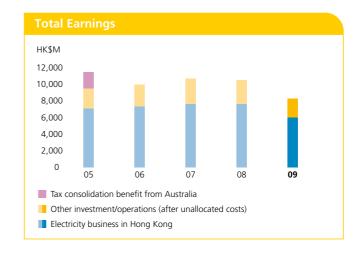


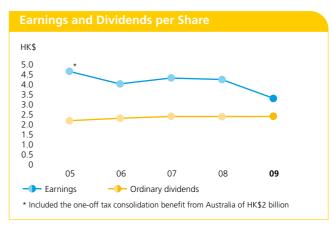


To be sustainable, our business must generate economic value over the long-term and on a large-scale. To achieve this, we must deliver economic value to our capital providers. A strong balance sheet coupled with good governance is why lenders lend to us. Delivering dividends and share price appreciation are why our shareholders invest in us.

CLP's financial data, business performance and outlook are covered extensively in our 2009 Annual Report. Our financial highlights in 2009 include:

- Total Group earnings in 2009: HK\$8,196 million (down by 21.4% from 2008)
- Earnings from our electricity business in Hong Kong: HK\$5,964 million (down by 21.0% from 2008)
- Earnings from our business outside Hong Kong and other earnings: HK\$3,007 million (up by 17.3% from 2008)
- Revenue from our Hong Kong electricity business:
   HK\$28,297 million (down by 6.3% from 2008)
- Total revenue: HK\$50,668 million (down by 6.7% from 2008)
- Electricity sales in Hong Kong: 30,570GWh (up by 1.7% from 2008)
- Total sales from Hong Kong (which include sales to the Chinese Mainland): 34,301GWh (up by 2.0% from 2008)
- Total dividends for 2009: HK\$2.48 per share (2008: HK\$2.48 per share)
- Total assets as of 31 December 2009: HK\$156,531 million (up by 17.8% from 2008)





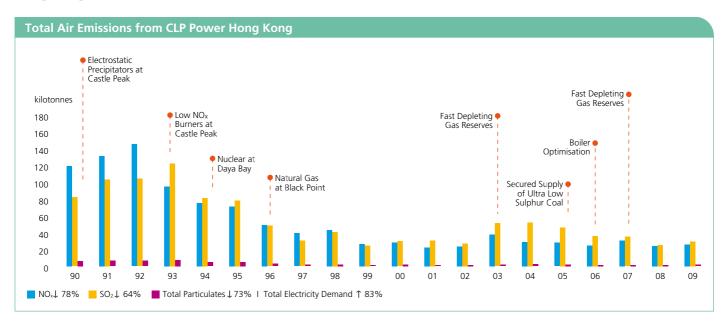


## **Air Quality**

CLP considers the management of air emissions a high priority. We carefully select the type and quality of fuels and technologies we use for generation and emissions controls, as well as monitor and report our data vigilantly.

Total emissions of sulphur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>X</sub>) and total particulates from CLP Group's power stations (under operational control), were at 44.2, 44.0 and 6.8 kilotonnes respectively in 2009. The decline in our Group SO<sub>2</sub> and NO<sub>X</sub> emissions and insignificant change in total particulates emissions compared to last year were due mainly to: the unavailability of independently verified BLCP Power Station emissions data in time for publication, although more facilities such as Fangchenggang Power Station and Boxing Biomass Power Station were added for the first time; and operational influences such as the much lower sulphur content of the coal used at Yallourn Power Station this year. For more details on our performance, please see our 2009 Online Sustainability Report.

## Hong Kong



Since 2003, we have had to step up our efforts in managing our existing gas reserves which are due to deplete in the early 2010s. We have controlled our emissions towards a general downward trend. However, managing our diminishing gas supply has led to fluctuations in our emissions over the last few years.

In 2009, we continued our efforts to sustain the depleting Yacheng gas supply to last up to 2013, which is when replacement gas is scheduled to be available. Using less gas meant we had to use more coal and so our emissions of SO<sub>2</sub>, NO<sub>x</sub> and total particulates increased by approximately 20%, 6% and 30% respectively over the 2008 levels. Emissions of SO<sub>2</sub>, NO<sub>x</sub> and total particulates from all three power stations remained below the regulated base caps in 2009.

Looking ahead, we believe we are on track to complete the Emission Control Project at Castle Peak B Power Station. The project is critical to achieving the drastic reductions in emissions required to meet the 2010 targets set by the Hong Kong SAR and Guangdong Governments.



CLP's first electric vehicle (EV) charging stations were unveiled in November 2009, with the remaining scheduled to come online in 2010, amounting to a total of 21 stations. For more information on EV, please check out CLPOnline.

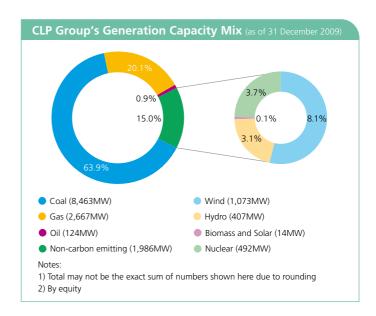
## **Climate Change**

CLP's goal is to reduce our CO<sub>2</sub> emissions in the long run. However, our CO<sub>2</sub> emissions are expected to rise before they will fall due to our continued business expansion in the Asia-Pacific region, where coal is still the most affordable and available fuel of choice and clean coal technology has yet to become commercially viable.

We had expected an increase or peak in our Group CO<sub>2</sub> emissions intensity in 2008 or 2009 compared to 2007 – the year we set our Climate Vision 2050 reduction targets. It appears that our Group CO<sub>2</sub> emissions intensity peaked between 2008 and 2009, since in 2009 our Group CO₂ emissions intensity decreased to 0.83kg CO₂/kWh compared to 0.84kg CO₂/kWh in 2008 and 2007.

In terms of total emissions, the Group CO<sub>2</sub> emissions of our facilities under operational control in 2009 were 49,631 kilotonnes compared to 44,251 kilotonnes in 2008. This was mainly a consequence of the inclusion of data from Fangchenggang Power Station for the first time, an increased use of coal for electricity generation in Castle Peak Power Station, and increased outputs at Yallourn Power Station and GPEC Power Station.

CLP Group	31 December 2008	31 December 2009	Upcoming Target
CO₂ Emissions Intensity (Generation)	0.84kg CO₂/kWh	0.83kg CO₂/kWh	0.8kg CO <sub>2</sub> /kWh By 2010
Renewable Energy (RE) Capacity	6.5% (817MW) (excluding hydro >100MW) 8.4% (1,066MW) (total RE)	(excluding hydro > 100MW) 11.3% (1,494MW)	5% By 2010
Non-carbon Emitting Generation Capacity	12.3% (1,558MW)	15.0% (1,986MW)	20% By 2020



Looking ahead, we believe we are on track to meet our 2010 target of 0.8kg CO<sub>2</sub>/kWh, although timely contract and project completions, and commissioning of all new low carbon assets currently in the pipeline, will be critical for achieving this target.

## Hong Kong

In 2009, as a result of having to stretch our depleting gas reserves to last up to 2013, when new replacement gas supply is scheduled to be available, less gas and hence more coal was used. Compared to 2008, total CO<sub>2</sub> emissions for our Hong Kong operations increased by 6%. CLP Power Hong Kong's emissions of CO<sub>2</sub> per kilowatt hour (kWh) electricity sold (including imported nuclear power) increased from 0.54 kg CO<sub>2</sub>/kWh in 2008 to 0.56 kg CO<sub>2</sub>/kWh in 2009.

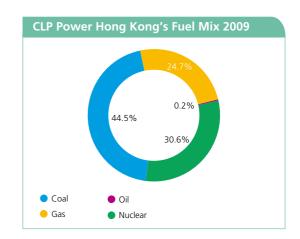


CO<sub>2</sub> Emissions Intensity – CLP Power HK as of 31 December 2009:

0.56kg CO<sub>2</sub>/kWh\*

0.56kg CO₂e/kWh\*

\* per kWh electricity sold including nuclear power



## **Energy Efficiency**

Energy efficiency not only helps reduce greenhouse gas emissions, but can also help reduce other environmental impacts such as air pollution and waste. In 2009, we continued to promote energy efficiency through the provision of advisory services to our residential and commercial customers and supporting public education in this area.

### Hong Kong

CLP provides free energy audit and advisory service to our business customers in Hong Kong. We have provided about 1,000 energy audits to our customers in the last 10 years. We also support our small to medium enterprises business customers in energy efficiency initiatives through our Business Centre.



Reopened in 2009, our Energy Efficiency Centre occupies a floor area of 2,000 sq ft, displaying and promoting the latest energy efficiency products and technologies for the commercial and industrial sector.



CLP's Eco Home, Hong Kong's first green living experience centre, celebrates its first anniversary in November 2009, having introduced more than 6,000 energy efficient appliances and smart plugs / panels to customers.



Since its launch in March 2009, the mobile Green Studio has accommodated over 10,000 visitors (mainly primary school students).

### Chinese Mainland

CLP extended its energy efficiency and cleaner production services to the Pearl River Delta with the establishment of CLP Energy Services and Technology (Shenzhen) Co. Ltd. (CLPEST) in August 2008. More than 150 customers, including hotels, factories and office buildings, have already benefited from this initiative. Many of these customers are located in Guangdong and have strong ties with Hong Kong.

## Australia

In 2009, TRUenergy provided a popular free service for residents in Victoria whereby we retrofitted customer homes with energy efficient light bulbs and shower heads. In South Australia, we offered a similar service to households under the SA Residential Energy Efficiency Scheme. This scheme also includes energy efficiency audits for customers experiencing financial difficulties in paying their bills.

### **Environmental Compliance**

Unfortunately, in 2009, there was one environmental incident concerning discharge at Tallawarra Power Station, Australia where three breaches of licence occurred. Boiler blowdown water was found to have overflowed into Lake Illawarra on 30 October 2009 due to multiple pump failure. The Department of Environment, Climate Change and Water (DECCW) issued a warning letter to Tallawarra regarding this incident. Tallawarra then submitted a remedial action plan with an implementation schedule to DECCW and no penalty was imposed. We will follow up and report on the progress of the remedial plan in the next report.



## **Safety and Health**

The year 2009 saw an even greater effort and level of resources than ever before devoted to safety improvement activities and initiatives. This resulted in significantly better safety performance, with no fatalities at our sites, and a reduction in the injury rate to our employees. Managers from all sites contributed to this improved performance.

Other achievements in 2009 were the GPEC Power Station in India reaching 11 years without a lost time injury to employees and the Iona Gas Storage Facility in Australia reaching 10 years. There were 25 awards to CLP Power Hong Kong from the HK Occupational Safety and Health Council. GPEC and Ho-Ping have also separately earned the recognition of NOSA five star and four star safety ratings respectively.

## **Disabling Injury Incidence Rate (DIIR)\* for Employees**

Disabling injuries include both lost time injuries (LTI) and restricted work cases (RW)	2009	2008	2007
Hong Kong (CLP HK)	0.02	0.19	0.05
Australia (TRUenergy)	0.74	0.60	0.91
Chinese Mainland (Fangchenggang, Anshun, Huaiji, Boxing)	0.39	0.44	0
India (GPEC)	0	0	0
SE Asia + Taiwan (BLCP, Ho Ping)	0	0	0

<sup>\*</sup> Disabling Injury Incidence Rate (DIIR) is the number of disabling injuries per 200,000 man-hours exposure.

Construction sites are still the highest risk areas and we face particular challenges at Jhajjar in India and Jiangbian in China. We cannot completely eliminate risks but we strive hard to raise safety standards substantially above the local prevailing norms. Jiangbian has been recognised as a model site in Sichuan and Jhajjar has just achieved 3 million man-hours without a lost time injury. However, we are well aware that significant risks remain due to working at height and with rock bursts.

We will continue to apply Group and regional level resources to support all those working with us and to provide the necessary management tools and skills to create a culture of zero injuries. We will require our partners and contractors to demonstrate a clear commitment to the same goal.



Tire drill at Fangchenggang, Chinese Mainland in 2009



C Raising health awareness among women at the Maternal & Child Health Programme in Kasad Village, India

## **Employees**

Our business is nothing without our employees – apart from doing our best to keep them safe and to promote their health and well-being, we also need to attract, retain and develop the people which our business needs.

CLP has a diverse workforce of over 5,700 employees across the region. We believe respect is important and we build it through a number of ways including strict enforcement on anti-harassment and discrimination practices, open and consistent communications with staff, and getting feedback from employee opinion surveys.

We benefit from a stable, loyal and experienced workforce with an average of 16 years of service. To manage the consequence of a relatively high average age, we anticipate and plan well ahead for retirements, particularly for those skills which are specific to



Our employees demonstrated their team spirit at the 2009 Standard Chartered Marathon

the power industry and which cannot easily be sourced in the labour market. Our Management Development and Succession Planning provides a systematic approach to succession with high potential colleagues being managed from the earliest stages of their careers. As they become more senior, oversight of their career development is the responsibility of the Group Management Development Committee, comprising of Group senior executives.

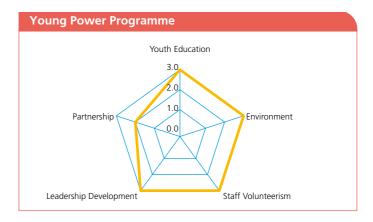
## **Community Investment**

CLP recognises the importance of enhancing stakeholder value through good corporate citizenship. In 2009, we ran a suite of programmes targeting specific issues or social groups, and we commenced for the first time to assess the value these programmes generated. The information will be used to improve our future activities, both in scope and effect.

Our community initiatives are centred on three key pillars —'Community Health', 'Environment' and 'Youth & Education'. In 2009, we initiated and/or supported over 550 community projects across the region where we operate through volunteerism, sponsorship and donation. We also engaged our staff and their families, external organisations and the wider communities. In assessing the value of these projects to our stakeholders, we referred to the London Benchmarking Group (LBG) methodology, which is a worldwide standard on corporate community investments. In 2009, we evaluated five of our community programmes in Hong Kong and India as a pilot scheme.

While our 2009 Online Sustainability Report provides a comprehensive coverage of our programmes, we have selected two programmes of differing nature to illustrate our efforts.

Our different programmes have different objectives and sometimes, depending on the location, the relevance or materiality of the benefits will also be different. It is therefore difficult to fit all our projects into only one results framework and so the LBG methodology was adapted to reflect that. A 3-point scale was developed to help provide a better visual to present our achievements and progress according to the different programme objectives (with: 0 = no achievement; 1 = acceptable but no noticeable achievements; 2 = acceptable and noticeable achievements; and 3 = significant achievements).



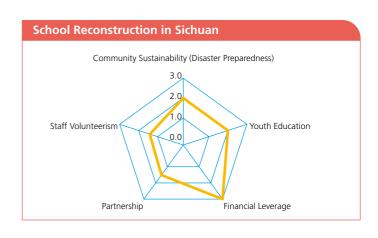
## Young Power Programme

The CLP Young Power Programme is our longstanding programme for developing future leaders. Since 1999, our young engineers have developed leadership skills through student mentorship and team building activities, and have enhanced their understanding in social and environmental issues. The 2009 programme leveraged on CLP's regional portfolio by expanding beyond Hong Kong to cover the Chinese Mainland and India. For our students, this geographical expansion enables them to broaden their technical understanding and cultural network.

### School Reconstruction in Sichuan

In 2008, CLP partnered with the Hong Kong Red Cross to reconstruct two primary schools and one nursery according to government standards in two of the earthquake-struck Sichuan communities. In early 2010, we stepped up our efforts by sending 15 staff volunteers and families to visit the schools and offer help to the local students. Over HK\$6.7 million (approximately US\$860,000) was raised in the Group-wide donation effort, helping the three educational institutions provide learning opportunities to around 570 local students.

Looking forward, we plan to enhance our community programmes further, utilising the measured results to improve and plan activities that bring further value to our stakeholders.





 Elderly citizens participating in the "Care for the Elderly – Active Mind" programme in Hong Kong



O Five-year tree planting programme across our operating regions



Ms. Bonnie So Head of Communications and Resource Development Hong Kong Red Cross





**Jane Lau**Director –
Group Public Affairs

#### How does CLP engage its staff on community investment initiatives?

Employees are our most important asset. We value their support and we engage them in all community initiatives. Equally, our staff see the importance of CLP being a good corporate citizen and are willing to invest their own time, resources, knowledge and skills in our projects to make a positive impact on the communities we serve. Their enthusiastic support is evident in all community investment initiatives - from regional programmes such as CLP Young Power Programme and 5-Year Regional Tree Planting Programme, to every local community and charitable event.

For instance, in the CLP Young Power Programme, around 50 engineers volunteered their time to mentor 120 students in 2009 across the region. Over 4,000 hours of service were given to a variety of community services by our CLP Volunteering Team in Hong Kong.

Our staff volunteers also go beyond their own working location to serve a wider community. They visited the schools that were rebuilt with funding from both the company and our staff after the Sichuan earthquake through the Red Cross and helped students put their libraries in order. Eager to see their assistance making a lasting impact, through our Support-a-Student Programme, they provided financial support for students in the rural area of the Mainland so that they could continue their primary education. Over 330 students were funded in the programme since its launch in 2009.

# **Key Performance Indicators**



CLP's Sustainability Report (SR) includes elements and indicators recommended in the Global Reporting Initiative's (GRI) G3 Sustainability Reporting Guidelines, an international framework on sustainability reporting. We selected key indicators as listed below from the GRI G3 Guidelines and other key performance data to provide readers with a quick overview of our performance. Independently verified performance data of each of our facilities within the scope of reporting are available in the online SR. Our online SR provides GRI A+ level coverage as per the G3 Guidelines and the Electric Utility Sector Supplement.

Economic Performance	Performance Indicators	Units	Year 2009	Year 2008	Year 2007	GRI Reference
Total assets, including leased assets (as at 31 December)	<b>Economic Performance</b>					
Total particulating leased assets (as at 31 December)	Total revenue	HK\$ million	50,668	54,297	50,789	EC1
Shareholders' funds (as at 31 December)	Total earnings	HK\$ million	8,196	10,423	10,608	
Environmental Performance(1)   Section (1)   Section (1)	Total assets, including leased assets (as at 31 December)	HK\$ million	156,531	132,831	136,277	
Return on equity   %   12.3   16.4   17.7	Shareholders' funds (as at 31 December)	HK\$ million	70,761	63,017	63,901	
Penvironmental Performance	Dividends per share	HK\$	2.48	2.48	2.48	
Coal consumed (for power generation)	Return on equity	%	12.3	16.4	17.7	
Coal consumed (for power generation)	Environmental Performance <sup>(1)</sup>					
Dil consumed (for power generation)	Coal consumed (for power generation)	ŢJ	469,509	445,211 <sup>(2)</sup>	413,188 <sup>(2)</sup>	EN3
Blomass consumed (for power generation)	Gas consumed (for power generation)	TJ		105,821	93,763	
Carbon dioxide equivalent (CO <sub>4</sub> ) emissions		ŢJ	7,185	6,452 <sup>(3)</sup>	868	
Carbon dioxide (CO), emissions of (NO)   kT   44.0   44.0   34.148   7   10   10   10   10   10   10   10			1,012 (4)	-	-	
Nitrogen oxides emissions (NO <sub>2</sub> )   kT   44.0   46.9   56.4   EN20			49,761 <sup>(4)</sup>	-	-	EN16
Sulphur dioxide emissions (\$O_0)					<u> </u>	
Total water withdrawal (for power generation)						EN20
Total water withdrawal (for power generation)						
Total Fernance   Total Employees (based on geographical location)   Mm²   18.96   17.30   17.27   EN21				6.8 <sup>(6)</sup>		
Hazardous Waste Produced®   T (solid) / kl (liquid)   57 / 6564     EN22     Hazardous Waste Recycled®   T (solid) / kl (liquid)   57 / 6564     -     Non-Hazardous Waste Produced®   T (solid) / kl (liquid)   5,160 / 0.8     -     Non-Hazardous Waste Recycled®   T (solid) / kl (liquid)   5,160 / 0.8     -     Non-Hazardous Waste Recycled®   T (solid) / kl (liquid)   5,369 / 0.8   -   -     Climate Vision 2050 Target Performance   Renewable energy generation capacity (equity basis)*** % (MW)   1.3 (1,494)   8.4 (1,066)   -       Non-carbon emitting generation capacity (equity basis)*** % (MW)   11.3 (1,494)   8.4 (1,066)   -       Non-carbon emitting generation capacity (equity basis)*** % (MW)   15.0 (1,986)   12.3 (1,558)   -       Carbon dioxide emissions intensity of CLP Group's generation   kg CO./kWh   0.83   0.84   -   EN16     Social Performance   Total Employees (based on geographical location)   number   5,777   5,717   5,695   LA1     Hong Kong   number   4,164   4,165   4,238   -     Chinese Mainland   number   546   525   420   Australia   number   841   856   890       India   number   207   143   119   0       Other locations (Southeast Asia & Macau)   number   19   28   28       Employees eligible to retire within the next five years   6   10.3%   8.8%   7.6%   EU15     Chinese Mainland   %   11.4%   9.9%   8.1%   Chinese Mainland   %   1.5%   1.8%   0.0%       Australia   %   10.19%   8.6%   9.5%   1.4%   1.7%   0.0%   1.5%   1.4%   1.7%   0.0%						
Hazardous Waste Recycled   T (solid) / kl (liquid)				17.30	17.27	
Non-Hazardous Waste Produced®   T (solid) / kl (liquid)   Z,369 / 0				-	-	EN22
Non-Hazardous Waste Recycled®   T (solid) / kl (liquid)   2,369 / 0 (4)     -				-	-	
Climate Vision 2050 Target Performance   Renewable energy generation capacity (equity basis) <sup>(10,11)</sup>   % (MW)   9.4 (1,243)   6.5 (817)   5.6 (584) (12)   EN6				-	-	
Renewable energy generation capacity (equity basis) (100 (11)	Non-Hazardous Waste Recycled <sup>(9)</sup>	T (solid) / kl (liquid)	2,369 / 0 (4)	-	-	
Total renewable energy generation capacity (equity basis)   % (MW)   11.3 (1,494)   8.4 (1,066)   -	<b>Climate Vision 2050 Target Performa</b>	nce				
Non-carbon emitting generation capacity (equity basis)   "0   "0   "0   "0   "0   "0   "0   "		% (MW)			5.6 (584) <sup>(12)</sup>	EN6
Carbon dioxide emissions intensity of CLP Group's generation portfolio (equity basis)   Classification   C			11.3 (1,494)		-	
Social Performance   Total Employees (based on geographical location)   number   1,777   1,5695   1,410   1,464   1,655   1,428   1,464   1,655   1,428   1,464   1,655   1,428   1,465   1,			15.0 (1,986)	12.3 (1,558)	-	
Total Employees (based on geographical location)         number number number         5,777 sq. 16.4         5,695 sq. 14.1           Hong Kong Chinese Mainland         number number sq. 4,164 sq. 255 sq. 420 sq. 4.20 sq. 4.		n kg CO <sub>2</sub> /kWh	0.83	0.84	-	EN16
Hong Kong	Social Performance					
Hong Kong	Total Employees (based on geographical location)	number	5,777	5,717	5,695	LA1
Chinese Mainland         number number         546 statistic         525 station         420 statistic           Australia India         number         841 statistic         856 statistic         890 statistic           India         number         207 statistic         143 statistic         119 statistic           Other locations (Southeast Asia & Macau)         number         19 statistic         28 statistic           Employees eligible to retire within the next five years         %         10.3% statistic         8.8% statistic           (based on employing entity) <sup>(13)</sup> 11.4% statistic         9.9% statistic         8.1% statistic           Chinese Mainland         %         11.4% statistic         9.9% statistic         8.1% statistic           Chinese Mainland         %         10.1% statistic         8.6% statistic         9.5% statistic           India         %         10.1% statistic         8.6% statistic         9.5% statistic           India         %         10.1% statistic         1.4% statistic         1.7% statistic           Other locations (Macau)         %         0% statistic         0% statistic         0% statistic           Voluntary staff turnover rate         %         2.7% statistic         5.8% statistic         6.1% statistic           Cases of dis	Hong Kong	number	4,164	4,165	4,238	
India		number	546			
Other locations (Southeast Asia & Macau)         number         19         28         28           Employees eligible to retire within the next five years (based on employing entity)(13)         %         10.3%         8.8%         7.6%         EU15           Hong Kong Chinese Mainland Australia         %         5.7%         1.8%         0%           Australia         %         10.1%         8.6%         9.5%           India         %         1.5%         1.4%         1.7%           Other locations (Macau)         %         0%         0%         0%           Voluntary staff turnover rate         %         2.7%         5.8%         6.1%         LA2           Fatality (employees only)(1)         number         0         0         0         0         0         0           Cases of disabling injuries (employees only)(1)         number         3         9         4 (7)         0         10         39 (7)         1           Days lost / charged (employees only)(1)         number         45         109         39 (7)         1           Training per employee         average man days         4.9         5.9         6.5         LA10           Convicted case of corruption         case         0         0<	Australia	number	841	856	890	
Employees eligible to retire within the next five years         %         10.3%         8.8%         7.6%         EU15           (based on employing entity)(13)         (based on employing entity)(13)         11.4%         9.9%         8.1%           Hong Kong         %         11.4%         9.9%         8.1%           Chinese Mainland         %         5.7%         1.8%         0%           Australia         %         10.1%         8.6%         9.5%           India         %         1.5%         1.4%         1.7%           Other locations (Macau)         %         0%         0%         0%           Voluntary staff turnover rate         %         2.7%         5.8%         6.1%         LA2           Fatality (employees only)(1)         number         0         0         0.0         0         0.0         0.0           Cases of disabling injuries (employees only)(1)         number         3         9         4.7         0         0         0.0 <td>India</td> <td>number</td> <td>207</td> <td>143</td> <td>119</td> <td></td>	India	number	207	143	119	
(based on employing entity)(13)       Hong Kong       %       11.4%       9.9%       8.1%         Chinese Mainland       %       5.7%       1.8%       0%         Australia       %       10.1%       8.6%       9.5%         India       %       1.5%       1.4%       1.7%         Other locations (Macau)       %       0%       0%       0%         Voluntary staff turnover rate       %       2.7%       5.8%       6.1%       LA2         Fatality (employees only)(1)       number       0       0       0.0       LA7         Cases of disabling injuries (employees only)(1)       number       3       9       4.7         Days lost / charged (employees only)(1)       number       45       109       39.0         Training per employee       average man days       4.9       5.9       6.5       LA10         Convicted case of corruption       case       0       0       0       SO2		number	19	28	28	
Hong Kong		%	10.3%	8.8%	7.6%	EU15
Chinese Mainland         %         5.7%         1.8%         0%           Australia         %         10.1%         8.6%         9.5%           India         %         1.5%         1.4%         1.7%           Other locations (Macau)         %         0%         0%         0%           Voluntary staff turnover rate         %         2.7%         5.8%         6.1%         LA2           Fatality (employees only)(1)         number         0         0         0 (7)         LA7           Cases of disabling injuries (employees only)(1)         number         3         9         4 (7)           Days lost / charged (employees only)(1)         number         45         109         39 (7)           Training per employee         average man days         4.9         5.9         6.5         LA10           Convicted case of corruption         case         0         0         0         SO2						
Australia         %         10.1%         8.6%         9.5%           India         %         1.5%         1.4%         1.7%           Other locations (Macau)         %         0%         0%         0%           Voluntary staff turnover rate         %         2.7%         5.8%         6.1%         LA2           Fatality (employees only)(1)         number         0         0         0 (7)         LA7           Cases of disabling injuries (employees only)(1)         number         3         9         4 (7)           Days lost / charged (employees only)(1)         number         45         109         39 (7)           Training per employee         average man days         4.9         5.9         6.5         LA10           Convicted case of corruption         case         0         0         0         SO2	Hong Kong		11.4%	9.9%	8.1%	
India         %         1.5%         1.4%         1.7%           Other locations (Macau)         %         0%         0%         0%           Voluntary staff turnover rate         %         2.7%         5.8%         6.1%         LA2           Fatality (employees only)(1)         number         0         0         0 (7)         LA7           Cases of disabling injuries (employees only)(1)         number         3         9         4 (7)           Days lost / charged (employees only)(1)         number         45         109         39 (7)           Training per employee         average man days         4.9         5.9         6.5         LA10           Convicted case of corruption         case         0         0         0         SO2	Chinese Mainland	%	5.7%	1.8%		
Other locations (Macau)         %         0%         0%         0%           Voluntary staff turnover rate         %         2.7%         5.8%         6.1%         LA2           Fatality (employees only)(1)         number         0         0         0 (7)         LA7           Cases of disabling injuries (employees only)(1)         number         3         9         4 (7)           Days lost / charged (employees only)(1)         number         45         109         39 (7)           Training per employee         average man days         4.9         5.9         6.5         LA10           Convicted case of corruption         case         0         0         0         SO2	Australia		10.1%		9.5%	
Voluntary staff turnover rate         %         2.7%         5.8%         6.1%         LA2           Fatality (employees only)(1)         number         0         0         0 (7)         LA7           Cases of disabling injuries (employees only)(1)         number         3         9         4 (7)           Days lost / charged (employees only)(1)         number         45         109         39 (7)           Training per employee         average man days         4.9         5.9         6.5         LA10           Convicted case of corruption         case         0         0         0         SO2	India					
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Convicted case of corruption case <b>0</b> 0 0 SO2						
	Training per employee	average man days				
Breach of Code of Conduct case 8 8 9 SO8						
	Breach of Code of Conduct	case	8	8	9	SO8

#### Notes

- (1) Includes operating entities which CLP has operational control for the full calendar year with the exception of Huaiji, as independently verified data were not available. 2007 and 2008 data revised to align with the scope of reporting to operational control facilities.
- (2) Auxiliary fuel oil used at Yallourn included.(3) Distillate consumed at Hallett not included.
- (4) Reporting started since 2009.
- (5) CO₂e data for Yallourn and Hallett included.
- (6) Fangchenggang was not included because independently verified data were not available.
- (7) BLCP was not included because independently verified data were not available.
- (8) Quantity of cooling water discharged (3,163.9Mm³) not included.
- (9) Waste categorisation is in accordance with local regulations. BLCP liquid waste not included due to the difference in measurement unit.
- (10) 'Equity basis' includes all majority and minority share facilities in the CLP Group portfolio.
- (11) Hydro plants with capacity larger than 100MW excluded.
- (12) Revised to align with current reporting definition.
- (13) Employees on fixed-term contract not included

These data were independently verified by ERM-Hong Kong, Limited. A copy of the verification letter is available on request.

# **Progress 2009**



While we issue new Group commitments this year, we would like to report progress of our previously set goals. These goals will be replaced by the Group level commitments presented in the beginning of this report.

## **2009 Goals and Progress**

Implement the Group Climate Strategy – Climate Vision 2050

## Goal for 2009 and beyond

Reducing the equity CO<sub>2</sub> emissions intensity of our power generation portfolio towards 0.2 kg CO<sub>2</sub>/kWh by 2050

Increase our non-carbon emitting generation capacity (by equity) to 20% by 2020

Continue to reduce reliance on conventional coal-fired generation

### **Progress**

- Equity CO<sub>2</sub> emissions intensity decreased to 0.83 kg CO<sub>2</sub>/kWh (down from 0.84 kg CO<sub>2</sub>/kWh in 2008)
- Increased non-carbon emitting generation capacity (by equity) to 15.0% (up from 12.3% in 2008)
- Coal took up 63.9% of our generation capacity (by equity) (down from 65.8% in 2008)
- Extended our contract for nuclear power to Hong Kong from Guangdong Daya Bay Nuclear Power Station for another 20 years from 2014

Ensure the capacity of renewable energy in CLP's power generation portfolio is at least 5% (equity basis) by 2010

## Goal for 2009 and beyond

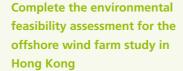
Continue to develop renewable energy projects

## **Progress**

- Increased renewable energy (excluding hydro plants larger than 100MW) to 9.4% of generation capacity (by equity) (up from 6.5% in 2008)
- Increased total renewable energy to 11.3% of generation capacity (by equity) (up from 8.4% in 2008)
- Commenced Hong Kong's first standalone renewable energy supply for Town Island

Continue to invest in the development of renewable energy technologies

- Continued evaluation of the commercial deployment of marine tidal technology
- Achieved casing and cementing of a deep well for TRUenergy's Petratherm geothermal project



- Obtained Environmental Permit from HKSAR Government in August 2009
- Continued feasibility study and stakeholder engagement





Take further steps towards assuring the availability of natural gas in Hong Kong by early next decade



## Goal for 2009 and beyond

Continue to work towards securing sufficient gas supply through the MOU by 2013, when our gas supply from the Yacheng gas field is predicted to deplete

## **Progress**

 Continued to secure gas supply through provisions made in the MOU with relevant parties in the Chinese Mainland

Raise the environmental performance of our coal-fired plant in Hong Kong, including the installation of Flue Gas Desulphurisation (FGD) and NO<sub>X</sub> reduction facilities

## Goal for 2009 and beyond

Obtain permit approvals from government departments

Meet target dates of phased commissioning in 2010 and 2011

### **Progress**

- Permits obtained
- Relocated all targeted facilities and completed Phase I upgrade three months ahead of schedule

Operate our business with zero injuries and extend the disabling injury incident-free period beyond the existing best record for each facility and business unit

## Goal for 2009 and beyond

Achieve a 50% improvement over 2007 safety performance by 2010

# **Progress**

- For employees, Lost Time Injury Incidence Rate (LTIIR) dropped from 0.22 in 2008 to 0.14 in 2009
- For employees and contractors, the combined LTIIR remained the same at 0.18 for both 2008 and 2009
- The LTIIR for employees in year 2009 has improved significantly as compared to year 2008 (approx. 36% improvement). However, the combined LTIIR for employees and contractor personnel remains stagnant over the year. Consequently, in 2009, we committed to assist our contractors to improve their performance

Continue the safety plan initiatives including new standards implementation, capability development

- New standards published in the Group Safety Manual
- Four capability development workshops conducted
- Results and recommendations from first management safety leadership survey implemented

Continue the rolling internal peer reviews and audits at our majority owned and/or operational control facilities

- Commenced the third cycle of peer reviews
- Two lead auditor trainings provided
- Four safety compliance audits completed
- International safety benchmarking introduced to two operational and two construction sites

Establish a safety and health IT platform to support regional safety management

• Safety management IT system developed and rolled out



Implement Group Crisis

Management Policy including

Group-wide drills

- A Group crisis management drill conducted
- Areas for improvement identified and will be followed up as part of the safety commitment for 2010 and beyond