

Hong Kong Stock Exchange ESG Reporting Guide

Content Index for 2020 Sustainability Report

CLP is adopting the Hong Kong Stock Exchange (HKEx) Environmental, Social and Governance Reporting Rules and Guides (the Reporting Guide), in particular, the “comply or explain” provisions set out in Part C of the Reporting Guide. In line with the Stock Exchange Reporting Principles for this ESG reporting framework, materiality is regarded as fundamental to CLP’s ESG reporting. The materiality assessment process enabled management to determine those material ESG topics to CLP. Details on how the Company reports on these ESG issues in accordance with this framework are set out below. All material aspects are covered in the Annual Report; this Sustainability Report includes a comprehensive discussion of all aspects relevant to the Company.

Environmental

Aspects	Material to CLP?	Disclosure in 2020 Annual Report	Disclosure in 2020 Sustainability Report
A1. Emissions	Y		
Information on: (a) the policies; and			<ul style="list-style-type: none"> • The CLP Group business - Strategy • Responding to climate change
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.			<ul style="list-style-type: none"> • Corporate governance - Legal compliance • Environment - Environmental regulations and compliance
<i>Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations.</i>			
<i>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</i>			
<i>Hazardous wastes are those defined by national regulations.</i>		<ul style="list-style-type: none"> • A Snapshot of CLP in 2020 (page 4) 	
KPI A1.1 The types of emissions and respective emissions data.		<ul style="list-style-type: none"> • Chairman’s Statement (page 14) 	<ul style="list-style-type: none"> • Key performance metrics • Environment data
KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		<ul style="list-style-type: none"> • CEO’s Strategic Review (page 18) • Business Performance and Outlook (page 44) 	<ul style="list-style-type: none"> • Climate change - Greenhouse gas emissions • Key performance metrics • Climate change data
KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		<ul style="list-style-type: none"> • Capitals (page 74) • Financials (page 210) 	<ul style="list-style-type: none"> • Environment - Waste • Key performance metrics • Environment data • Asset performance statistics
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).			<ul style="list-style-type: none"> • Environment - Waste • Key performance metrics • Environment data • Asset performance statistics
KPI A1.5 Description of emission target(s) set and steps taken to achieve them.			<ul style="list-style-type: none"> • Progress towards Climate Vision 2050 targets • Climate change - Greenhouse gas emissions
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.			<ul style="list-style-type: none"> • Environment - Waste

Aspects	Material to CLP?	Disclosure in 2020 Annual Report	Disclosure in 2020 Sustainability Report
A2. Use of resources	N		
<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p><i>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</i></p> <p>KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).</p>			<ul style="list-style-type: none"> Environment - Waste Environment - Water Operations - Asset management
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) 	<ul style="list-style-type: none"> Operations - Asset management Key performance metrics Operations data Asset performance statistics Environment - Water Environment data Asset performance statistics
KPI A2.3 Description of energy use efficiency and a description of target(s) set and steps taken to achieve them.		<ul style="list-style-type: none"> Capitals (page 74) Financials (page 210) 	<ul style="list-style-type: none"> Operations - Asset management
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency and a description of target(s) set and steps taken to achieve them.			<ul style="list-style-type: none"> Environment - Water
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.			<p><i>CLP's primary product is electricity, which requires no packaging for delivery to customers. Packaging material used for auxiliary products only accounts for an immaterial amount.</i></p>
A3. The Environment and Natural Resources	Y		
<p>Policies on minimising the issuer's significant impact on the environment and natural resources.</p> <p>KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) Chairman's Statement (page 14) CEO's Strategic Review (page 18) Business Performance and Outlook (page 42) Capitals (page 74) Financials (page 210) 	<ul style="list-style-type: none"> The CLP Group business - Strategy Responding to Climate Change Environment Climate Change Responding to Climate Change Environment Climate Change
A4. Climate Change	Y		
<p>Policies on measures to identify and mitigate the significant climate-related issues which have impacted, and those which may impact the issuer.</p> <p>KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact the issuer, and the actions taken to manage them.</p>		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) Chairman's Statement (page 14) CEO's Strategic Review (page 18) Business Performance and Outlook (page 42) Capitals (page 74) Governance (page 108) Financials (page 210) 	<ul style="list-style-type: none"> The CLP Group business - Strategy Responding to Climate Change Climate Change Responding to climate change - Understanding climate risks through scenario analysis

Social

Aspects	Material to CLP?	Disclosure in 2020 Annual Report	Disclosure in 2020 Sustainability Report
B1. Employment	Y		
Information on: (a) the policies; and			<ul style="list-style-type: none"> Building an agile, inclusive and sustainable fair work practices - Demonstrating fair work practices People - Fair work practices
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) 	<ul style="list-style-type: none"> Corporate governance - Legal compliance
KPI B1.1 Total workforce by gender, employment type, age group and geographical region.		<ul style="list-style-type: none"> Capitals (page 74) Financials (page 210) 	<ul style="list-style-type: none"> Building an agile, inclusive and sustainable workforce - Managing the workforce responsibly People - Diversity and inclusion Key performance metrics People data
KPI B1.2 Employee turnover rate by gender, age group and geographical region.			<ul style="list-style-type: none"> People data
B2. Health and Safety	Y		
Information on: (a) the policies; and			<ul style="list-style-type: none"> Building an agile, inclusive and sustainable workforce - Keeping people safe and well Safety - Occupational health and safety
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) 	<ul style="list-style-type: none"> Corporate governance - Legal compliance
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.		<ul style="list-style-type: none"> Chairman's Statement (page 14) CEO's Strategic Review (page 18) Business Performance and Outlook (page 42) Capitals (page 74) 	<ul style="list-style-type: none"> Building an agile, inclusive and sustainable workforce - Keeping people safe and well Safety - Occupational health and safety Key performance metrics Safety data
KPI B2.2 Lost days due to work injury.		<ul style="list-style-type: none"> Financials (page 210) 	<ul style="list-style-type: none"> Safety - Occupational health and safety Key performance metrics Safety data
KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.			<ul style="list-style-type: none"> Safety - Occupational health and safety

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B3. Development and Training	Y		
Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.			<ul style="list-style-type: none"> Building an agile, inclusive and sustainable workforce
<i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) Capitals (page 74) 	
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)		<ul style="list-style-type: none"> Financials (page 210) 	<ul style="list-style-type: none"> People data People data
KPI B3.2 The average training hours completed per employee by gender and employee category.			
B4. Labour Standards	N		
Information on: (a) the policies; and			<ul style="list-style-type: none"> Building an agile, inclusive and sustainable workforce - Demonstrating fair work practices People - Fair work practices
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.		<ul style="list-style-type: none"> Capitals (page 74) 	<ul style="list-style-type: none"> Corporate governance - Legal compliance
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.			<ul style="list-style-type: none"> People - Fair work practices
KPI B4.2 Description of steps taken to eliminate such practices when discovered.			<ul style="list-style-type: none"> Building an agile, inclusive and sustainable workforce - Demonstrating fair work practices People - Fair work practices
B5. Supply Chain Management	N		
Policies on managing environmental and social risks of the supply chain.			<ul style="list-style-type: none"> Supply chain - Responsible procurement
KPI B5.1 Number of suppliers by geographical region.			<ul style="list-style-type: none"> Supply chain - Responsible procurement Supply chain data
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.		<ul style="list-style-type: none"> Capitals (page 74) 	<ul style="list-style-type: none"> Supply chain - Supply chain management
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.			<ul style="list-style-type: none"> Supply chain - Responsible procurement
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, how they are implemented and monitored.			<ul style="list-style-type: none"> Supply chain - Responsible procurement

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B6. Product Responsibility	N		
Information on: (a) the policies; and			<ul style="list-style-type: none"> Safety
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) 	<ul style="list-style-type: none"> Corporate governance - Legal compliance
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.		<ul style="list-style-type: none"> Chairman's Statement (page 14) 	<p><i>CLP's primary product is electricity, which requires no product recall.</i></p>
KPI B6.2 Number of products and service related complaints received and how they are dealt with.		<ul style="list-style-type: none"> CEO's Strategic Review (page 18) 	<ul style="list-style-type: none"> Customers - Customer satisfaction
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.		<ul style="list-style-type: none"> Business Performance and Outlook (page 42) 	<ul style="list-style-type: none"> Corporate governance - Legal compliance
KPI B6.4 Description of quality assurance process and recall procedures.		<ul style="list-style-type: none"> Capitals (page 74) Financials (page 210) 	<p><i>CLP's primary product is electricity, which requires no product recall.</i></p>
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.			<ul style="list-style-type: none"> Reinforcing cyber resilience and data protection - Protecting personal data Customers - Customer privacy
B7. Anti-corruption	N		
Information on: (a) the policies; and			<ul style="list-style-type: none"> Corporate governance - Code of conduct and anti-corruption
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.			<ul style="list-style-type: none"> Corporate governance - Legal compliance
KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.		<ul style="list-style-type: none"> Governance (page 108) Financials (page 210) 	<ul style="list-style-type: none"> Corporate governance - Code of conduct and anti-corruption Key performance metrics Corporate governance data
KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.			<ul style="list-style-type: none"> Corporate governance - Code of conduct and anti-corruption
KPI B7.3 Description of anti-corruption training provided to directors and staff.			<ul style="list-style-type: none"> Corporate governance - Code of conduct and anti-corruption
B8. Community Investment	N		
Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		<ul style="list-style-type: none"> A Snapshot of CLP in 2020 (page 4) 	<ul style="list-style-type: none"> Community - Stakeholder engagement framework
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		<ul style="list-style-type: none"> Chairman's Statement (page 14) CEO Strategic Review (page 18) Business Performance and Outlook (page 42) 	<ul style="list-style-type: none"> Community - Community investment Community data
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.		<ul style="list-style-type: none"> Capitals (page 74) Financials (page 210) 	<ul style="list-style-type: none"> Community - Community investment Community data