

## Why Board Diversity is Important to CLP

We recognise that Board diversity is an essential element contributing to the sustainable development of CLP. During the Period, our Board size slightly reduced from 14 to 13 due to the retirement of one Director only.

### CLP Board Diversity Policy adopted by the Board in 2013 (available on website)

#### The Policy incorporates:

- ◆ Code Provisions of the Corporate Governance Code
- ◆ Retirement Age Guideline (age 72) for Non-executive Directors (other than the Chairman)
- ◆ 30% target for female Director representation on the CLP Holdings Board – to be reviewed by the Nomination Committee annually
- ◆ Independence mechanism (for directors to express their views and feedback) will be reviewed by the Nomination Committee annually
- ◆ CLP Group Inclusion and Diversity Policy for Senior Management and Staff

#### Aspects of Diversity cover:

independence / gender / age / cultural and education background / professional experience / business perspectives / skills / knowledge / ethnicity / length of service

## Board Skills and Expertise

To ensure the Board continues to possess a balance of skills appropriate for the requirements of the business of the Group, an analysis of the skill set mix was considered by the Nomination Committee.

The table below and on page 95 highlights the breakdown of the skill set mix of our Directors and demonstrates the broad and diverse mix of experience and background relevant to CLP that the Directors bring to the Board and its Committees.

Expertise	Relevance to CLP
<b>Board / Board committees leadership / Other listed roles</b>	<ul style="list-style-type: none"> <li>◆ Board and governance leadership experience are regarded as a strategic asset to the Board and Board Committees</li> <li>◆ Other listed board roles bring in good practices as a board and / or board committee member of listed companies</li> </ul>
<b>CLP market experience</b> (Hong Kong / Chinese Mainland (including Greater Bay Area) / Australia / India / Taiwan Region and Southeast Asia)	<ul style="list-style-type: none"> <li>◆ Facilitates the review of CLP's business and financial operations and investments in the respective region</li> </ul>
<b>Executive leadership</b>	<ul style="list-style-type: none"> <li>◆ Provides insights into executive leadership and the management of CLP's business and operations</li> </ul>
<b>Related industry / Global experience</b> (Power sector)	<ul style="list-style-type: none"> <li>◆ Facilitates the review of CLP's business operations and investment opportunities in the related industries</li> <li>◆ Provides insights into the global economic trends and opportunities that CLP can explore</li> </ul>
<b>Strategy &amp; Governance</b> (including legal / regulatory / HR / finance / risk and accounting)	<ul style="list-style-type: none"> <li>◆ Brings in oversight, advisory and operational experience in the respective field of profession</li> </ul>

Expertise	Relevance to CLP
<b>Sustainability</b> (including climate-related)	◆ Sustainability is core to our business both from the operational and strategic perspectives
<b>Geopolitics / Government relations / Public policy</b>	◆ Brings in experience in the areas of regulatory and stakeholder engagement

	Board / Board committees leadership / Other listed roles	CLP market experience (Hong Kong / Chinese Mainland (including Greater Bay Area) / Australia / India / Taiwan Region and Southeast Asia)	Executive leadership	Related industry / Global experience (Power sector)	Strategy & Governance (including legal / regulatory / HR / finance / risk and accounting)	Sustainability (including climate-related)	Geopolitics / Government relations / Public policy
<b>Non-executive Directors</b>							
The Hon Sir Michael Kadoorie	✓	✓		✓	✓	✓	
Mr Andrew Brandler	✓	✓	✓	✓	✓	✓	
Mr Philip Kadoorie	✓	✓			✓	✓	
Mrs Betty Yuen	✓	✓	✓	✓	✓	✓	
Mr Diego Gonzalez Morales	✓	✓	✓	✓	✓	✓	
<b>Independent Non-executive Directors</b>							
Mr Nicholas C. Allen	✓	✓			✓	✓	
Ms May Siew Boi Tan	✓	✓	✓		✓	✓	
Ms Christina Gaw	✓	✓	✓		✓	✓	
Mr Chunyuan Gu	✓	✓	✓	✓	✓	✓	
Mr Bernard Chan	✓	✓	✓		✓	✓	✓
Ms Wang Xiaojun Heather	✓	✓	✓	✓	✓	✓	✓
Mrs Ann Kung	✓	✓	✓		✓	✓	✓
<b>Executive Director</b>							
Mr T.K. Chiang		✓	✓	✓	✓	✓	✓
<b>Coverage (% of entire Board)</b>	<b>92%</b>	<b>100%</b>	<b>77%</b>	<b>54%</b>	<b>100%</b>	<b>100%</b>	<b>31%</b>
<b>No. of Directors (Full Board of 13)</b>	<b>12</b>	<b>13</b>	<b>10</b>	<b>7</b>	<b>13</b>	<b>13</b>	<b>4</b>

In terms of skills and experience that we may consider for future Directors appointments, these may include energy experience, specifically in the area of decarbonisation or expanding into new markets and / or along the energy value chain.

In relation to the areas of expertise on "Digital / AI / Cybersecurity", although these would be regarded as important in the context of the Group's business, however, the Board's skills and knowledge in these areas would be better addressed through other channels such as consultants and experts' briefings, instead of recruiting individual Directors with these specific skills and experience.