## Summary of Feedback for the CLP Group 2017 Sustainability Report

CLP Group's 2017 Sustainability Report (SR) was developed in accordance with the Global Reporting Initiative's (GRI) "Core" option and the G4 Electric Utilities Sector disclosures. In addition, the report has been prepared in accordance with the Stock Exchange of Hong Kong Environmental, Social and Governance (ESG) Guide, satisfying the "recommended disclosures" and "comply or explain" provisions. The Report continued the practice of referencing the International Integrated Reporting Council (IIRC) framework to better assimilate with CLP's 2017 Annual Report. As in the past years, PricewaterhouseCoopers (PwC) provided limited assurance on selected key performance indicators.

Readers' feedback is essential for us to enhance the quality of our sustainability reporting. To maintain transparency, this report summarises the key areas where readers returned both commendation and constructive comments.

## Feedback Summary

We have received feedback from individual readers through the SR feedback form and via direct engagement with different stakeholders. The feedback form for the 2017 Sustainability Report allows readers to score various attributes, including quality, reading experience and performance of CLP according to each capital covered, based on a scale from 1 to 5, with 5 being the best.

The overall quality of the report received a favourable 4.4 out of 5. The areas that scored the highest were:

- Quality of the 2017 In Essence Sustainability Report;
- Quality of the section "Sustainability at CLP"; and
- Quality of the section "Data and Downloads".

We only received limited feedback through our feedback form. We plan to enhance our stakeholder outreach going forward to make sure we receive a balanced view on the quality of our sustainability reporting.

Through the World Business Council for Sustainable Development (WBCSD), the 2017 SR was also reviewed using a set of criteria set in the <u>Reporting Matters</u> project. The report was commended in the following areas:

- Stakeholder engagement The WBCSD recognised that the 2017 SR offered a "comprehensive disclosure" on engagement methods and the various stakeholder groups involved.
- External trends The WBCSD appreciated CLP discussing how external trends will influence operations and how CLP will manage the risks and opportunities arising from them.

We also received several constructive comments on CLP's sustainability reporting practices:

- Prioritisation of material issues The WBCSD suggested that CLP could improve the report by "using a matrix or by distilling to fewer than ten highly material issues to focus the report".
- Reinforcing areas of potential enhancement The WBCSD proposed including "more narrative" surrounding areas for future improvement

We welcome and value all types of feedback regarding the Sustainability Report. In the 2018 Sustainability Report, we have addressed several comments that were raised. Through a revised sustainability assessment methodology, the report focuses on five material topics. We have also strengthened our position surrounding areas of future improvement. Visit our latest report <u>here</u>.