

CLP Holdings Limited
Onboarding Guidelines for Directors

1. Purpose

- 1.1 These Guidelines aim to set out the principles for the onboarding of new Directors of CLP Holdings Limited.

2. Background

- 2.1 At CLP, we recognise the importance of the contribution of our Directors on our Board and Committees. A new incoming Director is recruited through a well considered process to ensure that the Director has the appropriate experience and background such that the Board and its Committees and the organisation as a whole will continue to be able to benefit from the counsel and oversight of our Directors.

- 2.2 We also understand that it takes time for a new incoming Director to get a meaningful understanding of CLP's business: our core Hong Kong business, our overseas operations; the regulatory and political regime and the social context of the different businesses; risks and business environment; CLP's management team; the responsibilities and culture of the CLP Board and its Board Committees.

- 2.3 The key objective of this Onboarding Guidelines is to assist a new incoming Director in their understanding of CLP's business, governance and Board and Committee dynamics. The Guidelines aim to set out a structured onboarding process which brings together the key components that, we think, would be helpful for a new incoming Director. It should also serve as a "road map" which guides a new Director to engage in a healthy, ongoing dialogue with fellow Directors, management and other management personnel with insights into CLP and our business environment.

3. Principles

- 3.1 We believe that onboarding at CLP should not be a "one size fits all" process; this should be driven by the new Directors' needs and is properly tailored to enable a new Director to add value based on his or her own unique experience and perspective.
- 3.2 A new Director is encouraged to contribute to his/her own onboarding plan – working with the Chairman of the Nomination Committee or the Company Secretary to determine how best to get up-to-speed on his/her new role.

3.3 Onboarding at CLP is a continuous process for the new Director and should be reviewed and, if necessary, revised, periodically at least during the first full cycle of the Board and Committees schedule from the time of joining.

4. Onboarding Programme - Components

4.1. Introduction session

4.1.1 An initial introduction session will be arranged by the Company Secretary for a new Director upon his/her joining the Board, which will provide an overview of the following:

- The business and the business environment and challenges
- The financial status of the CLP Group and its key business units
- CLP's strategy
- CLP's processes for identifying and managing risk as well as the key risks facing CLP
- CLP's Board and Committee structure and culture and corporate governance framework.

4.2 Face-to-face meetings

4.2.1 Following the introduction session, to assist the Director with a deeper understanding, meetings will be arranged for the new Director to meet individually with the Chairman of the Board, Chairmen of the Board Committees and the Senior Management who work closely with the Board and Committees. These meetings should preferably take place during the period that precedes the next cycle of Board and Committee meetings.

4.2.2 The Director should meet with the Chairman of the following CLP Holdings Board Committees:

- Finance & General Committee;
- Audit & Risk Committee;
- Sustainability Committee;
- Nomination Committee; and
- Human Resources & Remuneration Committee.

4.2.3 A briefing session will be arranged for the Directors to meet with those Senior Management who work closely with the Board and Committees to openly discuss some of the key issues and challenges of their area of responsibilities:

- Chief Executive Officer (group business, strategy and corporate culture)
- Chief Financial Officer (group finance and risk management)
- Chief Operating Officer (operations and safety)

- Group General Counsel & Chief Administrative Officer & the Company Secretary (legal, governance and climate change)
- Chief Human Resources Officer (remuneration, human resources policy and management development and succession planning)
- Country Managing Directors and Vice Chairman (local business environment and strategy)
- Group Internal Auditor (internal audit related matters)

The above is by no means an exhaustive list and meetings with other key executives and business unit managers can also be arranged depending on the needs of the Director.

4.3 Access to Information

4.3.1 A set of information materials will be selected as background reference materials for the new Director. The package of materials covers a wide range of materials and aim to provide a broad overview of the CLP Group. These include external reporting materials, internal minutes of meetings, management reports, key company policies, governance related documents and selected analysts reports which would provide an external perspective on CLP.

4.3.2 These include:

- CLP Group Monthly Management Reports since the last Annual / Interim Report, as the case may be;
- CLP's most recent Annual and Interim Reports and Sustainability Report;
- Group Business Plan & Budget;
- Recent notable analysts reports or coverage on CLP Holdings;
- Minutes of past meetings of the Board and the relevant Board Committees – including the last Strategy Review Session;
- Terms of reference of the relevant Board Committees;
- CLP Holdings Company Management Authority Manual;
- CLP's Value Framework and Code of Conduct;
- CLP Code on Corporate Governance;
- CLP Continuous Disclosure Obligation Procedures;
- Guide on D&O Liability Insurance; and
- List of CLP key contacts.

4.3.3 The selected materials will be uploaded onto a dedicated section on the Board Portal system for ease of reference.

4.3.4 New directors will have access to all information about CLP and the Board through the Company Secretary, including third-party assessments such as

past Board Evaluation Results, analyst reports and survey results assessing CLP's reputation etc.

4.4 Attendance to other Committee Meetings

4.4.1 In addition to meeting the Chair of the Board Committees, a new Director will be given the opportunity and be invited to join, as observer in the meeting(s) of the Board Committees that he or she is not a member of.

4.4.2 This is intended to enable the new Director to understand how the various Board Committees operate. This would also give them a first hand and in-depth view of the matters that have been delegated by the Board to the Board Committees.

4.5 Visits to CLP's Facilities

4.5.1 In order for a new Director to have a better understanding about CLP's operations in Hong Kong and Asia Pacific where CLP has operations, and to meet with local management, site visits to the major facilities of CLP and/or special projects with CLP's involvement will be organised for new directors.

5. Evaluation and Feedback

5.1 This onboarding process will continually be revised based on the feedbacks of the Directors. New directors are encouraged to provide their feedback to the Company Secretary or Deputy Company Secretary. We would also encourage the feedback to be provided as they "come to the mind of the Director" such that the bespoke program can be enhanced and fine-tuned in the most timely manner.

6. Implementation and Monitoring

6.1 The Nomination Committee has been delegated with the overall responsibility for monitoring and review of these Guidelines.

6.2 The Company Secretary and the Deputy Company Secretary are responsible for the implementation, administration and oversight of these Guidelines.

7. Publication and Revision

7.1 These Guidelines are published on the CLP website.

7.2 The Nomination Committee will undertake the review and revision of these Guidelines, as and when needed.

Adopted in August 2018