018 TripAdvisor Travellers' Choice® Awards.

The Upper House in Hong Kong was ranked at number three in the Top 25 Luxury Hotels in the World category, at number 15 in the Top 25 Hotels in Asia category (the only Hong Kong hotel to feature in both categories), and is number one in the Top 25 Hotels in China category. The Opposite House in Beijing and The Temple House in Chengdu are respectively number four and number six in the Top 25 Hotels in China category.

Winners of the 2018 awards were determined based on the reviews and opinions of millions of TripAdvisor travellers around the globe.



The Upper House, Hong Kong

More connectivity



Richard Ledger (Left), Vice President Marketing and Sales at Air Astana and Ronald Lam, Cathay Pacific Director Commercial and Cargo.

Cathay Pacific Airways will launch a seasonal non-stop service to Cape Town later this year, directly linking this popular business and tourism destination with Hong Kong for the very first time. The three-times-weekly service, which will operate from 13th November 2018 to 18th February 2019, will complement Cathay Pacific's existing daily non-stop flights to Johannesburg, and will be operated by state-of-the-art Airbus A350-900 aircraft.

Cathay Pacific has also commenced a codeshare arrangement with Air Astana, the flag carrier of the Republic of Kazakhstan. Commencing in March, Cathay Pacific is now placing its "CX" code on Air Astana's

non-stop flights between Hong Kong and its home port of Almaty, as well as on connecting services between Almaty and Astana, the Kazakh capital. Subject to government approval, Cathay Pacific will also codeshare on Air Astana's services between Bangkok and Almaty and Seoul and Almaty, giving customers additional options for travel between Hong Kong and Kazakhstan. Air Astana will place its "KC" code on selected Cathay Pacific services operating between Hong Kong and Sydney, Melbourne, Perth and Singapore.

Closer to home, Cathay Pacific has commenced a codeshare arrangement with Macao ferry operator Cotai Water Jet. The "CX" code now appears on Cotai Water Jet services operating between Hong Kong International Airport ("HKIA") and the Taipa Ferry Terminal in Macao. The partnership allows Cathay Pacific customers travelling to Macao to enjoy the convenience of check-through baggage and a choice of six daily direct Cotai Water Jet sailings departing from the SkyPier at HKIA.

Meanwhile, in March, Cathay Dragon launched a new four-times-weekly service between Hong Kong and Jinan, the capital of Shandong province. Complementing the airline's existing flights to Qingdao, the new Jinan service will be operated by the airline's fleet of Airbus A320 aircraft in a two-class configuration.

The Deck in Hong Kong

Cathay Pacific has unveiled The Deck, the airline's newest lounge at Hong Kong International Airport. At 823 square metres, The Deck has seating for 180 passengers and its sleek designer furniture and lighting have been carefully selected for practicality, comfort and privacy, while the use of natural materials, plenty of greenery and artworks by local artists add to the welcoming atmosphere. The Deck is also equipped with a relaxation zone, featuring bespoke Solo chairs, as well as eight shower suites, washroom facilities and a range of comfortable seating throughout. The Deck will join Cathay Pacific's other lounges at HKIA – including The Bridge, The Pier Business and First Class lounges, The Wing Business and First Class lounges and The Arrival – in providing customers with a unique "Life Well Travelled" experience.



HAECO Xiamen celebrates 3,000th aircraft input

On 22nd February 2018, HAECO Xiamen celebrated its 3,000th aircraft input since commencing operations in March 1996; a special ceremony marked the milestone redelivery of the aircraft – a Boeing 777-300ER – to scheduled customer, Cathay Pacific Airways. HAECO Xiamen has been growing steadily over the past 22 years by extending its capabilities across all major commercial aircraft types, developing its 4,500-strong workforce, and collaborating with stakeholders to provide quality services to its customers.



HAESL 20th anniversary celebration

A ceremony was held on 6th December last year at Hong Kong Aero Engine Services Limited's ("HAESL") headquarters, to celebrate the company's 20th Anniversary and completion of its 15,000 square-metre Phase VI expansion. The completion of Phase VI marks a new era in the development of HAESL, facilitating substantial growth for the business, including capacity on the Rolls-Royce Trent XWB engine, which powers the Airbus A350.



Expansion at Lebanon and McDonough

United States Cold Storage ("USCS") has commenced construction of Phase Two of its warehouse at Lebanon, Indiana. The site will be expanded with the addition of 5.1 million cubic feet of refrigerated storage, providing 16,000 pallet positions and ten extra shipping dock doors. A part of the addition will be served by an automated storage and retrieval system, making Lebanon the second USCS facility to integrate conventional and automated design. Construction is scheduled to complete later this year.

USCS is also planning a second warehouse at McDonough in Georgia. In addition to the original 8.6 million cubic-foot facility, the new site will provide an extra 6.7 million cubic feet of cold storage, with room for 26,154 pallets stored at temperatures ranging from -20°F to +40°F.



Computer rendering of McDonough Phase Two

New hope for solving the greatest aviation mystery in modern history



Seabed Constructor with a USV (unmanned surface vehicle – yellow vessel) and an AUV (orange submersible).

"Seabed Constructor is the most advanced civilian survey vessel on the planet today. If its array of technology cannot find MH370, then it is likely that nothing will, and that the mystery of MH370 will remain unsolved." So wrote *The Economist* magazine on 2nd January this year, a few weeks before Seabed Constructor commenced a new 90-day search for the crash site of Malaysia Airlines Flight MH370, the Boeing 777-200ER that vanished over the Indian Ocean on 8th March 2014, claiming the lives of 239 people. The vessel is owned and operated by Swire Pacific Offshore's subsea services company, Swire Seabed, and is currently on charter to Ocean Infinity, a technology company specialising in the collection of high-resolution geophysical seabed data. Ocean Infinity

has negotiated a no-cure, no-pay agreement with the Malaysian Government to extend the search for the missing aircraft.

With eight autonomous underwater vehicles ("AUVs") on board, Seabed Constructor is equipped to rapidly collect and analyse information from water depths of up to 6,000 metres. Despite some challenging adverse weather conditions, the offshore team has already surveyed over 16,000 km² of ocean floor and it is hoped their work may help solve the mystery of MH370, bringing answers, peace and clarity to the friends and families of the victims.

SPO welcomes Pacific Grouse



At Pacific Grouse's naming ceremony are (front row, centre, left to right): Colin Payne, the vessel's Master, Captain Sherman Dadwell, Lady Sponsor, Mrs Brenda Payne and SPO's Commercial Director, Duncan Telfer.

On 2nd March, SPO held a naming ceremony at the Loyang Offshore Supply Base in Singapore for the latest addition to its G Class series, *Pacific Grouse*. The ship was officially named by Lady Sponsor, Mrs Brenda Payne, wife of SPO's Human Resources Director Colin Payne, and the event was attended by more than 90 guests. *Pacific Grouse* is the eighth of ten Platform Supply Vessels in the G Class series built for SPO by Japan Marine United Corporation. The seventh vessel in the series, *Pacific Griffon*, was christened on 22nd January and is already heading to West Africa for her first charter to a longstanding client for an initial period of three months with options, supporting subsea construction activities.

Opening of Ghana Marine Training Centre

On 25th January, Swire Adonai Services Limited ("SAS"), a joint venture between Adonai Shipping Limited and Swire Pacific Offshore Operations Pte Limited ("SPO"), officially opened the new Ghana Marine Training Centre ("GMTC").

Designed to provide a stimulating learning environment for the training of deck officers and engineers, GMTC includes a simulator room, a classroom equipped with seven desktop simulators, and an in-house library. Two Dynamic Positioning console units, donated from the SPO fleet, allow participants to gain a realistic sense of the actual equipment used on board an offshore supply vessel. The Marine Training Centre aims to become an important local education facility for Ghanaian seafarers, and will provide dynamic positioning, safety, and other training courses.

Moana Taka Partnership offers exciting recycling possibilities for the Pacific islands

In March, The China Navigation Company ("CNC") signed a Memorandum of Understanding ("MOU") with the Secretariat of the Pacific Regional Environment ("SPREP") to address critical waste management issues in the Pacific islands. Under the provisions of the MOU, CNC vessels will carry containers of recyclable waste from eligible Pacific island ports, on a pro bono basis, to be sustainably treated and recycled at suitable ports in the Asia Pacific region. Under the "Moana Taka Partnership", Pacific island nations that lack the space, facilities or finances to treat or dispose of waste appropriately will be eligible for this opportunity. The types of materials that are considered recyclable include plastics, aluminium cans, waste oil and ozone-depleting substances.

London Director visits Taiwan

In January, John Swire & Sons Limited Director, Sam Swire, toured Taikoo Motors Group's operations in Taiwan, with stops in Kaohsiung, Taichung and Taipei, where he visited Mercedes-Benz, Volkswagen, Harley-Davidson, Mazda and Vespa dealerships, as well as TMG's Taipei headquarters. Mr Swire also took the opportunity to pay a call on Cathay Pacific's Taipei office and attended a dinner for senior staff hosted by Swire Group Taiwan Chairman, Derrick Chan.



Sam Swire (centre) at Taikoo Motors Group's Taipei headquarters.

New flagship store



In December, GigaSports, Hong Kong's chain of professional sports superstores, launched a new flagship store at Harbour City in Tsim Sha Tsui, Kowloon. The store design reflects extensive analysis of customer feedback and new features aimed at enhancing the shopping experience include self-help kiosks for children's footwear, a ticketing system for trying on shoes, a conveyor belt to bring products to the customer, and a young athletes' corner.

Community Ambassadors to the rescue

Swire Properties Guangzhou Community Ambassador team have been extending a helping hand to stray cats and dogs in the Huangpu District of the city, as part of their animal outreach programme. In addition to helping clean and weatherproof a local animal shelter, Community Ambassadors also helped to bath and feed

rescued strays. Ambassadors regularly provide extra hands at the Guangzhou shelter, which is often understaffed and underfunded. The event also aimed to encourage the adoption of rescued cats and dogs in need of a new home, rather than buying them from pet shops or breeders.



As part of its Arts Month 2018 programme, held in March, Swire Properties invited three British artists, Phil Ashcroft, Graeme Brusby and Duncan Jago, to take part in a live street art event at Taikoo Park – the four-acre landscaped gardens adjacent to One Island East at Taikoo Place. In collaboration with leading architecture and design firm, Aedas, each artist was commissioned to paint a large canvas 'mural' expressing his unique and personal response to Hong Kong's vibrant energy. Smaller canvases from the art walls were later sold in an online auction to raise funds for the Hong Kong Youth Arts Foundation's programme for disadvantaged and underprivileged youth.

Outstanding Partnership Project Award

LOVE'S TEAM, a Swire Properties corporate volunteering initiative, has won the coveted Outstanding Partnership Project Award at the Hong Kong Council of Social Services' Caring Company Partnership Expo 2018.

The year-long LOVE'S TEAM programme was launched in 2016 to mark the 15th anniversary of Swire Properties' staff volunteering scheme, the Community Ambassadors Programme. A first-of-its-kind, cross-sector community engagement initiative, LOVE'S TEAM was spearheaded by Swire Properties Community Ambassadors in cooperation with 15 long-term NGO partners, representing a broad range of social groups – including ethnic minorities, women's and youth groups, the elderly, and those with special needs. In October 2016, LOVE'S TEAM culminated in a three-day community showcase at ArtisTree, Swire Properties' home for artistic and cultural activities in Taikoo Place. The event featured charity stalls, experiential workshops and inclusion-themed performances and over 2,000 volunteers helped raise close to HK\$900,000, including matching from the Swire Trust; all funds were donated to the 15 partner organisations.



The year-long LOVE's TEAM programme demonstrated the power of community cohesion through mutual support.

Cultivating Britain's young Chinese speakers

In this issue, we talk to Sam Swire about how the Swire Chinese Language Foundation is strengthening links between China and Britain by enabling British schools to teach Chinese across the United Kingdom.



In 2016, the Swire group celebrated its 200th anniversary. The Swire Chinese Language Foundation ("SCLF") was established to commemorate this remarkable achievement and to recognise the 150 years the group has been doing business in Greater China. Contributing to education has long been a part of Swire's legacy, and the establishment of the SCLF is a continuation of that proud heritage.

Sam Swire, Executive Director of John Swire & Sons Limited and Chairman of the SCLF, is clear about the purpose of the Foundation: "The aim is that we will improve the teaching of Chinese in the United Kingdom. This will be achieved by ensuring that there is a higher standard in the quality, the quantity and, perhaps most importantly, the reach of Chinese teaching into areas where people don't necessarily have the option to study the language at present."

As China's economy grows, relations between Britain and China become closer and more important than ever. "There has been a noticeable strengthening of the ties between Britain and China in the past few years, with a particular focus on economic and cultural relationships. It seems likely that the approach of Brexit will push Britain to forge greater connections with the world outside Europe, and China plays a large part in that. As a nation, we need to build our links with China as strongly as possible and that, inevitably, involves language learning," says Sam.

Building a network

Teddy Watson, Executive Trustee of the SCLF, explains how the programme works: "The Foundation selects schools in the United Kingdom to set up centres of excellence for teaching Chinese. Once the SCLF has chosen a school, or in some cases a group of schools, in a particular location, it is named a Swire Chinese Language Centre and receives funding so it can employ one or more Chinese language teachers. The school will act as hub for the district, and the teachers will also go and teach in other local schools, often ones in economically-deprived areas. Schools are selected based on their ability to organise the outreach element of the initiative amongst other things."

Currently, the SCLF has 12 Centres, and these are located in Birmingham, Edinburgh, Glasgow, Gosforth, Leeds, Liverpool, London, Manchester, Newcastle, Norwich, Oxford and Sheffield. From these bases, the SCLF is able to reach a total of 93 schools across the United Kingdom and employ 22 qualified Chinese teachers.

An important aspect of the SCLF is that it is not prescriptive in any way, as Teddy Watson notes: "We are not educationalists saying, 'This is how you should run your programme'. We set a range of basic parameters about what we expect the schools to do, but say 'you are the experts, show us how you will run it and, if we like it, here's the money'."

Mike McGarry, Associate Principal at the Belvedere Academy in Liverpool, which is a Centre in that city, agrees: "Swire have been extremely supportive, but at no time have they tried to impose a certain model of delivery, nor have they been prescriptive in any way. Rather, they have encouraged us at the Swire Centre to adopt an approach which is most suitable and that will work in our context," he says.

Preparing for the future

The payoff from investing in language training is that children will have the opportunity to learn a language that is profoundly different from English or any other languages they are likely to encounter in school. This helps broaden their world view and, perhaps more crucially, develop skills in Chinese that will distinguish them in later life and could increase social mobility.

Rob Neal is coordinator of the Swire Chinese Language Centre Manchester; he has taught Chinese for a number of years in Britain, after spells abroad teaching in Japan and at Peking University in Beijing. Rob stresses the cultural benefits of learning Chinese: "I like to highlight the intellectual, cultural and educational reasons for learning Chinese. For example, students are fascinated to learn that there are separate words for older brother and younger brother in Chinese. Dig a little deeper and this soon leads into a fascinating



Teddy Watson, Executive Trustee of the SCLF

discussion about the importance of age in Chinese culture. My hope is that in ten years' time, some of my current students will get in touch and tell me that they've got a plum job which involves using Chinese every day."

Creating opportunities

North of the border, the Swire Chinese Language Centre Edinburgh, in Scotland's capital, was established in 2016 and is a collaboration between three founding schools in the area: Boroughmuir High School, George Watson's College and James Gillespie's High School. With support from key partners like the Scotland China Education Network, the Centre is able to provide qualified, registered Chinese language teachers to teach in primary and secondary schools in and around the city. The Centre itself is 'virtual', and teaching takes place at the students' home schools. At present, 703 pupils

from ten schools in the area receive regular, timetabled Chinese lessons, and both sets of figures are set to rise as more schools join the initiative.

Since becoming a founding member of the Swire Chinese Language Centre Edinburgh, Boroughmuir High School, which is a state school, has used the funding to embed Chinese into its curriculum. During the 2016-2017 academic year, pupils in S1 – the first year in secondary education in Scotland – were given the option to study Mandarin as their language to take through the school, while senior students could work towards National Qualifications in years S4, S5 and S6. "Prior to this programme, our school had never had the opportunity to offer Chinese," says David Dempster, the school's Head Teacher. "Now, our students can study Chinese in a variety of forms, from a short taster course, to a fuller form of study via a National Qualification in the subject," he says. "Year-on-year, we see the provision growing to meet pupil demand, alongside the excellent French and German



Rob Neal, coordinator of the Swire Chinese Language Centre Manchester

language opportunities in the school." Boroughmuir High School has also established links with educational institutions in Hong Kong and Shanghai.

Just a short drive from Boroughmuir, George Watson's College, an independent school, has used funding to benefit other schools in the community. Its Principal, Mervyn Roffe, feels the Foundation has planted the seeds that will influence future generations of students: "The funding from Swire has enabled us to share our best practice with other schools and has given extra enrichment opportunities for our students. There is an increased interest in China in all parts of education."

Donald Macdonald, Head Teacher at James Gillespie's High School, highlights how learning Chinese will help British pupils seize opportunities in the future: "There is enormous and growing interest in learning Chinese and connecting with China. Increasingly, educators are aware that we need to better

equip and prepare young people for the emerging opportunities that link with China will offer," he says. Adds David Dempster: "I am sure this interest in and engagement with the Chinese language means our pupils will travel to, live and work in China at some point in their lives."

Sustaining momentum

Sam Swire sees sustainability as a vital element in ensuring the desired impact on British schools actually happens over the long-term. The programme is only in its second year, but the intention is that it runs for ten years, in order to give the schools sufficient time to become self-sustaining. Whilst it is difficult to measure success over its short period of existence to date, in the last year alone, just under 3,000 pupils in the UK learnt Chinese in some capacity. This year, that number rose to more than 7,500, and, within five years, is expected to go well past 20,000. However, the numbers can only continue to grow in the long-term if the schools themselves develop resources to support them: "We want to fund the programme in such a way that by the time we stop our funding, our schools are able to take Chinese on themselves as a mainstream subject in their curricula," says Sam.

Achieving a successful, sustainable future for Chinese teaching in British schools depends in large part on how parents and pupils react to the courses on offer. All

three head teachers from the Swire Chinese Language Centre Edinburgh founding schools have reported that feedback from parents has been overwhelmingly positive, in regards to both the language itself and the quality of the teaching staff.

But perhaps, in the end, the most important factor that will decide the programme's success is the enthusiasm of the students themselves. As Najeeha Khan, aged

11, from the Manchester Enterprise Academy, says: "I am interested in studying Chinese because the country is fascinating and it is a new language I want to learn." In our ever-more connected world, the ability to forge strong connections with new friends and old by sharing an understanding through language will be the true marker of success – for Britain, for China and for the Swire group.



A duty to help

What does it mean to go beyond the call of duty? Cathay Pacific Flight Purser Tsuyoshi Tagawa knows a thing or two about exceptional service, having recently won one of the airline's coveted "Betsy" Awards for a third time. His most recent honour recognised his selflessness in assisting a Japanese student who suffered a seizure inflight.



What happened on that flight?

We were flying from Osaka to Hong Kong and I was working in the Business Class cabin. We were told there was a medical emergency at the other end of the aircraft and I went to see what was happening as soon as I could. I could tell that the young man was having an epileptic seizure, so I monitored him carefully to ensure he didn't hurt himself, and gave him oxygen. When I saw he was recovering, I talked to him continuously to help him remain conscious.

What happened after the aircraft landed?

There was an ambulance waiting to take the student and his friend to a local hospital. Once I'd signed off from my duty, I went straight to the hospital to see them – I knew that he and his friend must be very confused and would need assistance. I contacted the Japanese consulate and helped the student call his parents. I checked his insurance coverage, got information about the hospital fees, and told them what they needed to do to organise their flight back to Osaka.

How do you feel about winning another Betsy award?

This is not just my award: I want to share it with all the crew on that flight; because, in a situation like this, it's all about great teamwork. Many of our crew have experienced similar cases and we all make our best effort every day – it's not just me!



The Niki and Betsy Awards

The Niki and Betsy Awards are annual employee awards for Cathay Pacific and Cathay Dragon staff. The Niki Award is for exceptional work behind the scenes, while the Betsy Award celebrates those who have taken customer service to the next level.

The awards are named after Cathay Pacific's first two DC-3 aircraft, which founded the airline's fleet in 1946. The real "Betsy" can be seen at the Hong Kong Science Museum.

What drives you to help others?

I think it is the responsibility of anyone who becomes aware of a problem to do something. If you see litter on the floor, you pick it up. If you see a kid falling down in front of you, you do what you can to help. And when this incident happened on the aircraft, I felt it was my duty to help. Of course, I prefer to stay away from problems if I can!

Was there a single person or incident that reinforced your desire to help others?

What I just said about everyone having responsibility was something I heard at a political symposium: a young Japanese politician gave this answer when asked why she had been fighting the government on behalf of HIV phytotoxicity litigants, and her words stayed with me. Also, I joined a volunteer team to support victims of the 2011 earthquake in northeast Japan, and I still go there once a year. Seeing thousands of people working together to help others made a big impact on me.

Why did you become cabin crew?

Like many others, I became a flight attendant because I love to travel. I joined Cathay in August 1996, so it's been almost 22 years!

What is the biggest satisfaction you get from your job?

The greatest satisfaction for me is when crewmembers work together towards the same goal, or to solve a particular problem.

What advice do you have for young people who want to become flight attendants?

Don't become a flight attendant as your first job. Get some experience working on the ground first and then you will realise that the cabin crew job

is different from others, and you will be more able to appreciate the fun, and the challenges, it brings.

If you didn't work as crew, what job would you like to do?

It will be difficult to go back to the "real world" after doing this job! However, I've started to think about the next stage in my life and I'd like to become a guide for foreign tourists in Japan. It gives me a lot of pleasure to introduce the beauty of Japan to others and I'm already a government-certified guide.

Is travel still important to you?

Francis Bacon said that "reading maketh a full man; conference a ready man; and writing an exact man". I would add that "travel makes a strong man". My first real travel experience was when I was 20 and I spent two weeks travelling alone in Hokkaido, in Japan. I met many nice people, saw the wonders of nature and faced difficult situations. I grew a lot on that trip, and I still get the same feeling when I travel now.



Tsuyoshi (second from left, second row) taking part in a Cathay Pacific safety training exercise in 1997.

Writing the next chapter

In July, Merlin Swire will relinquish his role as the London-based CEO of John Swire & Sons Limited and succeed John Slosar as Chairman of Swire Pacific Limited in Hong Kong. It is an appointment that has intrigued market analysts, because it is the first time since the 1860s that a member of the Swire family has taken up the reins of *Taipan*. Meanwhile, John is to stay on in Hong Kong as Chairman of Cathay Pacific Airways. *Swire News* recently caught up with the outgoing and incoming *Taipans* and asked them to elaborate.



"Hong Kong has been a central part of our family's story and every generation of the family has become very familiar with the city at different times," says Merlin. "We've always loved Hong Kong and its way of life and have, I think, shown ourselves to be a committed presence through good times and bad. So to have a family member as the Chairman of Swire Pacific for a period is a natural extension of that commitment." But does this move represent a shift in group

policy? Says Merlin: "It certainly doesn't represent a permanent change to our governance structure, and market watchers would be mistaken to interpret it as such. Being in Hong Kong will provide a great opportunity to refresh long-standing family relationships, and to make new ones. I'm also looking forward to being exposed in a more direct way to the economic and political trends that are affecting our businesses in the region."

It goes without saying that the group's Mainland China interests – with China forecast to become the world's dominant economy within the next generation – will inform Merlin's strategy as he leads Swire Pacific into the next chapter of its development. "Our businesses that operate in China have built a very solid platform over the last two decades, in particular Properties and Beverages, and I think are well positioned to take advantage of the growth in spending power in China in the years ahead", he says. "The reputation of the Swire and Taikoo brands for quality and reliability continues to strengthen. I hope we will find ways to leverage that strength into new business opportunities. We are a diversified conglomerate and intend to remain one, so we should always be open to new directions. In particular, I'm keen for us to increase our commercial presence in those parts of the Greater Bay Area now becoming more easily linked with Hong Kong."

Weathering some tough times over the long-term is a given in business, and Merlin is taking over Swire Pacific at a time when some of its best known companies have been hard-hit by market forces. Maintaining morale in those businesses that have been struggling in recent years, and that have had to reduce staff numbers, will therefore remain a key challenge for the leadership team. Difficult cost-cutting has already been effected by Swire Pacific Offshore in response to the acute down-turn in the offshore oil and gas industry, but, says Merlin, "a return to profitability will require a significant step-up in exploration activity by the oil majors – which is something beyond our control."

At Cathay Pacific, which has been severely affected by the challenging operating environment, a long and arduous journey began last year with the roll-out of the three-year transformation programme. This is where John Slosar's unrivalled expertise and experience comes into play, providing all-important

continuity in spearheading this critical initiative to turn the airline's fortunes around. "My role will be to support the leadership team in completing the programme, in preparing plans that take best advantage of the opportunities and strengths we have, and in then executing those plans," says John. "Having spent nearly half of my career in the airline, I am delighted to be able to support the efforts of the Cathay team. Of course, aviation as a business has even at the best of times been competitive and challenging, but the Cathay Pacific Group has a superb team of service professionals, a great product for our customers, a strong leadership team and, on top of all that, is based in the most dynamic city in Asia – Hong Kong." Adds Merlin: "I'm confident that John and the team will achieve the goals of the current three-year plan. The competitive pressures are here to stay, though, and Cathay will no doubt need a mind-set of continual improvement over the long-term."





As he steps back from the leadership of Swire Pacific, we asked John which have been his most memorable appointments, during his long and distinguished career with Swire. "I can honestly say that I have enjoyed every job I have had in the group!" he says. "During my career, I have been fortunate enough to have been able to play a role in the enormous growth in our airline businesses, the development of our beverages businesses in China and the USA, HAECO's setup in Xiamen and move to the new Hong Kong International Airport and Tseung Kwan O – and even some important property projects in Mainland China and at Taikoo Place in Quarry Bay, during my time as Chairman. I have always believed that you get out of things what you put in, so I have always tried my best to do the right things and to do them well and in the right way."

Like John, Merlin has worked in a number of the group's aviation businesses, beginning with his very first job as a management trainee back in 1997, manning the check-in desks at Kai Tak, when the former Hong Kong Airport was operating well beyond its design capacity. "Since when," says Merlin, "I've had a lasting admiration for the calmness under pressure of Cathay Pacific's frontline staff."

There followed ten years working in Hong Kong, Australia and Mainland China, culminating in two years as Chief Executive of Taikoo Xiamen Aircraft Engineering (TAECO) – now HAECO Xiamen – a posting that left him with particularly fond memories. "It's a wonderful business with a great team, and its success since the mid 1990s has been a perfect example of the group's ability to create a business of real quality from start-up to maturity. Xiamen was also a delightful city in which to live, with a wonderful tea-drinking and seaside culture."

And now, Merlin is looking forward to returning with his family to live in Asia, after a decade in London. "Although I've been a regular visitor to both Hong Kong and Mainland China during that time, there is no substitute for living somewhere to really feel what makes it tick. I'm excited, too, to be returning with Laura and my daughters, who will I know have a fantastic experience. Seeing Hong Kong through the eyes of a three-year old is going to be fun."

So does our retiring Taipan have any insights to offer his successors, after almost 38 years with the group? Says John: "I think the Swire group is well positioned for the future. Over time, the biggest challenge is always building the right team, and we in Swire work hard at doing just that, so I think there are reasons for confidence. I have always stressed the importance of teamwork – very few things can be achieved by one person alone and that is certainly true in our businesses – so I am very happy to have had a chance to contribute to building the team that will carry the group forward into the future". He concludes: "It has been the greatest honour and pleasure for me to have been able to work together with all my fantastic Swire colleagues, and I have greatly appreciated your ideas and support. I believe that, for the Swire group, the best is yet to come, and I look forward to seeing you all making great things happen!"

Scott Cup 2018

The 69th Scott Cup Competition took place at the Shek O Golf and Country Club on Friday 2nd February 2018. As tradition dictates, it was the coldest day of the year in Hong Kong, with temperatures well below 10 °C, but 49 hardy souls still chose to brave the elements to compete for the silverware.



The winner of Scott Cup, Alex Jenkins from Cathay Pacific, receives the trophy from John Slosar.



Mark Windmill from Asia Miles wins the Taikoo Cup.



The Rose Bowl is won by Cathay Pacific's Eun Ju You.

The Scott Cup was first presented in 1950 by John Scott, a Director of JS&S, who decided that a golf tournament would be a suitable sporting event for an annual gathering of Swire group staff. The Alethea Scott Rose Bowl trophy for ladies was presented by John Scott's wife, Alethea, in 1964. The Taikoo Cup was introduced by Swire group Chairman, John Anthony Swire, in 1973, for the leading Hong Kong – based player – thus ensuring that at least one trophy remained in Hong Kong.

Six winners of regional qualifying matches competed in the Scott Cup this year – from Australia, Mainland China, Japan, Singapore, Taiwan and the UK – but were less successful in the final, and all of the trophies went to Hong Kong players.

The winner of the Scott Cup, with a Stableford score of 35 points, was Alex Jenkins of Cathay Pacific. The runner-up and winner of the Taikoo Cup, was Mark Windmill, from Asia Miles, also with a score of 35 points. (In the event of a tie, the winner is decided by the highest number of

Stableford points on the final nine holes of the course.) The second runner-up was Martin Murray, of Cathay Pacific, with a score of 34 points.

The winner of the Alethea Scott Rose Bowl was Eun Ju You, of Cathay Pacific, with a score of 29 points, closely followed by runner-up, Makiko Koda, also of Cathay Pacific, with 28 points.

The overseas winners fared a little better with the novelty prizes. The winner of the Men's Longest Drive was Tom Woolsey from Swire Properties in Mainland China and the Men's Nearest-the-pin on Hole No. 4 was won by Darren Edwards from Finlay Beverages in the UK. The winner of the Men's Nearest-the-pin prize for Hole No. 17 was Abdul Jabbar Ali from Cathay Pacific, and the much sought-after Award for Sportsmanship (better known as the Wooden Spoon) went to Mark Celenk, also of Cathay Pacific.

The Ladies' Nearest-the-pin prize was won by Kelly Chak from Cathay Pacific Services Limited and the Ladies' Straightest Drive was won by our Champion, Eun Ju You.

The Chairman of John Swire & Sons (H.K.) Limited, John Slosar, and his wife, Joy, kindly presented the trophies and hosted the prize-giving party at the Shek O Bungalow.

Reports from the regional qualifiers:

UK

The UK Scott Cup qualifier was held on 14th June 2017 at the Royal Wimbledon Golf Club. The field was smaller than usual, with 16 competitors from four group companies. It was a hot day and conditions were difficult, which affected the scoring. The winner was Julian Davies with 37 points; Darren Edwards was runner-up

with 33 points, followed by John Whittaker on 30 points, representing a clean sweep for Finlays. Graham Bardsley won the Nearest-the-pin prize and John Palfreyman was the recipient of both the Longest Drive Award and (with the lowest points total) the Wooden Spoon.

Mainland China

The Swire China Scott Cup qualifier was held at Shanghai Sheshan Golf Club on 27th November 2017. A total of 29 players took part in the competition, with 13 representing Swire operating companies in Mainland China. The competition started at 11am after a warm-up round and finished at 4pm. Thomas Woolsey, Assistant Portfolio Manager, HKRI Taikoo Hui, was announced the winner, and Lin Liang-qi, President of Akzo Nobel China, was the runner-up.

Australia

The Scott Cup qualifier took place on 1st December 2017 at Moore Park Golf Club, Sydney. Local Sydney competitors were joined by the winners of the four intra-state competitions, held in November: Meng Chung Thong of Cathay Pacific from Western Australia, Brad Haskett of Cathay Pacific from Victoria, Howard Field of Cathay Pacific from Queensland and Stephen Blackmore of Swire Cold Storage from South Australia. The golfing conditions were perfect, with the course in great condition; the sun shone the whole way around and there was a light breeze.

The winner of the local competition, the Martin Speyer Trophy, was Nigel Chynoweth from Cathay Pacific with 38 points. Additional trophies were provided to the winners of the Retirees Trophy, Peter Lamrock, the Cathay Pacific Cup, Nigel Chynoweth, and the Ross Gregg Shipping Trophy – shared between Denis Speyer and Stephen Westfield.

The winner of the John Masson Armada Plate and the trip to Hong Kong to represent Swire Australia in the Scott Cup final was Nigel Chynoweth.

Southeast Asia

The Southeast Asian Scott Cup qualifier was held at the Singapore Island and Country Club on 6th October 2017. This year the weather was particularly hot and sunny and the sunscreen giveaway certainly came in handy. Perhaps it was the heat, or maybe just youthful exuberance, but there was plenty of competition for the Wooden Spoon from the younger China Navigation Company ("CNCo") contingent, with Jamie Gordon eventually securing the coveted good sportsman prize, having scored just three Stableford points with a handicap of 24! No one managed to land on the green to take the Nearest-the-pin prize, but Thibault Thiery of Swire Pacific Offshore eventually won the Longest Drive at 240m. Will Purcell of CNCo was overall winner of the regional Scott Cup trophy, with 39 Stableford points, playing off a handicap of 20.

Japan

The Japan Scott Cup qualifier was held on 10th October 2017 at Raforet & Matsuo Golf Club. This year, there were 22 players from the various Cathay Pacific out-ports and the winner was Kiyotaka Nakayoshi, Licensed Aircraft Engineer, from Osaka.

Taiwan

Scott Cup Taiwan 2017 took place on 6th November at Tashee Golf Club in Taoyuan County. The weather that day was clear and a total of five teams – 16 players – took part, with most Taiwan operating companies represented,

including Cathay Pacific, Cathay Dragon, Swire Coca-Cola Beverages and Taikoo Motors.

This year's champion was Tom Tao from Taikoo Motors, with a score of 19. Tom received his trophy from Swire Group Taiwan Chairman, Derrick Chan, at the awards dinner following the match and there were also prizes for Nearest-the-pin and Longest Drive.

Kenya

The Scott Cup qualifier was held on 6th December 2017 at Kericho Golf Club, in the Rift Valley Province in western Kenya. There were 40 participants, who played in typically fine Kericho weather. The tournament was open to Finlays staff and Kericho Club golfers.

John Smith emerged the winner with 36 points, playing off a handicap of 20. Chris Birgen was runner-up, beaten on a count-back, while Eunice Korir and Sammy Kirui took third and fourth positions respectively. Unfortunately John couldn't attend the Hong Kong competition due to sickness.

Finlays village electrification



Caroline Chephorir (centre), with her two sons, Collins (left) and Ian (right)

Marinyon-Elgon village is illuminated.

Last year, Finlays' Kericho tea estate made the decision to invest US\$4.2 million in the electrification of the estate workers' villages, in a first-of-its-kind project in Kenya. Because of locational constraints, very few East African tea estate villages are hooked up to the electrical grid and Finlays has been exploring and implementing a range of alternative options to providing power over many years, including solar farms. Thanks to increased government-sponsored rural electrification programmes in Kenya, however, Finlays now has access to the infrastructure to allow it to be one of the first tea companies to provide mains electricity in its staff houses. The project is being carried out in conjunction with leading Kenyan mini-grid developer, PowerGen, and will electrify 5,500 homes across 83 villages, with A/C power already provided to 1,200 dwellings; it is scheduled for completion in September.

At the beginning of the wet season in Kericho, the impact of electrification can clearly be seen, as new security lighting ensures paths and communal areas are well lit. Inside the homes, the impact is even greater. One

of the beneficiaries is Caroline Chepkorir, 34, who lives at the heart of Finlays' estate in Marinyon-Elgon village. Caroline, who has worked at Finlays for ten years, says: "Ever since my house was connected, my life has really changed. My three children are able to study for longer hours; their grades in school have really come up and they are making good progress". Violet Aoko, 26, another employee at the estate, says: "The electricity has enabled me to watch the TV news in my house for the first time. I am also able to charge my phone in my house at no extra cost; before power came, I used to have to pay to charge it at the local kiosk".

Finlays works continually to improve conditions for its staff. A recent initiative has involved the installation of fuel-saving cooking jikos, which not only reduce firewood requirements, but are quicker and safer to cook on than traditional stoves. All estate employees and their immediate dependents have access to free primary and secondary schooling on-site, and to free primary and secondary healthcare.

HK Vertical 1000



Last December, Don Taylor, Swire Properties' Director, Office, bravely abseiled his way down all 68 floors of One Island East, as part of the HK Vertical 1000 challenge. It is the first time that an event of this type has taken place in Hong Kong and funds raised will go to Outward Bound Hong Kong, to be used to run adventure training programmes for the city's disadvantaged youth. Taikoo Place and EAST, Hong Kong were both official partners in the challenge, which offered 34 abseilers a rare opportunity to descend one of the city's most iconic commercial buildings, and – at 298 metres – its seventh tallest. Don, a sports enthusiast who keeps fit by trail-running in Hong Kong, was keen to sign up for this unique and exhilarating challenge right on his own office doorstep. "It was an extreme adrenaline rush for a great cause which helps young people develop their full potential through sport," he says.

Sharing his passion

Swire Pacific Offshore's Marine Services Director, Rupert Bray, began playing rugby at a early age and progressed to playing competitive rugby at university; he has been an avid player and supporter ever since. Rupert is a firm believer in the positive benefits of sport on personal development and when he moved to Singapore in 2012, volunteered at the Tanglin Rugby Club as a coach. In 2015, he qualified as a World Rugby referee and he is now a member of the National Panel of Rugby Referees in Singapore. At weekends, Rupert spends six to ten hours on the field, refereeing championship games, coaching children and adults and playing touch rugby. Rupert is also closely involved with Fiji-based Daveta Rugby Club and pledges all his professional refereeing fees to Daveta, in support of their good work in nurturing Fijian players to pursue the sport and develop professional rugby careers.



Rupert Bray refereeing a girls' rugby match in Singapore.

Photo courtesy: Eric S C Lim

Appointments

Cathay Pacific Airways Ltd. Judy Huang joined Brand, Insights and Marketing Communications Department as Head of Insights.	International Automobiles Ltd. Calvin Heung Wing Hang joined Product – Commercial Vehicles Department as Product Manager.	Sunny Koo Tat Sun joined After Sales – Passenger Cars Department as After Sales Manager.	John Swire & Sons (China) Ltd. Yan Su joined as General Manager & Representative.
John Swire & Sons (H.K.) Ltd. Elaine Chan Yuen Yu joined Group Retirement Benefits Department as Manager.	Susan Reid Wheeler joined Staff Director's Department as Project Manager (Business Relationship Manager).	Taikoo Sugar Ltd. Momo Mok Yee Hung joined Commercial Department as Product Manager.	

Promotions, Transfers & Title Changes

Asia Miles Ltd. Mark Windmill has been appointed Chief Financial Officer.			
Cathay Pacific Airways Ltd. Commercial Aldric Chau has been appointed Head of Retail & eCommerce.	Financial Services Jessica Fogarty has been appointed Head of Internal Audit.	Information Technology Jack Zhang has been appointed Head of IT Solutions – Customer & Commercial.	People Wendy Kwok has been appointed Head of Digital Employee Experience & Analytics.
Service Delivery Melchi Sin has been appointed Head of Planning – Inflight Service.			
Cathay Pacific Services Ltd. Mark Konrad has been appointed Head of Finance.	Chongqing New Qinyuan Bakery Co. Ltd. Noel Lok Wai has been promoted to Grade B as Finance Director.	Damin Foodstuffs (Zhangzhou) Co., Ltd. William Cheng has been appointed Chief Financial Officer.	Ethos International Ltd. Mak Chun Yin has been appointed Senior Programme Administrator.
International Automobiles Ltd. Jessie Kwong Hau Lin has been retitled Logistics & Licensing Manager.	Brian Lee Fuk Kin of After Sales – Commercial Vehicles Department has been promoted to Grade D as Assistant After Sales Manager.	Carson So Chun of Sales – Commercial Vehicles Department has been promoted to Grade D as Assistant Business Development Manager.	Eric Tam Wai Leung has been retitled Operations Director.
John Swire & Sons Ltd. John Palfreyman has been appointed Assistant Group Financial Controller.			

John Swire & Sons (H.K.) Ltd. Ken Chan Hin Shing has been appointed Server Engineer. Cathy Chow Ting Fong of Finance & Accounts Department has been promoted to Grade C as Accounting Manager. Keith Fung Wai Kin has been seconded to Swire Pacific Ltd. – Beverages Division and was appointed Finance Director. Polly Im Yuk Yee has been appointed Accountant, Swire Pacific Ltd. – Group Finance. Wing Ko Wing Ho has been appointed Project Manager.	Patrick Lee Pak Hang has been transferred to Swire Pacific Ltd. – Treasury and was appointed Senior Project Manager – Treasury. Diesel Leung Tin Man has been appointed Senior Technical Support Engineer. Lanco Leung Ching Nam of Group Internal Audit Department has been promoted to Senior Auditor. Meris Mok Pui Man of Group Retirement Benefits Department has been promoted to Grade D as Accounting Officer. Della Ng Lai Ying of Swire Pacific Ltd. – Treasury has been promoted to Grade A as Group Treasurer.	Iris Ng Ho Yee of Company Secretary's Department has been promoted to Grade D as Assistant Company Secretary. Oliver Ng King Him of Swire Pacific Ltd. – Corporate Finance has been promoted to Corporate Finance Manager. Alvin Wan Chun Wah of Swire Pacific Ltd. – Corporate Finance has been promoted to Grade C as Corporate Finance Manager. Sammuel Wan Shun Man of Group Internal Audit Department has been promoted to Senior Auditor.	Winnie Wong Kwok Yan of Swire Pacific Ltd. – Corporate Finance has been promoted to Grade C as Corporate Finance Manager. Sue Yiu Sze Ki has been appointed Executive Assistant. Manning Yong Mun Hang of Group Internal Audit Department has been promoted to Grade A as Head of Group Internal Audit. Matthew Young Wai Heng of Company Secretary's Department has been seconded to John Swire & Sons Ltd. as Assistant Company Secretary.
Swire (Beijing) Management Consultancy Ltd. Su Su of Group Internal Audit Department has been promoted to Senior Auditor.	Swire Beverages Alex Ng Cheuk Fai has been promoted to Grade B as General Manager, Financial Services.	Swire Blue Ocean A/S Mikkel Gleerup has been appointed Chief Executive Officer.	Swire Pacific Cold Storage Henry Zhao Yulong has been transferred to Swire Cold Chain Logistics (Shanghai) Co. Ltd. and was appointed Operations Manager.
Swire Properties Ltd. BEIJING Nicole Chen has been retitled Tax Manager. Karen Fu has been appointed Assistant Public Affairs Manager.	May Li has been appointed Assistant Finance Manager. Li Ning has been appointed Deputy Director – Human Resources & Administration.	Lucas Xu Zhiyuan has been appointed Business Development Officer. Shine Yin has been appointed Assistant Corporate Finance Manager.	Summer Zhang has been retitled Assistant Director – Human Resources.
Taikoo Li Sanlitun Chun Tian has been appointed Human Resources Manager. Crystal Li has been appointed Assistant Portfolio Manager.	Luna Li has been appointed Legal Manager.	Lynnette Li has been appointed Assistant Portfolio Manager.	Emma Wu Xian has been appointed Assistant Portfolio Manager.

CHENGDU		GUANGZHOU	
Sino-Ocean Taikoo Li Chengdu		TaiKoo Hui	
Molly Wu has been appointed General Manager.		Max Li has been appointed Property Manager.	Eva Lin has been appointed Assistant Finance Manager.
HONG KONG			
blueprint		Development & Valuations	
Anthony Liu Ming Fai has been retitled New Ventures Lead.		Lily French has been appointed Development Officer.	Rachel Li has been appointed Development Manager.
		Lewina Lee has been appointed Portfolio Manager.	Leo Mak has been appointed Assistant Technical Manager.
			Cherry Ng has been appointed Senior Development Manager.
			Desmond Ng has been appointed General Manager.
Finance		Marketing & Communications	
Joanna Lai has been appointed Head of Legal.		Charlotte Siu has been appointed Treasury Manager.	Fion Tse has been retitled Assistant Digital Marketing Manager.
Portfolio Management			
Juliana Chan has been appointed Deputy Marketing & Promotions Manager (PPMO).		Lisa Gainsley has been appointed Portfolio Manager (TPMO).	Theresa Leung has been appointed General Manager, Pacific Place.
Winsze Chung has been appointed Senior Portfolio Manager (TPMO).		Eugenia Lee Hoi Kei has been retitled Senior Portfolio Manager (CPMO).	Vincent Lo has been retitled Assistant Technical Manager.
Projects			
Joseph Choy has been appointed Project Manager.		Frederick Kong has been appointed Project Manager.	Wilson Ng has been appointed Project Manager.
Technical Services and Sustainable Development			
Dian Cheung has been appointed Assistant Health & Safety Manager.		Amie Lai has been appointed Senior Sustainable Development Manager.	
MIAMI			
Nerida Deza has been appointed Director of Residential Sales.		Christopher Groenewald has been appointed Associate Director of Finance.	Angie Huerta has been appointed Office Manager.
			Joanna Ku Yuk Chun has been appointed Vice President, Development.

SHANGHAI

Vikki Tang

has been appointed Assistant Business Development Manager.

Craig Yan Wei

has been appointed Assistant Director – Portfolio Management.

HKRI Taikoo Hui

Zoe Chow

has been appointed Assistant Director – Portfolio Management.

Are Nordahl

has been appointed Head of Sales.

Swire Seabed AS

Mark Colbridge

has been appointed Commercial Manager, Middle East & Asia Pacific.

Fanny Tsui Yau Sum

of Commercial Department has been promoted Sales Manager.

Cyrus Wai Ping Ki

of Finance & Administration Department has been promoted to Finance Manager.

Taikoo Sugar Ltd.

Phoebe Ho

has been appointed Finance Director.

Fanny Tsui Yau Sum

of Commercial Department has been promoted Sales Manager.

Cyrus Wai Ping Ki

of Finance & Administration Department has been promoted to Finance Manager.

Long Service

30 years		25 years	
John Swire & Sons (H.K.) Ltd.		John Swire & Sons (H.K.) Ltd.	
Maggie Wong Wai Yee – Manager – Salaries Section, Finance & Accounts Department		Tom Cohen – Head of Group Risk Management, Swire Pacific Ltd.	
20 years			
John Swire & Sons Ltd.			
Gary Driscoll – Head Messenger	Ken Livingstone – Caretaker	Nora Rynne – Personal Assistant to Company Secretary	
10 years			
John Swire & Sons Ltd.			
Harry Ash – Messenger	Michael Fuh Tung Hai – Finance Director, Taikoo Motors Taiwan	Nelson Law Yat Keung – General Manager – Group Supply Chain, Swire Foods Holdings Ltd.	Rebecca Sharpe – Group Director Finance, Hong Kong Aircraft Engineering Co. Ltd.

Retirements

John Swire & Sons Ltd.

David Perkins

Assistant Group Financial Controller, retired in December 2017 after 15 years of service with the company.

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

Isabella Wong Ka Yin

Assistant Company Secretary of Company Secretary's Department, retired in February 2018 after seven years of service with the company.

Marriages

Ray Fung Yue Kwong

of Cathay Pacific Airways Ltd. married **Catherine Sin** of Cathay Pacific Airways Ltd. in November 2017.

Florence Lam Sze Man

of John Swire & Sons (H.K.) Ltd. married **Calvin Lee Ka Wo** in January 2018.

David Poraj-Wilczynski

of The China Navigation Co. Pte. Ltd. married **Jessica Pownall** in August 2017.

Births

To Ciar Angharad McCarrick

of John Swire & Sons (H.K.) Ltd. and **Ewan Dugald Carmichael**, a son, **Hugh Gabriel Morrin**, in June 2017.

To Ian Ngai of Swire Coca-

Cola, USA, and **Charlotte**, a daughter, **Keila**, in January 2018.

To David Poraj-Wilczynski

of The China Navigation Co. Pte. Ltd., and **Jessica Pownall**, a daughter, **Cosima Elizabeth Catherine**, in January 2018.