



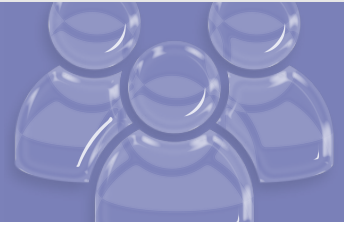
2022

Sustainability Report

Towards a Sustainable Energy Future



Our people

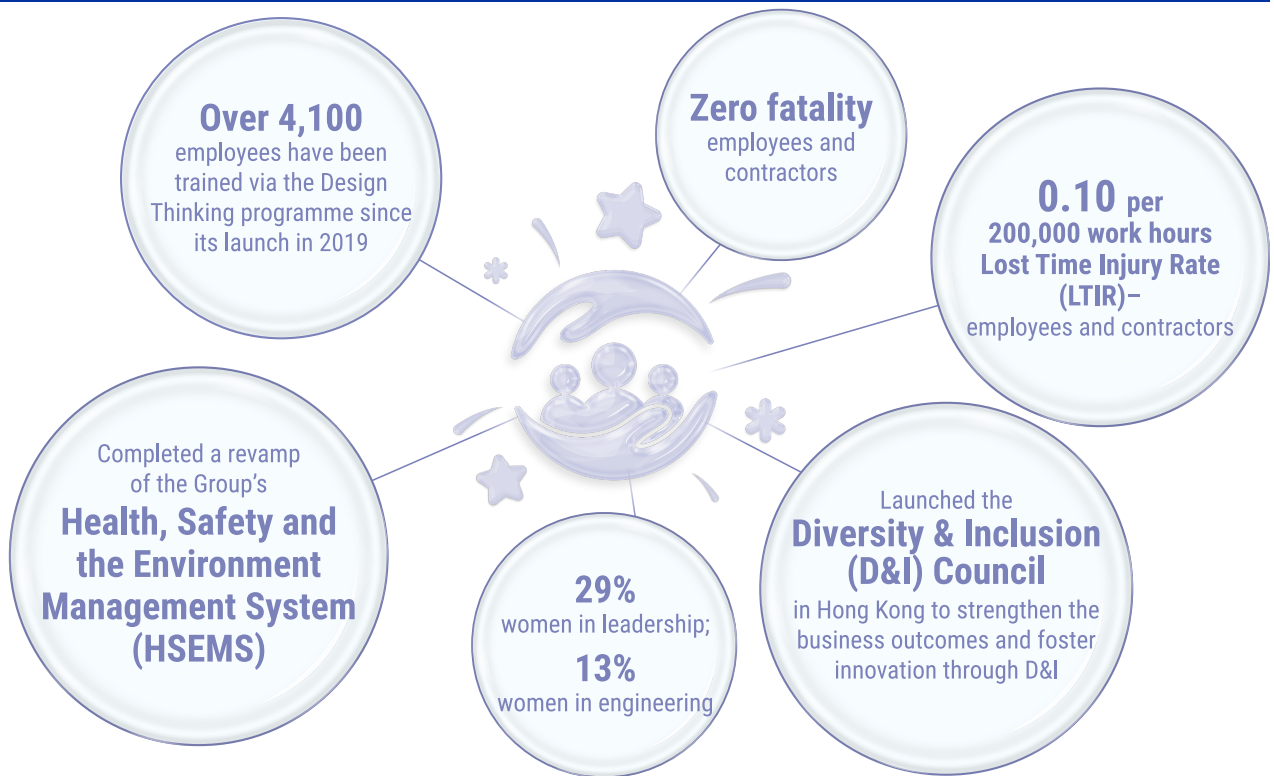


Overview

Stakeholders' areas of interest	Relevant material topics
<ul style="list-style-type: none"> Workforce size and mix Fair and ethical work practices Fostering diversity and inclusion Talent and skills development Supporting employees to thrive in change Health, Safety and Environment management Occupational health and safety 	<p>Aligning business activities with community, employee and customer expectations</p> <ul style="list-style-type: none"> Organisational agility Workplace safety and wellbeing



Outcome for stakeholders





Workforce size and mix

CLP engaged over 18,500 employees and contractors on a full-time equivalent basis at the end of 2022.

GRI reference: 2-7, 2-8

The number of total employees rose, primarily due to the continued post-pandemic recovery of activity. Utilisation of service contractors was slightly higher than in 2021, reflecting

skilled jobs created in Hong Kong and Mainland China to support decarbonisation projects, and renewable energy projects in India. Following a strategic review of labour hire usage, CLP Power in Hong Kong offered more in-house permanent roles to selected labour supply workers.

Employees and contractors by region

	Employees			Contractors			Total	
	Average FTE (a)	Permanent %	Fixed-term contract %	Labour supply (b)	Service contractor (c)	Contractors sub-total	Total workforce (a)+(b)+(c)	Contractors in total workforce %
Hong Kong	4,835.0	81.4	18.6	970.2	4,463.9	5,434.0	10,269.0	52.9
Mainland China	652.3	75.2	24.8	24.0	307.2	331.2	983.5	33.7
Australia	2,305.3	95.6	4.4	107.5	1,194.0	1,301.5	3,606.8	36.1
India	440.2	96.3	3.7	55.5	3,397.1	3,452.6	3,892.8	88.7
Group total¹	8,232.8	85.7	14.3	1,157.2	9,362.2	10,519.4	18,752.2	56.1

¹ Numbers have been subject to rounding. Any discrepancies between the total shown and the sum of the amounts listed are due to rounding.



Fair and ethical work practices

Our approach

Core to our people agenda, and to delivering CLP's strategy, is ensuring that the Group complies with all local laws and regulations and demonstrates respect for all our people, together with values-based management in addressing broader social issues.

GRI reference: 2-23, 2-25, 2-30, 401-2, 402-1, 407-1, 408-1, 409-1

Standards and procedures

CLP's human resources policies and procedures are intended to ensure compliance with all local laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, non-discrimination and harassment, and those covering benefits and welfare in the markets in which it operates. CLP takes immediate action to investigate and address any suspected breaches or issues that are brought to its attention.

Beyond compliance, CLP recognises its responsibility to respect human rights at work, as laid out in international principles, standards, and laws. CLP is a signatory of the World Business Council for Sustainable Development's (WBCSD) Call to Action for Business Leadership on Human Rights, and of the Good Employer Charter established by the Labour Department of Hong Kong, pledging to be an employee-oriented employer implementing good human resource management practices.

Human rights and labour standards

In addition to local legal compliance, CLP respects internationally recognised human rights relevant to its operations and requires its business partners and suppliers to do the same.

The commitment to upholding human rights is outlined in CLP's [Group Labour Standards](#). It references the United Nations Guiding Principles on Business and Human Rights and other international standards and sets company-wide minimum standards on critical working conditions and the basic rights of employees in the workplace.

CLP's commitment is also integrated in its [Value Framework](#) and [Responsible Procurement Policy Statement](#) and the newly launched [Supplier Code of Conduct \(SCoC\)](#). EnergyAustralia also has its SCoC and reports annually on the risks of modern slavery in its operations and supply chains, as well as the actions taken to address those risks.

[Read more on CLP's Group Labour Standards](#)



Discrimination and Harassment

CLP aims to provide work environments that are free of harassment or discrimination on the basis of: gender; physical or mental state; race; nationality; religion; age; family status or sexual orientation; or any other attribute recognised by the laws of the country in which the Company operates.

In 2022, CLP reviewed and refreshed its Harassment-free Workplace Policy in Hong Kong and Mainland China to support its commitment. Mandatory refresher training was rolled out across the organisation to deepen employees' understanding and the Group's expectations on appropriate workplace behaviour.

Use of temporary and contractor labour

CLP uses temporary labour for work that is time-bound or during peak activities and engages labour employed by third parties for non-core work and/or work requiring specialist skills. CLP is committed to taking a responsible approach to managing the costs and risks of this contingent workforce. This includes considering whether there is an optimal balance between the insourcing and outsourcing of capabilities and ensuring that the working hours and remuneration of workers employed by contractors are fair and reasonable.

Fair wages

CLP complies fully with any local legal requirements with respect to minimum wage, and in practice its remuneration and benefits for permanent staff often significantly exceed local legal requirements.

While it is not Group policy or market practice to provide the same employment benefits to temporary staff as for regular permanent staff, CLP's benefits for temporary staff are competitive with local market practice and meet or exceed local legal requirements. CLP monitors pay carefully to ensure it is competitive and rewards employees for individual and company performance. Core employee benefits are reviewed regularly to ensure they are fit for purpose and sustainable.

Supporting our people to speak up and acting on reports of wrongdoing

Each CLP business has an employee grievance procedure in place that reflects the CLP Value Framework and any applicable local legal requirements. Where any employee has concerns, established procedures are followed to address grievances. These procedures ensure fairness and independence in the investigation process, and respect the confidentiality of the parties involved. CLP's [Whistleblowing Policy](#) is publicly accessible, enabling employees and related third parties to raise concerns about any irregularity through a confidential channel.



Monitoring and follow-up

CLP's Value Framework and Group Labour Standards set a common framework of principles. Detailed policies in each country are fully compliant with local legislation. Regular refresher training is organised for employees on key topics such as CLP's Code of Conduct and business practice review, the Harassment-free Workplace Policy, and others.

CLP prohibits the employment of child labour or forced labour in any of its operations. The steps it takes to prevent such practices include stringent checking and control procedures in selection and onboarding processes.

Each year, CLP uses independent external consultants to benchmark remuneration and benefits with relevant recruitment markets. Decisions on remuneration are subject

to the corporate governance process and the approval of the Board Human Resources & Remuneration Committee to ensure a balance between the interests of both employees and shareholders as key stakeholders.

CLP carries out independent audits of its human resources policies and procedures to proactively identify any risks of legal non-compliance and take remedial action if such risks are identified. Immediate action is taken to investigate and address any suspected breaches or issues that are brought to the Company's attention.

[Read more on breaches of the CLP Code of Conduct](#) →

Initiatives and progress

CLP furthered its efforts in working ethically and fairly, receiving continued external recognition of its wages and retirement policies and practices.

GRI reference: 201-3

CLP's Group Labour Standards outline CLP's commitment to international principles and conventions and provide more detail on how CLP delivers on these commitments through company-wide minimum standards on critical working conditions including fair and decent work and working hours, and the basic rights of employees in the workplace. Following their launch, the standards were embedded into procurement requirements for labour hire suppliers in Hong Kong and tracking and monitoring of temporary manpower supply resources has been strengthened. Relevant expectations on labour practices and human rights have been embedded and communicated with CLP's suppliers through the newly launched SCoC.

CLP did not identify any operation or supplier as having a significant risk of child labour, young workers exposed to hazardous work or forced or compulsory labour. There was no breach of laws and regulations in relation to child and forced labour across CLP in 2022. Additionally, no Group operation was identified in which the right to exercise freedom of association and collective bargaining was violated or at significant risk.

CLP's Hong Kong businesses were awarded Fair Wage Certificates by the [Fair Wage Network](#) in recognition of their wage policies, practices and ongoing enhancements. In 2022, to provide staff with greater flexibility in their pension planning, CLP extended the maximum period of time for former employees to retain their retirement benefits within the Group Provident Fund Scheme.

Recognising its efforts in providing sustainable retirement benefits, the Mandatory Provident Fund (MPF) Schemes Authority in Hong Kong again awarded CLP MPF Employer Award 5 Years+ Award, an e-Contribution Award, and the Best All-round MPF Employer Award. CLP also received awards for the Best ORSO (Occupational Retirement) Scheme and the Hong Kong Best Member Communications by Asia Asset Management.



Fostering diversity and inclusion

Our approach

CLP believes a diverse workforce and an inclusive culture supports high performance and CLP's ability to operate effectively in the many communities in which it operates. To this end, CLP has set targets to encourage more women into the workforce, and policies to support employees to balance work and home-life commitments.

Considering the nature of CLP's business and the markets in which it operates, CLP has set addressing gender diversity as a Group-wide priority to ensure a sustainable workforce in the face of demographic trends, and to deliver a wider, positive social and economic contribution. Long-term aspirational Group-wide gender diversity targets have been set, reflecting UN Sustainable Development Goals. The targets are:

- **Women in Leadership target:** To achieve gender balance in leadership positions by 2030 against a 2016 baseline of 22%;
- **Women in Engineering target:** For 30% of engineers to be female by 2030 compared to a 2016 baseline of 9%; and
- **Ensuring equal pay for work of equal value** is maintained in all CLP Group businesses, that any gender pay equity gap is eliminated, and that CLP meets all relevant local compliance and disclosure standards.

Standards and procedures

CLP is a signatory to the International Energy Agency's **Equal by 30** initiative, a commitment by public and private sector organisations to work towards gender equality in the energy sector by 2030, and to the Women's Empowerment Principles established by the UN Global Compact and UN Women in India. Local Diversity and Inclusion Councils operate in Hong Kong, India and Australia to drive the Company's efforts on diversity.

CLP's human resources policies encourage the retention of employees through initiatives including flexible work arrangements, maternity leave, and other family-friendly policies and benefits. CLP's recruitment processes are designed to be fair and non-discriminatory. In Hong Kong, this process follows the **Equal Opportunities Commission Code of Practice**, and includes the use of consistent selection criteria. In other parts of the Group, CLP complies with local legislation and codes of practice on recruitment. When conducting senior level searches, CLP also requires external recruitment firms to identify candidates with diverse backgrounds, in line with the Group's values.

Monitoring and follow-up

Gender progress is reviewed as part of regular general management and engineering talent reviews. The **Board Human Resources & Remuneration Committee** reviews progress against gender diversity targets annually. CLP also conducts regular reviews to identify any gender pay gaps and ensures equal pay for work of equal value.

Initiatives and progress

Management has continued to leverage a variety of targeted programmes and activities to drive improved outcomes in diversity and inclusion.

GRI reference: 202-1, 202-2, 405-2

As of the end of 2022, Women in Leadership was maintained (2022: 29.1% vs 2021: 30.5%), while Women in Engineering increased (2022:13.0% vs 2021: 12.3%). Women constituted one-third of the Hong Kong Graduate Trainee intake in 2022. Most women hired had participated in either CLP's Female Engineering Student Mentoring Programme or had received an Engineering Study Award to support their final-year studies.

Focus on ensuring strong female participation in development programmes continued with women representing approximately 30% of participants.

Independent gender pay equity analysis of CLP's Hong Kong payroll, based on UK disclosure requirements, continued to show a reverse gender pay gap for both hourly pay and bonuses, due to a higher proportion of women in professional and managerial roles. Additionally, CLP was recognised for its support of the Hong Kong Equal Opportunities Commission Racial Diversity and Inclusion Charter for Employers.

CLP launched its Diversity & Inclusion (D&I) Council in Hong Kong in the second half of 2022. Comprising members of the senior leadership team, the Council aims to strengthen business outcomes and foster innovation through D&I. While the primary focus on gender diversity remains, other key D&I themes relevant to CLP's business were identified. Going into 2023, the Council will further define roles and responsibilities and set a clear roadmap to drive D&I progress in the business, including developing priorities and establishing operational guidelines in key employment practices.

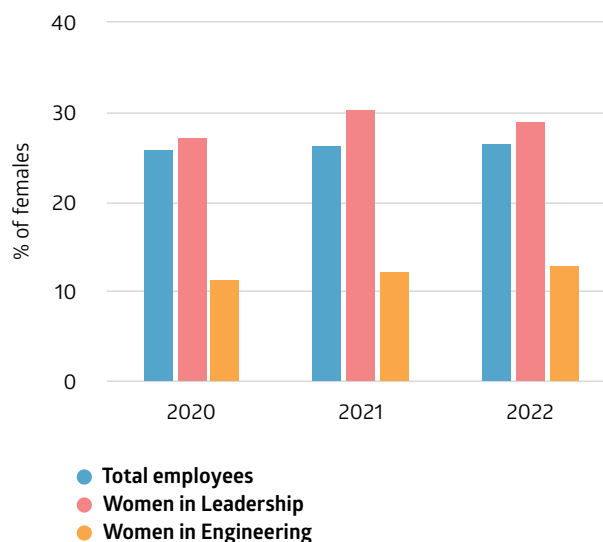
CLP continued implementing other planned initiatives to drive gender diversity across all markets, including mentoring programmes for female engineering students, extended partnership with The Woman's Foundation in Hong Kong on STEM learning for girls and celebration and awareness building on International Women's Day.

Across the Group, EnergyAustralia continued delivering activities to foster its diversity, equity and inclusion as part of its Diversity, Equity & Inclusion Strategy. Activities included cultural learning training, organised LGBTIQ+ awareness sessions and ally training, as well as policy reviews with gender equality in focus. In India, awareness-building sessions on unconscious bias were organised in the business in 2022 and will be scaled up across the organisation in 2023.

The CLP Group was named Hong Kong's most inclusive employer and ranked fourth in the Asia-Pacific region in the Inclusive Index Report by international consultancy, Equality Group.

Female Representatives in CLP

i The percentage of female employees shows an increasing trend in CLP.



Female Representatives in CLP	2020	2021	2022
Total employees	26.0%	26.3%	26.7%
Women in Leadership	27.3%	30.5%	29.1%
Women in Engineering	11.5%	12.3%	13.0%



Talent and skills development

Our approach

CLP's ability to transition to a zero-carbon, digitally enabled future requires systematic organisational development and adoption of the capabilities required to compete effectively in key markets.

GRI reference: 404-2, 404-3

CLP has a comprehensive training and development framework in place, aligned to business objectives, to help our people to perform competently in their current roles and prepare them for future business challenges and opportunities. Investment is also made in the wider development of young people and to build future energy industry capability that is inclusive and accessible to all.

Standards and procedures

CLP's strategic talent and leadership development approach seeks to attract, retain, and develop a diverse, multi-generational workforce; and develop new skills and share talent effectively across the portfolio of businesses. Internal development efforts are supplemented by external recruitment for new-to-CLP skills focused on innovation, digital and renewables capabilities.

Investing in youth and early careers

Addressing future skills needs, and ensuring adequate talent supply to the evolving energy industry, requires significant investment in promoting and encouraging young people to join CLP, and accelerating development in their early careers.

Opportunities for young people are provided in Hong Kong through mentoring programmes, partnerships with local and overseas institutions to offer work placements to secondary and tertiary-level students, internships for fresh graduates across a range of disciplines, technical apprenticeships and the CLP Graduate Trainee Programme. The [CLP Power Academy](#) in Hong Kong offers programmes to provide an alternative to school leavers and working adults to pursue careers in the energy industry. CLP also participates in youth development schemes such as the Hong Kong SAR Government's Greater Bay Area Youth Employment Scheme. In Mainland China, CLP supports local technicians and engineers to attain professional engineering qualifications.

Sustaining core skills and developing new skills for the future

Skills and safety training are provided to develop technical and functional competencies and behaviours. All CLP employees participate in an annual performance and development cycle. This provides ongoing feedback and coaching conversations, clarity in terms of expectations on behaviour and performance, understanding of how they contribute to CLP's objectives, and support for individual development needs. Through this process, CLP also recognises

and rewards individual performance and success. Employees are provided the opportunity to continuously learn and build skill via online and face-to-face learning resources and programmes, and can access company support for employee-initiated self-development.

Developing leaders for a Utility of the Future

CLP's strategy requires a diverse leadership team, with the resilience, agility, stakeholder management and change leadership skills to position CLP for growth, and high-quality succession leadership roles. CLP remains committed to filling most leadership roles internally.

Strategic, general management and talent development programmes are used to develop future leaders, with programmes delivered internally (in Hong Kong through the CLP Learning Institute and Power Academy) and in partnership with leading academic institutions including the International Institute for Management Development (IMD), Tsinghua School of Economics and Management, Chatham House and the École Polytechnique Fédérale de Lausanne (EPFL). Expert briefings and workshops are conducted on the latest global economic, political and technological trends including energy transition, digital disruption, wellbeing and resilience.

Monitoring and follow-up

CLP conducts regular talent and capability reviews, underpinned by employee analytics, focused on both general management and engineering streams. These reviews monitor and follow up on actions to address current and future gaps and opportunities, including the progress of development programmes, recruitment campaigns, initiatives to strengthen gender diversity and cross-business assignments.

The effectiveness of this approach is measured against a range of key performance indicators, including retention of key talent, turnover, diversity and employee engagement measures, using developed employee analytics tools. The [Board Human Resources & Remuneration Committee](#) reviews talent and capability progress annually.

Despite the challenges of recruitment and delivering training during the COVID-19 pandemic in the past years, CLP increased its investment in youth development, core skills training and leadership development programmes, and invested in the training systems and frameworks needed to become a Utility of the Future.

Initiatives and Progress

CLP inducted 41 trainees into the Hong Kong Engineering Graduate Trainee programme in 2022, the largest intake ever with the highest number of female and Mainland students.

CLP also expanded its recruitment channels with local and overseas institutions. CLP Group was recognised as The Most Attractive Employer by Shixiseng in 2022, out of 1,100 enterprises. Shixiseng is one of the most popular campus recruitment platforms in the Mainland China. The comprehensive evaluation values CLP's commitment and efforts on caring its employees, fostering diversity and inclusion and being a responsible employer.

Find out more about employee branding and recognition in Shixiseng



Other development programmes targeting talents at different career stages progressed to help strengthen pipelines and support the accelerated development of mid-career engineers and managers. Engineering talent-rotations across Hong Kong and China were scaled up, together with continuation of CLP's Energy Transition Experience Programme introducing the energy business context and opportunities in Mainland China and preparing young talent for CLP's energy transition and growth.

Digital skills continued to be deepened through power automation training and other upskilling programmes designed for employees at various levels. The Udemy platform has been launched in Hong Kong as a pilot online learning platform, providing a broad variety of courses with engineering-relevant contents.



Case study

Nurturing talents for the energy and power industry

As CLP is transforming into a Utility of the Future, it is committed to nurturing future-fit talents for the energy and power industry. Through its graduate trainee programmes, CLP supports graduates to equip them with the necessary skills and industry-specific knowledge and get broad exposure across CLP's operations in Hong Kong and other cities in the Greater Bay Area.

The Engineering Graduate Trainee Programme intake of 2022 was the largest cohort ever – 41 engineering graduates from Hong Kong, China and overseas started with CLP in August 2022. Throughout the two-year Graduate Trainee programme, broad exposure across CLP's operation and projects in Hong Kong and other cities in the Greater Bay Area will be provided. Comprehensive personal and career development support such as mentorship, soft skills and leadership training, is also included in the programme where trainee are rotated across business unit projects.

In addition to the Graduate Trainee Programme, Technical Officer Trainee Programme and Technician Trainee Programme, CLP introduced a new Digital Graduate Trainee Programme in 2022, providing more career opportunities for graduates who are passionate and interested in the energy and power industry. This two-year Digital Graduate Trainee programme

equips graduates with critical capabilities, including but not limited to digital product management, system architecture, data analytics, IT, cyber security, project management, leadership, commercial skills and communication for impact.

CLP Power also continued to offer a full-time training Internship Programme during summer, along with a 12-month programme for students to gain valuable work experience and for the company to identify and early recruit potential talents for the Utility of the Future.



Engineering Graduate Trainees of 2022 cohort ready to kickstart their fruitful journey on orientation day.



Supporting employees to thrive on change

Our approach

CLP is committed to developing an engaged and high-performing workforce, and to supporting all our people to thrive in this period of change brought about by energy transition.

GRI reference: 401-2, 401-3, 404-2

This is achieved through a long-term focus on maintaining strong working relationships with employees and their representatives, providing flexible working arrangements and benefits to support employees through all life stages, strengthening their wellbeing and resilience, and providing support and re-skilling to employees whose jobs are affected by the transition to net zero or other business restructuring.

Standards and procedures

Offering flexible working

CLP aims to support employees through all life stages, from young people starting their careers to retirement.

People at different life stages may benefit from different working arrangements and to this end, CLP promotes family-friendly leave policies and flexible working arrangements. CLP also offers a range of leave options to help our people achieve a good work-life balance. These options include parental and adoption leave, volunteering and study leave.

In response to the COVID-19 pandemic, CLP accelerated implementation of new ways for employees to connect virtually and perform their roles more flexibly, by improving flexible work policies and online collaboration tools. As the recovery from the pandemic begins, flexible working options have been embedded with increased take-up of new part-time work options and work-from-home arrangements.

Investing in health, wellbeing, and strengthening resilience

CLP provides comprehensive support for physical, social, financial and emotional wellbeing and is working towards meeting the requirements of ISO 45003:2021 Psychological health and safety at work – Guidelines for managing psychosocial risks, as part of the Occupational Health and Safety Management System. Confidential employee assistance programmes are also offered to assist employees who may encounter work or personal issues and need professional support.

Recognition of CLP's wellbeing programme, and its coverage of all aspects, mental and emotional health, was received at the annual Best HR Awards hosted by Hong Kong recruitment company, CTgoodjobs. CLP received the Best Corporate Wellbeing Programme Award and the Top Happiest Culture Award at the 2022 Best HR Awards.

Keeping everyone informed and engaged

CLP's employee relations approach focuses on establishing and maintaining strong working relationships with employees, being proactive in consulting on any workplace changes, and providing opportunities for employees to raise concerns. CLP employees have the right to join organisations and professional bodies of their choice. CLP respects and fully complies with all legal requirements with regards to union membership and collective bargaining. In Australia, CLP engages in collective bargaining with 840 employees via certified enterprise bargaining agreements approved by the independent workplace relations tribunal, the Fair Work Commission. These agreements cover most terms and conditions of employment, including notice periods, provisions for consultation and dispute resolution.

CLP organised the 'Culture Jam' Programme in Q3 2022 for employees in Hong Kong and Mainland China, to provide an opportunity for two-way dialogue on ways of working. During three days of online discussion, positive responses were received from over 6,000 colleagues across Hong Kong and Mainland China and over 30,000 comments were received. These valuable responses and engaging feedback will form the foundation of future culture-building.

Read more on the case study of Culture Jam on page 85 of the 2022 Annual Report





Supporting employees and communities affected by energy transition or restructuring

Comprehensive support is provided to employees whose jobs are affected by business change or restructuring. This includes support tailored to individual needs, including training and skills development, career planning, assistance for redeployment and financial counselling. It also includes engaging actively with local stakeholders from employee representative organisations through local educational institutions to ensure that study opportunities are developed to help meet both the needs of our people, and the region's new and emerging industries.

Following the announcement of the 2028 closure of EnergyAustralia's Yallourn Power Station in 2021, the Yallourn Workforce Transition Programme providing career transition support to employees was implemented. It has made significant progress in 2022. The comprehensive support programme includes components covering employee engagement, training, re-skilling and accreditation, financial advice, job search skills and other specialist support.

Read more on the case study of Ensuring a just transition for Yallourn in 2022 Climate-related Disclosures Report



Monitoring and follow-up

CLP uses independent external consultants to conduct regular employee engagement surveys to understand employees' views. Following engagement surveys conducted in 2020 in Hong Kong and Mainland China, follow-up focus groups and pulse surveys were organised in 2022 for targeted groups to track responses.

In Hong Kong, joint consultative committees have been established which act as an additional channel of communication between the Company and the employees' selected representatives. Employee benefits are regularly benchmarked to ensure that appropriate support is provided.

Health, Safety and Environment management

Our approach

Integrating health, safety and environment (HSE) standards across the Group's businesses and processes helps achieve the goal of safe, secure and environmentally responsible operations.

GRI reference: 403-1, 403-2

CLP remains steadfast in continually improving its performance in HSE to build capabilities and capacities that enable the prevention of harm to employees, contractors, customers, the public, and the assets.

Excellence in HSE can only be achieved if CLP operates in a planned and systematic way. CLP has an integrated HSE policy which sets out high-level expectations driving the direction of

the HSE Management System (HSEMS). A revamp of the Group HSEMS was completed in 2022 to replace the system created in 2014.

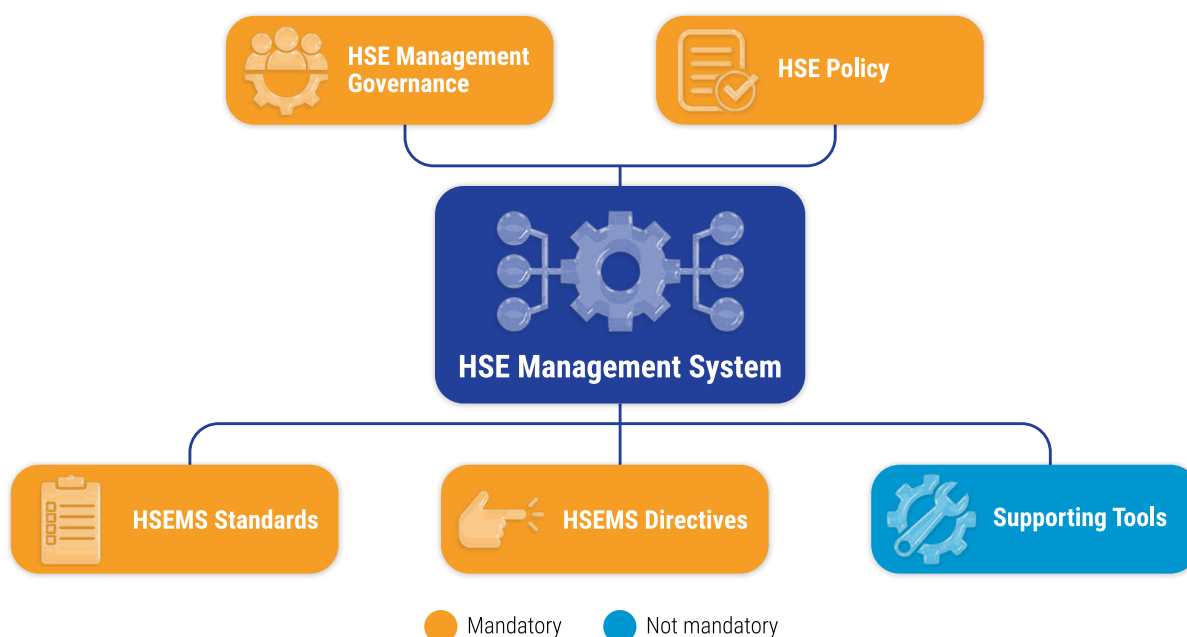
The refresh focused on further developing four areas of the existing HSEMS:

- Leadership and commitment;
- Planning and support;
- Operational enablers; and
- Monitoring, learning and improving.

[Download the HSE Policy](#)



HSEMS core components and relationship



The diagram above shows the core components of the Group's HSEMS and their interrelationships.

The HSE Policy establishes the strategy, direction, and vision of CLP's HSE performance expectations.

The revamped Group HSEMS allows CLP to manage risks in a planned and systematic way. It helps implement our commitment to continually improving HSE performance and meeting the requirements of the Group's new HSE Policy.

The HSEMS Standards are mandatory and assist in supporting the detailed requirements of the HSE Policy and Groupwide HSE risks. The HSEMS Directives have been developed to supplement the Standards by determining how processes are

conducted across the Group. The HSEMS Supporting Tools have been developed to provide further support or guidance.

The refresh of the HSEMS aims to provide:

- Clear requirements and expected outcomes based on goal-oriented risk reduction;
- Process flexibility to account for operational diversity (e.g. size, regions, and nature of work conducted);
- Integration of the feedback loop between CLP Group requirements and work done by the frontline; and
- Less HSEMS clutter (e.g. unnecessary duplication of, inconsistent, or contradictory requirements).



Download the HSEMS Standard



Download an overview of the safety and environmental management systems of CLP's assets



Strategies and procedures

To support safe operations, CLP has in place an HSE Improvement Strategy. It has clear objectives, focus areas and timelines, and sufficient resources to achieve its objectives, including HSE professionals and an appropriate budget.

Following the five pillars of the Group's HSE Improvement Strategy, an annual improvement programme is developed, approved and communicated to staff and contractors in each business unit. Recommendations are implemented on agreed timelines and programme process is monitored.

For more details, read the [Occupational health and safety section](#).

Operational responsibilities

The Group Health, Safety, Security and Environment (HSSE) Committee, chaired by the CEO, has the highest executive responsibility on HSSE-related issues.

To build a sound safety culture across the Group, the Group Operations Leadership Team and the Global HSE Team conduct monthly or bi-monthly meetings to coordinate, monitor and share knowledge and experience in HSE practices across the Group. Special focus is given to becoming a better learning organisation to maintain high levels of safety performance.

In addition, various HSE committees have been established to engage employees at the operational level. These committees also involve project partners and contractors. HSE professionals facilitate the overall engagement effort and advise on HSE matters, while the responsibility for implementing high levels of HSE standards rests with line management.

Hierarchy of operational responsibilities

Group HSSE Committee

- Chaired by the CEO
- Has the highest executive responsibility on HSSE-related issues

Group Operations Leadership Team and Global HSE Team

- Meet monthly or bi-monthly to coordinate, monitor and share knowledge and experience
- Focus on achieving an overall higher level of safety performance

Operational level HSE committees (employees, project partners and contractors)

- Engage internal and external stakeholders at operational level
- Line management to implement high level HSE standards
- HSE professionals to facilitate the overall engagement effort and advise on HSE matters



Occupational health and safety

Our approach

The Group-wide HSE Improvement Strategy aims to build individual, team and organisational capabilities and capacities that prevent harm to CLP's people and assets and the communities in which it operates. Using the Group's strategy as its base, each business unit annually develops its own HSE action plan for delivery.

GRI reference: 403-1, 403-2, 403-3, 403-5, 403-7, 403-8

The CLP Group's HSE Improvement Strategy in 2022 was based on five pillars. They are:

- Building capabilities;
- Rethinking risk;
- Involving stakeholders;
- Maintaining a healthy and engaged workforce; and
- Ensuring environmental sustainability.

Each pillar emphasises a key principle for effective HSE management. The pillars aim to uplift the Group's safety culture across operations in all operating regions, promote more proactive risk management, and engage employees, contractors and other key stakeholders in collectively implementing changes to improve safety performance. There is a strong theme of becoming a better operational learning organisation throughout.

Goals and targets

CLP is committed to ensuring all its activities and operations focus on the elimination of fatalities, life-altering injuries, and the occurrence of significant HSE events.

Monitoring and follow-up

CLP's HSE Performance Monitoring and Reporting Standard sets out the safety performance indicators and requirements of safety data reporting. The indicators show trends and can help identify areas which may require more attention to prevent an incident from occurring. CLP has used targeted engagements and worker insights to aid in the development of more comprehensive and effective incident prevention interventions.

Safety performance is reported internally on a monthly basis. Safety performance data and associated insights gained are collected and presented in the bi-monthly meetings of the Group Operations Leadership Team and the Global HSE Team. The data and insights are also reported on a quarterly basis to the Group HSE Committee, chaired by the CEO.

CLP's HSE Incident Investigation and Reporting Standard sets out the minimum requirements for implementing and maintaining a safety incident management system across the Group. In the event of a major incident, the CLP Group

Incident Investigation Panel (IIP) and Investigation Report Format Standard are followed. The IIP, chaired by senior members of staff from outside the business unit in which the accident occurred, conducts a thorough investigation. The IIP's reports are critically reviewed by the Group Chief Operating Officer and the regional Managing Director. The intention is to identify the factors contributing to the incident and the actions required to prevent a recurrence.

Training and awareness

Personnel will only be asked to do work in areas in which they are deemed capable and competent to perform their roles. This requires the careful selection, placement, training, ongoing competency assessment and authorisation of employees, with third-party independent assessment where appropriate. A system is in place to identify and deliver the training necessary to ensure an individual's competence and knowledge in understanding the hazards, risks and control measures associated with their work.

At the asset level, there is flexibility to structure health and safety measures and design more specific approaches in providing relevant training. This includes monitoring the percentage of contractors who have undertaken this training. Safety training requirements are in all contracts and all contractors are expected to undergo safety training relevant to their duties. Spot checks are conducted to ensure compliance.

Continuous improvement

Thorough investigations are conducted into all incidents that have the potential to cause serious injuries. The aim is to move beyond simply looking at human error as a cause, and to understand the more complex latent conditions within the systems people operate in that contribute to incidents, to prevent recurrence of similar incidents. CLP is committed to understanding how decisions and actions would be made by employees at a particular point in time in their work, by understanding the context which our people operate in. CLP is committed to learning from those closest to the work, to understand their challenges and identify practical improvement opportunities. We believe that by harnessing frontline knowledge into our solutions, we will not only get better solutions, but also foster an environment of ownership from our people who perform the work.

To find new and better ways of working by learning from investigations into incidents, in 2022 CLP ran a "Risk – Gravitational Energy" campaign at its operations. The express goal of reducing activities where gravity may cause injuries, for instance when working at heights. Business units focused on learning from normal work in a proactive way rather than waiting for an event to occur before learning. In this way, CLP is making a fundamental shift in approach by utilising learning



teams in work streams where no injury event has actually occurred. In 2022, there was a special CEO Award in its annual event which recognises work done in materially making an impact into reducing exposure to gravitational energy.

Major progress has been made through both adopting technology and redesigning systems work approaches. Increased use of drones and robots for inspections has helped to reduce both the hours and frequency of working at height. CLP Power's construction project of the second new gas-fired generation unit in Hong Kong significantly reduced work at height exposure by utilising a safety in design approach in the modularisation of its components, which meant more work

was done at ground level. Not only did this have a significant safety impact in reducing exposure hours to gravitational energy, it also delivered an efficiency improvement for cost and schedule. This initiative won the 2022 CEO Award for Risk – Gravitational Energy.

[Read the case study on how robots help to eliminate diving risks](#)

[Read the case study on Hong Kong's first mobile safety training](#)

Initiatives and progress

The Group is pleased to report that there were no fatalities in 2022. This is the third year in a row in which the Group has been fatality-free for both employees and contractors.

SASB reference: IF-EU-320a.1; GRI reference: 403-4, 403-5, 403-6, 403-9, 403-10, EU17, EU18

The key safety metrics are summarised in the table below.

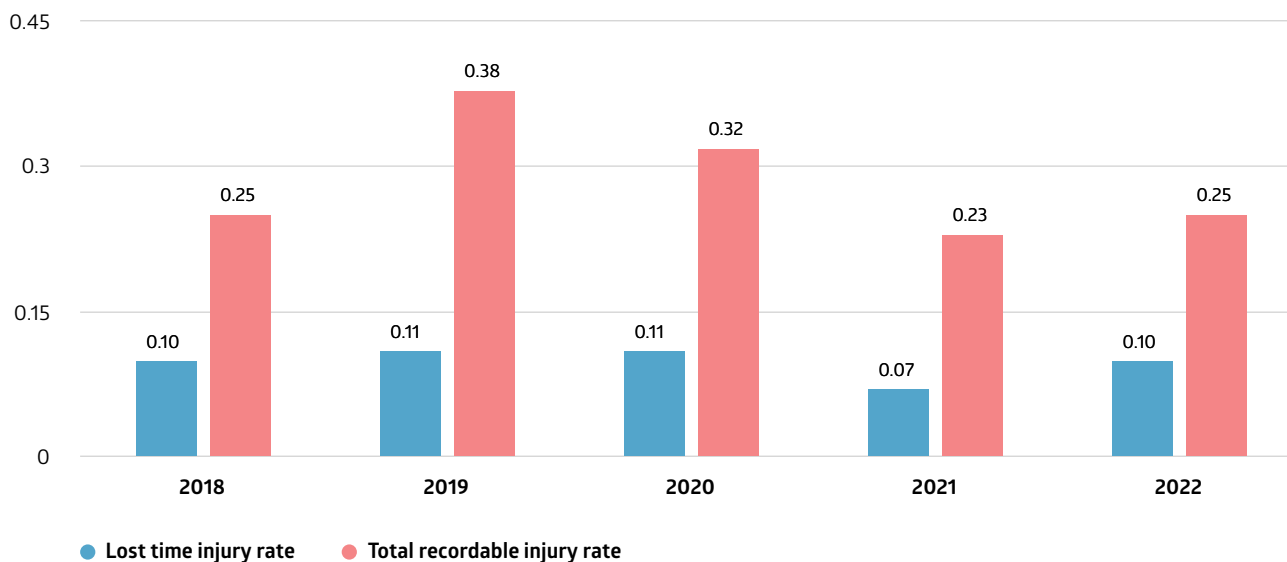
Regional safety performance (employees/contractors)

	Hong Kong ¹	Mainland China	Australia	India	Total	Employees and contractors combined
Fatalities (number)	0/0	0/0	0/0	0/0	0/0	0
Fatality rate (number per 200,000 work hours)	0.00/0.00	0.00/0.00	0.00/0.00	0.00/0.00	0.00/0.00	0.00
Days away from work injuries (number of personnel)	2/9	0/0	4/3	0/3	6/15	21
Lost time injury rate (number per 200,000 work hours)	0.04/0.13	0.00/0.00	0.18/0.26	0.00/0.07	0.07/0.11	0.10
High-consequence injuries (number of personnel)	0/0	0/0	0/1	0/1	0/2	2
Total recordable injury rate (number per 200,000 work hours)	0.12/0.16	0.30/0.00	0.28/0.86	0.00/0.44	0.17/0.31	0.25
Work-related ill health (number of personnel) – employees only	0	0	4	0	4	4
Lost days (number) – employees only	16	0	160	0	176	176

¹ Starting from 2022, Hong Kong includes all staff from CLP Power Limited, CLPe and CLP Holdings because of the change of CLP's organisational structure.

Lost time injury rate and total recordable injury rate of CLP Group (employees and contractors combined)

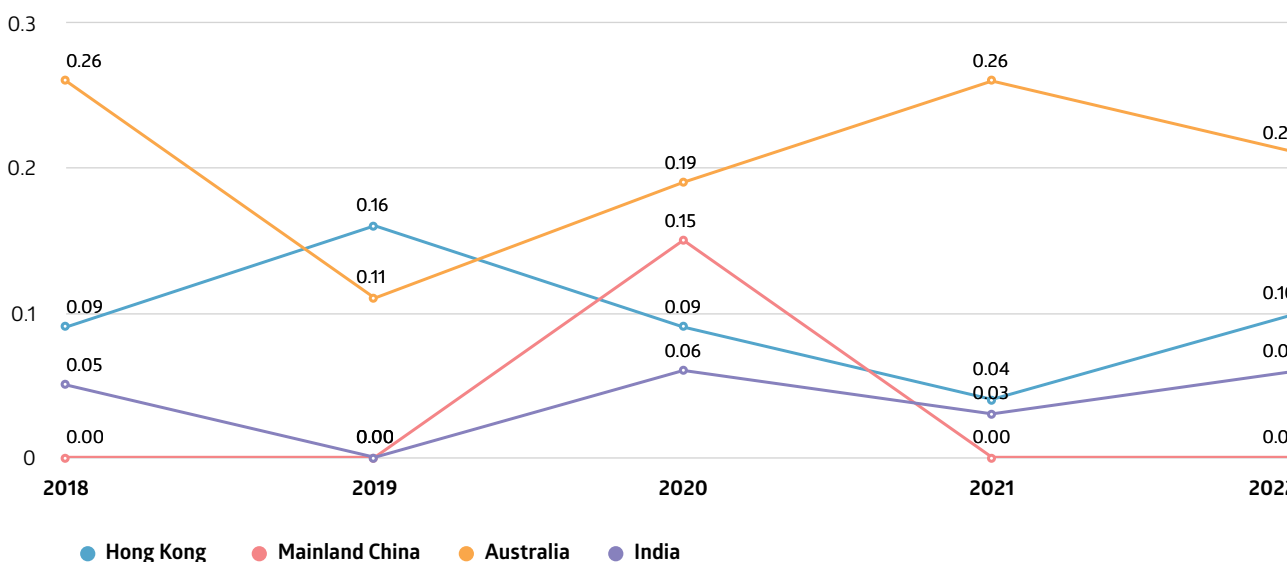
i Both the lost time injury rate (LTIR) and total recordable injury rate (TRIR) have slightly increased in 2022. This is in part due to a single event with multiple injuries in our Hong Kong business and a significant increase of over 2 million work exposure hours conducted in 2022.



¹ All rates are normalised to 200,000 worked hours, which approximately equals to the number of hours worked by 100 people in one year.

Lost time injury rate (LTIR) by region (employees and contractors combined)

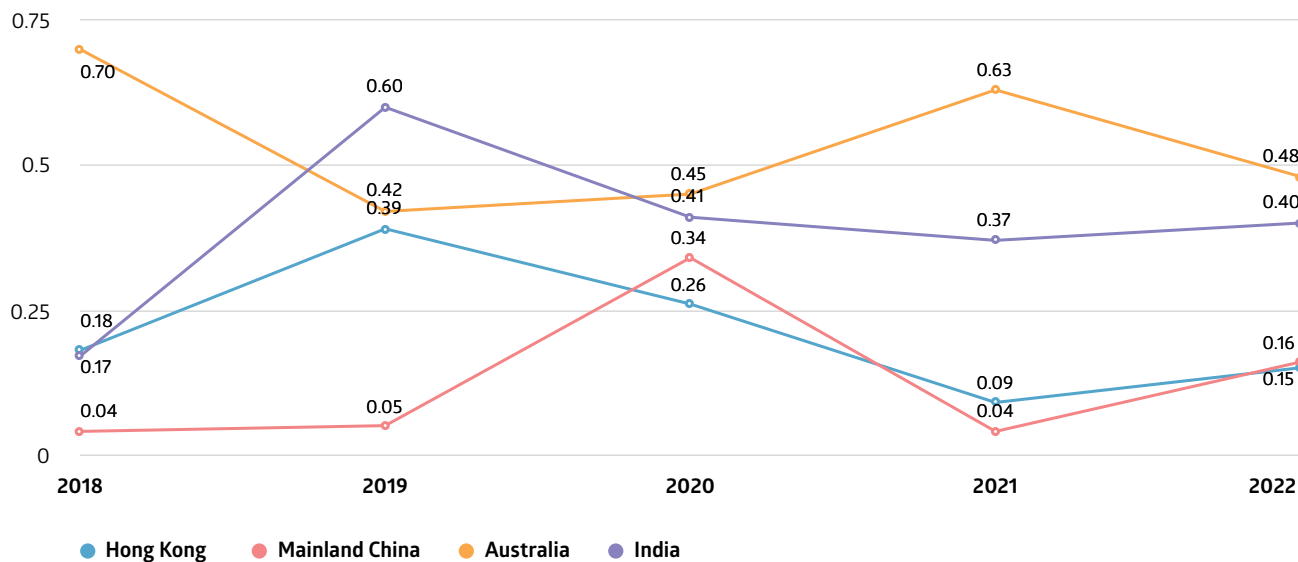
i LTIR is higher than in 2021 for most regions (excluding Australia). These can be attributed to higher incident numbers (3 in Hong Kong, 2 in Mainland China and 4 in India) and an overall increase in work exposure hours conducted in 2022.



¹ Starting from 2022, Hong Kong includes all staff from CLP Power Hong Kong, CLPe and CLP Holdings because of the change of CLP's organisational structure.
² All rates are normalised to 200,000 worked hours, which approximately equals to the number of hours worked by 100 people in one year.

Total recordable injury rate (TRIR) by region (employees and contractors combined)

i TRIR are higher than 2021 in most of the regions, except in Australia, which noted increases in TRIR due to higher incident numbers (3 in Hong Kong, 2 in Mainland China and 4 in India.)



1 Starting from 2022, Hong Kong includes all staff from CLP Power Hong Kong, CLPe and CLP Holdings because of the change of CLP's organisational structure.
 2 All rates are normalised to 200,000 worked hours, which approximately equals to the number of hours worked by 100 people in one year.



Partners



Overview

