

14 May 2021

CLP Holdings Convenes 2021 Annual General Meeting

Opening Remarks from CLP Holdings Vice Chairman

I would like to thank you all for your cooperation and understanding regarding the special arrangements that we have once again had to put in place for this year's Annual General Meeting. While I am pleased to see the situation improving in Hong Kong, health and safety is always our first priority and I am pleased to see so many of our shareholders joining the online meeting today.

2020 was an extraordinary year for all of us with profound impacts on the way we live and work. Our thoughts remain with those around the world affected by the pandemic. As an energy supplier, we have been focused on keeping the lights on and supporting our colleagues, customers, and the communities we serve to help them get through these challenging times.

Managing through the pandemic highlighted once again the importance of good governance as an enabler of long-term value creation and preservation. With that in mind and as part of our ongoing efforts to ensure that we have the best Board we can to support us on our journey, we were delighted to welcome Ms Christina Gaw and Mr Chunyuan Gu to our Board in 2020. As required, they are standing for election at today's meeting.

Turning now to the Group's financial performance and our progress over the past year in developing our business for the future. Overall, the Group's business performance in 2020 was broadly in line with 2019. Operating earnings increased by 4% to HK\$11,577 million while total earnings rose significantly to HK\$11,456 million from 2019 when an impairment of goodwill was booked in the Australian business. The Board approved a fourth interim dividend of HK\$1.21 per share, a 1.7% increase when compared with the fourth interim dividend in 2019. This brings the total dividends for 2020 to HK\$3.10 per share, a 0.6% increase when compared with 2019.

While the world looks forward to a time when the worst impacts of the pandemic are behind us, climate change continues to present one of the greatest challenges we face. Globally we have seen an increasing momentum towards decarbonisation with China announcing carbon neutrality targets for 2060 and Hong Kong for 2050. At CLP, we achieved the interim carbon intensity target set out in our Climate Vision 2050, and we continue to work hard to decarbonise our generation portfolio. An important step

in that direction was the decision for EnergyAustralia to bring forward the retirement of the Yallourn Power Station under an agreement with the Government of Victoria. This development will support the decarbonisation of the CLP Group portfolio at a faster pace which will be an important consideration as we look to further strengthen our Climate Vision 2050 targets this year.

In our home market Hong Kong, we are focused on delivering high supply reliability while progressing investments for decarbonisation and digitalised customer services. We were able to achieve the target of generating about 50% of our electricity from natural gas in 2020 backed by the new gas-fired generation unit at Black Point Power Station. We are also making good progress on our strategic projects to further increase the use of natural gas in power generation and to enhance Hong Kong's energy security and the sustainability of gas supply.

We believe that innovation is the key to staying ahead of changing customer preferences and effectively adapting to a dynamic and, at times uncertain, business environment. In 2020 we continued to deepen customer engagement through smart meters and digital channels, equipping our customers with the most up-to-date technologies and products to help them adopt low-carbon lifestyles and promote the use of renewable energy.

While Hong Kong remains at the heart of our business, Mainland China is another key market for the CLP Group. Our strategy for the Greater Bay Area is to pursue more diversified opportunities as a natural extension of our activities in Hong Kong. Together with India and Australia, this further diversifies our portfolio.

The energy transition in combination with digitalisation provide strong drivers for investment across all our markets. In this regard, our strength in creating and working with strategic partnerships will continue to be an important enabler as we move forward.

Ladies and gentlemen, 2021 marks our 120th anniversary. Twelve decades ago, we commenced operation with a single generating unit in Hong Kong and are now one of the largest power businesses in Asia Pacific. This is something that we can all be proud of and is a testament to the development of Hong Kong, the hard work and determination of our staff and the trust and confidence in the company from our shareholders over many years.

I am confident that CLP's long-term view and, our commitment to building a safe and sustainable business which cares for and supports our people, customers and communities, will continue to hold us in very good stead in the years ahead.

Thank you.



CLP Holdings Vice Chairman Mr William Mocatta (second from right), Non-executive Director Mr Philip Kadoorie (second from left), Chief Executive Officer Mr Richard Lancaster (first from right) and Company Secretary Mr David Simmonds (first from left) play host to CLP's 2021 AGM today.

About CLP Group

The CLP Group is one of the largest investor-owned power businesses in Asia Pacific with investments spanning across Hong Kong, Mainland China, India, Southeast Asia, Taiwan and Australia. Hong Kong-listed CLP Holdings Limited is the holding company for the CLP Group, which has a diversified portfolio of generating assets that uses a wide range of fuels including coal, gas, nuclear and renewable sources. In 2021, CLP celebrates the 120th anniversary of its founding in Hong Kong with a commitment to continue to move forward with the community based on a shared vision of a better tomorrow.

Through CLP Power Hong Kong Limited, the Group operates a vertically-integrated electricity supply business that provides a highly-reliable supply of electricity to 80% of Hong Kong's population. In Mainland China, the CLP Group is the largest external independent power producer with a focus on low-carbon energy. CLP India, in which the Group owns 60%, is one of the country's biggest renewable energy producers with operations in power generation and transmission. In Australia, the Group's wholly-owned subsidiary EnergyAustralia is a leading integrated energy company, providing gas and electricity to about 2.45 million households and businesses.

CLP Holdings is included in the Global Dow – a 150-stock index of the world's leading blue chip companies, the Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific), the Dow Jones Sustainability Asia Pacific 40 Index (DJSI Asia Pacific 40), the Hang Seng Corporate Sustainability Index Series, the MSCI ESG Leaders Indexes and the FTSE4Good Index.

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