

Date:

To: Chief Executive Officer, CLP Holdings
Chief Financial Officer, CLP Holdings

General Representation Letter

Being accountable for my Area of Responsibility's proper and effective management and having made due enquiry, I hereby give, to the best of my knowledge and belief, the following representations:

Code of Conduct and Securities Transactions

1. I have complied and have taken all reasonable steps to ensure that my subordinates are familiarised and comply, in every aspect with the following codes as they are applicable to my Area of Responsibility which are used to provide guidance and control in the accomplishment of corporate objectives.
 - a. Code of Conduct, in particular, the sections on "Ethics and Business Integrity"; "Avoiding Conflicts of Interest"; "No Bribery", "Moderation in Gifts and Entertainment", and "Compliance with the Code and Obligation to Report";
 - b. Code for Securities Transactions;

I confirm that the management and staff above a designated level or in certain functions of my Area of Responsibility have signed compliance statements pertaining to the Code of Conduct which have been retained by the appropriate Area of Responsibility.

[Management of my Area of Responsibility have reviewed all known actual and potential violations of the Code of Conduct that have arisen within the Area of Responsibility and have addressed and outlined any necessary remedial action to the employee. All relevant documents relating to such incidents have been retained by my Business Unit.]

or

[There have been no known actual and potential violations of the Code of Conduct that have arisen within my Area of Responsibility.]

Risk Assessment

2. I recognise that my duties include responsibility for my Area of Responsibility's risk management, including identification, evaluation, and communication of significant risks. I have assessed and documented, where appropriate, the changes since the last assessment in the nature and extent of significant risks, and the Area of Responsibility's ability to respond to changes in its business and the external environment.

I have assessed and documented, where appropriate, the effectiveness of the risk management function for my Area of Responsibility and am satisfied that it is adequate and is operating efficiently and effectively.

Internal Control

3. I recognise that my duties include responsibility for my Area of Responsibility's system of internal control, including controls related to the prevention, detection, management, and communication of significant risks. I have assessed and documented, where appropriate, the effectiveness of the system of internal control in managing these risks and am satisfied that it is adequate and is operating efficiently and effectively.

3.1 Control concerns identified by internal or external auditors have been promptly acted upon or, if not accepted, have been documented and communicated to the auditors.

The control self assessment for my Area of Responsibility can be summarised as follows:

3.2 [Based on my evaluations of internal control during the past year, I have disclosed to my management and in this representation letter, all significant issues in the design or operation of internal control which are reasonably likely to adversely affect my Area of Responsibility's ability to record, process, summarise or report financial information.]

OR

[Based on my evaluations of internal control during the past year, within my Area of Responsibility there have been no significant issues in the design or operation of internal control which are reasonably likely to adversely affect my Area of Responsibility's ability to record, process, summarise or report financial information.]

3.3 I certify that appropriate delegations of authority applicable to my Area of Responsibility have been made, are being observed and are reviewed periodically by myself to ensure that all necessary adjustments or corrective actions have been made in a timely manner.

[I have ascertained that all circumstances of lack of segregation of duties that could have a material effect on the operations of my Area of Responsibility have been drawn to the attention of my management and included in this representation letter.]

OR

[There have been no circumstances of lack of segregation of duties that could have a material effect on the operations of my Area of Responsibility.]

3.4 [Based on my evaluations of internal controls and risks of various computer systems, I have disclosed to my management and in this representation letter, all significant issues in the design or operation of such internal controls within my Area of Responsibility.]

OR

[Based on my evaluations of internal controls and risks of various computer systems within my Area of Responsibility there have been no significant issues in the design of operation of such internal controls.]

or

[Evaluations of internal controls and risks of various computer systems within my Area of Responsibility are not applicable.]

- 3.5 [I have ascertained that all events of legal, regulatory and/or contractual non-compliance that could have a material effect on the operations of my Area of Responsibility have been recognised and that I have drawn them to the attention of my management and included in this representation letter.]

or

[There have been no events of legal, regulatory and/or contractual non-compliance that could have a material effect on the operations of my Area of Responsibility.]

- 3.6 I certify that there have been [no] company bank accounts opened by my Area of Responsibility. [All banking transactions have been properly approved and recorded on the books of account.] [The appropriateness of banking resolutions have been reviewed during the last two years.]

- 3.7 [I certify that during the last five years recorded fixed assets have been compared, by my Direct Reports or their subordinates, with existing assets in accordance with Company guidelines and that appropriate action has been taken or is being taken with respect to differences summarised in the attached list.]

or

[Verification of fixed assets – Not applicable]

- 3.8 [I certify that during the current year recorded working stock inventory have been compared, by my Direct Reports or their subordinates, with existing assets in accordance with Company guidelines and that appropriate action has been taken or is being taken with respect to differences summarised in the attached list.]

or

[Verification of inventory – Not applicable]

- 3.9 [I certify that all speculative derivative activity conducted by or on behalf of my Area of Responsibility have been drawn to the attention of my management and included in this representation letter.]

or

[There have been no [speculative] derivative activity conducted by or on behalf of my Area of Responsibility.] [All derivative instruments have been related to existing transactions, or assets, or liabilities, and have been executed in accordance with management's general or specific authorisation as specified in the CMAM or applicable policies.]

3.10 - I certify that areas including verification of documents, budget and project monitoring, and contracting, purchasing and payment, have been taken into consideration in my assessment of the effectiveness of the system of internal control.

3.13

3.14 Based on my knowledge, the management, financial accounting and relevant non-financial records fully, fairly and accurately reflect the transactions of the Area of Responsibility. I certify that the financial accounts and disclosures and relevant non-financial records associated with my Area of Responsibility for the year ended 31 December XXXX do not contain any untrue statements of a material fact or do not omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the year ended 31 December XXXX.

[I have ascertained that any event which may materially affect the value or classification of assets and liabilities in the financial statements has been drawn to the attention of my management and included in this representation letter.]

or

[There have been no events in my Area of Responsibility which may materially affect the value or classification of assets and liabilities in the financial statements.]

3.15 I am responsible for establishing and maintaining appropriate disclosure controls and procedures for financial and relevant non-financial information with respect to my Area of Responsibility and have:

- designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material financial and relevant non-financial information relating to my Area of Responsibility, including its consolidated subsidiaries, if any, is made known to me by others within those entities and in turn made known to you, particularly during the period in which this representation letter is being prepared; and
- evaluated the effectiveness of my Area of Responsibility's disclosure controls and procedures and presented in this representation letter my conclusions about the effectiveness of the disclosure controls and procedures, as of 31 December XXXX based on such evaluation.

3.16 [I certify that all policy violations, including the policies mentioned in the section of Code of Conduct and Securities Transactions, have been drawn to the attention of my management and included in this representation letter. All such violations have been promptly corrected and reported to my management and where appropriate, to Group Internal Audit.]

or

[There have been no policy violations, including the policies mentioned in the section of Code of Conduct and Securities Transactions.]

Fraud

4. I recognise that my duties include responsibility for my Area of Responsibility's controls related to the prevention, identification and detection of fraud. I have assessed and documented, where appropriate, the effectiveness of such controls related to fraud and am satisfied that it is adequate and is operating efficiently and effectively.

Financial Information and Accounting Records

5. [Based on my knowledge, the financial statements, and other financial information associated with my Area of Responsibility, fairly present in all material respects the financial condition, results of operations and cash flows of the Area of Responsibility as of, and for, the year ended 31 December XXXX. "Fairly present" in the context of this paragraph is not limited to the financial information having been presented in accordance with generally accepted accounting principles. Rather, it encompasses the selection of appropriate accounting policies, disclosure of financial information that is informative and reasonably reflects the underlying transactions and events and the inclusion of any additional disclosure necessary to provide investors with a materially accurate and complete picture of my Area of Responsibility's financial condition, results of operations and cash flows.]

[Based on my evaluations of internal control over financial reporting during the past year, I have disclosed to my management and in this representation letter any fraud, whether or not material, that involves management or other employees of my Area of Responsibility who have a significant role in my Area of Responsibility's internal control over financial reporting.]

or

[Based on my evaluations of internal control over financial reporting during the past year, within my Area of Responsibility there have been no fraud, whether or not material, that involves management or other employees of my Area of Responsibility who have a significant role in my Area of Responsibility's internal control over financial reporting.]

Others

6. I certify that:
- my Area of Responsibility has not extended, maintained or arranged for the extension of any personal loans or guaranteed any such loans to any director or executive officer of CLP Holdings, CLP Power or my Area of Responsibility or their family members.
 - all issues raised in my prior year representation have been properly resolved except for those which have been drawn to the attention of my management and properly included in this representation letter.

Self Evaluation

7. The section below is a self evaluation of my Area of Responsibility, particular control areas that fall within my responsibility and what has been done to promote effectiveness of the controls.

8. I acknowledge that you will rely on the representations herein in connection with your certification of results to the Audit Committee as well as regulatory bodies such as The Stock Exchange of Hong Kong Limited.

Signed: _____

Name: _____

Note:

Where choices are provided, only items that are applicable should be selected. If specific representations cannot be made or are not applicable, a statement to that effect and the reasons therefore should be included and highlighted to the CEO and the CFO of CLP Holdings.