



華電國際電力股份有限公司

HUADIAN POWER INTERNATIONAL CORPORATION LIMITED

Stock Code : 1071



2017

Environmental, Social
and Governance Report



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About this Report

This report is applicable to Huadian Power International Corporation Limited and its subsidiaries. (Hereinafter referred to as “the Company” or “Huadian Power International”)

REPORTING PERIOD

This report covers a period from January 1, 2017 to December 31, 2017, and part of this report is beyond this reporting period, as the case may be.

PREPARATION PRINCIPLE

This report is prepared pursuant to the Environmental, Social and Governance Reporting Guide (hereinafter referred to as “ESG Guide”) by the Stock Exchange of Hong Kong and with reference to Sustainability Reporting Guidelines (G4) by Global Reporting Initiative (GRI).

DATA DESCRIPTION

All data are based on the Company’s formal documents and statistical reports. In this report, the currency amount is accounted by RMB, unless otherwise specified.

FORM OF RELEASE

The Chinese and English versions of this report in PDF format are publicly available on the Company’s official website www.hdpi.com.cn.

This report is published in both Chinese and English. In case of any discrepancies between the different versions, the Chinese version shall prevail.

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Message from the Management



Message from the Management

Dear Friends:

The year of 2017 witnessed sharp rise in coal price, continuous decrease of utilization hours, increasingly fierce market competition and heavier environmental constraints. In spite of this, all members of the Company thoroughly implement various decisions and arrangements made by the board of directors, and take active actions to tackle difficulties, making new achievements and progress in all kinds of tasks.

We implement the reform of the electric power system to meet the people's livelihood needs. We carefully read up the national policy, actively participate in the reform of the electric power system, adhere to market demand as the orientation, integrate marketing resources in a scientific and comprehensive manner, and continuously strengthen the marketing function, taking the leading position in the reform of the electric power system; we are well aware of the mission to meet the people's livelihood needs, and enable stable power supply and efficient heat supply through optimization of structure, innovation and coordination. In 2017, the Company achieved generating capacity up to 191.719 billion KWH, a year-on-year increase of 0.87%, and the heating capacity up to 81.8285 million GJ, a year-on-year increase of 13.10%, effectively guaranteeing the energy supply during the 19th National Congress of the CPC, the "Belt and Road" Forum and other major activities.

We perform responsibilities and consolidate security. We focus on the building of an enterprise with inherent safety, strengthen the safety supervision and guidance, carry out in-depth investigation of hidden dangers, reinforce the quality control of examination and repair, and constantly consolidate the foundation of safe production. In 2017, the hydropower sector achieved "zero unscheduled downtime"; the "unscheduled downtime" of the thermal power units was reduced by 5 times on a year-on-year basis, and 13 units realized "zero unscheduled downtime". As at the end of the reporting period, the Company did not have any safe production accident or safe production incident that caused serious social impact.

We pay attention to environmental protection and insist on green production. We significantly improve the equipment reliability and steadily reduce our energy consumption by strengthening the energy conservation evaluation and technology research; we further expand the area of strategic cooperation and further promote clean energy, with the installed capacity generated by clean energy reaching 10,130,100 KW in 2017, accounting for a record high of 20.53%. All thermal power units of the Company have obtained the emission permit, and the average emission performances of sulfur dioxide, nitrogen oxides and soot and dust have seen year-on-year declines.

We care for our employees and attract our talents. We constantly optimize the remuneration fulfilment plan, strengthen the performance appraisal orientation, deepen the internal training system, broaden the career development path of our employees and realize the optimal allocation of talents, reserving a large number of outstanding talents for the Company; we maintain the rights and interests of our employees, earnestly care about their health, promote the employee democratic management, conscientiously help the employees with difficulties, making all employees of Huadian Power International feel a sense of belonging, gain, and pride.

We make earnest efforts to promote public good and give back to society. We remember the social responsibility as a centrally-administered state-owned enterprise, respond to our country's call of "targeted poverty alleviation", drive the economic development in poverty-stricken areas by taking advantage of our own professional advantages, and realize "teaching them to fish" instead of "giving them a fish"; we take the initiative to devote ourselves to the cause of public welfare, send supports to the people who are in need, and try our best to practice the slogan of "Huadian Power, Care Everywhere" of Huadian Power International.

Reviewing the past, we have conquered the difficulty and seized the opportunity; looking forward, we will make great efforts to write a new chapter. Huadian Power International will, under the leadership of the shareholders and the board of directors, continue to shoulder our missions and bravely forge ahead to achieve better results in 2018!

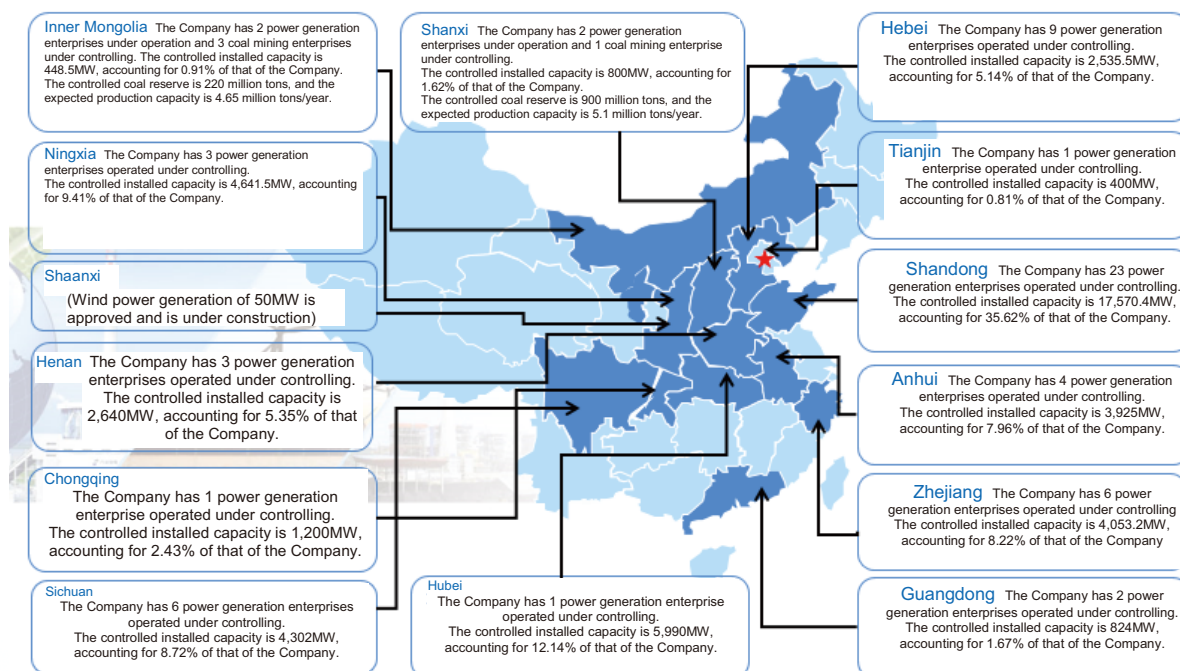
About Us

COMPANY PROFILE

Huadian Power International Cooperation Limited is a company specializing in power generation, which was registered in Jinan City, Shandong Province and founded on June 28, 1994 jointly by State Grid Shandong Electric Power Company, Shandong International Trust Co., Ltd., China Power Trust and Investment Co., Ltd., Shandong Luneng Development Corporation, and Zaozhuang Infrastructure Investment Co., Ltd. On June 30, 1999, the Company launched an initial public offering about 1.431 billion H shares and was listed on the Stock Exchange of Hong Kong. The Company issued 765 million A shares within the territory of China on February 3, 2005 and was listed on Shanghai Stock Exchange. After years of development, the Company has become one of the largest integrated energy providers in China.

Huadian Power International mainly engages in constructing and operating power generation plants and power generation-related industries, as well as providing power-related technical services and consultations. Over the years, the Company has always adhered to the scientific outlook on development, highlighted value-based thinking idea, upheld the operation philosophy of "pursuit of the coordination of shareholder value, social responsibility and employee interests to provide the public with safe, clean, reliable and low-cost electricity", taken "energy giant, industry vanguard and international first class" as the vision and company strategies as the guide to speed up structural adjustment, make persistent efforts in seizing development opportunities, improving efficiency, reinforcing management and leading working teams. With the building up of its overall strength, the Company expands its business area from Shandong Province to another 13 provinces (municipals) such as Sichuan, Ningxia, Anhui, Henan, Hebei, Zhejiang, Tianjin, Inner Mongolia, Shanxi, Guangdong, Chongqing and Hubei; and enlarges its business scope from thermal power generation to hydropower generation, wind power generation, biomass power generation, solar power generation, gas turbine power generation, nuclear power generation and coal industry. As of the end of 2017, the installed capacity of the Company reached 49,330,100 KW, of which 10,130,100 KW were generated by clean energy, accounting for a record high of 20.54%.

INDUSTRIAL DISTRIBUTION



DEVELOPMENT HISTORY

1994	<ul style="list-style-type: none"> On June 30, Shandong International Power Development Co., Ltd., the precursor of the Company, was registered and officially founded.
1999	<ul style="list-style-type: none"> On June 30, the Company issued the H stock and got listed on the Stock Exchange of Hong Kong.
2002	<ul style="list-style-type: none"> On November 21, the Company bought 20% of the shares of Ningxia Zhongning Power Generation Company, which marked its official entry into the market of the Ningxia Hui Autonomous Region and its first step to develop into a nationwide power generation company from a regional one.
2003	<ul style="list-style-type: none"> On April 1, China Huadian became the Company's controlling shareholder. On May 9, the Company acquired 80% of the stock rights of Sichuan Guang'an Power Limited Liability Company, officially entering into Sichuan market. On August 28, Huadian Xinxiang Power Limited Company was registered and founded, marking the Company's entry into Henan's market. During Phase 1, two supercritical coal-fired generating units with each capacity of 660,000 KW were constructed. On November 1, Shandong International Power Development Co., Ltd. was renamed Huadian International Power Co., Ltd. On November 18, Anhui Chizhou Jiuhua Power Generation Company with the narrowly controlling shares officially began the construction of two coal-fired generating units with each capacity of 200,000 KW in Phase 1, marking the Company's entry into Anhui's market.
2004	<ul style="list-style-type: none"> On December 28, Huadian Qingdao Corporation, the first heating power one in the Company, was officially registered and founded.
2005	<ul style="list-style-type: none"> On February 3, the Company's A share, the first stock issued to the public for price inquiry in China, was officially listed in Shanghai Stock Exchange.
2006	<ul style="list-style-type: none"> On December 4, the initial batch of domestic supercritical units with each capacity of 1 million KW was put into production in Huadian Zouxian Power Limited Company, which became the national "863" science and technology key project, the imported and domesticated support construction project, and the 2005 national annual key construction project. These units set a new record among the national same-type units with regards to the security status, construction speed, engineering quality, debug time, commissioning index, and energy conservation and environmental protection. The total installed capacity of the Company amounted to 10 million KW.
2007	<ul style="list-style-type: none"> The "Tens of Millions of KW" project was carried out. This year, the installed capacity of 6.095 million KW was realized and the Company's total installed capacity amounted to 20 million KW. In December, the wind power project of 45,000 KW for Phase 1 was put into production in Ningxia Ningdong, the first wind power project of the Company, which marked the rapid development of the Company's wind power industry.
2008	<ul style="list-style-type: none"> The Company acquired 82% of the stock rights of Hebei Shijiazhuang Thermoelectricity Limited Company formerly possessed by China Huadian, 100% of the stock rights of Hebei Huadian Hybrid Storage Hydropower Limited Company, 64% of the stock rights of Hangzhou Huadian Banshan Power Limited Company, and 49% of the stock rights of Sichuan Huadian Zagunao Hydropower Development Limited Company, marking the Company's expansion to Hebei and Zhejiang and new breakthroughs in hydropower project and gas turbine project. On August 1 and December 7, two biomass power generation units with each capacity of 12,500 KW were officially put into production in Anhui Huadian Suzhou Biomass Energy Limited Company for Phase 1, the Company's first comprehensive resources utilization project that utterly burns the agricultural straw.

About Us (Continued)

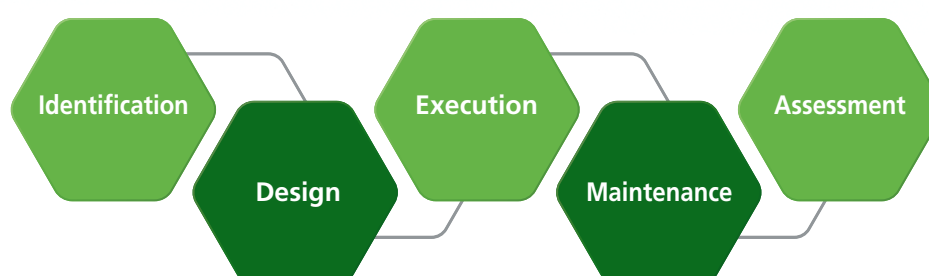
2009	<ul style="list-style-type: none"> On April 14, the Company acquired Shanxi Dongyi coal mine and Wangtongyuan Erpu coal mine, marking the Company's expansion to Shanxi and initial entry to the field of coal.
2010	<ul style="list-style-type: none"> On April 20, the grid-connected PV power generation of 10,000 KW was conducted in Ningxia Ningdong Shangde Solar Energy Company for Phase 1, making the Company the first to put solar power generation into business among the five top power groups. On May 21, the Company acquired the stock rights of Guangdong Shaoguan Pingshi Power Limited Company (Factory B), marking its expansion to Guangdong.
2011	<ul style="list-style-type: none"> Units 3 and 4 of Sichuan Huadian Luding Hydropower Limited Company, the Company's first independently-constructed hydropower project, smoothly went through its first 72-hour operation. The installed capacity of 1,949,500 KW was put into production, indicating that the Company's installed capacity amounted to 30 million KW.
2012	<ul style="list-style-type: none"> In September, the first generating unit with the capacity of 415,000 KW for Phase 2 of the gas turbine generation project in Hangzhou Huadian Banshan Power Company was handed over for production, it was the Company's first independently-constructed gas turbine project.
2013	<ul style="list-style-type: none"> On April 16, the Company held the launch ceremony of the technical service center, marking its expansion into the field of power technical service and consulting. On September 10, the distributed energy sources project of Shenzhen Huadian Pingshan was approved, the first distributed energy sources project to be approved in Shenzhen, marking the Company's new breakthrough from the original zero in Shenzhen's energy market.
2014	<ul style="list-style-type: none"> In September and November, two gas-steam combined cycle power generator units with each capacity of 200,000 KW of Tianjin Huadian Fuyuan Thermoelectricity Limited Company were officially put into commercial operation, the Company's first power project operated in Tianjin.
2015	<ul style="list-style-type: none"> In July, the Company successfully acquired 82.56% of the stock rights of Huadian Hubei Power Limited Company formerly possessed by China Huadian, making the Company's installed capacity increase by 5.12 million KW to 40 million KW and marking the Company's expansion to Hubei.
2016	<ul style="list-style-type: none"> On November 24, Huadian Guangdong Energy Marketing Limited Company, the first power marketing company solely invested by the Company, was officially registered and founded, marking the Company's business expansion to power marketing side. The Company's Chongqing Fengjie Power Plant put two supercritical condensing coal – fired generating units with capacity of 600,000 KW into production for Phase, the Company's first supercritical "W-type" flame furnace project in progress that can meet the ultralow emission standard, marking the Company's breakthrough from the original zero in Chongqing.
2017	<ul style="list-style-type: none"> The installed capacity of the Company generated by clean energy exceeded 10 million KW, reaching 10,130,100 KW, accounting for a record high of 20.54%.



Compliance Operation

In 2017, Huadian Power International has strictly complied with various laws and regulations, effectively controlled internal risks, and ensured that the Company abides by the responsibilities of citizens and operates in compliance with the law.

Based on its operation, and according to macroeconomic environment, industry status and laws and regulations, Huadian Power International effectively identifies the possibility and effect of potential compliance risks, designs corresponding internal control systems and management systems, and deeply integrates risk management and internal control into its daily work. In order to ensure the efficient implementation of risk management and internal control system, the board of directors is also responsible for the continuous supervision of internal control execution. The Company also has an internal control evaluation department that regularly assesses the risk of compliance operation. The work results of this department need to be reviewed and confirmed by the Company's audit committee. The above measures are all designed to control the risk within an acceptable range and ensure the effectiveness of the supporting risk management and internal control systems. During the reporting period, the Company did not find any significant internal control defects related to compliance operations.



As a centrally-administered state-owned enterprise, Huadian Power International lays stress on the building of an integrity culture inside. It has actively carried out warning education, supervision and inspection, special treatment, anti-corruption talks, party regulations and discipline knowledge contests and lectures on family tradition, to constantly enhance the leadership's integrity and self-discipline consciousness and build a fine atmosphere that is clean and positive. It has also formulated strict rules and regulations and approval processes for business areas where corruption risk factors exist. The cultural and regulation measures are simultaneously applied to control the risks. During the reporting period, the Company was not involved in any corruption cases.



Watching educational feature films on the Party Member's Day

In addition to effective compliance risk management, internal control and building an equal, fair and open corporate culture, it constantly strengthens the compliance awareness of the management by actively carrying out compliance training, to further ensure its compliance with laws, regulations and internal rules, and fully fulfil its social citizen responsibility on the basis of its steady operation.

Social Responsibility Management

The fulfilment of social responsibility by the Company is not only an external requirement in line with the trend of economic and social development, but also an internal demand for improving the sustainable development capability of the Company. Huadian Power International firmly adheres to the development vision of “energy giant, industry vanguard and international first class”, establishes a social responsibility management and organization system, facilitates the communication among stakeholders, and takes targeted actions to comprehensively promote social responsibility practices, achieving the goals of rewarding shareholders, serving clients, caring for employees, enhancing partnership, green development and giving back to society, and contributing its part to national development, social harmony and environmental friendliness.

RESPONSIBILITY IDEA

Focusing on its mission of “providing reliable, clean and economical energy, outputting power for development, progress and civilization, serving the country, rewarding shareholders and achieving employees’ success”, and keeping “compliance operation”, “stable supply”, “strengthening safety”, “green output”, “caring for employees” and “contributing to public welfare undertakings”, Huadian Power International actively responds to the aspirations of stakeholders, thus realizing a positive situation of common development and mutual benefits with the stakeholders and building a brand with a high sense of corporate social responsibility.

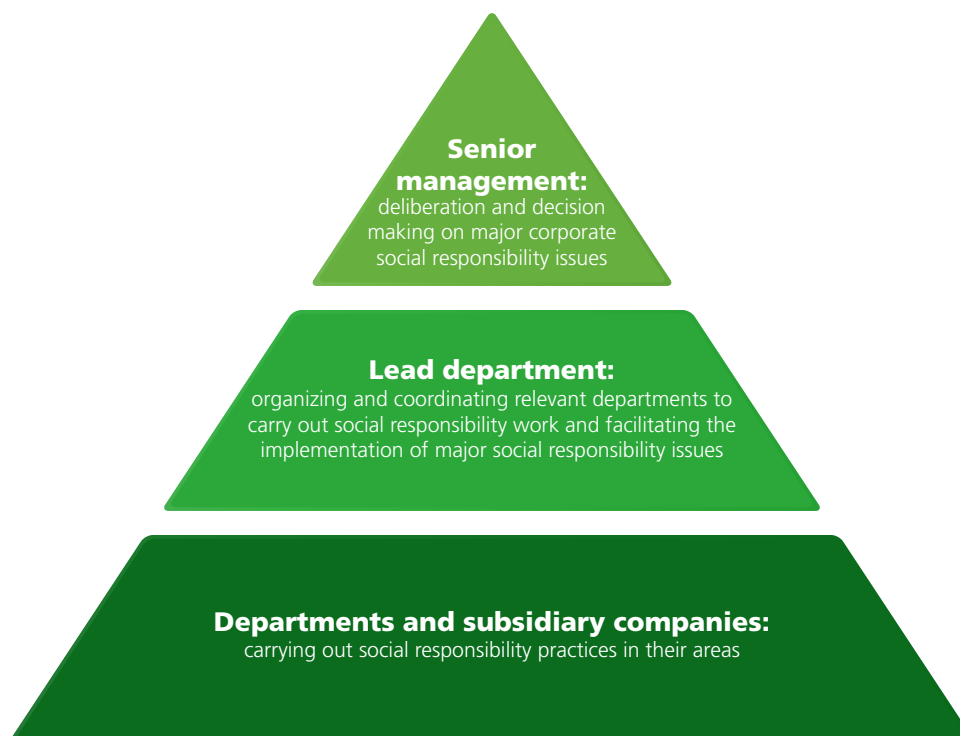


Social Responsibility Management (Continued)

RESPONSIBILITY FULFILLMENT

Huadian Power International attaches great importance to social responsibility management. Through the clear division of responsibilities at all levels, it establishes a social responsibility management promotion mechanism connecting the leadership and employees, promotes the integration of social responsibility idea into its decision management and business operations, and improves its professional social responsibility management.

The senior management of the Company is responsible for the deliberation and decision making on major corporate social responsibility issues and the integration of social responsibility concepts with the Company's development strategies and business management. The Department of Securities Management takes the lead in organizing and coordinating relevant departments to carry out social responsibility work and facilitating the implementation of major social responsibility issues.



Social Responsibility Management (Continued)

RESPONSIBILITY COMMUNICATION

Obtaining the recognition and trust of stakeholders is the source of energy for sustainable development of the Company. Huadian Power International attaches great importance to communication with stakeholders, takes the initiative to identify their aspirations and responds in a timely manner through various channels. During the reporting period, it has continued to maintain effective communication with various stakeholders through various channels, responded to all requests in a timely manner, and formed a favourable mechanism of “concern, communication, response, evaluation and improvement”.

Stakeholders	Expectations and aspirations	Communication mode	Response
Government	Energy security, observing laws, compliance operations and environmental protection	Formulating policies, information report, daily communication and high-level meeting	<ul style="list-style-type: none"> Coordinate the resources of various parties and take multiple measures to ensure stable supply of electricity and heat; Strictly comply with all laws and regulations; Carefully study the policy documents and actively cooperate with the regulatory agencies; Promote the use of clean energy and vigorously advocate energy-saving technological transformation
Stockholders	Profitability, information disclosure and corporate governance	General meeting of stockholders, company announcements, regular report and reverse road show	<ul style="list-style-type: none"> Continuously improve profitability; Improve information disclosure; Continuously improve corporate governance in compliance with policies and regulations and market opinions
Staff	salary and welfare, health and safety, career development and educational training	staff representative, staff communication, employment contract and company affairs disclosure	<ul style="list-style-type: none"> Improve performance-based salary system and employee security system; Focus on employees' safety and health management Rationally design employees' promotion path and achieve a fine allocation of human resources; Provide diverse trainings and improve training quality
Customers	Stable supply, reasonable price and guaranteed service	Product supply, contract signing, customer service and company website	<ul style="list-style-type: none"> Scientific regulation to ensure the stability and safety of electricity and heat supply; Deepen power reforms and market-oriented pricing of power; Encourage internal technological upgrades and innovations to enhance user experience
Partners	Fairness, honesty and trustworthiness	contract agreement, product service and cooperative development	<ul style="list-style-type: none"> Transparent bidding process; Fulfil contracts and agreements
Community	harmonious community, public benefit activities and targeted poverty alleviation	Cooperation, publicity and community construction	<ul style="list-style-type: none"> Participate in the construction of a harmonious community; Actively carry out public benefit activities; Drive economic development in operating regions



Theme: Gathering the strength of Huadian Power International and deepening the power reform



2017 is an important year for the country to implement the “Thirteenth Five-Year Plan” and also a year of deepening supply-side structural reform. The power industry is at a new historical turning point. In the face of frequent directives in the energy sector and increasingly rapid power reform, Huadian Power International had closely followed up the progress in the power reform, had its branch companies take active actions to adapt to requirements of market-oriented power reform, established a sound management and technical support system, made great efforts to integrate regional marketing resources, and constantly strengthened the marketing functions, so as to take the leading position in the reform.

PATH 1: KEEP TAKING THE INITIATIVE TO SEIZE MARKET OPPORTUNITIES

Power generation enterprises’ active engagement in the direct power supply for large power users will have a far-reaching impact on expanding the power generation market, taking quality users, establishing a good service relationship and enhancing the market competitiveness of enterprises. The gradual liberalization of market power transaction requires that power generation companies must establish a market-oriented and customer-centered marketing system, shift their focus from the government to the market, enhance communication and coordination with large users, government departments, competitors and dispatch & trading institutions, and strengthen the building of marketing agencies and talent teams in the power market to enhance competitiveness.

In 2017, Huadian Power International further strengthened the market-oriented reform, seized the opportunity of increased demand, and took multiple measures to timely take the market share.

- Established energy marketing companies in Ningxia, Henan, Anhui, and Shandong in accordance with the power reform process;
- Participated in the Chongqing Power Trading Center actively, which significantly improved its right of speech and influence in Chongqing’s power market reform;
- Based on the differentiated and diversified power markets in different regions, strived for more power trade, especially the directly traded power that accounts for the largest share in power trade.

With the above measures, during the reporting period, Huadian Power International has achieved good results in expanding its power market. The proportion of market power in each region concerned is higher than the proportion of capacity. By the end of 2017, its market power reached 66.9 billion KWH.

Theme: Gathering the strength of Huadian Power International and deepening the power reform (Continued)

PATH 2: KEEP IMPROVING QUALITY AND EFFICIENCY, AND PERFECT THE OPERATING SYSTEM

“Improving quality and efficiency, increasing revenue and reducing expenditure” is the Company’s unified arrangement to implement the SASAC’s (State-owned Assets Supervision and Administration Commission) requirement for the centrally-administered SOEs to downsize for growth and improve quality and efficiency and major measure to respond to power reforms and enhance the ability to create value. On the one hand, it needs to do well in the budgeting on the fixed costs, strengthening control over the cost of capital, and at the same time, reducing the using of liquidity and realizing the value of the liquidity. On the other hand, it is necessary to do well in the comprehensive control over variable costs, focus on strengthening whole process management of fuel, to ensure the efficiency of cost management and be better adapted to power system reform. In addition, the scientific management of funds and the realization of intensive growth have also become the only way for power companies to achieve sustained, harmonious development and management upgrade.

In 2017, Huadian Power International has set a special work plan to implement the program of improving quality and efficiency, increasing revenues and reducing expenditures, kept a close watch on supervision and execution, and ensured its goals are achieved on time.

- 37 specific measures have been formulated in 6 aspects including increasing revenues & creating profits, reducing expenditures & improving efficiency, preventing losses, controlling investment, resource allocation and risk prevention, and “611” goals have been set.
- Anticipated the trend of coal and electricity in the year, actively responded to unfavorable situation of possible annual losses, worked out measures and targets ensuring profitability, strengthened monitoring of business processes, regularly calculated annual business performance, continuously tracked the implementation of measures.
- Comprehensively carried out the program of improving quality and efficiency by actively coordinating and effectively promoting the reduction in the number of legal persons, accelerating disposal of low-efficiency and inefficient assets, and continuously improving its asset quality.
- Paid close attention to the needs of financially troubled companies and those in the early stage of construction and ensure capital security and credit security.

With above measures, during the reporting period, Huadian Power International has provided special guidance and analysis for the enterprises facing serious difficulties in Sichuan and Shanxi, with good results achieved. Of the 86 operating companies in the past year, 63 made profits, laying a solid foundation for it to maintain financing capacity and ensure fund security. Three business entities have been reduced, exceeding the annual goal of reducing the number of legal persons.



Theme: Gathering the strength of Huadian Power International and deepening the power reform (Continued)

THE THIRD PATH: INTEGRATE MARKETING RESOURCES AND INTENSIFY MARKETING FUNCTIONS

Other than the management of power equipment and economic operations, Huadian Power International also pays attention to the power market transaction coordination, follows the principle of market transactions earnestly, and strives to strengthen the team construction, establish an effective personnel incentive mechanism, enhance the staff's work enthusiasm and subjective initiative, and ensure high efficiency of their own management and operation.

In 2017, Huadian Power International mainly took the following measures in improving its own marketing capabilities and preventing business risks:

- Intensified cross-provincial and cross-regional power market transaction coordination, strengthened the company's overall arrangement and overall control of the marketing work, made great efforts to the increment and supported value, and strived to improve quality and efficiency;
- According to the principle of "Legitimate, Reasonable, Orderly, and Well-founded", the decision-making procedures should be seriously implemented in the market competition to prevent business risks;
- Intensified the construction of marketing talents, organized and participated in targeted training work timely, and improved marketing staff's business skills

[Case] Shandong Branch: Market power opens up and creates a new situation

Shandong has a relatively high degree of economic development and a broad space for the electricity market. Since the company has not yet established a regional power sales company at the beginning of the year, the company selected Huadian Zoucheng Heating Co., Ltd. to be on behalf of Shandong Branch to participate in the 2017 power market transaction. It adopted means such as making brochures, answering policy questions, and sending opening letters to users, and making full use of platform tools such as WeChat Public Account and WeChat Group to advertise the brand advantage of "Huadian Shandong", and invite large-scale industrial users to "enter Huadian" to experience the unique corporate advantages of Huadian Power International at a zero distance, and vigorously promote Huadian International's active implementation of the social responsibility of the central enterprises, so that users can recognize Huadian and believe in Huadian.

By the end of 2017, the Shandong branch had signed an agency agreement with 244 users in the whole province, deputizing a total of 12.46 billion KWH of bilateral electricity. What's more, Laizhou Company, Shiliquan Power Plant and other units were organized to have opened 43 users in Dongying, Binzhou, Heze, Rizhao, and Dezhou, and other places where the company's assets have not yet been deployed, and the contracted power is 3.3 billion KWH; In the meantime, strengthened contact with social independent power sales companies and an agreement was reached with 20 social independent power sales companies to sign bilateral power of 3.76 billion KWH. In 2017, Shandong Branch won over a total market power of 30.084 billion KWH, accounting for 34.5% of the whole province's market power, which is 4.1% higher than the volume ratio.

Through taking a series of measures, Huadian Power International has taken the initiative in the market in the growing vigorously surge of electric power reformation, providing large customers with a continuous high-quality electric power, and on the basis of ensuring the own profitability, digging into the potential for cost reduction and efficiency enhancement in order to strive to provide customers with the most preferential power prices to effectively reduce the customer's operating costs and promote the development of social economy.

1. Stabilize the supply, Realize the value



During the reporting period, Huadian Power International controlled its management strictly and did not relax as always, and output electricity and heat continuously and stably to ensure a stable and orderly development of the social economy. Meanwhile, it actively explored new markets, strictly controlled procurement procedure, and adopted its influence power to drive the healthy development of upstream and downstream enterprises and power-related industries. The Company also actively responded to the national innovation call, played a leading role in the innovation of the central enterprises, invested large sum of money in advanced technology development and research, and constantly enhanced the core competitiveness of enterprises.



1. Stabilize the supply, Realize the value (Continued)

1.1 IMPLEMENT PRODUCT RESPONSIBILITY

Huadian Power International not only regards electricity production and heating supply as a part of enterprise's operations, but also regards it as a social responsibility for ensuring social development and serving the lives of the people. During the reporting period, the Company continued to adhere to strict and meticulous management methods and provided reliable energy protection for major social events and people's production and life during the reporting period. During the reporting period, the company's power generation was amounted to 191.719 billion KWH; with a year-on-year increase of 0.87%; heating supplied capacity was 81.8285 million GJ; with a year-on-year increase of 13.10%.

[Case] Huadian Power International: Stabilize power supply and escort the "One Belt and One Road" Summit

In the early summer of 2017, the distinguished guests from more than 100 countries and institutions gathered in the ancient capital, Beijing to participate in the "One Belt and one Road" international cooperation summit forum. Huadian Power International paid high attention to the work of safety production during the "Belt and Road" conference period and fully deployed to strengthen safe and stable work.

On the one hand, the company decomposed and implemented safety, environmental protection, electricity protection, and communication measures, combined spring inspection rectification and special rectification work, and strengthened inspections to see if there was lacking of production equipment, and in particular, strengthened the security inspections and hidden trouble investigations of key units and key equipment of electricity protection during key periods. On the other hand, the company paid more attention to green, low-carbon and environmental protection, strengthened the environmental management during the meeting, and stabilized the output of green energy. The subordinate installed wind turbine generators with 3.1815 million KWH were all under safe operation, and 64 sets of thermal power generating units have completed ultra-low emission reformation, all units were discharged strictly in accordance with standards. Additionally, the Company also arranged to strengthen duty shifts during the period of electricity protection, and related personnel were on duty 24 hours per day to ensure timely and smooth communication and contact. The safety "zero accident" and environmental "zero anomaly" reporting system was fully launched to intensify internal information communication and emergency response. During the period of meeting, the Company ensured safe and stable power supply and green discharge standards through strict management and control.



Staff inspected equipment seriously during the meeting

1. Stabilize the supply, Realize the value (Continued)

[Case] Shijiazhuang Heating Group: Service by heart, give warmth to thousands of people

Heat supply is related to people's livelihood, and heating service brands are crucial for heating supply companies. Shijiazhuang Heating Group has always paid high attention to customer service management. The company has formulated *After-sales Service Management Measures*, *Management Measures for Heating Quality Supervision and Inspection*, *Customer Service Staff Service Specifications and Management Measures* and so on to respond to the municipal government's requirement of "heat supply to each household", standardize service processes, and improve customer experience continuously.

Shijiazhuang Heating Group announced and opened the 966366 customer service hotline on November 3, 2011 so as to deal with the user's heat problem in time. Based on the statistics, during the report period, the company's customer service hotline connection rate reached 98.89%, and a total of 20537 task work orders were distributed and the processing completion rate was 98.89%. In addition, the heating supply WeChat service platform is further improved to strengthen corporate image promotion, and the various functions of the service platform are gradually improved to adapt to the development of the enterprise.

It is just the insistence on excellence in service that makes the Shijiazhuang Heating Group's heating supply brands penetrate the hearts of each user and the corporate image of "Responsibility, Honesty, Guaranteeing People's Livelihood, and Promoting Harmony" was established and wide acclaim from all walks of life was obtained. During the reporting period, several units presented a banner to the Shijiazhuang Heating Group to express their high level of recognition for premium service.



9th Kindergarten in Chang'an District, Shijiazhuang presented a banner to Shijiazhuang Heating Power Group



1. Stabilize the supply, Realize the value (Continued)

1.2 SCIENTIFICALLY SEEK COOPERATION AND WIN-WIN DEVELOPMENT

Strategic cooperation

Under the situation of power reformation, it is difficult for the original company strategy to bring about power to the development of the Company in a new environment. Therefore, it is particularly important to adjust the Company's strategy timely in response to the situation and actively seek new strategic partners and jointly seek new development power. Huadian Power International understands this important point deeply, plans ahead, and works at every step to seize high-quality markets with all its strength. For the Company's long-term plan, it has laid important foreshadowing.

In 2017, Huadian Power International performed an in-depth study of national policies, combined with the characteristics of market demand, and currently reached strategic agreements with its partners in various fields. The distributed energy project is one of the power types that the company actively develops its layout therein.

As a more secure and flexible energy comprehensive utilization system, distributed energy sources are distributed in various user ports, it is the energy development mode that best embodies the multiple advantages of energy saving, emission reduction, safety, and flexibility. Its existence can achieve the in-depth utilization of various energy sources, reduce the energy loss transmitted over long distances, relieve pressure on the pitch peak of power grid, and reduce the difficulty of pollution treatment. Therefore, we can say that distributed energy source is an inevitable choice for power generating companies to adjust their structure to adapt to changes in the new situation. In the future, Huadian Power International will further carry out this strategy with a view to optimize the industrial structure layout as soon as possible.

Supplier management

For the daily operation of power generation and heating supply companies, the scientific selection and effective management of suppliers are very important. In order to ensure the quality of tendering and procurement, achieve cost control and efficiency enhancement, and improve supplier management, Huadian Power International formulated the *Administrative Measures for Huadian Power International Materials Co., Ltd. Suppliers* and *Huadian Power International Corporation Limited Infrastructure Material Purchase Management Measures* and *Huadian Power International Corporation Limited Production Materials Procurement Management Measures* and other related procurement systems in accordance with national laws and regulations and Huadian International's relevant regulations.

As per the relevant regulations, the Company performs dynamic evaluation and hierarchical management of suppliers through a unified supplier management information platform, evaluation criteria and management system, so that the Company system can scientifically and reasonably select and manage suppliers in the tendering and procurement process, thus reducing supply chain risk and achieving optimal choices.

1. Stabilize the supply, Realize the value (Continued)

[Case] Transparent and Open Purchasing Management – Huadian Power International Electronic Commerce Platform

Huadian Power International's "E-Commerce Platform" is a unified information platform for Huadian Power International Supplier Evaluation and Management. The platform mainly helps the Company's management layer to strictly control suppliers' access by collecting suppliers' qualification information, dynamic evaluation information, and out-of-system evaluation information, and adopts a combination of dynamic evaluation and annual review to regularly conduct a scientific and comprehensive objective assessment for the suppliers.

During supplier annual review per year, the Company conducts a comprehensive review of supplier qualification information, dynamic evaluation information, and out-of-system evaluation information by organizing expert review meetings, and classifies suppliers as four levels (A, B, C, and D) based on the evaluation results, finally forming a classification roll to be treated as an important basis when the Company's headquarters and branches choose suppliers in the bidding and procurement process. What's more, the Company also inspects suppliers' management work every year through four responsibility system assessments and annual performance evaluations, for suppliers' behavior which violates the *Huadian Power International Materials Co., Ltd. Supplier Management Measures*, the Company will punish them such as deducting marks or degrading, thus effectively ensuring compliance of supplier behavior.



Huadian Power International Supplier Management Platform Interface



1. Stabilize the supply, Realize the value (Continued)

1.3 BREAK THROUGH TECHNOLOGICAL INNOVATION ENTHUSIASTICALLY

In the world today, the scientific and technological innovation is becoming into the decisive factor for economy social development, moreover, the scientific and technological self-innovation ability proves to be the core of national competitive power. Huadian Power International recognizes the importance of depending on technological innovation to achieve quality improvement and efficiency enhancement and promote energy conservation and emission reduction in enterprises profoundly. Therefore, the Company invested a lot of funds in scientific research field and actively carried out various types of scientific research and innovation activities to strive to promote the Company to achieve new breakthroughs and upgrades in the current technical merit. During the reporting period, Huadian Power International invested 321.01 million yuan in scientific research and development field, obtained 119 patent licensing, and completed 63 science and technology projects approval.

[Case] Hubei Company: R&D with Keen Determination, Blaze new trails in a pioneering spirit

In 2017, Hubei Company centered on “Two Lows and One High” and actively promoted scientific and technological innovation, increased investment in science and technology, and promoted the landing of scientific and technological projects. And there were 9 projects approval for the entire year’s science and technology projects and the investment expense was RMB83,838,800 (including biomass power generation projects) and technology innovation drove the company’s development powerfully.

Firstly, the company vigorously promoted the key projects of Xiangyang biomass coupled power generation, Wuchang intelligent gas turbine power plant construction, research and application of pulse power supply for removal of fine dust and PM2.5 technology, desulphurization wastewater evaporation treatment, and exerted the leading role in science and technology strategy to achieve green low Carbon environmental protection operations. Secondly, the company gave full play to the role of scientific and technological talents, actively organized the publication of scientific and technological papers, applied for scientific and technological achievements and patents, and took part in scientific and technological innovation and creative competitions. This year, the Hubei company published more than 58 scientific and technical papers, and there were a total of 5 scientific and technological achievements and 8 innovative creative proposals for participating in the appraisal and selection. 3 scientific and technological achievements won the Outstanding Achievement Award of Enterprise Management Modernization and Innovation in Hubei Province in 2017. In 2017, the Hubei company newly increased 17 authorized patents for authorized utility models; There were 19 accepted patents, including 2 patents for invention and technology, 17 patents for utility models, and the patent work made new breakthrough.

[Case] Zhejiang Branch: Pay attention to innovation and implementation

Zhejiang Branch pays high attention to innovation and benefit-making work, and takes building the leading Huadian Zhejiang Gas Turbine brand in technology as the vision, combining the actual conditions of regional companies, integrates innovation and entrepreneurship into production operations and project development, and through construction and implementation of “Smart Gas Turbine”, “Internet + Energy”, big data, cloud platform, new energy, autonomous maintenance and other projects, certain results have been achieved in terms of innovation and entrepreneurship.

In 2017, the Zhejiang Branch won a total of 6 invention technology patents, 4 software monographs, 5 utility model patents, 4 accepted utility model patents, and won more than 40 awards for management innovation, scientific and technological progress, and QC achievements, and hosted and participated in 2 standard release items and published nearly 40 scientific and technical papers. From March 2017 on, the company organized and performed an annual scientific and technological innovation and creative activities. All grass-roots enterprises fully mobilized the enthusiasm of all employees to participate in innovation and benefit-making activities. Among a total of 31 projects collected, 7 projects were nominated for the quarter-final and 3 projects, recommended for the 2018 annual science and technology project and 1 project was nominated for final.

2. Strict implementation to strengthen safety



Work safety is the eternal theme of the electric power industry. And thus making efforts to work securely and ensuring a long-period, safe and stable operation of equipment is the working basis of power generation companies. At present, power producers are faced with a more complex operating situation – high coal prices, low utilization hours, and low electricity prices. Therefore, solid foundations for work safety and lean management of equipment are the fundamental and necessary requirements for improving relative competitiveness and building intrinsic-safety enterprise.

Huadian Power International has always been conducting self-discipline with high standards and severe requirements, strictly guaranteeing work safety, relying on a reasonable and orderly safety management system, and faithfully implementing safety management system for various matters. We also grasp every favourable opportunity to conduct educational training of occupational health and safety as well as emergency drill. Thanks to solid safety management and good cultivation and training for health awareness and safety skills, Huadian Power International hasn't experienced any work safety accidents or incidents that caused serious social impact in the reporting period.

2.1 MAKING EFFORTS TO ENHANCE SAFETY CONTROL

In the reporting period, the Company has strictly followed relevant national and industry laws, regulations, procedures, standards for work safety, and continued to improve its supervision and guarantee system; the Company, branch companies, and grass-roots units have all established work safety committee and three-level (factory, workshop, team) safety supervision network; we have attached great importance to the construction of safety systems, as of the end of the reporting period, Huadian Power International has formulated 17 work safety management systems including the *Work Safety Responsibility System*, *Regulations on Work Safety*, *Administrative Regulations on Hidden Trouble Investigation and Elimination*, *Administrative Regulations on Safety of Contract Award and Contracted Project*, and *Measures for the Management of Traffic Safety*; We particularly strived to control the safety of outsourcing projects, strictly implemented the responsibilities of owners, supervisors, and contracting parties, and prohibited "contract replacing management" and "contract without management" to ensure project safety; we coordinated the work of safety evaluation and hidden trouble identification and management, focused on eliminating potential safety hazards and strengthened the management of unsafe incidents. For the existed unsafe incidents, the company investigated and analysed its causes, formulated relevant prevention measures, and educated and punished related responsible persons according to the "Four No Admission" requirement.

In addition, in order to improve the safety management level of grass-roots units and strengthen employees' working capability, Huadian Power International has developed a certification exam system for safety skills training, which stipulates that all safety production management personnel and workers in grass-roots units shall take the safety skills training certification exam. Only those certified personnel can engage in work on site. The introduction of this system has greatly improved the safety shitsuke of managerial and production personnel in the grassroots units. In the reporting period, 70,716 person-times have passed the Company's safety certificated exam; by the end of the reporting period, the Company had a total of 474 safety specialists.



2. Strict implementation to strengthen safety (Continued)

In the period of the report, Huadian International continued to strictly abide by the laws and regulations concerning occupational health such as the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and relevant industry standards and regulations, strengthened the management of safety facilities allocation in workplace and the management of safe working environment, designed, constructed, put into production and operated the occupational health facilities of newly constructed generator units in accordance with the “three simultaneously” for occupational health in national construction projects and got reviewed by national qualified agencies to ensure that the safety facilities on the production site are fully equipped and reliable, and that safe working environment is ensured; we made great efforts to control the safety of flammable and explosive areas and major hazard sources, improved the alarming and ventilation facilities and monitoring for the concentration of flammable and explosive gas to ensure that these areas and major hazard sources are under control and in control; we regularly monitored the possible causes of occupational diseases such as dust, noise, toxic and hazardous substances and electromagnetic radiation in working areas, set up announcement board and offered notice card at the entrance and observably put up warning signs of the danger of occupational diseases in relevant areas, and strengthened the inspection and maintenance of occupational health facilities to ensure that they are working effectively; we further strengthened emergency management, formulated and improved contingency plans and strengthened drills, continuously improving the ability of relevant personnel to handle emergency situations. In the reporting period, the Company has carried out 1,459 times-sessions of various safety emergency drills.



The company in Hubei province carried out safety emergency drill

Case: Ningxia Branch's Innovative Management in Security Field

Ningxia Branch conducted an in-depth study on the mechanism of operational risk management and control of power generation companies and formulated seven new measures for operational risk management: establish regional security management and control network institution and reduce management levels to form resultant forces; implement the “permission system” of classification and control of operational risk and formulate list of risky operations to achieve classification of risk control and prevention; establish an information release platform for operational risks to stay current with high-risk operation, manage the operation and prevent risks simultaneously; implement the “person-to-person” personal safety protection mechanism, add “environmental risk assessment” into safety training, evading the risk of personal injury and death caused in individual operations; assign safety supervision specialists to outsourcing teams, effectively connecting with outsourcing teams and strengthening the management; strictly implement “Ten Bans” on work safety, creating high pressure against violation; strengthen supervision to safety “required actions”, ensuring that the safety technical measures and superior company documents are fully implemented.

In 2017, Ningxia branch maintained a stable situation of regional work safety. The three regional units were all awarded the honourable title of “Intrinsically Safe Five-Star Power Generation Enterprise”.

2. Strict implementation to strengthen safety (Continued)

2.2 STRIVING TO CULTIVATE THE HEALTHY AND SAFETY AWARENESS

In addition to strict requirements in management, enterprises at all levels of Huadian Power International have also carried out occupational health and safety education activities that are rich in content and various in form, committed to spreading relevant knowledge and experiences of occupational health and safety risks and their prevention to the employees, and built strong occupational health and safety culture atmosphere to encourage the employees to set up the safety protection consciousness in daily work and realize the change of concept from “I am required to be healthy and safety” to “I should be healthy and safety”.

[Case] Guang'an Company: Comprehensively improving occupational health management

Guang'an Company especially paid attention to strengthening the occupational health management work. The company established a special management organization, further revised the standards related to occupational health management such as Occupational Health and Safety Management and Safety Technology Labor Protection Measures according to actual situation and strictly standardized the management process. In 2017, Guang'an Company took the following measures for occupational health management.

- Paying attention to occupational health management training. The company effectively improved the training effect by doing pre-job training, paying equal attention to occupational health training and daily skills training, promoting the employees' occupational diseases prevention skills via special activities and widely hanging and posting occupational warning label, etc. at the work site
- Strict process control and real-time monitoring of occupational health condition. The company carried out the inspection and declaration work according to laws and regulations; organized the employees on fixed posts to accept physical examination regularly. It totally arranged 736 employees to accept occupational health physical examination in 2017. Physical examination rate of employees exposed to occupational hazards was 100% and no suspected case of occupational disease found. In addition, the company also paid attention to further perfecting the management work by high quality and high quantity maintenance of occupational protection equipment and strict daily monitoring.

In 2017, the company had the honor to win “Advanced Enterprise in Occupational Health Management” and was elected as Occupational Diseases Hazard Prevention and Control Management Demonstration Unit of Guang'an City, which was generalized and learned in large enterprises of Guang'an City.



Employees of Guang'an Company Participating in Safety Training Intensively



3. Green Power, Guarding Homeland

In addition to continuously supplying safe and stable electricity for the society, Huadian Power International kept in mind at all times to maintain the blue sky above the head, and keep watch the pure land under the feet. During the reporting period, Huadian Power International continued to adhering to the obsession of “clean electricity supply” and actively carried out ultra-low emission transformation and energy-saving transformation of various units and promoted the development of clean energy project as always to continuously improve the proportion of clean energy power generation; Meanwhile, it positively carried out ecological compensation&protection projects to minimize the impact of corporate operation on ecological environment and contribute to the construction of harmonious ecological civilization.

ENVIRONMENTAL PERFORMANCE DURING THE REPORT PERIOD

Item	Unit	Quantity	Remarks
Total environmental protection input	RMB Ten thousand	558,667.50	Including capital input and cost input
Integrated own demand of thermal power plant	Mwh	12,309,400.80	/
Total consumption of national gas	Ten thousand m ³	144,293.20	/
Total consumption of fuel	Ten thousand tons	1.30	/
Total consumption of coal	Ten thousand tons	7,784.50	/
Standard coal consumption per unit generating capacity	g/kwh	282.20	/
Total water consumption	Ten thousand tons	28,220.20	/
Water consumption per unit generating capacity	g/kwh	1,417.10	/
Sulfur dioxide emissions per unit generating capacity	g/kwh	0.14	/
Nitrogen oxide emissions per unit generating capacity	g/kwh	0.19	/
Soot emissions per unit generating capacity	g/kwh	0.02	/
Total greenhouse gas emissions	Ten thousand tons of CO ₂	14,706.20	Including thermal power plant only
Total direct greenhouse emissions	Ten thousand tons of CO ₂	14,696.00	Including thermal power plant only
Total indirect greenhouse gas emissions	Ten thousand tons of CO ₂	10.20	Including thermal power plant only
Greenhouse gas emissions per unit generating capacity	kg/kwh	0.70	/
Waste catalyst generation of thermal power plant	Ton	1,517.80	All recovered and reused by catalyst manufacturers
Used oil generation of thermal power plant	Ton	768.80	The recovery rate is 98.5%. The part not recovered will be temporarily stored in each power plant for recovery in the next reporting period.
Waste bag filter generation of thermal power plant	Piece	18,916.00	The recovery rate is 100%.
Total generation of coal ash	Ten thousand tons	1,878.70	The part not recovered and reused will be temporarily stored in ash yard of each power plant for recovery and reuse in the next report period.
Comprehensive utilization rate of coal ash	%	88.30	
Total generation of slag	Ten thousand tons	396.30	The part not recovered and reused will be temporarily stored in slag yard of each power plant for recovery and reuse in the next reporting period.
Comprehensive utilization rate of slag	%	81.10	
Total generation of desulphurization gypsum	Ten thousand tons	481.50	The part not recovered and reused will be temporarily stored in each power plant for recovery and reuse in the next reporting period.
Comprehensive utilization rate of desulphurization gypsum	%	83.00	

3. Green Power, Guarding Homeland (Continued)

3.1 ACTIVELY PRACTICING POLLUTANT EMISSION REDUCTION

“Green hills and clear waters are mountains of gold and silver”. With China’s economic development entering a “new normal”, “building of a harmonious ecological civilization” has been placed in an increasingly prominent position. As traditional major emitters, the calls from all sectors of society for clean development and clean operation of power industry has increasingly become loud. Huadian Power International actively conformed to this trend, comprehensively knew the real situation of its own “three-wastes” emission level, further tapped its potential in transformation and emission reduction and actively carried out the ultra-low emission transformation work. During the reporting period, the Company totally completed the ultra-low emission renovation project of 18 coal power units with a total capacity of 8.955 million kilowatts. By the end of the reporting period, the capacity of coal power units which had completed ultra-low emission renovation reached 33 million Kilowatts, accounting for 94.0% of total capacity of coal power units; In addition, the Company recovered hazardous waste in strict accordance with national and local regulations, and actively communicated and consulted with the downstream enterprises to expand the reuse channels of harmless wastes; By taking the above measures, the Company effectively reduced its own pollutant emission level and achieved good social and environmental benefits.

During the reporting period, performances of sulfur dioxide, nitrogen oxides and soot emissions per unit generating capacity of the Company’s coal power unit were decreased by 26.3%, 5% and 33.3% respectively relative to the last reporting period.

[Case] No. 6 Unit of Huadian Power International Zouxian Power Plant and No. 7 Unit of Huadian Zouxian Power Generation Co., Ltd. Having Completed ultra-low emission transformation.

Huadian Power International Zouxian Power Plant is a main coal-fired power plant of Huadian Power International. At the beginning of 2017, Huadian Power International input RMB270 million in ultra-low emission transformation of flue gas system of No. 6 Unit of Zouxian Power Plant and No. 7 Unit of Zouxian Company, which were put into use after environmental protection acceptance in May and July 2015 respectively. Total installed capacity involved in this transformation reached 1.6 million kilowatts and the advanced flue gas treatment system of “three-layer catalyst denitration + low low temperature five-electric field electrostatic dust removal + single/dual-tower limestone-gypsum desulphurization + efficient demister dedusting + heat exchanger warming” was used, which could make the emission concentrations of the pollutants such as sulphur dioxide, nitrogen oxides and soot be decreased by 70%, 50% and 70% respectively.

Through field test, the main pollutant emissions of the two units which had completed transformation, met the ultra-low emission requirements of *Air Pollutant Emission Standard of Thermal Power Plant in Shandong Province* and were greatly lower than the *National Ultra-low Emission Standard of Thermal Power Plant*.

[Case] All Units of Xiangyang Power Plant of Huadian Hubei Company Having Completed Ultra-low Emission Transformation.

Xiangyang Power Plant of Huadian Power International is located in Xiangyang, a beautiful ancient city and adjacent to Han River, water source of middle route project of “South-to-North Water Diversion”. From April 2017, Xiangyang Power Plant of Huadian Power International successively invested RMB200 million to implement a large scale ultra-low emission transformation for No. 2, No. 3, No. 5 and No. 6 units. In the transformation process, Xiangyang Power Plant advanced the process of transformation project in a scientifically, reasonably and orderly manner and strictly in accordance with the project design documents, to ensure all projects were completed and put into use within the reporting period.

All the transformation projects reached expected emission reduction effects and achieved good environmental benefits. After transformation, annual emission reduction of nitric oxide (NO_x), sulfur dioxide and soot can reach 3,057.3 tons, 6,603.2 tons and 1,493.8 tons respectively. By the end of the reporting period, Xiangyang Power Plant of Huadian Power International completed the ultra-low emission transformation work for its all six units, which powerfully supported the environmental protection work of beautiful ancient city Xiangyang and water source Han River through practical actions.



3. Green Power, Guarding Homeland (Continued)

[Case] Making Full Use of Online Detection to Accurately Master Emission Data

In order to accurately understand the emission situation in its operation process, at the end of 2017, all the four coal-fired units were equipped with an online monitoring system (hereinafter referred to as CEMS) at denitration inlet and outlet, dust remover outlet and desulfurization inlet and outlet, and optimized, upgraded and reconstructed by Xisai Mountain Power Plant of Hubei Company.

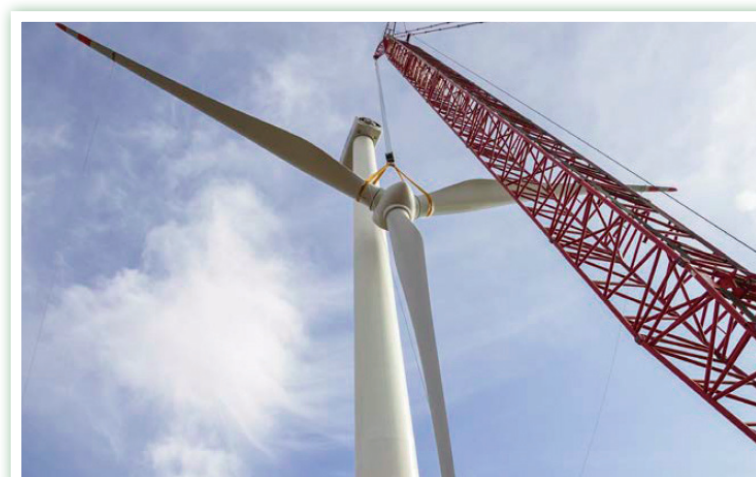
After transformation, the system's measurement accuracy was greatly improved and some main emission detection data was directly connected to municipal and provincial pollution source emission monitoring system. Main pollutant data at the desulfuration inlet and outlet was also connected to the group's dispatching monitoring system. At present, Xisai Mountain Power Plant is actively making preparations for connecting CEMS data to "National Pollution Source Monitoring Information Management and Sharing Platform", and integrating with national pollutants discharge license public information system to meet the requirements of self-disclosure of emission data by enterprise.

Xisai Mountain Power Plant paid high attention to management for CEMS and deemed it as an important content of environmental protection supervision. In addition, it specially formulated an operational maintenance and assessment system to strengthen daily inspection, timely report and treat abnormal conditions. Thanks to daily management for CEMS in place, there was no material misstatement event of monitoring data during the reporting period, and CEMS at desulfurization outlet passed the effectiveness audit by environmental protection department.

Egrets fly before Xisai Mountain, there are peach blossom blooming, running water and fat mandarin fish". The employees of Xisai Mountain Power Plant took the famous quotation from Zhang Zhihe, a poet in Tang Dynasty as a common environmental protection concept, committed themselves to daily environmental protection work with great enthusiasm and truly realized "letting egrets fly in line, forming the same color with the blue sky".

3.2 WHOLE-HEARTED IMPLEMENTATION OF GREEN ENERGY-SAVING

Energetically developing clean energy



3. Green Power, Guarding Homeland (Continued)

Looking ahead to the world, climate change is becoming more and more intense, and low-carbon development has become a general trend. During the reporting period, Huadian Power International continued to strengthen the construction of gas power generation and renewable energy generating units. As of the end of the reporting period, Huadian Power International had a total installed capacity of clean energy of up to 10,130,100 kilowatts, with an increase of 657,900 kilowatts compared with that in the last reporting period, including:

- Total capacity of gas generator: 4,426,500 kilowatts
- Total capacity of wind generator: 3,428,900 kilowatts;
- Total capacity of hydro-electric generator: 1,959,000 kilowatts;
- Total capacity of solar power generator: 290,700 kilowatts;
- Total capacity of biomass power generator: 25,000 kilowatts;

In addition, the Company continued to strengthen the distribution of clean energy projects and obtained total capacity of clean energy power generation approved/recorded of up to 5,716,300 kilowatts.

[Case] Humen Wind Power Plant of Huadian Feicheng New Energy Power Generation Co., Ltd. Put Into Service

Huadian Feicheng New Energy Power generation Co., Ltd. was established in July 2014, which is a wholly owned wind and photovoltaic power generation enterprise of Huadian Power International Corporation Limited. The company initially planned to build 200,000 kilowatts new energy projects in Feicheng, Shandong, of which Fumen Wind Power Plant started construction in June 2016 and completed construction for one year and was put into operation in July 2017.

Humen Wind Power Plant has a total installed capacity of 49.9 MW, a total of 25 wind generating units and a total project investment of RMB388 million. After being put into production, it can replace fossil energy amounting to standard coal of 33,000 tons per year, and accordingly it can reduce multiple atmospheric pollutant emissions per year, including about 634.9 tons of sulfur dioxide emissions about 8.7 tons of carbon monoxide, about 3.6 tons of hydrocarbons, about 360.8 tons of nitrogen oxides, about 78,000 tons of carbon dioxide and about 10,000 tons of ash. The project also combined with the forestry production promotion work in villages and townships, increased the afforestation strength, and formed a better environmental demonstration effect.



3. Green Power, Guarding Homeland (Continued)

Energetically Carrying out Energy-saving Technical Reform

In addition to actively developing the layout of clean energy power generation, Huadian Power International also attached great importance to energy-saving and water-saving technical transformation of existing coal-fired power generating units. During the reporting period, Huadian Power International had successively invested much capital in implementing a batch of important energy-saving and water-saving technical transformation projects such as Zhaoguanping Power Plant and Shuozhou Power Plant, which effectively reduced coal consumption and water consumption of units and also generated considerable economic benefits at the same time of improving the resource use efficiency. During the reporting period, the standard coal consumption and water consumption per unit generating capacity of the Company were decreased by 0.6% and 5.5% respectively compared with those in the same period last year.

[Case] No. 5 Unit of Huadian Guangdong Pingshi Power Generation Co., Ltd. Completing Energy-Saving Transformation

Pingshi Power Plant is a national medium-sized thermal power plant. It has three coal-fired generating units in operation, with an installed capacity of 725 MW, of which No. 5 unit was put into operation in 2010 and used 300 MW circulating fluidized bed boiler.

After operation for seven years, the boiler combustion system had exposed many problems, such as uneven fluidization of boiler bed surface, low separation efficiency of cyclone separator and increase in air leakage of air preheater, all of these directly affected the unit's power supply coal consumption.

Aiming at the above problems, Pingshi Power Plant implemented energy-saving transformation for No. 5 boiler combustion system, including three major transformation contents, namely transformation of furnace hood, transformation of center cylinder of cyclone separator and transformation of low-temperature section of air preheater. Transformation was started in March 2017 and was officially put into operation on October 5, 2017. After transformation was completed, boiler fluidization quality obviously became better and combustion efficiency of fire coal was increased; boiler's fly ash carbon content and slag carbon content were decreased, and boiler efficiency was increased; in addition, heat transfer efficiency on the surface of pipe air preheater was also improved, and thus air leakage and fan power consumption were reduced.

After the comprehensive calculation of energy saving efficiency, energy consumption per unit generating capacity of the unit after transformation can be decreased by 3.5g standard coal/KWH. Calculated based on 3,000h utilization time of the unit per year, about 3,150 tons of standard coal per year can be saved.

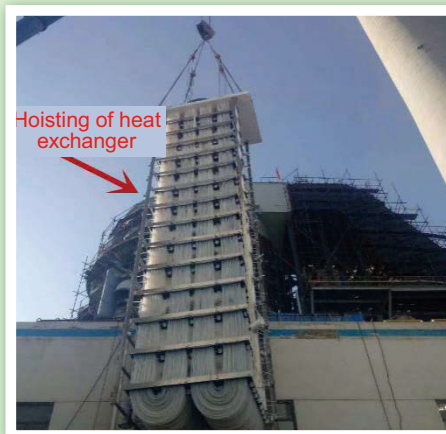
3. Green Power, Guarding Homeland (Continued)

[Case] No. 2 Unit of Huadian Shuozhou Power Plant Completing Flue Gas Waste-Heat Utilization Transformation

The project was to respectively arrange a set of fluoroplastic deep flue gas waste heat recovery heat exchanger in original flues on both sides, before the desulfurizing tower and behind induced draft fan. Thus, it could heat the hot-net circulating backwater with waste heat of recovered flue gas in the heat supply period of winter. After transformation was completed, it not only could reduce five-section extraction steam of turbine, increase high quality steam work ability, increase generating capacity, reduce power supply coal consumption, but also could be conducive to deep energy saving of boiler tail flue gas, reduce carbon emissions and related pollutants discharge, and reduce the desulfurization process water evaporation, making it play an important role in enterprise reducing production cost.

The project was started on July 25, 2017 and was completed on October 16, 2017 with a total investment of RMB48.13 million. After it putting into operation, all the equipment were operated safely, stably and reliably, and energy saving effect was remarkable.

According to estimation, it can effectively reduce the power supply coal consumption of about 5.77g standard coal/KWH, save water consumption of about 34 cubic meters per hour, accumulatively recover heat of about 731.5 GJ/day and generate an economic benefit of about RMB17,000/day.



3. Green Power, Guarding Homeland (Continued)

Effectively manage carbon emissions

In December 2017, China's unified carbon emission market was officially launched.

Power generation industry, as one of the first batches of industries incorporated into national carbon market, faced a series of new challenges such as effective management of carbon assets and reduction of enterprise carbon emission cost in addition to coal price up and surplus generating capacity. In order to effectively resolve the pressure under this new situation, Huadian Power International took various measures from top to bottom, strengthened policy research and grass-roots management, made deployment in advanced and carried out fine management. Including:

- **Strategic level**

It scientifically adhered to "carbon lead", actively carried out carbon emission and trade policy research, timely grasped the market dynamics, carried out an in-depth research on carbon asset trading strategy and overall management and medium and long-term strategic planning of carbon emission of power generation enterprises, determined the Company's carbon management and control target indicators, promoted development in main businesses by utilizing carbon assets operation, effectively integrated the low-carbon development concept and strategies into the Company's long-term development planning and further guided and promoted the Company's low-carbon development transformation during the "13th five-year plan".

- **Operational level**

Continued to improve carbon emission management, and promote the construction of data statistics accounting system. Through the informationization of carbon emission management, it figured out the Company's overall carbon emission situation as far as possible and basic data of carbon emission of key emitters. It also fully utilized the group company's carbon emission statistics information system to form a long-term carbon emission data collection, sorting and analysis system and gradually forming an accurate data assessment and predication ability, hence optimize the Company's carbon assets allocation and actively cope with national carbon trade market.

3.3 STRIVING TO CREATE A HARMONIOUS ECOLOGY TOGETHER



In addition to actively taking measures to reduce pollutant emission and reduce resource consumption, Huadian Power International also attached great importance to protection of ecological environment around the operation site. During the reporting period, Huadian Power International continued to carry out the activities of multiplication and release of rare fish in the reservoir area of hydropower station and contributed to protection of ecological balance and biodiversity of the reservoir area. In the construction of new projects, environmental protection and soil and water conservation work was carried out in strict accordance with national and local standards, to minimize the disturbance level of project construction on environment.

3. Green Power, Guarding Homeland (Continued)

[CASE] FISH MULTIPLICATION STATION OF LUDING HYDROPOWER PLANT IN THE DADU RIVER

In order to protect the aquatic resources in the Dadu River basin, a fish multiplication station was constructed downstream the dam site of hydropower plant of Huadian Luding Hydropower Company according to the hydropower development guidance thought of “development in production and improving in development”, and entrusted a professional biotech company with *License for Producing Aquatic Fingerlings* for operation and management all the year round.

With an area of more than 10 mu, the fish multiplication station mainly tames and breeds the fish such as *Schizothorax prenati* and *Schizothorax davidi* (commonly known as “Yayu”). *Schizothorax prenati* is important economic fish in the tributaries of the upper reaches of the Yangtze River and *Schizothorax davidi* is second level protective animal of Sichuan Province.

The fish multiplication station was completed on September 30, 2010 and was formally put into operation in April 2011. So far, it has been normally operated for 7 years and carried out the large-scale fish release activity for 12 times. By the end of reporting period, totally 830,000 *Schizothorax prenati* and 470,000 *Schizothorax davidi* have been released into the Dadu River. Within the reporting period, totally 140,000 *Schizothorax prenati* fry and 60,000 *Schizothorax davidi* fry have been released into the Dadu River.



Panorama of Fish Multiplication Station



Schizothorax prenati



4. Respecting Employees and Sharing Results



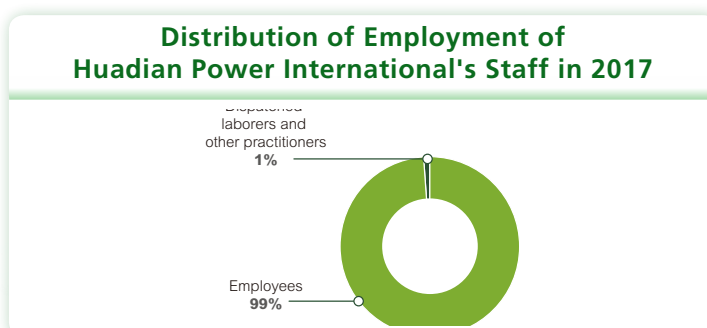
Huadian Power International believes that harmonious development is inseparable from internal and external cultivation. In the interior of the Company, Huadian Power International insists on equal employment and democratic management, respects and protects the employees' legitimate rights and interests, gives employees close care and supports staff growth and development. In the exterior of the company, Huadian Power International conforms to the trend, seriously looks for the best strategic partner, establishes a scientific and sunny supplier management system, and strives to build a harmonious, integrated and mutually beneficial and win-win industrial chain.

4.1 PRACTICALLY PROTECT EMPLOYEES' RIGHTS AND INTERESTS

Equal employment

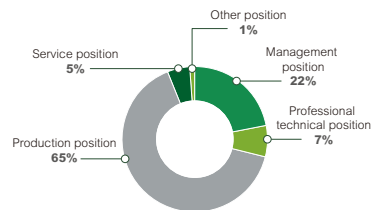
Huadian Power International strictly follows the requirements in Labor Law, Labor Contract Law and other relevant laws and regulations, adheres to the principle of fair and equitable employment, rejects child labor and prohibits all forms of discrimination and forced labor. As of the end of the reporting period, the Company has 28,322 employees. Within the reporting period, the labor contract signing rate reaches 100% with no illegal employment.

As of the end of the reporting period, staffing of Huadian Power International in all dimensions is as follows:

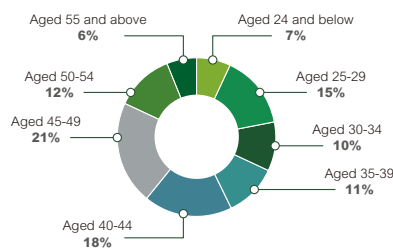


4. Respecting Employees and Sharing Results (Continued)

Distribution of Posts of Huadian Power International's Staff in 2017



Distribution of Age of Huadian Power International's Staff in 2017



Employees' rights and interests

Huadian Power International always adheres to the talent concept "Knowing talents by performance, choosing the best through competition and paying remuneration on the basis of performance". With years' exploration and practice, it gradually sets up a performance and remuneration management system covering check and decision of total salary of the Company, distribution of the company's internal revenues, performance evaluation of enterprise and employees, on the basis of the state's laws and regulations and relevant policies and regulations of the superior company regarding remuneration management and in combination with the Company's management practice. The performance and remuneration management system focuses on controlling and supervising the process of performance evaluation, insists on following and serving the Company's development strategy, and decomposes level by level and transfer the management goals and responsibilities to constitute effective support from top to bottom in combination with the management practice of regional companies. At the same time, the system observes the principle of distribution according to work and adheres to the priority of quality and benefit and the importance of efficiency and fairness, which effectively ensures the basic welfare of employees.

In addition to providing reasonable remuneration to the employees, Huadian Power International clearly knows that it shall attach great importance to health condition of each employee at the front line as a power generation and heat supply enterprise. In the reporting period, Huadian Power International will orderly organize the employees to have regular physical examination (the occupational health examination coverage rate is 100%) for occupational diseases. The company has additionally purchased commercial medical insurance for the employees. The insurance coverage rate is 93.5% within the reporting period.

Moreover, Huadian Power International strongly advocates democratic management of employees, provides reasonable rest days to the employees strictly in accordance with various laws and regulations and provides appropriate subsidies for overtime work in accordance with relevant regulations.

Employee care

Huadian Power International insists on "people-oriented", practically cares about the employees' lives and consistently carries out employees' colorful stylistic activities each year to enrich their spare time; actively cares about difficult employees, continually carries out supporting activities for the difficult employees, effectively solves the employees' actual difficulties and reasonable demands so that each employee can feel comfortable in Huadian.



4. Respecting Employees and Sharing Results (Continued)

[Case] Celebrate the “Women’s Day” with colorful activities

In order to celebrate the 107th “International Working Women’s Day” on March 8, 2017, the company’s organization held funny games integrating recreation with contest and all grassroots units carried out colorful activities such as female employee caring forum, art show, themed painting and calligraphy competition, romantic floriculture training and public service to give greetings and best wishes to the female employees.



4.2 DEVOTED TO THE DEVELOPMENT OF TALENTS

Huadian Power International is devoted to providing a platform for the employees to embody their value, broadening the employees’ occupational career paths and promoting the construction of “Happiness Huadian Power” so that the employees can have more senses of belonging, of gain and of pride.

With respect to talent cultivation, the Company doesn’t only focus on improving the professional quality of the employees and also focuses on cultivating the employees based on the spirit of craftsman instead of giving common skill training. In 2017, Huadian Power International further improved the existing training system and conscientiously researched the employees’ career promotion mechanism, trying to provide a prospective career development path for the employees. The representative measures carried out during the reporting period are as follows:

- We improved the system of working with relevant certificates, organized the promotion and implementation of Post Capacity Training Standards, strongly carried out the training of post capacity standard and set up a system of working with relevant certificates and an evaluation system of employees’ professional ability.
- We enhanced the cultivation of critical shortage talents in order to adapt to the demands of company strategic development and reform deepening, and enhanced analysis and research of electricity market, marketing, financial management, legal affairs and cultivation of shortage talents such as internationalized talents.
- We practically carried out induction training and pre-job training of young employees, organize 400 person-time centralized pre-job training for newly employed youth employees in terms of thermal control and electrical overhaul to practically improve the youth employees’ job skill levels and pre-job adaptability.
- We organized selection and authentication of the first batch of company-level internal trainers, sped up construction of employee skills training center, enhanced capital investment and allocation of professional managers on the basis of rectification of existing training resources of such enterprises as Zouxian, Guyuan and Baozhusi, so as to effectively develop the core roles of internal trainers in the training system and improve the transmission of advanced culture and technology and the share of training resources,

4. Respecting Employees and Sharing Results (Continued)

- We researched and set up an incentive and restraint mechanism of talents from all regions and established a cross-regional talent flow platform to eliminate bottleneck restrictions and realize rational allocation of talents.



[•]

Huadian Power International did the following training performances during the reporting period:

Year 2017								
Dimension	Unit	Participating the training provided by the group company and the superior organizations	On-the-job training				Other training	Total
			Qualification training	Adaptability training	Technical level training	Continuing education		
Person-time of trainees of different training contents	Person-time	8,733	62,767	131,024	2,021	1,568	91,389	297,502

Year 2017						
Dimension	Unit	Enterprise leadership (including director's supervisor)	Professional manager	Professional technician	Skilled personnel	Total
Person-time of trainees of different types	Person-time	3,170	45,688	31,049	217,596	297,502
Rate of all staff training	%	90				

Average training hours of each employee	Hour	79
Average training hours of each enterprise leadership (including director's supervisor)	Hour	134
Average training hours of each professional manager	Hour	74
Average training hours of professional technician	Hour	75
Average training hours of skilled personnel	Hour	79



4. Respecting Employees and Sharing Results (Continued)

[Case] Benchwork Skill Competition of Newly Employed Employees of Zouxian Power Plant

Zouxian Power Plant attaches great importance to the cultivation and promotion of professional skills of newly employed employees. The company carries out colorful activities in multiple forms each year in order to effectively improve the employees' professional skills.

On February 16, 2017, Zouxian Power Plant held a 2017 benchwork skill competition of newly employed employees in which 26 newly employed employees in total actively take part. After fierce competition, three employees from the electrical team, the dust removal and inspection team and the gas security team won the first prize, the second prize and the third prize respectively. This competition practically promoted the enthusiasm of new employees to learn business and improve the skills and encourage them to refine the "Spirit of Craftsman" so that they provided youth power for quality and efficiency improvement.



[Case] Innovative training form of Huadian Eastern Inner Mongolia Company

The website of Eastern Inner Mongolia Company creates some new-staff training segments including five parts: training dynamics, courseware, weekly study report of new staff, learning and thinking and training reporting. The "training dynamics" mainly displays daily work and activity trends of staff training. The "courseware" mainly introduces company-level training material and new employee induction process. The "weekly study report" displays the employees' study contents and understanding at each stage. The "learning and thinking" is intended to enable the employees through training to express their own understanding and subsequent plans in writing form. The "training reporting" is mainly intended to inform of the phase-based inspection regarding the training work of wind of each department and each wind farm so as to further conduct training better.

In face-to-face staff training, the company is not only limited to traditional text summary. The employees are required to report weekly and monthly learning reports so that the entire study becomes more vivid, and the new employees are required to make regular summary of their learning and lives in the company to absorb the study contents better and make themselves faster understood by the old ones. The comprehensive combination of the five parts makes the monotonous training more vivid. The multiple forms of training enrich the new employees' interests and display their mental outlook.



5. Contributing to the society and joining in public welfare services



As a listed central enterprise, Huadian Power International always remembers to make contributions to the public and develop public welfare undertakings. With practical action, the Company tries to practice the slogan "Huadian of China, Gives Care In Each KWH of Electricity".

5.1 TARGETED POVERTY ALLEVIATION TO MEET THE PEOPLE'S LIVELIHOOD NEEDS

In response to the government's call for "targeted poverty alleviation" actively, Huadian Power International carefully studies the relevant policy documents, keep in mind the responsibilities of central enterprises, accurately identifies poverty families and insists on promoting the regional economy by developing industries to effectively help the region to get rid of poverty sooner. During the reporting period, Huadian Power International invests RMB7,064,500 in total in aiding poverty families, caring communities and making financial donations to help develop education and so on, including a donation of RMB6,525,700 directly for the purpose of poverty alleviation. Additionally, Huadian Power International makes personal donations of RMB86,480 for public welfare during the reporting period, including RMB50,380 for educational public welfare and RMB36,100 for aiding needy employees.

[Case] A green project of sunlight collection to warm the society – Huadian Taiqian 100MW Agriculture and Sunlight Complementation Photovoltaic Power Project

Huadian Taiqian 100MW Agriculture and Sunlight Complementation Photovoltaic Power Project is located in Houmiao Town, Taiqian County, Henan Province. It organically combines photovoltaic power with agricultural facilities construction by developing modern agriculture under photovoltaic panel and is a new pattern of industry integrating social benefit, ecological benefit and economic benefit.

This project is the only large-scale ground PV poverty alleviation project included in national PV annual poverty alleviation construction indicators in Henan Province. The project is intended to realize land value increment, growth of farmers income and helping poverty population by the operating mode of "PV+poverty alleviation industrial park". After putting into operation, RMB10,002,000 will be taken from the company's revenue each year to help 3,334 poverty population so that each household can obtain a support fund of no less than RMB3,000 each year. In addition, agriculture using high-efficient facility under photovoltaic panels can provide over 2,000 posts for local villagers and bring a steady income to over 2,000 poverty households. In this way, the project can really support the population with funds and enable them to get rid of poverty by themselves.



5. Contributing to the society and joining in public welfare services (Continued)



[Case] The envoy of steppe – Huadian Eastern Inner Mongolia Poverty Alleviation Team in the Village

Huadian Eastern Inner Mongolia Energy Co., Ltd. dispatched special persons on March 27, 2017 to carry out poverty alleviation work in the village and appoint a person as the assistant leader of Xiaojieji Town poverty alleviation team to assist with the targeted poverty alleviation work of Maofa Village, focusing on aiding four poverty households.

Since dispatched staff went into the village, they are conscientious and responsible and obtain the trust of poverty households with sincerity despite of difficulty. In order to successfully complete the work of targeted poverty alleviation, the company conscientiously studies the relevant policy documents of poverty alleviation of the superior level, makes efforts to fully understand the standards, visits the poverty households, makes friends with them, disseminate and explain poverty alleviation policies to the public, check and record the implementation of policies entitled to each household. Since 2017, the company has successively allocated special funds of RMB99,600 into the poverty alleviation work of Maofa Village, Xiaojieji Town. Within over 8 months, the company visited 168 poverty household-times and both two committees of the village strictly controlled precise identification. The villagers highly recognize the selection of poverty households and give much praise to the overall targeted poverty alleviation work. The company obtains significant achievements of targeted poverty alleviation.



Donating living materials to poverty households

5. Contributing to the society and joining in public welfare services (Continued)

5.2 COMMITMENT TO MAKE CONTRIBUTIONS TO THE SOCIETY

As a large central enterprise, Huadian Power International always remembers to make contributions to the society and manifest the social responsibility awareness of enterprise. In 2017, Huadian Power International actively devoted itself to the public welfare services, transferring love and warm to the communities. During the reporting period, the Company's employees take part in community voluntary services for 4,120 person-time and 68,000 hours.

[Case 1] Zhongning Company practiced Huadian Power Happiness Action to care about disadvantaged children

In order to further promote the spirit of Lei Feng, deepen Huadian Power "Happiness Action" and fulfil the social responsibility of central enterprises, young volunteers of Zhongning Company, by the arrival of the 54th Learn from Lei Feng Day, visited the home of Zhang Yanqin, a national moral model and a villager of Guandi Village, Shikong Town, Zhongning County on March 1.

The company's Youth League Committee brought necessities such as bedsheet and quilt cover and fruit to "Zhang Yanqin's Love Courtyard" and learned about the basic information of "Love Courtyard" and the living and study circumstances of orphans and disabled children. The volunteers also helped do cleaning, washing bedsheets and quilt covers and children's clothes, checking electric circuits and replacing sockets for the "Love Courtyard" to give more warmth to the courtyard. The company's Youth League Committee called for the Youth League members to continually promote the spirit of Lei Feng and aid the children one-to-one in "Zhang Yanqin's Love Courtyard", making Huadian Power "Happiness Action" deeply branded in Qixiang.



5. Contributing to the society and joining in public welfare services (Continued)

[Case] Ningxia Caowa No. 2 Wind Farm: A good neighbour better than a far-off relative

Huangping Elementary School is adjacent to Caowa No. 2 Wind Farm. With the ecological migration in Ningxia, many villagers have moved to the mountain outside. The remaining villagers are still poor although they don't suffer from hunger and cold any longer, especially they are unable to afford medical treatment.

Lin Jiayi, a 3-grade student of Huangpin Elementary School, suffers from cockalial conhanctirtis and the vision of both her eyes are weaker than ordinary people. In order to raise money to treat her disease, Lin Jiayi's parents commonly go out to work and thus her grandmother and grandfather have to assume the responsibilities to take care of her. After being aware of this situation, on the first open day to the group company, May 20, Ningxia New Energy Company invites 18 pupils including Lin Jiayi to visit Caowa No. 2 Wind Farm to popularize the knowledge of power generation, answer the questions of safe power utilization and give away stationery and sports goods donated by the staff. Afterwards, the company mobilizes its staff to make donations of over RMB4,000 to aid Lin Jiayi in treating her disease and looked for a concreting job in the immediate wind farm for her father to facilitate taking care of his parents and son.



Future Prospects

In 2018, Huadian Power International is still facing a complex and grim macroeconomic situation including increasingly fierce market competition, high coal price, continual strain of capital supply and continual increase of environmental protection cost.

Nevertheless, Huadian Power International will be active to overcome the difficulties: on the one hand, it will strongly drive itself to transfer from a simple conventional electric heat production enterprise to a comprehensive environmental-protection and energy-saving energy server; on the other hand, it will further deepen the reform of electric power to make an earlier response to the market competition.

Huadian Power International will do its best to complete the following work in the three aspects of economy, environment and society in 2018:

Economy	<ul style="list-style-type: none"> • We'll continually implement quality and efficiency improvement and make efforts to practice the intensive lean management model to ensure the goal of profit. • We'll seize the new opportunity of new electric change and economic restructuring to break through the restriction of simple power generation business and develop new business and benefit growth point.
Environment	<ul style="list-style-type: none"> • We'll follow the domestic and international low carbon development trends to largely drive clean low carbon energy. • We'll actively promote technological innovation, increase energy efficiency, reduce greenhouse gas emission and deeply study carbon asset management and emission trading to gradually set up a relevant complete system and information&data management system. • We'll continually promote the ultra-low emission transformation to control pollutant emission; • We will fully enhance the units' environmental protection and supervision, timely and properly to tackle with hidden dangers of environmental protection to eliminate the occurrence of major environmental incidents.
Society	<ul style="list-style-type: none"> • We'll make overall coordination of production management and consistently enhance safety monitoring and management to achieve safe and efficient production, stabilize energy supply and effectively guarantee social development. • We'll provide a platform for the employees to embody their value, broaden their career paths and promote the establishment of "Happiness Huadian Power" so that the employees can have more senses of belonging, of gaining and of pride • We'll set up the principle "cooperation-competition for win-win" and enhance lateral economic tie to establish harmonious competitive relationships and jointly construct a benign competition pattern in the industry. • We'll keep in mind the responsibilities of central enterprises, devote ourselves to public welfare services to repay the public and respond to the requirements of national policy "targeted poverty alleviation" with practical action.





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