

clip

india





Dear Stakeholder,

I am pleased to present you our Sustainability Report 2017-18. This is our voluntary initiative to promote open and transparent dialogue with our stakeholders by communication quantitative as well as qualitative aspect of our sustainability performance.

We have seen significant improvement in fuel supply situation during this year. This improved fuel supply along with higher plant availability resulted in higher dispatch from our Jhajjar and Paguthan power station which stood at 4,832 GWh and 344 GWh respectively during 2017-18 compared to 2,709 GWh and 273 GWh during 2016-17. However we experience comparatively lower wind speed and grid constraint at our wind farm. This resulted net export from our wind farm fell 1,426 GWh from 1,734 GWh during 2017-18.

Our sustainability framework goal for Zero fatalities demonstrates our commitment for occupational Health and Safety. We always strive to achieve best in class safety performance not just for our employees but also for our contractor and community. I am pleased to inform you that our Paguthan power station won RoSPA order of Distinction for Occupational Safety & Health 2017 award for the fifth time in a row and it is a clear example of our world class SHE standards. We continue to improve our Health and Safety performance through employee engagement program and sharing of best practices.

During 2017-18, we commissioned 100 MW Veltor solar power plant in Telangana., in which we own 49% equity stake. With commissioning of Veltor plant, share of renewable energy in our portfolio reached to 33%. We continue to be one of the leading renewable energy independent power producer (RE - IPP) in India and we are planning to further expand our renewable energy portfolio.

Due to improved output from Jhajjar and comparatively lower output from our wind farms, emission intensity of CLP India portfolio increased from 0.58 to 0.67 tCO₂/kWh We are expecting improvement in overall emission intensity over the next few years due to future investment in renewable energy projects, stabilisation of Jhajjar's utilisation factor and closure of Paguthan plant.

We have tried to prepare this report as a balanced and transparent report by covering both positive as well as negative aspect of our performance. However, journey of continuous improvement never ends hence, I encourage you to read and analyse this report, and provide your constructive feedback that can help us in making this initiative a truly open transparent and two way dialogue.



Rajiv Ranjan Mishra
(Managing Director)

about

the

report

We believe continuous improvement, transparency, honest dialogues with stakeholders are some of the important elements for the long-term sustainability of any business. Thus, through this Sustainability Report, we wish to highlight our environment and social performance along with key highlights of economic performance for the FY 2017-18. Our approach to sustainability also includes knowledge sharing, management systems, risk management and ensuring high quality initiatives across our renewable as well as non-renewable facilities.

We endeavour to adhere Global Reporting Initiative's (GRI) Standard and its Electric Utilities Sector Supplement in preparation of this report and contents has been also guided by sustainability context, stakeholder inclusiveness, materiality and completeness. Further, we have also referred Kyoto Protocol and WRI WBCSD's Green House Gas (GHG) Protocol in identifying and calculating our GHGs emissions from our operations.

Additionally, various national and local regulations and guidelines were also followed while estimating some of our environmental and safety performance indicators.

boundary



We have our corporate office in Mumbai and registered office in Ahmedabad, Gujarat. The report also covers performance of our major subsidiary companies CLP Wind Farms (India) Private Limited, CLP Wind Farms (Theni – Project II) Private Limited, CLP Wind Farms (Khandke) Private Limited, SE Solar Limited and Jhajjar Power Limited. For this reporting year and in the reporting boundary, we have also included our recently acquired 100 MW Veltoor solar power plant in Telengna. Further, the subsidiaries with no material impact in our operational performance, are not considered into the reporting boundary. Detailed list of assets covered in this report is provided in succeeding section of this report. We follow various policies and practices of our parent - CLP Holdings Limited (referred as 'CLP Group' and 'our Group'). Thus, necessary references are made wherever applicable.

reporting period

We publish our Sustainability Report on an annual basis and we follow our performance in a financial year basis. This seventh Sustainability Report covers the sustainability performance of the Company for the period from April 01, 2017 to March 31, 2018 and all indicators presented in the report are consolidated performance of CLP India, unless otherwise stated. This Report highlights the triple bottom line dimensions that reflect the organisation's significant economic, environmental and social impacts which substantively influence the assessments and decisions of stakeholders. To communicate medium to long term performance transparently, we have provided 3 years historic data for most our performance indicators. All our past sustainability reports are available on our website <https://www.clpindia.in/substainability.html>

disclosure level

This report endeavors to meet GRI Core requirement partially.

contact information

We value your feedback and looking forward your comments on this report or any aspect of our approach to report our sustainable journey.

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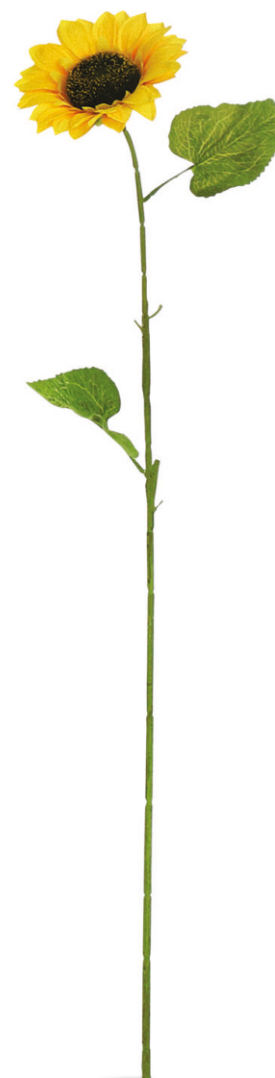
about clp india

We, the CLP India Private Limited, is wholly owned subsidiary of CLP Holdings Limited ('CLP Group'), and one of the leading investor in India's power sector. Over the last 16 years of our active operations in India, we have successfully build a balance portfolio that includes 924 MW wind farms spread across 6 states, 100 MW solar farm in Telangana, 1,320 MW coal fired super critical power plant in Haryana and 655 MW gas fired power plant in Gujarat.

Our ultimate parent, CLP Holdings Limited, is one the leading energy utility with presence in Hong Kong, Mainland China, India, Australia, Taiwan and Southeast Asia. It is listed on Hong Kong stock exchange and member of various responsible indices such as Dow Jones Sustainability Index and Hang Seng Corporate Sustainability Index. CLP Group's 118 years of legacy demonstrates integration of sustainability in its operation practices and delivering long term value to all stakeholders. We inherited this approach - to keep sustainability at core of the business - from our parent and strive to set new benchmark of excellence in sustainability.

We have immense trust in the capability of our employees as well as other stakeholders. We consistently empower them to deliver the results and seek inputs to improve our performance. We interact with our stakeholders across multiple touchpoints and try to integrate their suggestions into our operations.

For more details, please visit www.clpindia.in





facility details		location
1	Corporate HQ	Mumbai, Maharashtra
2	Registered Office CLP India Private Limited	Ahmedabad, Gujarat
3	Registered Office CLP Wind Farms (India) Private Limited	New Delhi
4	Jhajjar Power Station 1,320 MW Coal Fired Power Plant, Commissioned in July 2012	Khanpur Khurd, Jhajjar, Haryana
5	Paguthan Power Station 655 MW Dual Fuel Combined Cycle Power Plant Commissioned in December 1998 and acquired by CLP India in 2002	Paguthan, Bharuch, Gujarat
6	Sipla Wind Farm 50.4 MW, Commissioning: March 2013	Sipla, Jaisalmer, Rajasthan
7	Bhakrani Wind Farm 102.4 MW, Commissioned in July 2015	Bhakrani, Jaisalmer, Rajasthan
8	Tejuva Wind Farm 100.8 MW, Commissioned in August 2015	Tejuva, Jaisalmer, Rajasthan
9	Samana Wind Farm 100.8 MW, Commissioned in January 2011	Samana, Jamnagar & Rajkot, Gujarat
10	Mahidad Wind Farm 50.4 MW, Commissioned in March 2014	Mahidad, Rajkot, Gujarat
11	Chandgarh Wind Farm 92 MW, Commissioned in Dec 2015	Chandigarh, Indore, Madhya Pradesh
12	Khandke Wind Farm 50.4 MW, Commissioned in June 2009	Khodke, Ahmednagar, Maharashtra
13	Andhra Lake Wind Farm 106.4 MW, Commissioned in March 2012	Andhra Lake, Pune, Maharashtra
14	Jath Wind Farm 60 MW, Commissioned in March 2014	Jath, Sangli, Maharashtra
15	Saundatti Wind Farm 72 MW, Commissioned in December 2010	Saundatti, Hubli, Karnataka
16	Hara Wind Farm 39.6 MW, Commissioned in February 2012	Haranpanhalli, Davangere, Karnataka
17	Theni Wind Farm 99 MW, Commissioned in July 2010	Theni, Tamil Nadu
18	Veltoor Solar Farm 100 MW, Commissioned in Aug 2017	Veltoor, Mehboobnagar, Telangana

our
footprint
in india

clp at a glance



Revenue*
4,887 HK\$ million

PAT *
647 HK\$ million

For more information on,
CLP India, please visit www.clpindia.in
CLP Group, please visit www.clpgroup.com

* For CY 2017, as reported in CLP Group's annual report

Installed Capacity
2,948 MW

RE Capacity
973 MW
(equity basis)

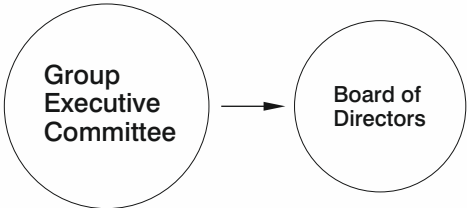
Electricity
Sent-out
6,694 GWh



management & governance

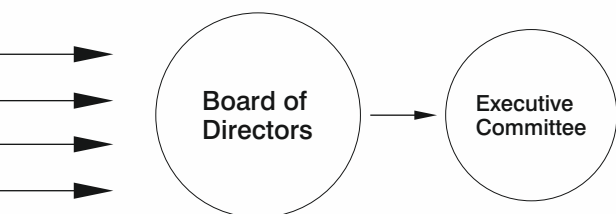
At CLP, we are committed to run our business ethically and transparently throughout the organisation thus, strong corporate governance is crucial to our business practices, and to create and maintain trust of our stakeholders. CLP India is wholly owned subsidiary of CLP Holdings Limited and we follow two-tier board structure, wherein the Board of Directors and Senior Management of CLP Holdings Limited establish governance structure, processes and strategy, while the Board of Directors of CLP India Private Limited and its Executive Committee are responsible for providing inputs in strategy development and its implementation in India. The philosophy of the Company is to promote and to ensure simplicity and transparency across its operations, and to enhance shareholder value without compromising on compliance of laws and regulations. The Board of Directors create corporate governance by ensuring utmost transparency that fully conforms to the existing laws of India and to promote ethical conduct of business throughout the organisation.

clp
holdings
limited





clp india
private
limited



The Board of CLP Holdings Limited comprises of 15 members of which 6 are non-executive directors and 7 are independent non-executive directors. Further, 3 independent directors are female. The Hon'ble Sir Michael Kadoorie is the Chairman of this Board and the non-executive director.

Our Board of Directors leads the Company with a firm commitment to CLP's values. The Board formulates CLP's strategic direction and sees that the Company operates in an ethical, sustainable and effective manner. Our governance standards are initiated by the Board of Directors and the Executive Committee and percolate through the organisation. The Board of Directors takes responsibility for the implementation of corporate governance practices in our Company with appropriate checks and balances.

The Board Of Directors

Mr. Richard Lancaster
Mr. Geert Peeters
Mr. Derek Parkin
Mr. Rajiv Mishra
Mr. Samir Ashta

Executive Committee

Mr. Rajiv Mishra, Managing Director
Mr. Subba Rao Amarthaluru, Executive Director - Finance & Strategy
Mr. Samir Ashta, Director - Finance & Chief Financial Officer
Mr. Gopinath Govindan, Director - Human Resources
Mr. Naveen Munjal, Director - Commercial
Mr. Paulo Rrocha, Director - Technical
Mr. Mahesh Makhija, Director - Business Development & Commercial (Renewables)
Ms. Sudipta Ghosh, General Counsel

board level committees

Following committees of the Board of CLP Holdings Limited are designated to oversee specific aspects of company affairs and assist the Board in fulfilling its duties:



1. Audit Committee^H
2. CSR Committee^I
3. Finance & General Committee^H
4. Human Resources & Remuneration Committee^H
5. Nomination Committee^H
6. Provident & Retirement Fund Committee^H
7. Sustainability Committee^H



H – Part Of The Board
Of Clp Holdings Limited

I – Part Of The Board Of
Clp IndiaPrivate Limited

code of conduct

Our Value Framework clearly establishes Vision, Mission, Commitments, Policies, and Code of Conduct and helps us conducting our business in a responsible way. The Code of Conduct is an important part of the CLP Group Value Framework and it translates our responsibilities to each other and to our stakeholders into a set of formal written requirements. The Code of Conduct also provides the guiding principles for all company employees to do what is right, behave with integrity and honesty, treat people fairly, respect diversity, obey all laws, accept accountability, communicate openly, and always behave in a way that is beyond reproach. All employees of the CLP, irrespective of their positions and functions are expected to fully adhere to the principles contained in the Code of Conduct. We also urge our contractors to follow our Code of Conduct at least for the duration of their association with the Company.

We care about HOW results are obtained and not just that they are obtained, thus implementation and monitoring of adherence to Code of Conduct is extremely important. Our Whistle-blower Policy encourages our employees and other related stakeholders to report any incidents of violation of the Code of Conduct. All potential violations of the Code of Conduct are investigated by Internal Audit department (other than Human Resources related potential violations which are investigated by the Human Resources department). The Management's proposed disciplinary action is reviewed for consistency by the Code of Conduct Committee.

The Code of Conduct also covers principles of anti-corruption including avoiding conflicts of interest, no bribery, moderation in gifts and entertainment, and maintaining strong ethics and business integrity.

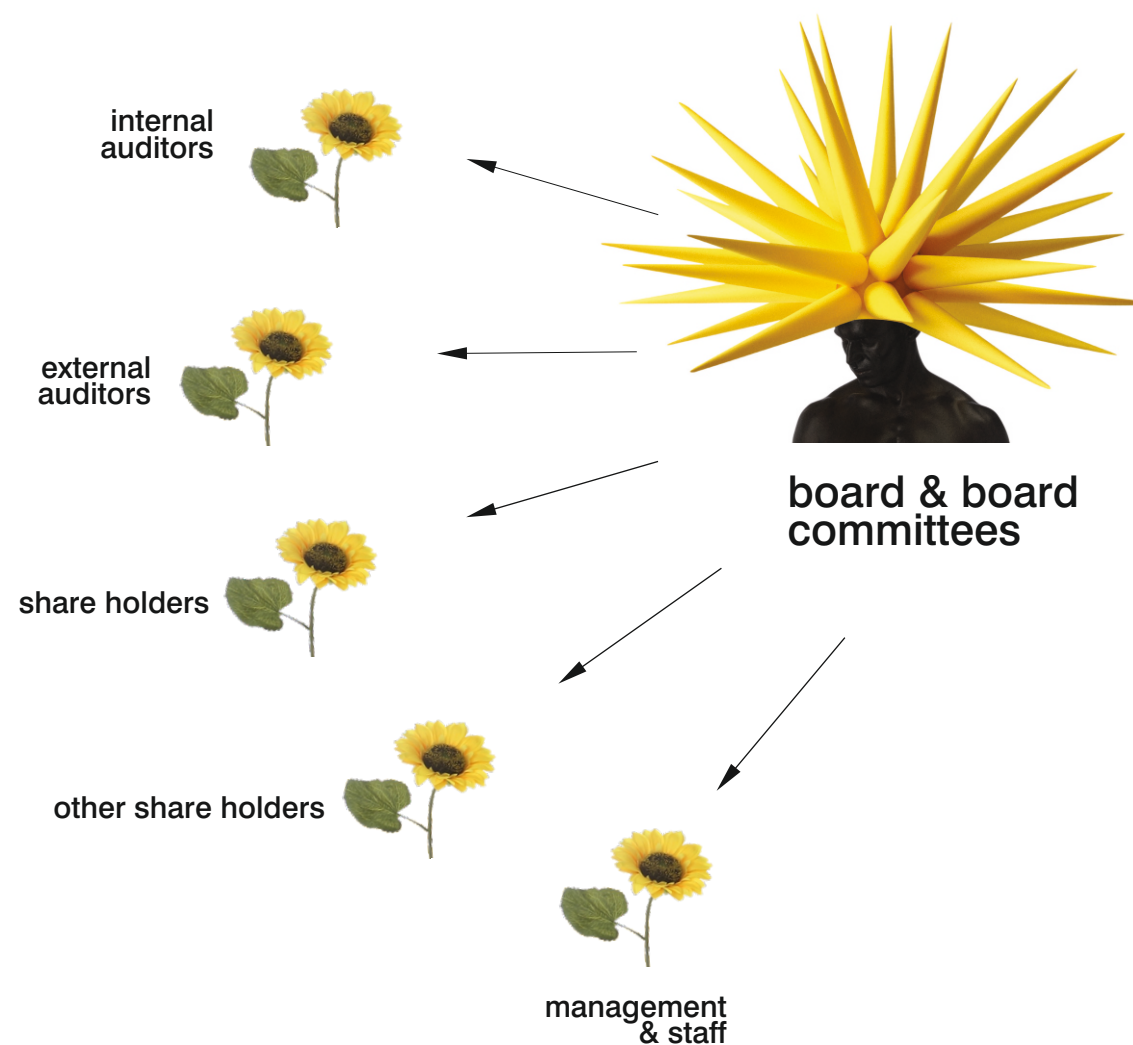
We have also adopted the CLP Group Anti-Fraud Policy which clearly defines the roles and responsibilities of employees and auditors in developing and carrying out specific programmes to detect, prevent and report fraud. During the year, with many employees participated in the Code of Conduct and gender sensitivity awareness sessions.



For more details on CLP Value Framework, please visit

<https://www.clpgroup.com/ourcompany/aboutus/valueframework/Pages/valueframework.aspx>

corporate governance framework



Being part of CLP Group, we follow CLP Corporate Governance Framework. This framework includes all the key participants in good governance, the ways in which they relate to each other and the contribution each makes to the application of effective governance policies and processes.

This Framework covers every aspect of our business and defines the principles of how we set out company policies and procedures. Such policies, systems and necessary checks & balances help us in ensuring that our behavior is consistent with our vision, mission and values.

CLP Group has developed and adopted CLP Code of Corporate Governance in order to express its approach to corporate governance and provides a structure that better fits CLP Corporate Governance Framework while still meeting or exceeding regulatory requirements.

The Framework and the Code are regularly reviewed at the CLP Group level to reflect its experience, regulatory changes, international developments and stakeholder expectations. Most recent update of CLP Code on Corporate Governance was done in February 2012.



For more details on CLP Corporate Governance Framework and disclosures,
please visit <https://www.clpgroup.com/ourcompany/corporategovernance/framework/Pages/governanceframework.aspx>

sustainability agenda

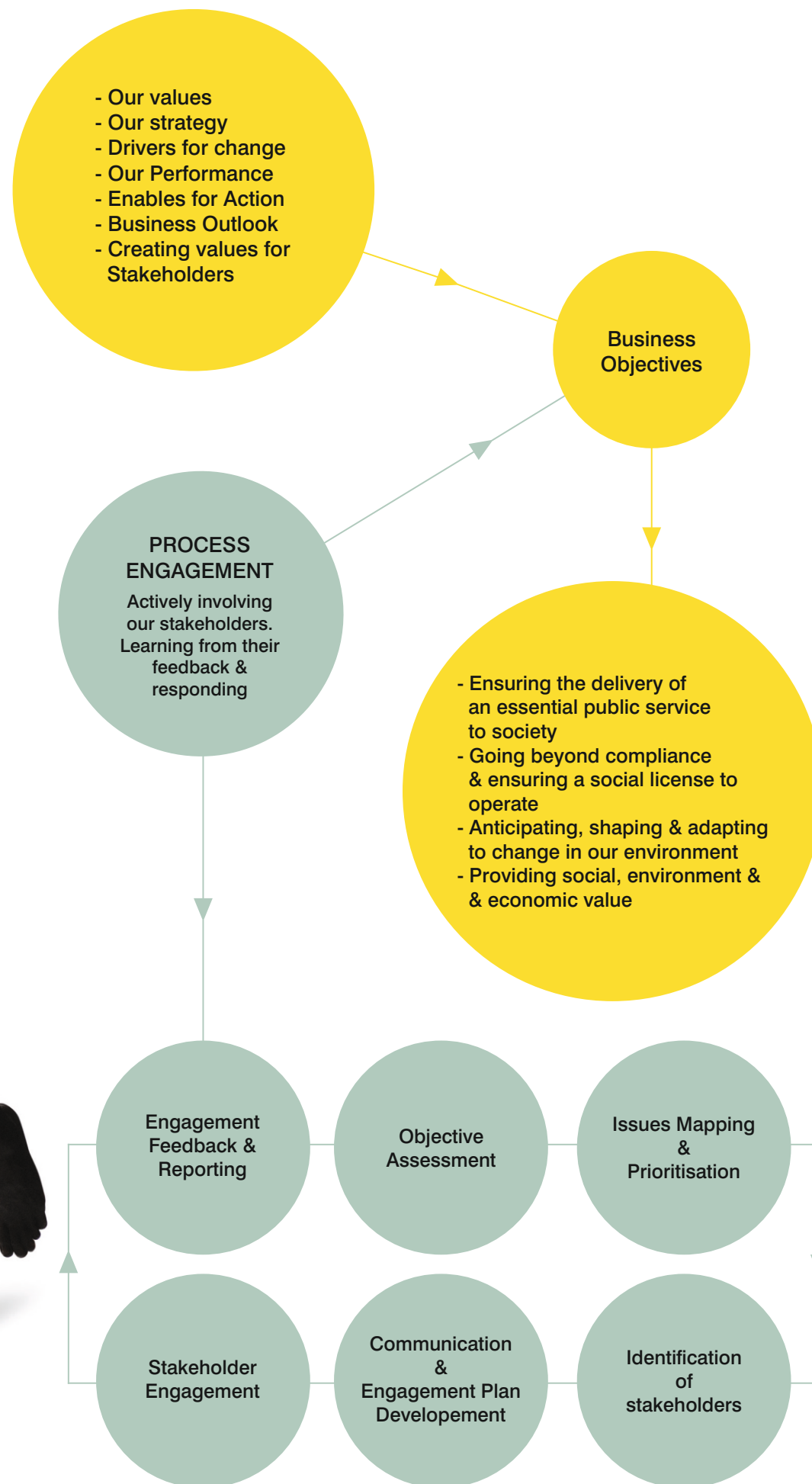
Electricity generation in an efficient and sustainable manner has been our forte. However, to stay relevant in continuously changing business landscape, we regularly engage with various stakeholders that impact or will get impacted directly or indirectly by us. These engagements help us in identifying material risks and opportunities for our business and staying relevant.

stakeholder engagement

Our stakeholder engagement activities are designed to understand each other’s expectation and how we can we co-create the value by working in sync with each other. These activities include both formal as well as informal modes. Following table shows some of our key stakeholder, various modes of engagement and on what points we engage.

Who Are Our Key Stakeholders?	How Do We Engage With Them?	What Do We Engage With Them On?
Shareholder (CLP Holdings Limited)	Board meetings Management reports Business review meetings Site visits/audits	Strategy & policy guidance Business planning Performance monitoring & review
Lenders	Lenders meet Project reports / periodic filing Site visits / audits	Funding requirements Project/business performance Banking and treasury needs
Customers	Techno-commercial interactions Top management interactions	Understand customer requirements Generation & dispatch planning Resolve technical & commercial issues
Government / Quasi-Government & Regulatory Authorities	Public consultation Liasioning activities	Policy & regulatory matters Compliance & clearances
Think Tank / Industry Association	Membership Meetings Participation in conferences	Thought leadership Best practice sharing Sector specific matters
Community	Formal & informal meetings CSR activities Extended volunteers	Community need assessment Planning of CSR activities and feedback General communication
Employees (Direct & Contract)	Senior Management Interactions Open house forums, e-mailers Engagement surveys Performance feedback	Understanding employee concerns Sharing critical milestones and challenges in the business Communicating policy decisions and seeking feedback Performance management
Suppliers / Value Chain Partners	Technical and commercial discussions Contractor / vendor meet	Fuel supply Contract management Operations & Maintenance reviews Product & service discussion

Based on the stakeholder type and topics of engagement, relevant department plans engagement activities that are in line with CLP Stakeholder Engagement Framework. This framework encourages us to implement continuous and close loop engagement activities that can help us in achieving our business objective as well as learning and improvement from feedback of stakeholder



materiality assessment

CLP Group periodically conducts materiality assessment across our business. This assessment is carried out using our Boundary Scoping and Materiality Identification (BSMI) methodology. Our interactions across various functions helps us in identifying the most material topics for our internal and external stakeholders. Many of these inputs are based on concerns or interests collected during the year from existing engagement channels embedded in our daily operations.

Our stakeholders' concerns or interests about our business vary depending on the location and context and therefore require different actions or responses. The main topics that arose during the year for CLP Group, are summarised in the following table by stakeholder group.

As part of 2017 BSMI process for CLP Group, we identified 18 most material topics, which were basically the same results as in 2016. However, this year, to further integrate the GRI topics into the application of the Integrated Reporting Framework, our Materiality Matrix below maps the topics according to the six capitals referred to by the IIRC.

Financial Capital	1. Economic Performance 2. Anti-corruption
Manufactured Capital	3. Availability and reliability of our facilities 4. Demand side management
Natural Capital	5. Environmental compliance 6. Emissions 7. Energy
Human Capital	8. Occupation, health and safety 9. Employment 10. Diversity 11. Human rights assessment 12. Non-discrimination 13. Labour/Mgmt. relations 14. Training and education
Social and Relationship	15. Public Policy 16. Socioeconomic Compliance 17. Customer Privacy 18. Local Communities



people

Central to CLP's people philosophy our values and our firm commitment to our employees on providing a fulfilling work environment free of discrimination of any form, a culture of respect, trust and mutual understanding. We accomplish this through open, two-way communication, and encouragement of employees' participation in discussions and willingness to discuss issues and concerns raised at any level in the organization. We make every effort to create a stimulating and open workplace that promotes teamwork, collaboration, fairness, respect and diversity.

rules of engagement

Our approach to engaging our employees includes at 'on the job' learning and development, personal growth, fun at the workplace, opportunities for cross functional as well as cross cultural interactions and allowing employees to get involved in community activities.

As an organization, we care for and support the economic and social development of the communities in which we operate. We take pride in making significant contributions to programmes that have a positive impact on community development and we are supported in this endeavor by our employees. At our assets in Paguthan and Jhajjar, our employees actively participate and volunteer their time and effort in community engagement initiatives.

It is well known that successful companies are built on strong teams. Communication, time management, resource allocation and, decision making under pressure are key attributes that we would like to foster.

We have also put in place various formal and informal interactions between employees and senior management in order to promote more open and transparent communication. Our recognition awards encourage and acknowledge specific noteworthy achievements of employees.

As an organization, we recognize wellness of our employees as one of the important drivers for business success. We look at wellness as a state of mental, physical, and social well-being and not merely as the absence of disease. This remains an integral part of our work culture. We provide a safe, healthy and open work environment. Our employee medical benefits are best in class. We encourage work-life balance through our leave practices and providing club/sports facilities in our townships. Our endeavour is to take holistic engagement beyond employees to their families and the community at large.

together everyone achieves more

Our people practices are aimed at retaining our best talent and contributing to their professional and personal growth. Our development framework lays more emphasis on on-the-job learning, as compared to formal training programs. We have a learning culture that enables us to learn and apply international best practices as well as learn from our own experiences. Employees from India travel to different assets of CLP group for conducting peer reviews including safety reviews and interacting with counterparts in similar functions.

Individual Development Plans are prepared for each employee following one on one discussions with employees and their supervisors to understand development areas. An annual training calendar is created from the Individual Development Plans. Post the training; feedback is sought from the employees to assess the quality and effectiveness of both the training program and the facilitator in order for us to provide better and relevant training.





A feedback is also taken from the employee's supervisor three months after the training event to understand the effectiveness of the program to the employee's performance on the job. To inculcate a learning atmosphere employees are also encouraged to share their learning with the larger team.

The focus is to provide need based programs instead of ad-hoc ones, assess the relevance of the training provided and the effectiveness thereof. Majority of our employees underwent atleast one training program in the training during the year.

As part of the employee development program, employees are also provided the opportunity to participate in international consortium programs which are aimed at developing general management and leadership skills.



promoting diversity at workplace

At CLP, we are committed to creating a culture where differences are seen as strengths and everyone feels appreciated, valued, respected and included. We are committed to doing better on our gender ratio and making the workplace more inclusive. We accept all aspects of diversity and leverage these differences that make us better and unique.

Continuing with our efforts in gender sensitization at the workplace we regularly conduct workshops and communicate about role of for the Internal Complaints Committee of CLP India on Prevention of Sexual Harassment at the Workplace.

operate business ethically

We at CLP are guided by our Code of Conduct (CoC). Every new employee is taken through the Code of Conduct. Regular orientation sessions are also conducted for all employees. Any and every violation of the Code of Conduct is investigated.

At CLP India, we care about our employees not only comply with local laws in the states where we operate, but we often go beyond legal mandates. We deliver training that develops professional and life skills and protect the health and safety of our teams.



Our Paguthan power station received RoSPA Order of Distinction' for Occupational Health & Safety 2017 for the consecutive fifth year in a row and it demonstrates team's commitment for world class safety practices. With its impeccable SHE performance, Paguthan is setting benchmark and our other facilities are aspiring to achieve it by learning from that team.

safety & health

We have CLP Group Safety Information System (GSIS) to report and analyse the key performance indicators related to safety and health. All incidents, near misses and injury cases are investigated by cross functional teams and reported through GSIS. We use these investigations to further improve our systems and processes.

A sound safety culture is the result of team effort. It requires a strong leadership by top management and active participation by employees, contractors and others who may be involved or affected by our activities. Hence, we have multi-layer and cross functional safety committees to ensure implementation of our safety policies and practices, monitor performance, and provide feedback for improvement. Our shop floor Safety Committee includes members from contractors as well as our employees. The objective of these committees is to ensures that contractors understand and implement our requirements related to Safety and Health. They also discuss ground level challenges and learn by experience sharing. Apart from these, we also have departmental SHE committees and Plant level APEX committee. Departmental committees are chaired by department HOD and plant’s APEX SHE committee is charged by plant head. Managing Director is accountable for the safety performance of all our assets and operations and is charged with the overall responsibility of implementing the Group's safety policy. We also have CLP Group Safety & Health Committee to develop and implement CLP Group Safety standards and monitor our performance. Our Group Director - Operations, is the chairman of the Group Safety & Health Committee and reports directly to the Group CEO. Safety performance is reported to the Board on a regular basis.



performance indicator 2017-18

Parameters	Wind Farms		Paguthan Power Station		Jhajjar Power Station	
	Employees	Contractors	Employees	Contractors	Employees	Contractors
Fatalities	0	0	0	0	0	0
Fatalities Rate	0	0	0	0	0	0
Lost Time Injuries	0	0	0	0	0	1
Occupational Disease	0	0	0	0	0	0
Total Workhours	32,701	1,763,788	109,511	868,578	2,515,711	337,534

community engagement



Being a responsible energy utility, we aware that electricity is the key element for social and economic development, and we know that we cannot achieve our vision of being the responsible energy company by just producing electricity in a reliable and environment friendly manner. Creation of such large assets requires large investment in terms of land in many areas in the country. As a responsible organisation, we take upon this responsibility and committed to support the development of the area and the community in which we operate. This leads to positive benefits to our business in terms of economic growth and employability. Further, we understand the value of community engagement and harmony of our relation in achieving these business objectives. With this intent, we invest in community activities nurturing sustainable development, thus improving quality of life of the local residents of our operational assets. Our initiatives reflected the needs and expectations of the local communities. Further, we actively participated in programs led by local governments and provided inputs to the overall development of the areas. Thus, we have formulated a Corporate Social Responsibility Policy (CSR) to guide the project in appropriate directions. Our CSR activities are implemented through either by in-house team or by our associated NGO partners or by our technology supplier.

Key initiatives focused on primary healthcare, youth education and skilling, community infrastructural support and women empowerment. Some of the initiatives are as follows:

health infrastructure

Villages near our Jhajjar power station suffered shortage of any secondary healthcare facility, thus meet this need we constructed a new hospital at Matenhail village with 50-bed capacity to provide services such as gynaecology, surgery and emergency services for the local villagers. We inaugurated this hospital in 2017 and handed it over to the Health Department of Government of Haryana. Further, general health issue is one the major concern for local school going students in village area. We also conducted several health related programs at schools, especially free check-up to generate awareness amongst the students. In this financial year, school health promotion programs were organized in 5 schools of 3 villages. Health indices like height, weight and general health observation was recorded for 492 children in the age group of 5 to 18 years. While continuing our eye sight correction drive we had assessed eye sights of 192 children of Jhamri Government Senior Secondary School and found that 76 children have poor vision. Thus, CLP has sponsored spectacles for those students.

maternal & child health awareness

Awareness on maternal & child health is vital to ensure lower child mortality rates which is one of the UN Millennium Development Goal. Towards this endeavour, we conduct maternal & child health awareness programs every year in 10 villages near our Paguthan plant. The awareness is provided to expecting & lactating mothers and adolescent girls with an objective to improve maternal & child health through better immunisation, ante & post-natal care, and institutional delivery.

Initiatives were undertaken to encourage and ensure institutional deliveries and adequate ante-natal and post-natal care. Special maternal and child health kits were designed and provided to registered beneficiaries of Bharuch district govt. hospital.

mobile health clinic

We have large and scattered wind assets. Each of these assets are generally spread across many villages. Thus, we implemented mobile health outreach van program instead of a fixed hospital. This van provided doorstep clinical services to more than 37,000 people residing in 50 villages and covered the communities in the catchment areas of our Tejuva and Andhra Lake sites. Similar facility is also available in our Paguthan as well as Jhajjar sites. In Jhajjar, mobile health outreach van has rendered domiciliary medical assistance to 5 villages and 21,137 patients were provided necessary consultancy and medicines free of cost. In addition to basic treatment provision, the program also served for the preventive awareness of endemic health issues.

Project Sparsh (healing touch)

Being scattered nature of the wind sites and limited human resource, CLP has joined hand with Hindustan Latex Family Planning Promotion Trust to provide doorstep services to community in addressing adolescent girls' health and maternal & child health in the state of Rajasthan. 'Project Sparsh' was launched in April 2017 in partnership with Hindustan Latex Family Planning Promotion Trust to improve health status of communities, especially adolescent girls, village women and children. In this three year programme, the project is expected to benefit 2,910 women and adolescent girls.



nutrition programme

Nutrition is a critical element of a child's physical and mental development, right from the time they are in the mother's womb. Specific initiatives under healthcare program focused on nutritional supplement requirements of 85 children with special needs and 46 children affected by HIV. In addition to this, we have provided nutritional food supplements to 163 children of 5 schools from three villages and provided hands on support through counselling, guidance and nutritional supplements, to help them recover from anemic condition. A self-impact assessment revealed that almost 100% of parents reported that their children receiving our nutrition support have had relatively better health. In addition to these initiatives, 40 multidrug resistant tuberculosis patients were supported with nutrition supplement monthly refills at Paguthan site.

HIV nutritional support and awareness campaign

Though HIV/AIDS prevalence rates are lower in India, lack of awareness is a key challenge placing the migrant and rural population at high risk. We have conducted awareness sessions in project villages to increase awareness on HIV/AIDS. We also support around 35 children who are HIV infected / affected with monthly nutrition kits. Our nutritional support is aimed at maintaining higher immunity levels in these children and would try to avoid the requirement of anti-retro-viral treatment. The program is also supported by Bharuch District Network of Peoples living with HIV/AIDS. Improvements have been seen in beneficiaries' weight and CD4 cell count (white blood cells that activates a body's immune system). This program also complements our empowerment agenda by the means of sourcing nutritional kits from women self-help groups (SHGs). Nutritional Support and Awareness Campaign.

midday meal programme

The Midday Meal Scheme is a school meal programme of the Government of India designed to upgrade the nutritional standing of school-age children nationwide. The programme supplies free lunches on working days for children in primary and upper primary classes in government, government aided and local body schools. In this noble initiative, CLP collaborated with Akshaya Patra - a renowned non-profit organisation – in India that runs school lunch programme across India. CLP India supported mid-day meal for 5,000 children enrolled in 27 government schools in Hubli area, Karnataka.

The Mid-Day Meal Scheme focuses on providing free lunch at all Government schools to enhance enrolment, retention and attendance among children and simultaneously improve their nutritional levels. This program is also in line with Sustainable Development Goal 2: Zero Hunger.

animal health check-up

Animal husbandry is an important part of families living in rural India. Domestic animals are used in agriculture for labour, transport and provide additional source of income and nutrition. Thus, health of these animals will have significant impact on economic well-being of the family that are rearing them. However, just like human health centre, good quality of animal health care are also not adequately available. Thus, we organized several animal health check-up camps around our Jhajjar and Tejuva sites and more than 11,500 cattle were examined, treated and administered vaccination.



community infrastructure

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water conservation

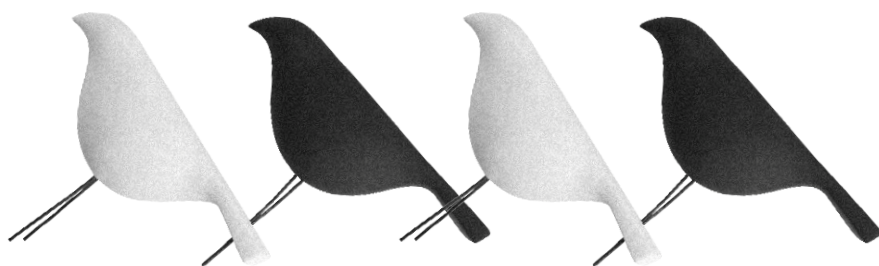
According to one of the report of government think-tank Niti Aayog, some 600 million people facing acute water shortage. This report states that the crisis is only going to get worse in the years ahead. It warns that 21 cities are likely to run out of groundwater by 2020. Further water crisis in rural India is expected to threaten food security as agriculture contributes to 80% of total water usages in India. Thus considering water scarcity as an important challenge for us as well as our communities, we are undertaking various initiatives on this aspect. We constructed 25 underground water storage tanks at Tejuva wind farm site for effective storage of monsoon water. Further in partnership with Watershed Organization Trust (WOTR), we have launched phase-I of watershed project at Khandke in March 2017 that includes construction / repair of 9 identified water harvesting structures in three villages – Sheldala, Marathwadi and Deulgaon Ghat and softer side interventions in 15 catchment villages. The project is expected to touch 17,644 lives. At Khanpur Khurd village in Jhajjar, we have installed borewell for making adequate service and drinking water provision for the benefit of 1,000 villagers and clean drinking water facilities were developed for selected villages and a school at Paguthan.

sanitation infrastructure

Swachh Bharat Mission is a nation-wide campaign in India started from 2014 that aims to clean up the streets, roads and infrastructure of India's cities, towns, and rural areas. The objectives of Swachh Bharat include eliminating open defecation through the construction of household-owned and community-owned toilets and establishing an accountable mechanism of monitoring toilet use. The mission aims of this initiative is to construct 90 million toilets in rural India. The mission will also contribute to India reaching Sustainable Development Goal 6 (SDG 6), established by the UN in 2015. To support this initiative, we have constructed/repared several toilets in 4 village schools in Jhajjar for the benefit of 520 children. Further, male and female toilet was constructed in village Chopal (facility used for social gatherings) of village Khanpur Khurd. Further, CLP India supported with top up fund and constructed more than 100 toilets in three villages in Paguthan catchment area. The initiative benefited more than 3,200 villagers by direct improvement in sanitation condition.

Project Aarohan

This is a three years community development project focusing on three basic themes - education, water and livelihood. CLP has collaborated with NGO and initiated three years project – Project Aarohan – focusing on three basic themes - education, water and livelihood. Primary objectives of this project are to improved access to infrastructure to school children, increased awareness among school children about environment, increased awareness among village women about additional livelihood income options by forming SHGs and increased awareness among farmers' about agricultural practices. This initiative has improved the relationship with the local communities and improved the brand image of the organization. This project is also assessing the opportunities of upgrading selected schools from catchment villages into 'Model School' and to explore feasibility of watershed development in catchment villages. This project has direct beneficiary of 8,124 communities.



sports infrastructure

Haryana is well-known for its love for sports. We have seen strong interest in sports among the youth of communities around our Jhajjar facility. To address this need and support their aspiration, we have developed a playground in Khanpur Kala govt. School in Jhajjar for the benefit of 100 students. It helps children to develop mental and physical toughness and make their body strong and active and physical well-being. Under our sports promotion program 68 adolescent and youths are undergoing training in our Wrestling Academy which also includes 10 females. In addition to this, gymnasium hall and separate toilet facility for males and females are under construction at this academy. To promote sportive spirit and to encourage wrestling, 4 tournaments have been organized in 4 villages around our Jhajjar facility. Further, 65 trainees between the age group of 9 to 21 are undergoing basketball training in CLP's basketball academy. In this year 3 students of our basketball academy have joined Indian Army through basketball sport quota. A physical and academic training academy is being constructed in village Jhamri, to help youths aspiring to join armed forces.

women empowerment program

Women empowerment is a mission. Empowering women to participate fully in economic life across all sectors is essential to building stronger economies, achieve internationally agreed goals for development and sustainability, and improve the quality of life for women, men, families, and communities. Our women empowerment initiatives covered more than 800 women in India. Women self-help groups were formed to support micro credit societies. In addition, cloth stitching and other small trade training were provided to them. A beautician training was organized at Jhajjar through National Institute for Entrepreneurship and Small Business Development. 164 women received Certificate of Completion and beautician's starter kits this year.

Project Uday

Project Uday is a 2 years project that focuses on empowering women by promoting dairy farming as additional means of livelihood. This women empowerment project was recently launched in Chandgarh site, in partnership with Gamesa Renewable Private Limited and local NGO. The project focuses on goat based livelihood and is estimated to benefit 500 women and their families.

Project Jivika (project work)

We have started 2-year women empowerment project named "Project Jivika" ('Project Work') in Jath catchment of 8 villages. The project aims at goat-based livelihood for women empowerment. This initiative has increased awareness among village women about additional livelihood options.

Project Suryodayam

Project Suryodayam is 5 year bundled program in association with Suzlon Foundation in our Veltoor, Telengana site, starting from October 2016. This project includes initiatives around women empowerment, health, education, livestock care, livelihood, water, and energy. This project is expected to improved health status of communities, improved access to water for animal and human consumption, generate livelihood opportunity for village women and farmers through formation of SHGs and trainings, respectively. Further, this project generates awareness on healthy lifestyle and various common health topics, improved infrastructure facilities in the villages, improved education facilities in the village schools and encourage hygienic environment by conducting cleanliness drives and tree plantation activities.

horticulture support scheme

The horticulture subsidy program in its second year enabled 7 farmers to resort to alternative farming by planting fruit bearing trees. 10 number of varieties of total 2,304 saplings were planted. In addition to this our horticulture expert had provided onsite consultancy to 13 farmers.

joy of giving

Generosity is nothing but the habit of giving. Blessed are those people who are generous and believe in the joy of giving. Daan Utsav (Giving Festival) was organized in the month of October across CLP India's plant locations and offices. Various events witnessed employee involvement in giving material in-kind for donation to underprivileged.



educational support scheme

Educational Support Scheme (ESS) is our unique endeavour to support aspiring students in pursuing higher education. The program is actively supported by CLP by providing scholarship to local aspiring students. Monetary support is provided to eligible students to pursue higher education.

access to quality education & skill development programme

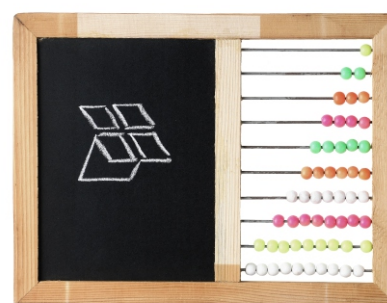
During our need assessment study and requests received from the local villagers, we found strong need for skill development in the youth around our project sites. Based on this study, we have identified various vocational as well as soft skill development programs. CLP India supported skill and knowledge enhancement initiatives in our asset sites. Computer education was provided to 319 village youths and working class people at Paguthan and Jhajjar. 4 students were sponsored for vocational training. CLP India scholarship scheme provided financial and mentoring support to 50 aspiring students at Paguthan for their graduation studies. CLP employees supported the mentoring work for these students. CLP employees also volunteered for conducting guest lectures at vocational training institute for the benefit of more than 100 students. Supplementary informal education covered 344 non-schooling and drop-out students from 10 villages around Paguthan plant. The classes were conducted by extension volunteer's team. We closely worked with local govt. schools at Jhajjar and Paguthan and provided support in improving the facilities for the students to enhance overall learning process. Under 'Igniting Young Minds' programme, Science and mathematics workshops were organized in Paguthan catchment area schools in which 457 students were benefitted. Computer based learning added value and enhanced learning for 250 students in 3 govt. schools at Jhajjar.

informal education

In villages around our Paguthan Power Plant, we supported a music and literature event organized by local organizer Shivranjani group at Bharuch.

contribution to prime minister's national relief fund (PMNRF)

The funds accumulated at PMNRF are utilized primarily to render immediate relief to families hit by natural calamities like floods, cyclones and earthquakes, etc. and to the victims of the major accidents and riots. Assistance from PMNRF is also rendered, to partially defray the expenses for medical treatment like heart surgeries, kidney transplantation, cancer treatment and acid attack etc. In this financial year, INR 2,000,000 has been donated.







computer literacy

Computer skills are essential for enhanced livelihood opportunities for the village youth. We have joined hands with Pratham, a NGO for two computer literacy classes. The program also caters to those who currently work and also enables them to pursue better career opportunities. 84 people have benefitted through this program during the year from the villages around our Paguthan Power Plant.

SVGTKITI teacher's training

Vocational training institutions like ITIs play pivotal role in developing technically skilled manpower for the industry. To enhance the quality of training in these institutes, we have engaged with local ITIs at Paguthan to train the teachers on the latest technical skills. While technical skills are critical for the job, awareness on Safety, Health and Environment (SHE) elements is also important to ensure safety at job. With this in mind, we have also included SHE aspects in our 'train the teachers' program so that teachers and students at ITIs will appreciate SHE concepts and will apply them in their job leading to safer and cleaner industries.

best school programme

Through informal educational programs and scholarships in villages around our Paguthan Power Plant, our efforts are directed toward increasing the number of children enrolling in local schools. At the same time, the quality of education received in the schools is also critical to sustain the interests of children to continue with their education. Recently, we have started the 'Best School of the Year' program to recognise well performing Government schools in villages around our Paguthan Power Plant. The recognition serves as an encouragement for winners to continue the good work while it provides others schools the motivation to raise their performance standards. The winners and two runners-up are presented with trophies and gift vouchers.

sustainable livelihood opportunities

We have partnered with a team of senior veterinary doctors and para-vet staff from Rohtak city to deliver an animal husbandry programme at Jhajjar, where most residents rely on agriculture and cattle rearing to make a living. Welcomed by the local community, this programme has helped improve milk yield, fertility and deworming of livestock and hence generated higher income for the villagers.



environmental performance

Our Approach

CLP Group Environment Policy provides us flexibility to develop business unit specific environment policy by using basic principles of CLP Group Environment Policy and elements that are material to the concerned business unit. In line with this guideline, we have developed our Safety, Health and Environment Policy for major facilities. This Policy statement along with other supporting standards, guidelines and procedures are crucial elements of our approach for environment management.



CLP group environmental policy statement

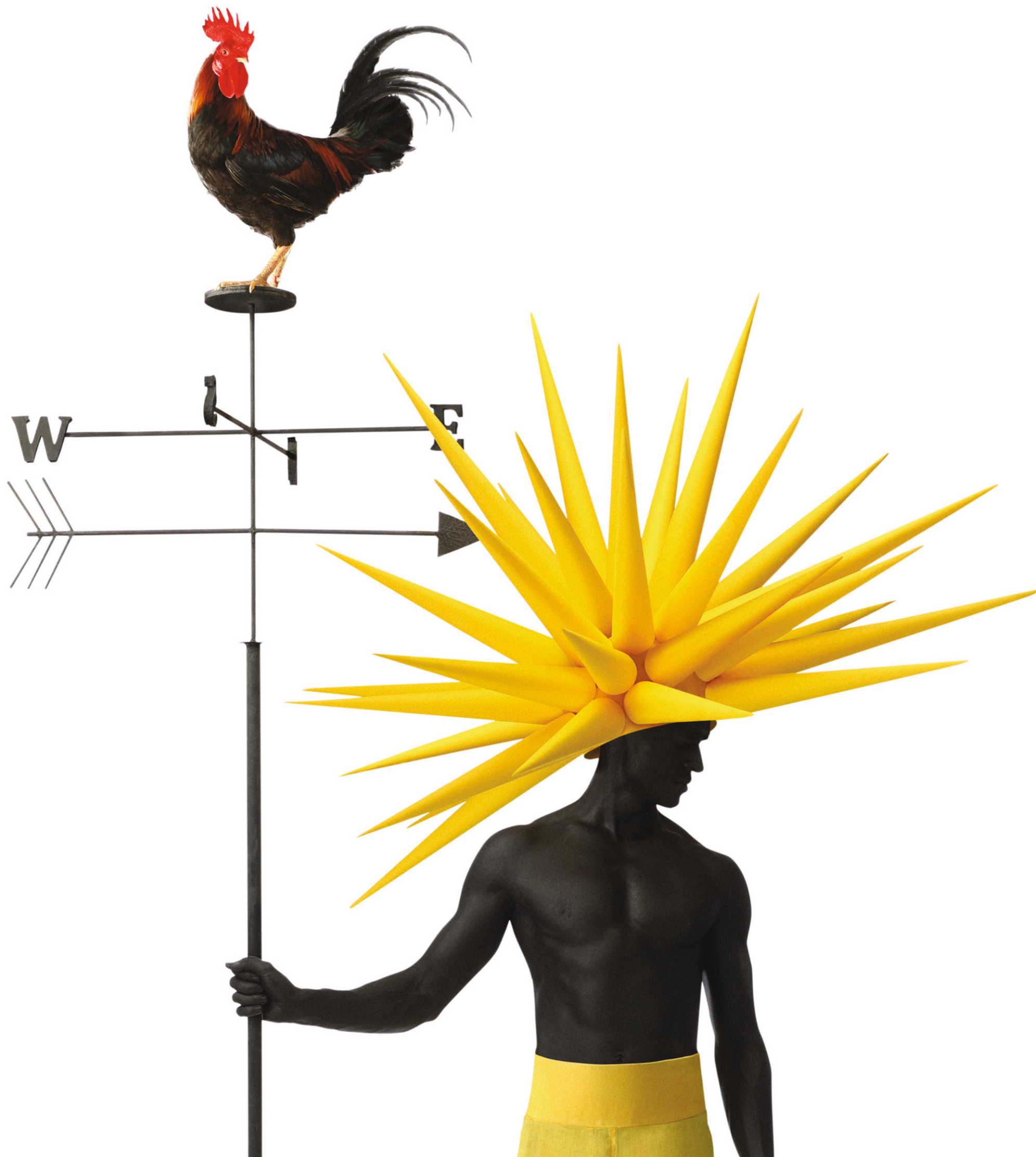


- Comply fully with all applicable environmental laws and regulations.
- Ensure that all key environmental impacts are identified and managed in a responsible manner.
- Use all resources, including fuel, water and other natural resources efficiently and conservatively, and increase the use of renewable resources.
- Continuously improve our environmental performance.
- Monitor and report the environmental performance of our business.
- Provide the training and resources necessary to meet our environmental responsibilities.
- Share our knowledge of environmental issues and management practices with others in our industry and our communities.
- Support the development of effective government policy to address environmental issues.

We also have CLP Group Environmental Management System Certification Policy, which requires all operationally controlled power stations to attain independent Environment Management System (EMS) certification to the ISO 14001 standard within 2 years from its full commissioning or acquisition. Paguthan and Jhajjar power station needs to comply with these internal requirements while due to limited operational control, wind farms are exempt from these requirements. Implementation status of these internal environment standards are as follows,







Facility	Water Management	Waste Management	EMS ¹	CEMS ²	FGD ³	PCE ⁴	Low NO _x Burner ^x
Paguthan	✓	✓	✓	✓	✓	N/A	✓
Jhajjar	✓	✓	✓	✓	N/A ⁵	✓	✓

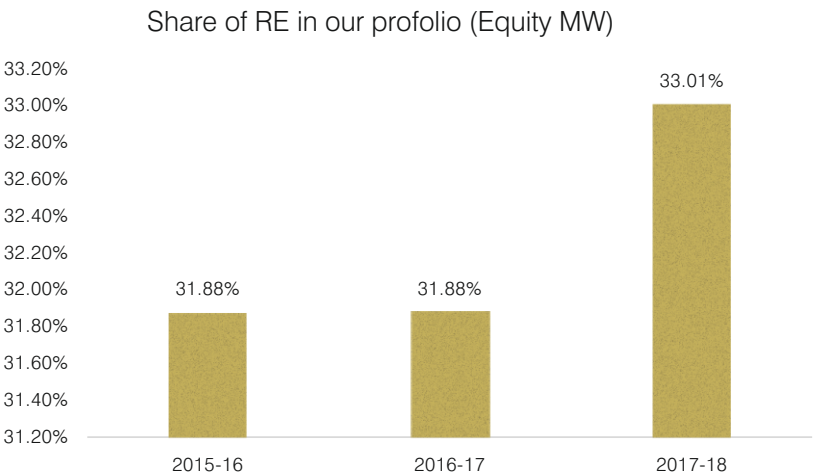
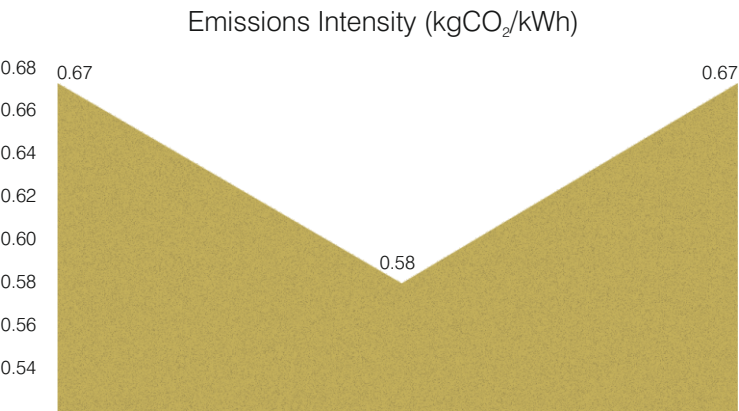
1 EMS – Environment Management System
2 CEMS – Continuous Emissions Monitoring System
3 FGD – Flue Gas Desulphuriser
4 PCE – Particulate Control Equipment

goals & performance

climate vision 2050

CLP Group is first Asian-headquartered power company to set carbon intensity reduction targets for its generation portfolio. We did it through launch of our Climate Vision 2050 in 2007. During 2017, we reviewed our targets based on development of technology and regulatory realities of our market. Following are the key changes in our targets:

- Tighten our 2050 cornerstone carbon intensity target from 0.2 kg CO₂/kWh to 0.15 kg CO₂/kWh, an 82% reduction from the 2007 baseline;
- Develop new interim carbon intensity reduction targets of 40% by 2030 and 60% by 2040 (compared to 2007), while removing the carbon intensity reduction target of 46% by 2035 to align with international convention; and
- Establish a new renewable energy capacity target of 30% and a new non-carbon emitting capacity target of 40%, both by 2030.



emission intensity (kg CO₂/ kWh)

These targets continue to remain as group target and we haven't broken it down to geography or business unit level. Renewable energy market in India is expected to grow rapidly, thus we expect CLP India to play a vital role in achieving our Climate Vision 2050 targets. During 2017-18, we have witness increase in emission intensity of CLP India portfolio from 0.58 kgCO₂/kWh to 0.67 kgCO₂/kWh. This increase is mainly attributable to higher generation at Jhajjar power station and significant reduction in generation at Paguthan power station. We are expecting further increase in power generation at Jhajjar due to higher demand and coal availability. On the other side, we are expecting further reduction in generation at Paguthan plant as its Power Purchase Agreement is ending on December 2018. Thus, we are expecting further increase in our emission intensity during 2018-19.



During the year, we have commissioned Veltor solar project. We are holding 49% stake in this project and have right to purchase remaining stake from Suzlon. This capacity addition has helped us to grow share of RE capacity in our portfolio from 31.88% to 33.01% during 2017-18, but due to its smaller size compared to expected increase in generation at Jhajjar, generation from Veltor will have limited effect on our emission intensity in 2018-19.

Our GHG and non-GHG emissions are key indicator amongst our environmental performance. We monitor Scope 1 and 3 GHG emissions. We are not monitoring Scope 3 as it is extremely small compared to our Scope 1 and 2 and thus not material to our performance.

total emissions ktCO₂e

PARAMETER	UNIT	2015-16	2016-17	2017-18
GHG Scope - 1	ktCO ₂ e	4,552	2,713	4,474
GHG Scope - 2	ktCO ₂ e	16	33	12
SO _x	Tonnes	11,224	12,458	23,826
NO _x	Tonnes	5,041	4,049	6,451



GHG emissions are calculated in accordance with WRI/ WBCSD GHG Protocol and IPCC Guidelines. We have used emission factor of our local grid while calculating emission due to purchase of electricity (Scope 2). Our Continuous Emissions Monitoring System monitors various air emissions at our facilities, including SO2 and NOx. We supplement this approach with third party audit or mass-balance calculation, if required.

Coal, Natural Gas and Water are critical raw materials in our operations hence, availability and efficient use of these materials are some of the key performance indicators for our business. We always intend to optimise our resource efficiency for some of our major raw materials, especially fuel and water. Following table shows how our fuel consumption changed over a period of time.

fuel consumption TJ

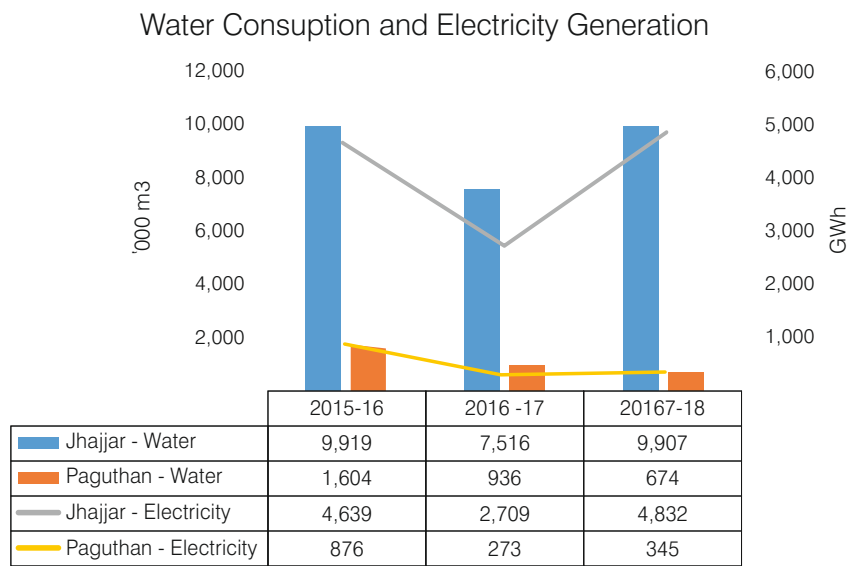
FUEL	2015-16	2016-17	2017-18
Coal	46,060	28,400	47,437
Natural Gas	7,566	2,684	2,973
Naptha	0.40	-	424
Oil	84	109	90



During 2017-18, improved technical availability, coal availability and stronger electricity demand at Jhajjar plant resulted in coal consumption. We expect further improvement in this performance levels thus higher coal consumption in 2018-19. We aim is to further improve loading levels and reduce start-up and shutdown, thus improving resource efficiency of the plant.

water efficiency

Jhajjar plant is designed as zero discharge plant and it is one of the best performing plant in India in terms of its water efficiency. Water is an important resource for operation of our thermal as well as solar power plants. We are taking several steps to improve recycling of water and reducing our water risk.



We will continue to follow our Climate Vision 2050 strategy. We see huge opportunity to expand our renewable energy portfolio in India. We are also looking of other non-carbon business within the power sectors – such as transmission to grow our business and achieve our Climate Vision 2050 goals. This approach of no new coal investment in near future, focus on building high quality renewable energy portfolio and exploring possibility of building new non-carbon business, will result in reducing our emission and improving our resource efficiency over medium term.

move towards no net loss of biodiversity

Pre-Investment Environmental Risk Assessment (PIERA) is part of our investment analysis process and each capital investment opportunity goes through it. Impact on biodiversity is one of the focus areas of PIERA hence, project’s impact on biodiversity is assessed from very first stage. This assessment is broadly in line with international best practices and guidelines such as IFC Performance Standards and Equator Principles. None of our facilities are located with or adjacent to protected areas and areas of high biodiversity value outside protected areas. Also wherever possible, we also endeavour to improve local biodiversity through our monitoring and restoration interventions.

regulation & compliance

There weren’t any major changes in any environmental regulation and laws with a significant material impact on any of operations. There weren’t any significant spill from any of our facility.

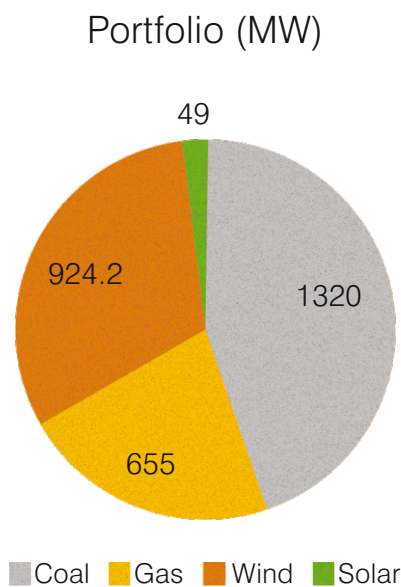
There weren't any non-compliance related to environmental performance of our facility except, once incident of limit exceedance in STP (township) outlet water at Jhajjar power station. Corrective steps were taken and concerned authorities were informed about compliance status.





economic performance

CLP India Private Limited, being privately held subsidiary of CLP Holdings Limited, does not disclose its detailed earnings in public domain. However, we report our consolidated earnings as part of the Annual Results of our ultimate parent - CLP Holdings Limited. CLP Holdings Limited follows the calendar year reporting cycle and reports in Hong Kong Dollars (HK\$). Key highlights of CLP India's economic performance as reported in CLP Holdings Limited's Annual Reports are as follows.



(HK\$ million)

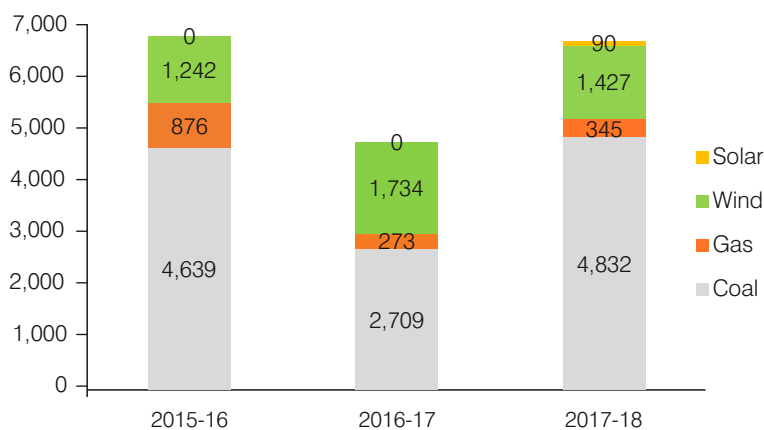
	2015	2016	2017
Revenue	5,104	3,808	4,887
Income Taxes (Paid) / credit	(23)	(137)	(209)
Profit / (loss)	614	469	646
Earnings /(loss) attributed to shareholders	614	469	647

During CY 2017, CLP India achieved a 38% rise in operating earnings to HK\$647 million in 2017. This strong increase was driven mainly by improved operating efficiency and higher utilisation of our coal fired plant at Jhajjar, the steady performance of our gas-fired plant at Paguthan and lower interest cost.

We expanded our renewable energy portfolio by acquiring 49% stake in 100 MW solar power plant at Veltor in Telangana. We have an option to acquire the remaining 51% in future from our partner Suzlon. With this acquisition, our equity MW portfolio as on 31 Mar 2018 reached to 2,948MW.

The operational performance of our wind business was strong. Although wind resources were lower than a year ago, our output remained steady due to higher machine availability and lower load restriction. However, financially our operational improvement was offset by a loss recorded after we decided to cease construction of the Yermala project because of land issues.

electricity sent-out (GWh)



During the year, we have also recorded sharp increase in profitability of our Jhajjar plant due to a nearly 85% rise in utilisation, higher plant availability, which reached at 78.9% for CY 2017, and improvement in coal supply in terms of both quantity and quality. This resulted in significantly higher efficiency, improved environmental performance and lower costs for our customers.

At Paguthan, performance remained steady during the year. Availability remained high at 95.5% as we were able to use imported re-gasified LNG (RLNG). However, utilisation continued to be low because of the high cost of spot RLNG, which discouraged our customer from buying electricity from us.

Thanks to Jhajjar's higher plant availability and lower production costs, during 2017-18 we supplied 6,694 GWh compared to 4,716 GWh reported in 2016-17. Renewable energy contributed more than 33% of this energy generation.

outlook

India is one of the fastest growing large economy and electricity, being the key enabler for economic activity, is also witnessing good growth in electricity consumption. Per capita electricity consumption reached 1,149 kWh during 2017-18 from 1,122 kWh in previous year. Though the growth reported in 2017-18 is comparatively lower than the growth observed over the last decade, we expect significant improvement in electricity consumption in short to medium term and is likely to be in the range of 5-6%.

Government of India's ambition to achieve 175 GW of renewable energy capacity and provide 24x7 power to all its citizens, are the primary drivers for capacity addition and electricity generation. These ambitions are offering us various opportunities to grow our portfolio with non-carbon business such as renewables and transmission. Outlook for increased demand of electricity is also offering us opportunity to further improve our environmental and economic performance of our coal assets by improving its plant load factor.

We are actively looking at various greenfield and brownfield projects in renewable and transmission space. We are also working with hard to improve both the quantity and quality of the coal supply to Jhajjar. The power purchase agreement (PPA) for our Pugalur plant will expire in December 2018. We do not expect the PPA to be extended in its current form beyond 2018. To best utilise this asset, we are exploring various options including the prospect of merchant sales.

