

CLP and its People



CLP Internship Programme 2001 Annual Reception

CLP’s human resources policies and practices have a clear objective – to build a winning organisation which shares a common vision and values.

This requires us to:

- Develop a performance-based culture characterised by the drive to improve;
- Enhance our leadership strength, developing strong and effective leaders of our business; and
- Continuously invest in the capabilities of our workforce.

These policies rest on a basis of mutual responsibilities – the Group’s responsibility to offer its workforce an environment where they can excel and be rewarded for excellence and the employee’s responsibility to give the best of herself or himself.

In 2001, a range of human resources initiatives were taken to further these objectives.

REWARD FOR PERFORMANCE

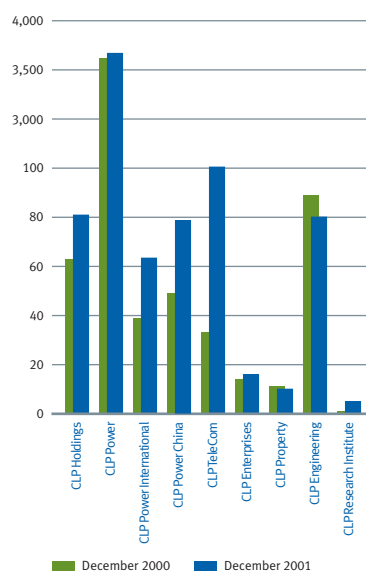
Every CLP employee participates in

our Performance Management System, whereby individual performance is reviewed annually against agreed goals and criteria. In 2001, the Performance Management System was revised to enhance the focus of employees’

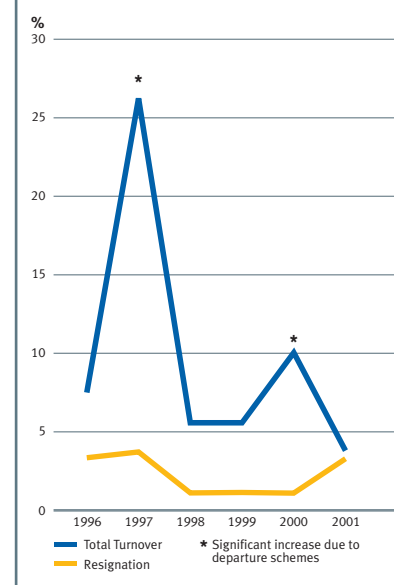
efforts on achieving business targets and objectives.

To strengthen the principle of “pay for performance”, a new pay programme is being implemented in phases across the CLP Group. This aligns individual goals with corporate goals and rewards people based on their achievement of these goals. As part of this initiative, the fixed bonus and allowances

Total Employees
Total employees as at 31 December 2001 was 4,085

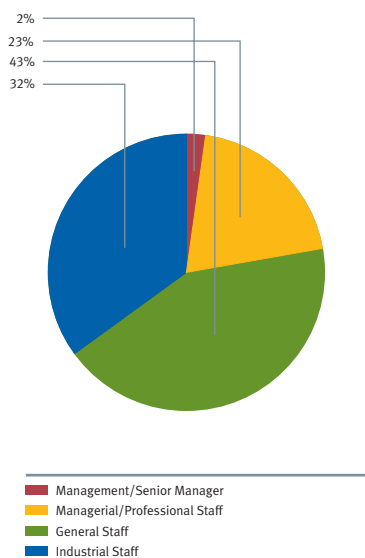


Employee Turnover





Employees by Category



previously paid to the majority of our staff are being phased out and replaced by an incentive scheme. Under this scheme, staff receive a bonus determined by the achievement of pre-set individual, departmental, corporate and CLP Group objectives. The purpose of the new pay programme is not to reduce payroll cost, but to sharpen the link between performance and reward, for the benefit of both CLP and its employees.

LEADERSHIP DEVELOPMENT

CLP's management development and succession planning is designed to ensure that:

- Long-term internal successors have been identified for all key management positions; and
- Employees with potential are given the training and professional opportunities to develop themselves for higher responsibility within the CLP Group.

Senior Management meets three times a year to review the status of this planning.

CLP invests in its future leaders. Various activities to enhance management and leadership skills, such as job rotation, assignment and development programmes are provided to meet individual requirements. This year, we partnered with the University of Michigan to organise a tailor-made leadership development programme for potential future leaders. We also provided an

Accelerating Management Talent Programme and other management skills programmes for our younger professionals. In 2001, our management training amounted to 3,610 man-days.

CLP INTERNSHIP PROGRAMME

The CLP Internship Programme is part of our talent acquisition strategy. Our vision is to build a long-term partnership with tertiary academic institutions to identify and nurture new talents to meet our future needs. We aim to create a triple-win situation for the benefits of all three stakeholders – the students, universities and CLP.

The Programme caters for students to join CLP, whether on summer vacation, for a 12-month secondment or sandwich programme and is now in its fifth year. Our Programme has gained an excellent reputation among local universities and candidates are selected from several targeted disciplines. On graduation, a number of past interns have already joined the CLP Group.