





CEO MESSAGE

RICHARD LANCASTER CHIEF EXECUTIVE OFFICER



Build a Sustainable Future

Dear colleagues

Much has happened since our last issue of the Group e-Newsletter. But the signing of a new Scheme of Control (SoC) Agreement with the Hong Kong Government in April clearly stood out as the most significant milestone for our business. I would like to take this opportunity to thank our colleagues who participated in the many and lengthy discussions with the Government. A job well done to all of you.

The new SoC agreement, which includes new terms and initiatives to encourage energy conservation and renewable energy development, will guide Hong Kong's electricity industry into a greener and smarter future. With the certainty and clarity provided by the new agreement, we must live up to the community expectation that CLP has been entrusted with, and turn our future plans into actions in meeting our customers' needs and the Government's energy policy objectives.

We are living in a period of uncertainty but we must not let down our guard on climate change regardless of the wavering that's happening elsewhere.

I can assure you that we have stayed very much focused on energy transition across the different markets we operate. In Hong Kong, we are progressing well with our new combined-cycle gas turbine generating unit at the Black Point Power Station and developing a waste-to-energy project in New Territories. In Mainland China and India,

we are expanding our low carbon portfolio. I am delighted that our first 100MW solar project in India will be ready for commissioning in the coming months.

Digitalisation is another trend that we must embrace to ensure our business is future-proofed. Over the past months we have made good progress including the launch of a one-year Smart Energy Pilot in Hong Kong. The pilot will give us a better understanding of customer behaviour towards a variety of demand response measures, allowing us to explore how to effectively implement Advanced Metering Infrastructure as part of the smart city development.

We have also been very active in connecting with experts and leaders in innovative technologies around the world to understand what can be learnt and brought into our business. I recently led a senior management delegation to Israel which is widely acknowledged as an innovation hub. During the visit I was very pleased that CLP signed a memorandum of understanding for future exchanges and collaborations on cyber security with the Israel Electric Corporation which is a world leader in this area.

The reason we need to take cyber security very seriously is that CLP has an extensive portfolio of assets spread throughout Asia Pacific. These are critical infrastructures that we operate and the consequences of a successful cyberattack could be far-reaching for millions of customers and every facet of social and economic activities. One only needs to look at the recent ransomware cyberattacks that hit businesses around the globe to get a sense of the risks involved. And I strongly believe that the “good guys” need to be working more closely together. It’s so important.

The digital revolution brings about daunting challenges but it also creates great opportunities. To seize them we must build our skills and talents by bringing in and cultivating creative minds from diverse backgrounds. It is only through this that we can foster an agile, resilient and innovative organisation capable of dealing with the transformational changes of tomorrow. It is indeed the theme of this issue to look into what we have done as a Group in promoting diversity and inclusion in our workforce.

It’s an exciting time and I am confident that we can count on you – the most valuable asset of our business – as we forge ahead together in building a sustainable future.

Happy reading!



Richard Lancaster

Chief Executive Officer





Power of Diversity

Values are the very “raison d’être” for CLP to practise diversity across the organisation. Our Value Framework has been guiding us to do what’s right, treat people fairly and respect diversity. And as the energy sector faces disruptive forces such as climate change and the digital revolution, building a workforce of men and women of different backgrounds and perspectives has become all the more important in enabling us to deal with these challenges. We interviewed Roy Massey, CLP Holdings Chief Human Resources Officer, on diversity and how we as a Group are building the talent pool for tomorrows.



CLP.CONNECT: What does diversity mean?

Massey: Diversity is a broad term including commonly understood issues such as gender and racial diversity, and sexual orientation as in LGBTI. It also includes emerging areas of concern such as social inclusion.

CLP.CONNECT: What are our key messages?

Massey: In a few words, the diversity of our workforce is not only essential to the sustainability of our organisation, but it is also a moral and a social imperative. Diversity of skills and background of our workforce helps ensure that we have an agile, resilient and innovative organisation capable of dealing with the transformational changes affecting our industry.

CLP.CONNECT: What is the social case for diversity?

Massey: Support for diversity reflects our values and our reputation as a caring and responsible employer, and is consistent with our commitment to the United Nations Human Rights agenda and its Sustainable Development Goals. Some aspects of diversity also involve external reporting requirements related to our high standards of environmental and social governance.

CLP.CONNECT: What is the business case for diversity?

Massey: The diversity of our workforce reflects the diversity of the communities in which we operate, and the diverse customer segments we serve. Having a diverse workforce also helps us to attract and retain talent, especially since young people are more interested in working in a diverse and inclusive workplace.



The global demographic trend of ageing populations means a broad base of recruitment is essential to ensure a sustainable workforce. However, utilities typically have relatively low percentages of female staff. This means we have a great opportunity to hire more female staff, particularly as more females are entering the labour force.

The energy sector is going through transformational change. In this complex and rapidly changing environment, recruiting staff with diverse thinking and backgrounds helps to ensure we have an agile and resilient organisation.

The impact of the energy transformation and digital disruption also means that we need a more diverse skills base than in the past. This includes renewable energy expertise, and also digital skills such as data scientists who can support our innovation capability.

CLP.CONNECT: How do we address diversity issues such as marriage equality which can be sensitive topics in different cultures?

Massey: As an international group we operate in countries with very different social and cultural contexts. This means we are sensitive to the differences in culture, values, traditions and religions, and respect local approaches to the regulation of diversity issues. Consequently, we give flexibility to our subsidiaries to address their locally specific diversity issues, but equally we have some common priorities across the Group.

For example, the diversity and inclusion programme of EnergyAustralia covers improved arrangements for employees returning from parental leave, improved workplace inclusion for the LGBTI community, establishment of a reconciliation action plan aimed at increasing our engagement with indigenous people, and support to addressing the issues of domestic violence.

CLP.CONNECT: What is the most significant diversity issue across the CLP Group?

Massey: Gender is not only the most significant diversity issue we face as a Group, but also a key workforce sustainability issue. The impact of demographic trends means that the business case for hiring more females is very strong. The social and economic case for making gender diversity a priority is equally strong as gender equality is embedded in the United Nations Guiding Principles on Business & Human Rights, and in its Sustainable Development Goals.

CLP.CONNECT: How do we address gender diversity?

Massey: Our industry is traditionally male dominated, and a major change in the female ratio is a long-term challenge given the relatively limited supply of females with technical and engineering skills and qualifications. Consequently we focus our efforts on three priorities to improve the gender diversity of our talent pool.

Firstly, we support initiatives that encourage girls to study engineering in school and university, and to attract more females to join the company in technical roles. EnergyAustralia recently hired six female operators at Yallourn, and in Hong Kong three new female engineers joined Group Operations in May. We now have a total of 174 female engineers in the Group.

Secondly, we aim to increase the number of women in leadership positions in CLP. While we already have a strong ratio of females in functional leadership positions, we have a much lower ratio in engineering leadership roles. We will address this through a combination of career development of high potential female engineers, and also targeted recruitment of senior female engineers. We recently launched a Group wide network of female engineers to create an active internal support group.

Thirdly, ensuring gender pay equity and adopting family friendly human resources policies are important to support increased gender diversity. Last year, for example, we significantly increased the Maternity and Paternity Leave entitlement for our employees in Hong Kong.

CLP.CONNECT: Why is social inclusion becoming a diversity issue?

Massey: There is growing concern across developed economies about inequality of income, and inequality of educational and career opportunities for young people from economically disadvantaged backgrounds. This undermines social harmony and stability. In Hong Kong and Australia, this concern is being reflected in company policies that address this issue directly. For example, the allocation of a proportion of internships to disadvantaged children can be one of the options. I am sure that this issue will become more sensitive and important in the future.





Do the Right Thing

An Interview with EnergyAustralia Managing Director



Catherine Tanna came to the energy sector via an indirect route, from law initially. But the Managing Director of EnergyAustralia has enjoyed every moment of the 20-plus years she's spent in the industry. "This is a career that is professionally and personally rewarding – it makes a real difference to people's lives," she said in an interview.

Indeed, Catherine has brought remarkable changes to EnergyAustralia since she joined in 2014.

"When I accepted this role, I decided to focus on three areas: First, to provide the leadership and culture that reflected the best of the great people in EnergyAustralia; second, to return the business to market competitive performance; and third, to make a longer-term plan to return value to our parent company, CLP Group," she said.

The balancing

Today, three years later, EnergyAustralia still has its challenges but is a better business – customer complaints have dropped, customer service has increased and the company's generation assets lead the industry in performance and reliability. But for Catherine, transforming EnergyAustralia is about more than operational change. It also has to

encompass diversity and inclusion, because businesses which do that also perform better. And, it's just the right thing to do, she said.

"I'm convinced that diversity – in gender, but also in experience and thinking – is critical to helping utilities deal with the trends that are transforming our industry," Catherine said. "At EnergyAustralia, our programmes to enhance diversity are focused on outcomes. We measure the gender pay gap and take steps to close it. We're mindful of unconscious bias, whether it's in performance ratings, bonus payments or pay increases."

At EnergyAustralia women hold half the seats on the company's board, while around 40% of the business' managers are female. "While we're making great progress in gender balance across our leadership roles, there are parts of our business where we have ground to make up," she said.

So, in March 2016 Catherine made a promise: "I don't believe in waiting for things to happen so I've set a goal: By the time I hand over EnergyAustralia to someone else we will have women operators at our power stations," she said.

In May the following year the business took a big step towards making good on the commitment when the Yallourn power station in Victoria welcomed six women to train as plant operators. Only two months earlier, four female apprentices started new careers in the energy industry at Yallourn.

"We have women working across the Yallourn power station as tradespeople, truck drivers, engineers and managers but it's taken far too long to hire females to train as plant operators," Catherine said about the appointments in May.

"On the surface these appointments might seem a small step, and it's true we have more to do, but they help address an obvious imbalance in an important part of our business," she said.

Diverse and inclusive

In addition to addressing gender balance, EnergyAustralia has implemented a Diversity & Inclusion (D&I) programme aimed at building an inclusive culture in the organisation and supporting social inclusion and reconciliation in the community. Catherine said the programme is designed to ensure every employee feels comfortable bringing their whole self to work.

Since its launch in 2016, the programme has identified four focus areas – indigenous participation, domestic violence awareness, supporting working parents and supporting lesbian, gay, bisexual, transgender and intersex (LGBTI) colleagues.

"We do this because it is the right thing to do. We all benefit when our communities are strong and built on mutual respect. And as an employer of more than 2,500 Australians we know that inclusive and diverse organisations simply perform better," Catherine said.



The Reconciliation Action Plan is a good example of how EnergyAustralia has embraced inclusiveness. The plan was implemented last July to increase engagement with Aboriginal and Torres Strait Islander peoples, culture and communities. This includes improving the opportunities for Indigenous Australians to participate as employees, as suppliers, as customers, and as partners and in the broader community.

On domestic violence, the company provides employees with materials, processes, and contact points, both to support those in need and to raise awareness. In November last year, EnergyAustralia became one of 12 “trailblazers” – and the first energy company – to launch a Financial Inclusion Action Plan (FIAP) detailing measures for vulnerable consumers experiencing financial exclusion, particularly women coping with abuse.

Also last year, EnergyAustralia launched Keeping You Connected, an internal initiative to keep employees on parental leave connected to the company while they’re away, and to keep working parents connected to their families. The company supports primary carers with 14 weeks of parental leave and encourages return-to-work parents to work 75% of their agreed hours but receive full remuneration for the first four weeks. To continue the momentum in 2017, the initiative has been extended to cover flexible working arrangements for all employees.

In May, EnergyAustralia was awarded the Australian Workplace Equality Index ‘Bronze’ employer status and recognised as an employer of choice in Australia for LGBTI employees and their allies.

While there is always more that can be done, Catherine is confident EnergyAustralia will continue to attract talent as it embraces a diverse and inclusive culture.

“The utility business of the future will look very different. We have an opportunity to describe this future so that we attract the very best talent, regardless of gender. Getting the best people in the door is the challenge. But once they work in energy, they wonder where it’s been all their careers,” Catherine said.

Homecoming

Catherine left her hometown Gladstone in Queensland at 17 to study in the state capital, Brisbane. She graduated with a law degree before working as a lawyer in Brisbane and London, and then joined BHP and Shell where she worked in Africa, Russia, China and the Americas.

Even after more than a decade in Europe and different parts of the world, Catherine still regards herself as a Queenslander “through and through”. So she did not need to think for long when in 2009 she was offered the opportunity to return home as head of BG Group’s Australian operations.

According to her, simplicity is the key to her leadership style. Despite her busy schedule, Catherine does yoga and likes complex jigsaw puzzles and reading. “I particularly enjoy first novels. My favourite writers are Tim Winton and Harper Lee,” she said.

Brief Biography

Catherine Tanna became Managing Director of EnergyAustralia on 1 July 2014. In more than two decades in the energy sector she has held various commercial roles at BHP Petroleum and at Royal Dutch Shell. She had senior positions in the Americas, Africa and Asia before returning to Brisbane in 2009 as head of BG Group in Australia; she was named Chairman of the Group’s Australian operations in 2012.

Outside energy, Catherine was appointed to the Board of the Reserve Bank of Australia in April 2011.

She served on the board of the 2018 Commonwealth Games Corporation and is a member of Chief Executive Women. Catherine was a member of the Australian G20 business body (B20), the Lowy Institute’s G20 Advisory Committee and the Catholic Foundation Board. Catherine was born in Queensland, raised in Gladstone and studied commerce and law at the University of Queensland in Brisbane. She lives in Melbourne and has a partner and two daughters.



An Agreement for the Future

By William Mocatta, Chairman of CLP Power Hong Kong Limited

As someone who has spent more than 40 years witnessing firsthand the growth of CLP in sync with the development of Hong Kong, I am delighted with our recent signing of a new Scheme of Control (SoC) agreement with the Government. It stands in recognition that the agreement has served Hong Kong extremely well for more than half a century and balanced the interests of different stakeholders.

I would like to take this opportunity to thank our senior management and the Hong Kong team who have worked diligently and professionally over the past decades in upholding the world-class standard of our electricity services. Their dedication and commitment have played a major part in building our reputation and winning the public recognition of the importance of the SoC to Hong Kong, and hence enabling us to sign this new agreement with the Government.

Looking back, the 1960s was an era that represented a turning point for Hong Kong's economy, as its manufacturing industry began to take off. The unprecedented growth in both industry and the population drove electricity demand up by 20% a year, testing the power generation capacity of power companies. The first SoC agreement signed in 1964 between CLP, CAPCO and the Hong Kong Government was a landmark document that gave investors the confidence and certainty they needed to make substantial investments in the city's future, especially for capital-

intensive and long-term businesses such as electricity. At the same time it provided the Government an effective: : regulatory framework to ensure customers could obtain a sufficient and reliable electricity supply.

Soon after we signed the first SoC, we expanded our power generation facilities in Hok Un and built the new Tsing Yi Power Station. These investments, which together more than quintupled our generation capacity at the time, are just among the many examples of how we have always stayed ahead of the needs of society. For over five decades under the SoC, we have invested in diversifying our fuel mix and sources for environmental and energy security considerations and



in improving the robustness of our transmission and distribution networks. The results have been a consistent: : delivery of world-class reliability, at tariff levels that are among the most competitive, and with continuous: : improvement in environmental performance. I believe these proud achievements would not have been possible if it: : weren't for the stable environment provided by the SoC and its ability to keep pace with Hong Kong's ongoing: : development and the community's changing aspirations.

Now we have entered the fifth SoC agreement with the Government, it has again included a host of new initiatives: : under which both CLP and our customers are well placed to achieve energy saving and pursue renewable energy: : development in support of the Government's 2030 carbon reduction targets. It also provides a strong footing for CLP: : to realise our own Climate Vision 2050, which is a voluntary commitment we made in 2007 in addressing the: : challenge of climate change.

Hong Kong is our home and core market. We have made a promise to our customers and the community that we will: : do our utmost to meet their expectations and contribute to Hong Kong's greener and smarter future. As with the: : past 116 years, we are committed to growing here and together with the city for the long term.

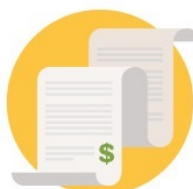
New SoC Agreement Key Features

1 October 2018 – 31 December 2033

Enjoy Safe and Reliable Power Supply at Reasonable Tariffs



Permitted rate of return lowered to 8% that customers will see benefits in tariffs



Fuel Cost Adjustment (FCA) in the tariff will be revised more frequently to reflect changes in fuel prices in a more timely way to enhance transparency. Fuel Clause Recovery Account balance can also be maintained at a lower level

Set more stringent operational performance targets



Supply reliability



Operational efficiency



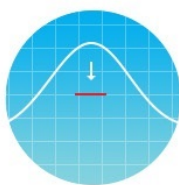
Customer services



Supply recovery time (New)

Promote Energy Saving Across Sectors

Encourage business customers to reduce electricity consumption during peak periods



Three funds to promote energy saving



New Eco Building Fund

Encourage owners of commercial and non-commercial buildings to implement energy efficiency improvement works



CLP Public Education Fund

The fund will be increased from HK\$5 million to HK\$10 million a year to support energy efficiency education and promotion activities



CLP Community Energy Saving Fund

Plough back 65% of the incentives earned from achieving targets under energy audits for customers, energy saving measures and new Eco Building Fund, to set up the CLP Community Energy Saving Fund to support the overall energy efficiency enhancement and energy conservation initiatives for the disadvantaged

Support Local Renewable Energy Development



Feed-in-Tariff (FiT)

Purchase energy generated from customers' renewable energy systems that are connected to CLP's grid at FiT



Renewable Energy Certificates

Available for purchase to customers who are interested in adopting renewable energy, and provide an alternative channel for the public to participate in the development of renewable energy



From Housewife to Agent of Change



Vrunda Patel used to be a shy housewife who lived a simple life with her family near CLP's Paguthan power plant. Today, Vrunda is anything but shy. She effectively negotiates with local authorities on many development issues affecting her village of Haldar in Gujarat. She is a social icon helping fellow villagers on matters ranging from schooling to sanitation.

Vrunda has another identity. She is one of the 16 extension volunteers of CLP India. Extension volunteers on average spend about a dozen hours per week helping run community initiatives ranging from environmental social clubs in schools to life skills evening classes for children. Familiar with local affairs, extension volunteers function as bridges between the company and the community. Being an extension volunteer has exposed men and women such as Vrunda to many training opportunities and equipped them to become "change agents" capable of taking up leadership roles in their villages.



Vrunda said becoming a CLP extension volunteer was a “life changing experience” for her and her family. Her husband, who works for a television parts manufacturer in the village, fully supports her in her endeavour.

“My family has to share my household chores because I am at times occupied with my social activities,” said Vrunda. “But my husband, Pankaj, fully supports me and in fact encourages me to do more.”

Vrunda has experienced first-hand how limited learning opportunities were in the village school where she studied. This has driven Vrunda to devote her time to helping young children and school drop-outs, especially girls.

“Vrunda has a special affinity for children and women,” said retired school principal Jesang M Patel, who has known Vrunda for years. “She passionately works to improve their lives.”

Vrunda’s passion to help others and the support from her family have kept her going over the past decade dividing her time between family and social responsibilities while also working as a CLP extension volunteer. “Vrunda has nicely balanced her roles at home with her social work that she does. She has been praised a lot in our community and we feel so proud of her,” said her mother-in-law, Induben K Patel.

Indeed, Vrunda played the role of a village governing body member for several years and was even offered the position of deputy village head, which she declined as she wanted to keep her other social commitments. Fellow villagers who have known her since childhood said she is now a completely changed lady – a village leader herself and a mentor for many girls and boys.

At the age of 42, Vrunda said she has big dreams for her village. “One day, I would like to see all the youth in my village empowered through education,” she said.



The Lady Who Dances on the Glass Ceiling



For Barbara Thomas, Lady Judge, CBE, success is the fruit of hard work, conscientious and life-long learning, and a commitment to excellence.

Lady Judge has had a long and very distinguished career in law and banking before she took the helm of the UK Atomic Energy Authority in 2004. Today a towering figure in the British business community, Lady Judge commands the respect of many of her peers for having spent her life as a pioneer for women in business. Her resume boasts an exhaustive list of senior executive positions, from executive director to board member to chairman.

In February, she gave a speech at CLP during her visit to Hong Kong – where she lived for four years in the 1980s. Over the course of an hour, she talked about nuclear power, the changing landscape of the energy industry, and challenges and opportunities facing women in the workforce.

Power bouquet

Lady Judge said nuclear power is the only kind of base-load generation that can effectively address three key energy issues every country needs to consider, namely energy security, energy independence and climate change.

“In my opinion, we need a bouquet of energy sources so that we don’t have children who cannot read because there is no light; or people freeze to death because there is no heat.”



“We need everything – oil, gas, coal, renewables and nuclear – and we need to work together to give people access to the important things in life – light and food, so that we can have a viable society.”

Words of wisdom

When asked about what contributed to her success, Lady Judge said academic accomplishment was the first key to success. “My mother always told me that you have to do very well in school,” said Lady Judge, whose mother has had a major influence on her. “And you have to spell out your academic honours no matter how old you are.”

According to Lady Judge, her teenage aspiration was to become an actress. But her mother told her: “If you want to act, go act in front of a jury.”

So, she chose law, and became a mergers and acquisitions specialist. She performed so well that she was made a partner of the law firm at the age of 31. In 1980, President Jimmy Carter made her the youngest ever commissioner of the US Securities and Exchange Commission. The appointment opened the doors for her to banking and she later took on a number of senior banking positions in Hong Kong and New York.

Dancing on the glass ceiling

She took a break from banking in 2002 when she was appointed a director of the UK Atomic Energy Authority. Two years later, she became chairman of the authority, a position she retained for six years. With her vast experience in nuclear power, Japan’s Tokyo Electric Power Company sought her help in 2012 to plot a future for nuclear energy after the Fukushima meltdown. In 2015, she made history again when she became the first female chair of the British Institute of Directors.

Lady Judge said she joined the nuclear industry “by accident” as she was not an engineer or a scientist by training. When she was interviewed for the job of director at the Atomic Energy Authority, she told the panel of interviewers that as a trained lawyer, she was well equipped to learn very fast if given the opportunity.

“I started studying, working and talking to people, and spending time in the department of energy in the British government, learning what’s oil, gas, and the grid,” she recalled.

“And guess what, I grew up to be the chairman [of the authority], which all it proves is that – anybody can learn anything as long as you try hard enough,” she added.

Breaking the glass ceiling has never been easy. But Lady Judge did it with aplomb.



Create Clean and Green Tomorrows



When CLP Power Chairman William Mocatta visited the Black Point Power Station in April, he celebrated not just key construction milestones of a new power generation unit but a decade-long commitment to bring cleaner energy to Hong Kong bearing fruit.

Piling works of the new combined-cycle gas-fired turbine generation unit have been completed, and workers are now busy with the civil works, demolition of part of a warehouse, and construction of the storm drainage diversion facilities. The project is scheduled for commercial operation before 2020.

The new unit will boost the station's power generation capacity by 25% to 3,070MW, making it one of the largest gas-fired combined-cycle power stations in the world.

Siemens of Germany will supply the turbines of the new generation unit, which will join the eight existing gas turbines at Black Point to generate electricity for millions of households in our supply areas. This represents a significant step forward in Hong Kong's pursuit of cleaner power.

But that's only part of the story of how we have been driven by our vision of a greener future. Daya Bay was added to our portfolio in 1994 bringing pollution-free nuclear power to Hong Kong. Then Black Point began operation in phases starting in 1996 as a pioneer of gas-fired power generation in Hong Kong. In the meantime, we began to import natural gas from the South China Sea and Central Asia to ensure reliable and stable supply of gas to power our generators. In 2007, we published Climate Vision 2050 which laid out our carbon intensity reduction targets up to the year 2050.

Our Climate Vision has since charted CLP's overseas expansion in the past decade, as we built up our renewable and low carbon assets in our two primary growth markets – Mainland China and India. At the same time, we continued to improve our plant's environmental performance in Hong Kong. Now in response to the Hong Kong Government's more ambitious energy and carbon intensity targets, Black Point will undergo another transformation by adding a new generation unit which boasts efficiency level to above 60%. With its high efficiency, the new unit offers us the technological foundation to supply electricity to our customers in an efficient, resource-saving manner.

This vision will be encapsulated in a mural to be painted on a 121-metre-long hoarding at Black Point under the theme "Create Clean and Green Tomorrows". The mural, to be painted in various artistic styles, features the different scenic views and landmarks in our supply areas, symbolising how Hong Kong is getting cleaner and greener by using clean energy and new technology.



Fact box about the new unit



Installed capacity: 550MW

Plant supplier: Siemens

Efficiency: Above 60%

Emissions: NO_x, SO₂, RSP (far less than other fossil fuels)

Commercial operation: Before 2020



CLP India: We Had a Dream That Became Our Vision



On 20 February 2017, over 400 employees from offices across eight Indian states came together to celebrate CLP India's 15th birthday. Everyone wore their best Indian attire and a beaming smile, brightening up the CLP offices. The day started with Managing Director Rajiv Mishra addressing all employees to thank them for their contribution and commitment to the organisation.

This was followed by a Puja, an Indian ritual of thanking the Gods for their blessings. The festivities continued through the day with pop quizzes and other fun activities. The employees went back home with personalised gifts and letters signed by Rajiv acknowledging their importance to the CLP family.



“CLP India is my extended family,” said Abhay Potdar, Senior Vice President – Operations, who joined the company 15 years ago. Over the years, Abhay has worn different hats – from plant manager of the gas-fired plant in Paguthan to leading the team at the coal-fired Jhajjar power station to his current role in renewables.

“The last 15 years have just whizzed by,” said Abhay, who was emotional as he talked about his relationship with the company which coincides with the same year

as the birth of his daughter. His story was reminiscent of Rajiv’s speech, who, while recalling his own CLP experience, explained that his daughter was born in the same year CLP ventured into the Indian market.

“There is an interesting parallel between the two. I see my daughter with her place in the world becoming more secure; her dreams are getting closer to realisation, or at the very least knowing what dreams she can dream. And I like to think perhaps that’s the same with CLP India,” said Rajiv.

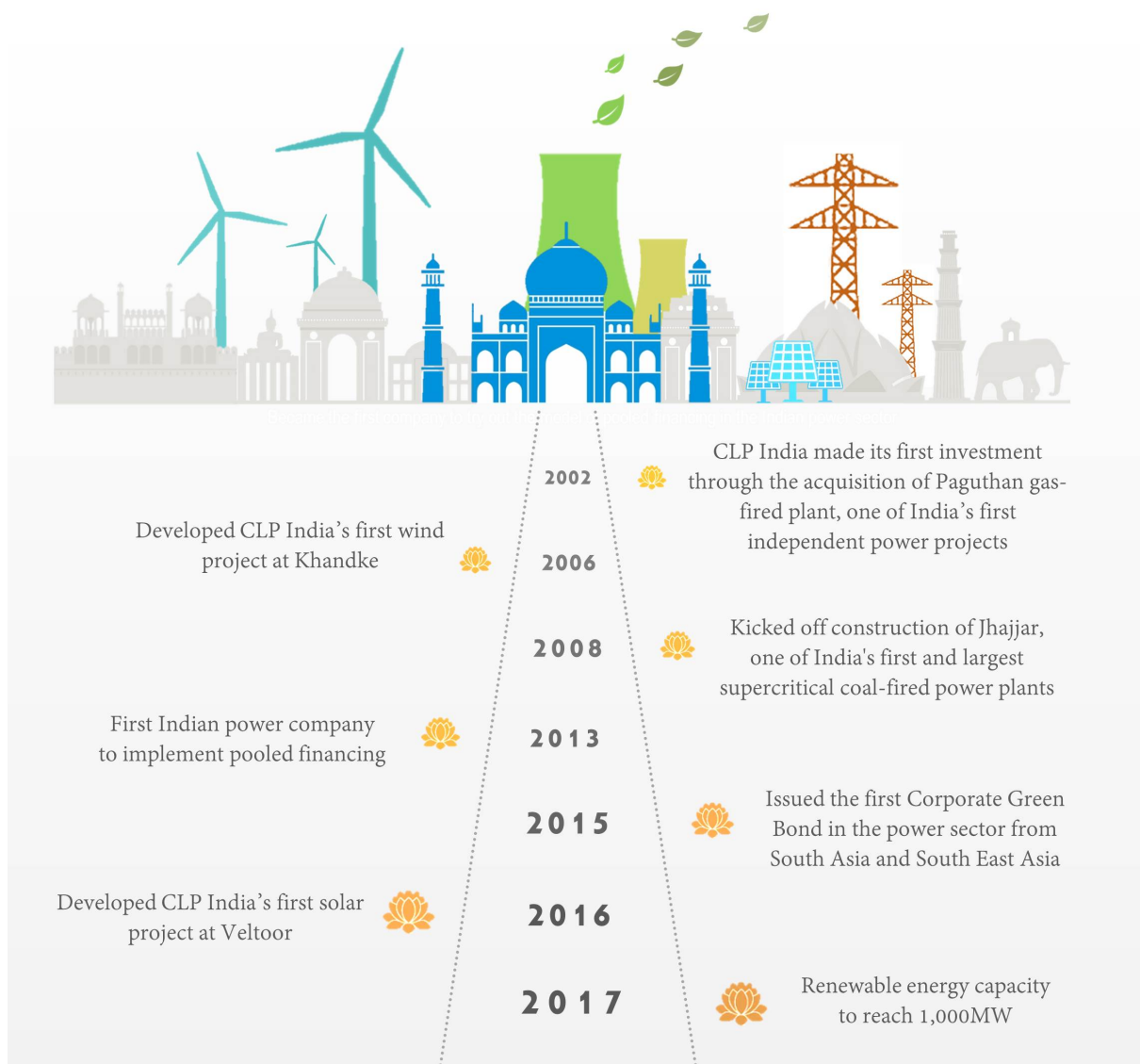
Indeed, CLP India has matured and is now well poised to expand into new areas of the power value chain beside base-load power generation. In line with the group’s investment strategy, the company today is focused on the continued growth of its renewable portfolio and exploring new business opportunities.

CLP entered the Indian power business in 2002 with the acquisition of a 655MW combined cycle gas-fired power plant from PowerGen. Today, the company’s installed capacity in the country is close to 3,000MW. The share of operational renewable projects is expected to be close to the 1,000MW mark this year with the commissioning of a 100MW solar project in the state of Telangana. CLP India is one of the largest wind power developers in India.

CLP India

CLP INDIA
The power of new standards

15 Years of Powering India



CLP India's 15-year journey is special as this is a milestone that only few foreign players in India can match. On taking a closer look at what made the company so successful in the Indian power sector, while many other foreign investors have struggled to grow, the answer was obvious and unanimous – it's the people. CLP India currently has about 450 employees and 40 of them have been with the company since its inception. CLP India has a diverse workforce with three generations working together with a low attrition rate of 6.7%.

CLP's family culture was nicely described by Sandhya Maurya, who re-joined the company as a Deputy General Manager of the Mechanical Department at Jhajjar power station in 2015. "What inspires me here is the connection that the top management has with all employees. They stay engaged and are a huge source of motivation," she said.

Abhay echoed: "For the past 15 years, every day has been special and memorable. It makes it easy to work here because I feel the company's value system reflects my own."

These sentiments were shared by Chairman Sir Michael Kadoorie in the CLP India's 15-year anniversary video. He said: "CLP India stands for what each one of us stands for – good values. And I look forward to the next 100 years here in India."

GeethRaju Rudrappa, Admin Associate, joined in 2002

"My most prominent memory was about an office driver, a contract employee, who had an accident while traveling on holiday. Rajiv rushed to where the accident had happened and tried to assist in every possible way. Unfortunately, the driver passed away but Rajiv and Naveen Munjal, Director of Commercial & Business Development (Conventional), went out of their way to help the family of the deceased. This incident took place years back but it has cemented my relationship with the company. I feel the same warmth and affection in every transaction with all my colleagues and I still look forward to coming to work every single day."

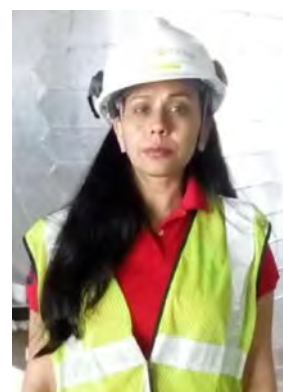


Mahushna Bhada, Assistant Manager, Corporate Human Resources, joined in 2017

"I only joined a few months ago but the sheer warmth with which I was welcomed ensured that I had a smooth transition into the CLP family. Every business has its challenges. CLP India more than makes up for these challenges with a friendly workplace, futuristic policies and services, and modern technology and infrastructure. All these have created a thriving and vibrant working environment. It makes me proud to be part of an organisation that gives back to society in more ways than one."

Sandhya Maurya, Deputy General Manager, Mechanical, first joined in 2007, re-joined in 2015

"During my first stint with the organisation, it was evident how open and transparent the organisation was with all its processes. What stayed with me the most were the stringent ethical practices that were not just limited to practical matters but also permeated the company's culture and the attitude of all employees. Importantly for me, as my job requires me to be on the ground most of the time, I feel safe and secure thanks to the safety practices that have been established across all our assets. My first stint was at Paguthan and I am now working at the Jhajjar plant, but what has not changed is the paramount importance given to safety."





Learn More about Low Carbon Energy in a Fun and Interesting Way



In what ways does our choice of energy sources play a part in climate change? Is renewable energy, which is environmentally friendly, the perfect choice? Many are skeptical about nuclear power out of safety concerns. However, are you aware of its effectiveness in reducing carbon emissions? Educating the public about climate change has not been easy, as it is often considered a solemn and dull subject, although it is a critical and alarming issue facing the international community.

With a commitment to cultivate public knowledge and interest in low carbon energy, CLP has sponsored the establishment of the Low Carbon Energy Education Centre at City University of Hong Kong ("CityU"). The Centre

introduces visitors, especially students, to complex energy concepts through interesting and interactive multimedia exhibits.

Inaugurated this year, the Centre has five themed zones covering various types of low carbon energy, including renewable energy, natural gas and nuclear power. Besides presenting their characteristics, these themed zones also introduce the different roles played by them in addressing the challenges of climate change. The characteristics of different fuel types are represented in the ingeniously designed exhibits in the five themed zones. In the renewable energy zone, for example, visitors can learn about how wind power works, and experience the gale force under typhoon signal No 3 through the control of an e-book. In the natural gas zone, visitors can observe how natural gas is formed by watching an animation projected on a semi-hemispheric screen.

Another highlight of the Centre is a scaled model of Hualong One Nuclear Reactor, the first third-generation nuclear reactor developed by China. In the nuclear energy zone, visitors can watch a 3-D animation which employs immersive projection technology to depict the core operation area of a nuclear plant.

The Centre aspires to become a platform for exchange, and bring together decision-makers, researchers, scholars and other stakeholders. It aims to encourage innovation and the exchange of ideas through exhibitions and seminars, and ultimately promote the use of low carbon energy.



Explore the

CLP Power Low Carbon Energy Education Centre

Kowloon Tong MTR

5 Mins Walk



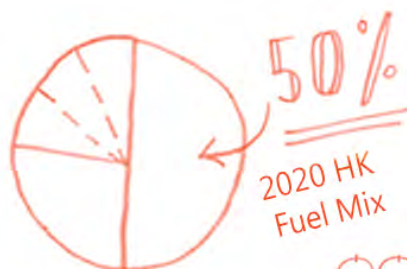
3/F, Lau Ming Wai Academic Building,
City University of Hong Kong



CLIMATE CHANGE & ENERGY CHOICE



RENEWABLE ENERGY



ROLE?
in the future

NATURAL GAS





Visitors are welcome and guided tours are available for visitors with prior bookings.

For more details, please visit <http://www.cityu.edu.hk/lowcarbon>

Key Facts

- Five themed zones covering the generation principles, applications, potentials, advantages and limitations of low carbon energy and nuclear power
- Interactive technology, multimedia exhibits and 3-D displays are employed to make complex energy topics simple for visitors
- Free admission



Out of the Box Solutions Drive Social Programmes



Traditionally, corporate social responsibility is viewed as an add-on for businesses. A “good behaviour” badge to be worn on a company’s lapel. Such a view no longer holds water. Today, corporate social responsibility can be a creative force powering companies to grow their businesses and contribute to society at the same time. An increasing number of companies see corporate social responsibility (CSR) as a critical part of their overall strategies, helping them creatively address key business issues across the various markets where they operate.

However, few companies have found the winning formula. Challenges ranging from project management to establishing sustainable goals to measuring benefits have made success elusive. Innovative companies have managed to overcome these hurdles by forming partnerships, and some have turned to new technologies to resolve age-old societal problems. The following two examples demonstrate how innovative and scalable solutions can drive CSR programmes.

Quenching thirst

Last year, CLP India took a closer look at the problem of scarcity of clean drinking water and examined the various solutions available. The project briefs were twofold: identify a technical solution that can effectively deal with the problem; and engage the community leaders to ensure long-term viability of the project.

This has given birth to the “Water ATM” initiative, whereby water vending machines are set up in villages near our plants. These machines make use of Reverse Osmosis, a water purification technology, to reduce the total dissolved solids in the ground water to a level that is potable. In addition, water is dispensed at an affordable rate through a pre-paid smartcard.

The water scheme has made community engagement a priority, and right from day one village leaders were encouraged to get involved in decision making. At each project milestone, the community contributed both time and resources – providing land to install the filtration plant, engaging qualified operators and arranging the electrical connection. Meanwhile, the project is fully funded by CLP and three-year maintenance arrangements were set up after commissioning to ensure sustainability of the project.

So far two water ATMs have been inaugurated in Paguthan and Kothi villages in the state of Gujarat. The initiative will be expanded in 2017 to more villages close to our plants.

Feedback from villagers has been very positive. Samim Suhel Diwan, a homemaker who lives in Paguthan village, said: “The water in our village is very salty and not good for consumption. For potable drinking water, we used to depend on CLP Township and Videocon Township. With this water ATM installed, it has become very convenient and comfortable for us.”



Smart partnering

In April, the Sydney Opera House and EnergyAustralia announced a partnership aimed primarily at helping the House with its sustainability goals. To generate creative ideas to help it become carbon neutral by 2023, a think tank was formed in collaboration with Commonwealth Scientific and Industrial Research Organisation, the national science agency.

A tentative idea, which borrows from the P2P renewable energy sharing model, would invite EnergyAustralia residential customers to “donate” electricity generated by their home solar panels to the Opera House. A trial of the initiative is expected to be launched early next year.

The think tank is also tasked with identifying and implementing sustainable energy solutions, to be trialed by the Opera House, that could be adopted by Australian households and organisations that want to operate in a more energy-efficient and sustainable way.

EnergyAustralia Managing Director Catherine Tanna said: “Our partnership will do more than change the way energy is used in Australia’s biggest house ... We will apply what we learn and the technology developed through the partnership towards helping homes across Australia use energy in ways that are smarter, more efficient and more sustainable.”



Company News

Record Attendance at Annual General Meeting

A record of over 1,900 shareholders packed the Grand Ballroom and three function rooms of the Crown Plaza Hotel in Tseung Kwan O on 5 May for the CLP Holdings Annual General Meeting 2017. The record turnout was one of the highest among listed companies in Hong Kong. Chairman Sir Michael Kadoorie reported the 2016 group performance to shareholders, expounded on the importance of regulatory certainty for the energy business and discussed developments affecting our businesses in Hong Kong and Australia.



CLP Leads Visit to Australia by Guangxi Power Sector Reform Research Delegation

In March, Chan Siu Hung, Managing Director – China, led a visit to Australia by the Delegation for Guangxi Power Sector Reform Research. The group met with officials representing key Australian energy authorities as well as EnergyAustralia to gain insights into Australia's power sector reform.



Power Summit Shared Insights

CLP hosted the seventh annual Power Industry Summit for Guangdong, Hong Kong and Macau from 24 to 26 May in Hong Kong under the theme of "Sustainable Growth with Regional Focus". Over 60 representatives from CLP, China Southern Power Grid, China General Nuclear Power Corporation and Companhia de Electricidade de Macau attended the three-day conference to share their knowledge and experiences on challenges and opportunities facing the power industry.





CLP Senior Management Meet Head of India's Haryana State

CLP Holdings CEO Richard Lancaster, CFO Geert Peeters and Managing Director – India Rajiv Mishra held a high-level meeting with Shri Manohar Lal Khattar, Chief Minister of Haryana, in Hong Kong on 24 May. At the meeting, CLP's senior executives discussed with Shri Khattar and his delegation the future investment opportunities in Haryana, which is home to CLP's Jhajjar Power Station. At the end of

the meeting, Lancaster presented Shri Khattar with a memento featuring the story – published in our last issue – of a young Indian female wrestler training at a CLP-sponsored academy in the state.

Sunraiser Programme to Help Communities Go Green and Save on Electricity

EnergyAustralia's NextGen executive, Andrew Perry (front left) discussed the newly launched Sunraiser programme with students of Albert Park College in Victoria on 5 June. The programme was launched by EnergyAustralia to help local community groups such as schools and non-profit groups install energy efficient products including solar PV systems, battery storage units and LED lighting, to enable them to save on their electricity bills. Albert Park College is the first community organisation in Victoria to participate in the programme.



CLP Power Names New Managing Director

Chiang Tung Keung (left) has been appointed Managing Director of CLP Power effective from 1 June, succeeding Paul Poon, who retired after more than 30 years with the company. Like Poon, Chiang has had a long career with CLP since he joined the company in 1988 as a Graduate Trainee. Before he became Chief Operating Officer of CLP Power in 2014, he has held a number of senior roles in power system asset management, planning, design, operation and maintenance, power quality, and corporate and regulatory strategy. Meanwhile, Rick Truscott, who previously held the

position of Senior Director – Power Systems at CLP Power, has been named the new Chief Operating Officer. Truscott is also a CLP veteran who joined the company in 1999 as Business Development Manager for Southeast Asia. He was later promoted Senior Vice President for Southeast Asia in Business Development and served as Director – Generation from 2011.



The Shared Point

CLP is a big family and we operate in countries across Asia-Pacific. Our employees come from different cultural and ethnic background. To be able to listen to what you think, and your dreams and aspirations is vitally important to cultivate the bond amongst us. We sincerely invite you to share interesting stories or what touches your heart with us in this platform.

Are You Game? My Indian Masala

Wang Long, Project Engineer, CLP India



In August 2016, I took up opportunity to work on renewable energy projects in India. It was an exciting new field for me, and the experience, which was enriching and rewarding, not only helped me develop my strength in engineering, but also enabled me to build up my cultural management skills. Moreover, I discovered my secret Indian ingredients for my perfect Masala. Here's my discovery.

Go, go, go

A few weeks after my arrival in India, I began my site visits to the various wind farms which are scattered across six Indian states. Some of these wind farms are located in the middle of deserts, and others on high mountain ranges. Sometimes it takes as long as three hours by car to commute between the nearest town and the wind farm, and that's what some of our Asset Managers do every day.

At each wind farm, the Asset Manager and a team of staff of the contractor look after the turbines every day. It really opened my eyes to the latest turbine technologies, and I had the opportunity to take part in operation and maintenance work as well as repairs. I helped implement on-site Health, Safety, Security, Environment (HSSE) system and talked to the people at the site so that we could understand their concerns and address them.



Life of solitude

I also experienced the life of an Asset Manager and was put in charge of a wind farm. Every day, my team and I interacted with a number of stakeholders at the site, and negotiated on pending work. Most important, we were responsible for our decisions – big and small – and we ran the wind farm together.

Life on a wind farm requires perseverance and discipline. On the one hand, it is a life of solitude. On the other hand, you experience tremendous personal growth because every moment can be full of fun and excitement. An Asset Manager needs passion. Passion is like the red chili of the Indian Masala – without which it will taste plain and lifeless.

Not one less

I also participated in the construction of our first solar project in Veltoor. I spent a month at the site and had participated in various activities of the construction. I worked closely with our site colleagues to track work progress and monitor on-site HSSE performance. Hundreds of workers from different contractors came to work every day. These workers came from different parts of India, and they spoke different dialects, and had different work proficiencies and backgrounds. At the peak of the construction period, a beehive of activity could happen simultaneously over a vast area (as large as 600 acres). This posed a challenge to us to maintain effective HSSE and quality control and at the same time ensuring all tasks were completed according to schedule.

We took a new approach and dealt with the issue tactfully. We proactively interacted with our co-workers (we called them buddies), trying to understand their challenges and needs; we cared about them as much as we cared for ourselves; we talked to them regularly to make them feel valued. Gradually our team grew a strong bond with our buddies, and through that bond, we helped them see our objectives and embrace our vision and mission. Working on the Veltoor project with my team was like collectively preparing a plate of Masala with everyone being an important ingredient. If a single ingredient is missing, be it jeera, tumeric or anise, the Masala just doesn't taste right. We need the diversity by each and every one of us to make a good Masala.



The magic

How the plate of Masala will taste depend on how one opens up to it. I arrived in India with an open mind. I seized every opportunity to mingle with my local colleagues and to explore the local culture. I tried street food, and took the BEST bus to go to work. I hopped on local trains to explore the suburbs of Mumbai over weekends. I discussed spirituality, practised yoga at the yoga classes hosted in the CLP India office, played cricket with my colleagues and got to know how a national sport had become a national religion. Of course, I also tried various kinds of Masala, and I honestly loved them all.

Passion, Diversity and Openness are the three magical ingredients I discovered in India that will make my perfect Indian Masala. It's hot, rich in flavour and has a lingering aromatic aftertaste. I would like to invite you to try. Are you game?



In Pixels

Share your photos with us, and we will share them with the CLP family! We are interested in old and new photos of your precious moments of memory, tears and cheers and pride and honour. You will receive a small souvenir from us if your photo is published.



Five hundred hand-knitted scarves and gift bags were delivered by CLP volunteers to elderlies in Kwun Tong, Hong Kong in spring. Despite the cold weather, the love of our volunteers kept the elderlies warm.



Go go go! Thanks to your big support, all CLP runners completed the 11-kilometer 2017 Hospital Authority's New Year Run in Hong Kong.



EnergyAustralia donated A\$22,200 to Kildonan UnitingCare in Melbourne, Australia, which helps families experiencing hardship save money on their electricity bills. The money was raised in three hours at the Southern Cross Station on 17 March for every commuter who gave us a high five.



Ran and walked. EnergyAustralia staff and volunteers took part in the Move in May event in Melbourne on IDAHOT Day (the International Day Against Homophobia, Transphobia and Biphobia) to spread the message of equality and inclusion.



The CEO Cup Fun Day was held on 7 May at the Hong Kong Sports Institute. The highlight was of course the match between the CLP Management Team and the CEO Cup Star Team. Guess which team was the winner?



Summer holiday is here. Colleagues in Huaiji, Guangdong Province, China have reached out to local primary schools to share safety knowledge – at home and outdoors.



Here we row! The Dragon Boat Long March is an annual event organised by the CLP Management Team, where we invite contractors and staff to form dragon boat teams to participate in the 10-kilometer adventure. The challenge has become a central part of the CLP Dragon Boat culture.