



Summary of Feedback for the CLP 2016 Sustainability Report

The CLP Group's 2016 Sustainability Report was prepared in accordance with the GRI Standards and GRI G4 Electric Utilities Sector Disclosures. In addition, the report satisfied the "comply or explain" provisions as well as "recommended disclosures" of the Hong Kong Stock Exchange ESG Reporting Guide. The Six Capitals Framework was applied to the performance-related chapters as we work towards a more integrated reporting approach with the Integrated Annual Report. In addition, PricewaterhouseCoopers (PwC) provided limited assurance on a number of key performance indicators.

We value our readers' feedback and are open and transparent to communicate the comments. This report summarises the feedback received. We will consider the comments in developing our future reports.

Feedback Summary

We received a total of 74 responses through the online feedback form. The largest respondent group was corporates (40%), followed by NGOs (20%) and academia (9%). The purpose of reading the report was primarily for general interest (52%) and/or performance evaluation (45%). Less than half (40%) of the respondents read both the In Essence version and the full version of the report. Furthermore, 36% of the respondents read the Annual Report in addition to the Sustainability Report.

The major comments on the report style and content are as follows:

- Reading Experience – the report was easy to read and understand, and the graphic design was great especially the infographics. One reader appreciated the new 'Six Capitals Frameworks' and commented it was tailored to the more knowledgeable readers.
- Content – the report disclosed a great depth and breadth of topics and data. However, they would welcome the report to be shorter and less repetitive.
- Video – the video was clear, informative and interesting. A reader suggested the video could explain more on CLP's renewable energy development in the future.

We also received numerous comments on CLP's sustainability performance:

- Climate Vision 2050 – A reader complimented our vision of "a sustainable net zero carbon future" and the carbon reduction target being aggressive. There were interests in knowing further about CLP's climate strategy and target performance in different regions.
- Emissions Performance – Some were disappointed at the 0.01 kg CO₂/ kWh increase of CLP's carbon emissions intensity from last year. CLP was urged to adopt renewable energy solutions, cease the use of coal and introduce feed-in tariff to promote roof top solar panels.
- Demand-side management – A reader was interested in understanding how pricing policies and incentive structures are used to encourage demand-side reductions.
- Disclosure of performance indicators – Readers suggested additional environmental disclosure, for example, Scope 3 Greenhouse Gas emissions and emissions intensity of the assets.
- Innovation – Some were keen to see more innovation leadership in CLP, in areas such as sources of energy, carbon financing, technology adoption and business models.

Donations in recognition of stakeholder feedback

To appreciate our readers who provided feedback to our 2016 Sustainability Report and 2016 Annual Report, we have made a donation in total of HK\$350,000 to Early Psychosis Foundation which strives to promote high-quality early psychosis intervention services, professional training and public awareness programmes, and Direction Association for the Handicapped which aims at promoting mutual help among people with severe physical disabilities in Hong Kong.