

Introduction

The CLP Group's long-standing vision is to be a leading responsible energy provider, from one generation to the next. Decarbonisation remains one of CLP's priorities, and is guided by its Climate Vision 2050 which has shaped business decisions since 2007. In its latest 2024 review, CLP strengthened its commitment to reduce the greenhouse gas (GHG) emissions intensity of electricity sold to 0.26kg CO₂e/kWh by 2030, compared with a previous target of 0.3kg CO₂e/kWh. The goals of reducing the GHG emissions intensity of electricity sold to 0.1kg CO₂e/kWh by 2040 and achieving net zero by 2050 remain unchanged. CLP is also committed to phasing out coal-fired generation before 2040. As the energy landscape continues to evolve, the Group remains dedicated to net-zero transitions while striving to maintain a reliable and affordable supply of electricity.

CLP's transition pathway has been independently recognised. Moody's Net Zero Assessment has assigned an NZ-2 (advanced) score to CLP's transition plan set out in the Climate Vision 2050. It is the second-best score on a five-point scale, reaffirming the alignment of the Group's emissions reduction targets with the Paris Agreement goal of limiting global warming to well-below 2°C above pre-industrial levels as well as its solid implementation and adequate governance. This assessment complements the existing second party opinion on Climate Action Finance Framework (CAFF), offering stakeholders additional assurance around the achievability of the Group's climate commitments.

CLP's Climate Action Finance Framework

Sustainable finance continues to play a pivotal role in enabling CLP to accelerate its transition toward a cleaner and more resilient energy system. Since the establishment of the CAFF in 2017, CLP has systematically leveraged sustainable finance to support investments that drive measurable carbon reductions. It allows CLP to arrange transition finance while market standards were still being developed, positioning CLP as an early mover and industry pioneer. This leadership reflects our recognition of the critical role that energy transition plays – particularly in markets where renewable alternatives remain constrained and demand for lower-carbon solutions is both immediate and essential.

In Hong Kong, Castle Peak Power Company Limited (CAPCO) and CLP Power Hong Kong Limited (CLP Power) have arranged a total HK\$18 billion in outstanding Climate Action Finance Transactions since 2017. These include New Energy Bonds supporting the West New Territories Landfill gas energy generation project and the continued rollout of smart meters, as well as Energy Transition Bonds and Loans to fund the construction of two combined-cycle gas turbine (CCGT) units at the Black Point Power Station and an offshore liquefied

natural gas (LNG) terminal in Hong Kong waters and its associated subsea pipeline and gas receiving station.

These investments play a key role in facilitating the decarbonisation of Hong Kong's power supply and support Hong Kong's Climate Action Plan 2050. As the coal-fired generation units gradually retire, the use of natural gas in generation is expected to continue to take up the largest portion of the fuel mix in the interim as a transition fuel. At the entity level, the CO₂e emissions intensity of electricity sold by CLP Power has declined from 0.50kg CO₂e/kWh in 2019 to 0.34kg CO₂e/kWh in 2025, reflecting the effectiveness of CLP's decarbonisation efforts. These emissions-reduction outcomes primarily reflect the displacement of coal-fired generation and broader power-system transition effects, supporting a credible pathway toward decarbonisation while maintaining power system reliability.

During the year, CLP completed a large-scale rollout of over 2.88 million smart meters for residential and small and medium-sized enterprise customers in Hong Kong. The availability of real-time consumption data enables earlier detection of unusual usage patterns, allowing timely interventions that enhance supply reliability and operational efficiency. For our customers, improved visibility of energy use supports more informed consumption decisions, leading to sustained energy efficiency improvements and recurring energy savings over time.

The 2050 net zero GHG emissions target will be an important milestone for Hong Kong. Looking forward, CLP will continue its efforts to promote the development of local renewable energy and explore ways to enhance regional cooperation on zero-carbon energy. In decarbonising our electricity generation, CLP continues to adopt careful planning to maintain high levels of safe and reliable supply for our customers.

Emerging Sustainable Finance Standards

The year 2025 marked significant progress in transition finance, which has long been a topic of discussion in sustainable finance circles, yet lacked a clear and consistent definition until recently. The release of the first official Guide to Transition Loans jointly issued by Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association and Climate Transition Bond Guidelines by International Capital Market Association established credible frameworks for structuring robust, verifiable and transparent transition financing aligned with net-zero pathways, especially for high-emitting and hard-to-abate sectors. Meanwhile, the Hong Kong Taxonomy for Sustainable Finance published by the Hong Kong Monetary Authority provides clear definitions for green activities.

Phase 2A announced in January 2026 expanded coverage on green activities and include transition elements to drive decarbonisation of the real economy.

These emerging guidelines and taxonomies reinforced the critical importance of transition finance as an essential enabler in accelerating the pathway to net-zero. CLP continues to closely monitor the development of these market standards and will adapt its practices as relevant to align with evolving market expectations.

Continued Efforts on Sustainable Finance

Beyond CAFF, since 2021, CLP Power and CAPCO have started incorporating sustainability elements in bank facilities that support general business operation. These facilities in part link to the annual aggregate emissions of sulphur dioxide, nitrogen oxides and respirable suspended particulates from their power stations in Hong Kong. As of 31 December 2025, CLP Power and CAPCO had a total of HK\$11.1 billion emission reduction-linked facilities outstanding, represents around 75% of the total outstanding general purposes bank facilities arranged for the companies.

In Hong Kong, close to 70% of financing arranged in 2025 for CLP's Scheme of Control business was met by sustainable sources of funding (including use of proceeds funding under CAFF and emission reduction-linked facilities), consistent with previous year.

Climate Action Finance Report

This report aims to provide a comprehensive overview of the Climate Action Finance Transactions arranged by the CLP Group under CAFF and its use of proceeds towards climate actions, highlighting our commitment to sustainability and the role of sustainable financing in advancing our strategic objectives to meet net zero. In this document, we will outline the key projects funded under CAFF, the estimated environmental benefits, and the underlying methodologies adopted to measure and report on the outcomes.

As we navigate the challenges and opportunities presented by climate change, this report serves as a testament to our ongoing efforts to integrate sustainability into our core operations, ensuring both economic and environmental viability for generations to come.

Climate Action Finance Framework

The objective of CAFF is to support the transition to a low-carbon economy by attracting socially responsible, sustainable financing, to support CLP's investments that reduce the carbon content of energy generated and increase the efficiency of energy usage.

CLP monitors and reviews the latest developments in ESG taxonomies across different geographies, and seeks to adapt CAFF for the relevant taxonomies in consideration of its stakeholders' expectations where applicable. Last updated in 2020, CAFF remains relevant to CLP's businesses through its robust sustainability governance. Any updates to CAFF will be carefully evaluated and implemented where necessary to maintain alignment with evolving ESG expectations and market practices.

CAFF formalises and governs project evaluation, monitoring and reporting of the use of proceeds for Climate Action Finance Transactions (including bonds, loans and other forms of finance). There are two types of Climate Action Finance Transactions under CAFF: New Energy Finance Transactions and Energy Transition Finance Transactions.

The Green Bond Principles (GBP), updated as of June 2025, and Green Loan Principles (GLP), updated as of March 2025, are voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the Green Bond and Loan markets by clarifying the approach for issuance of a Green Bond or Loan.

There are four core components of a Green Bond or Loan - Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting.

The table below summarises how CLP Climate Action Finance Transactions align with GBP and GLP.

It is noted that the use of proceeds of the Energy Transition Finance Transactions is not included in the indicative list of Green Project categories under the use of proceeds section in GBP and GLP, otherwise CLP Climate Action Finance Transactions issued under CAFF align with both GBP and GLP. Nevertheless, the use of proceeds of the Energy Transition Finance Transactions will be allocated towards climate actions that are supported by the host government and will deliver significant environmental benefits.

Alignment of Climate Action Finance Transactions with Core Components of the GBP and GLP

Components	Energy Transition Finance Transactions	New Energy Finance Transactions
Use of Proceeds	<ul style="list-style-type: none"> Develop gas-fired power plants and associated enabling infrastructure to support the transition from coal-fired generation in markets with limited renewable energy resources The conversion of coal-fired power plants and the facilities or modifications associated with such conversion, which, in both cases, will result in carbon emissions no more than 450g CO₂/kWh at baseload 	<ul style="list-style-type: none"> Renewable energy Energy efficiency Low-carbon transport infrastructure
Process for Project Evaluation and Selection	<ul style="list-style-type: none"> Business units propose projects for eligible use of proceeds and Climate Action Finance Transaction Climate Action Finance Committee (Committee) reviews and approves the eligibility of proposed use of proceeds and Climate Action Finance Transaction 	
Management of Proceeds	<ul style="list-style-type: none"> Proceeds of each Climate Action Finance Transaction are credited to dedicated bank accounts/deposits pending allocation to eligible projects Use of proceeds tracked through business units' internal information system with individual register established for each Climate Action Finance Transaction 	
Reporting	<ul style="list-style-type: none"> Climate Action Finance Report issued on an annual basis, disclosing the below information of any Climate Action Finance Transactions not yet fully repaid: <ul style="list-style-type: none"> Identity of issuing business unit Type of Climate Action Finance Transactions entered into Aggregate amounts of proceeds allocated Remaining balance of unallocated proceeds Estimation of beneficial impact of the use of proceeds Information on projects with allocation of proceeds The Climate Action Finance Report will be reviewed by the Committee and published within CLP's Sustainability Report 	

GOVERNANCE OF CAFF

All eligible projects of CAFF undergo a rigorous review and approval process within a robust, transparent framework and clear guidelines. CLP has established a Committee at the ultimate parent holding company level with the responsibility for governing CAFF, including approval of Climate Action Finance Transactions and determination of the eligibility of proposed use of proceeds. The Committee consists of senior management from different functions including sustainability, treasury and legal departments. CLP Group Treasury & Project Finance acts as the secretariat of the Committee to provide the necessary support.

SECOND PARTY OPINION

DNV, an independent consultant and a leading provider of sustainable finance independent assessment, has provided a second party opinion on CAFF. It is DNV's opinion that there are clear environmental benefits for the investments to be funded under CAFF.



Conclusion of DNV Second Party Opinion (2020)

DNV notes that the Use of Proceeds of the New Energy Finance Transactions are included in the indicative list of sectors included in the section 1 of Green Bond Principles and Green Loan Principles whilst the Use of Proceeds of Energy Transition Finance Transactions are not. DNV concludes that the project selection, funds-tracking and reporting procedures set out in CAFF meet the criteria established in the Protocol and are aligned with sections 2, 3 and 4 of the Green Bond Principles 2018 and Green Loan Principles 2020.

Based on the information provided by CLP and the work undertaken, it is DNV's opinion that CAFF meets the criteria established in the Protocol and there are clear environmental benefits for the investments to be funded under CAFF.



See CLP Climate Action Finance Framework



See DNV Second Party Opinion Report

Climate Action Finance Transaction Portfolio

Since 2017, CLP has arranged a total of HK\$18 billion in outstanding Climate Action Finance Transactions to fund qualified projects aimed at reducing carbon emissions and improving energy efficiency. In 2025, with continued support from banks and investors, CAPCO arranged a total of HK\$4.4 billion in Energy Transition Bonds and Loans to refinance the maturing bank facilities. These transactions maintain the Energy Transition label under CAFF, as the

underlying projects including CCGT D1, Offshore LNG Terminal and CCGT D2 support the government's decarbonisation strategy and CLP's plan to phase out its coal-fired generation in Hong Kong by 2035.

The below table summarises the outstanding Climate Action Finance Transactions under CAFF as of 31 December 2025:

Summary of Climate Action Bonds									
Issuer	Project	Type	Issue Date	Tenor (years)	Nominal Issued Amount	Coupon (per annum)	Listing	ISIN/ Common Code	
Castle Peak Power Finance Company Limited	CCGT D1	Energy Transition	25 July 2017	10	US\$500 million	3.25%	The Stock Exchange of Hong Kong	XS1648263926	
			1 December 2025	3	HK\$280 million	3.00%	Not Listed	HK0001231775	
	Landfill Gas Renewable Energy Generation	New Energy	9 July 2019	25	HK\$170 million	2.80%	Not Listed	202355293	
	Offshore LNG Terminal	Energy Transition	22 June 2020	10	US\$350 million	2.20%	The Stock Exchange of Hong Kong	XS2190958301	
			2 April 2025	3	HK\$400 million	HIBOR + 0.2%	Not Listed	HK0001127932	
	CCGT D2	Energy Transition	3 March 2021	10	US\$300 million	2.125%	The Stock Exchange of Hong Kong	XS2307742267	
			8 May 2024	3	US\$70 million	5.197%	Not Listed	HK0001015061	
			18 June 2025	3	HK\$500 million	3.10%	Not Listed	HK0001160297	
			24 June 2025	3	US\$60 million	4.125%	Not Listed	HK0001160347	
				14 July 2025	3	HK\$300 million	2.84%	Not Listed	HK0001167045
	CLP Power Hong Kong Financing Limited	Smart Metering	New Energy	21 July 2021	10	US\$100 million	2.25%	The Stock Exchange of Hong Kong	XS2366836133

Summary of Climate Action Loans						
Borrower	Project	Type	Agreement Date	Tenor (years)	Facility Amount (HK\$M)	Reference Code
Castle Peak Power Company Limited	Offshore LNG Terminal	Energy Transition	14 September 2020	15	1,795	ETL02
			20 June 2025	2	296	ETL21
			20 June 2025	1	640	ETL22
			24 June 2025	2	243	ETL23
	CCGT D2	Energy Transition	30 June 2021	15	1,474	ETL04
			26 February 2024	2	600	ETL12
			24 February 2025	1	850	ETL19
			3 March 2025	2	400	ETL20

Use of Proceeds Reporting

Bond proceeds were applied at the outset of the bond tenor to replace bank debt bridge facilities designated to specific projects and the remaining balance was credited to dedicated bank account/deposits pending settlement of future project related payments.

Bank facilities were drawn at the outset of the loan tenor to replace bank debt bridge facilities designated to specific projects and the undrawn portion would be utilised upon settlement of project-related payment.

Utilisation of bank facilities underwent review and reallocation based on new financing and refinancing endeavours to attain an optimal financing structure.

As at the reporting date of 31 December 2025, the use of the bond and loan proceeds are illustrated in the table below:

Project	Type	ISIN/ Common/ Reference Code	HK\$M				
			Allocated ¹			Unallocated ¹	Issued Amount/ Facility Amount
			Finance	Refinance	Total		
CCGT D1	Energy Transition	XS1648263926	3,453 (88%)	449 (12%)	3,902 (100%)	-	3,902 (100%)
		HK0001231775	-	280 (100%)	280 (100%)	-	280 (100%)
Landfill Gas Renewable Energy Generation	New Energy	202355293	120 (71%)	50 (29%)	170 (100%)	-	170 (100%)
Offshore LNG Terminal	Energy Transition	XS2190958301	1,546 (57%)	1,167 (43%)	2,713 (100%)	-	2,713 (100%)
		HK0001127932	-	400 (100%)	400 (100%)	-	400 (100%)
		ETL02	-	1,376 (100%)	1,376 (100%)	-	1,376 (100%)
		ETL21	251 (85%)	45 (15%)	296 (100%)	-	296 (100%)
		ETL22	90 (14%)	550 (86%)	640 (100%)	-	640 (100%)
		ETL23	243 (100%)	-	243 (100%)	-	243 (100%)

¹ Information has been subject to independent limited assurance by PricewaterhouseCoopers (PwC).

Project	Type	ISIN/ Common/ Reference Code	HK\$M				
			Allocated ¹			Unallocated ¹	Issued Amount/ Facility Amount
			Finance	Refinance	Total		
CCGT D2	Energy Transition	XS2307742267	2,011 (86%)	315 (14%)	2,326 (100%)	-	2,326 (100%)
		HK0001015061	-	548 (100%)	548 (100%)	-	548 (100%)
		HK0001160297	-	500 (100%)	500 (100%)	-	500 (100%)
		HK0001160347	-	470 (100%)	470 (100%)	-	470 (100%)
		HK0001167045	-	300 (100%)	300 (100%)	-	300 (100%)
		ETL04	-	1,285 (100%)	1,285 (100%)	-	1,285 (100%)
		ETL12	-	-	-	600 (100%)	600 (100%)
		ETL19	189 (22%)	503 (59%)	692 (81%)	158 (19%)	850 (100%)
		ETL20	-	400 (100%)	400 (100%)	-	400 (100%)
Smart Metering	New Energy	XS2366836133	-	777 (100%)	777 (100%)	-	777 (100%)
Total			7,903 (44%)	9,415 (52%)	17,318 (96%)	758 (4%)	18,076 (100%)

¹ Information has been subject to independent limited assurance by PwC.

Reporting Criteria

Following section 6 of CAFF – “Reporting on Use of Proceeds”, for each CLP Climate Action Finance Transaction, the following is disclosed:

- identity of the CLP Group Business Unit that has entered into a CLP Climate Action Finance Transaction;
- type of CLP Climate Action Finance Transaction entered into (i.e. Energy Transition Finance Transaction or New Energy Finance Transaction);
- aggregate amounts of proceeds allocated;
- estimation of beneficial impact of the use of proceeds;
- the remaining balance of unallocated proceeds at the reporting period end;
- a Climate Action Finance Transaction is added to this report when the transaction was entered into during the reporting period; and
- a Climate Action Finance Transaction is removed from this report when the bond or loan has been fully repaid.

Assurance of Climate Action Finance Report

CLP has engaged PwC as an independent assurance provider to provide assurance that selected information in this report has been prepared in line with the CLP Climate Action Finance Framework.



See PwC Assurance Report

Project Updates

CCGT D1 Generation Unit



CAPCO's Combined-Cycle Gas Turbine (CCGT) Generation Unit (D1)

Location	Black Point Power Station (BPPS), Hong Kong
Plant Performance Information	Adopting the latest advanced H-Class CCGT technology, the CCGT D1 unit has an installed capacity of 550MW and is more efficient than the existing eight older BPPS CCGT units adopting F-Class CCGT technology
Beneficial Environmental Impact	<ul style="list-style-type: none"> CO₂ emissions intensity of 339g CO₂/kWh in 2025^{1,2,3} Estimated CO₂ avoidance of 483 kT in 2025^{1,2,4}

1 The reporting of carbon emissions intensity and estimation of carbon emissions avoidance was for the period from 1st January 2025 to 31st December 2025.

2 Information has been subject to independent limited assurance by PwC.

3 CO₂ emissions intensity is the actual CO₂ emissions from D1 divided by the electricity sent out from D1.

4 Methodology and assumptions used in estimating CO₂ emissions avoidance:

The CO₂ avoidance is the difference in CO₂ emissions by Black Point Power Station (BPPS) and Castle Peak Power Station (CPPS) with D1 and without D1. For the scenario of "with D1" in CLP's electricity generation system, the CO₂ emissions by BPPS and CPPS were based on the actual figures recorded, using gross generation values. For the scenario of "without D1", the CO₂ emissions by BPPS and CPPS were estimated on a monthly basis based on their respective estimated hourly electricity generation multiplied by their respective actual carbon emissions intensity (g CO₂/kWh) in that month. The electricity generation by BPPS and CPPS was estimated hourly based on the actual electricity demand and plant dispatch requirements to meet the customers' load demand environmentally, reliably and economically in the hour.

Project Status

The project was completed and commenced operation in October 2020.

Landfill Gas Energy Generation



CAPCO's Landfill Gas Renewable Energy Generation at West New Territories (WENT) Landfill (WE Station)

Location	WENT Landfill, Tuen Mun, Hong Kong
Installed Capacity	10MW
Plant Performance Information	Installation of 5x2MW landfill gas (LFG) generator sets at WE Station to utilise the excess LFG of around 4,500m ³ /hour for electricity generation in support of local renewable energy (RE) development.
Beneficial Environmental Impact	<ul style="list-style-type: none"> RE generation of 43 GWh in 2025^{1,2,3} Estimated CO₂ avoidance achieved in 2025: 21 kT^{1,2,4}

1 The reporting of RE generation and the estimation of carbon emissions avoidance was for the period from 1st January 2025 to 31st December 2025.

2 Information has been subject to independent limited assurance by PwC.

3 The annual renewable energy generated was based on the actual electricity generation from LFG generation units as recorded by CLP.

4 Methodology and assumptions used in estimating CO₂ emissions avoidance:

Since the RE generation from WE Station had displaced the electricity generation that would have been required from the existing fossil fuel plants at CPPS and BPPS if the LFG generation units at WE Station were not commissioned, the avoidance of the associated CO₂ emissions was estimated on a monthly basis from the displaced electricity generation multiplied by the average actual carbon emissions intensity of BPPS and CPPS in that month.

Project Status

The project was completed and commenced operation in March 2020.

Offshore LNG Terminal



CAPCO's Hong Kong Offshore LNG Terminal (HKOLNGT)

Location	Offshore waters to the east of the Soko Islands, Hong Kong
Plant Performance Information	<p>The terminal is built to provide reliable and secure supply of natural gas at competitive prices for CAPCO's gas-fired generation units, and to support the Government's energy policies for reducing carbon intensity. Major facilities of the project include:</p> <ul style="list-style-type: none"> • A double berth jetty with LNG unloading equipment • A Floating Storage and Regasification Unit (FSRU) with LNG storage tanks and regasification equipment • A subsea pipeline connecting the jetty and a gas receiving station at Black Point Power Station
Beneficial Environmental Impact	Estimated CO ₂ avoidance of 1,156 kT in 2025 ^{1,2,3}

1 The reporting of carbon emissions intensity and estimation of carbon emissions avoidance was for the period from 1st January 2025 to 31st December 2025.

2 Information has been subject to independent limited assurance by PwC.

3 Methodology and assumptions used in estimating CO₂ emissions avoidance:

The CO₂ avoidance is the difference in CO₂ emissions by Black Point Power Station (BPPS) and Castle Peak Power Station (CPPS) with HKOLNGT and without HKOLNGT. For the scenario of "with HKOLNGT", the electricity generated by BPPS and CPPS units were the actual figures recorded including gas supply from HKOLNGT to meet the electricity demand. For the scenario of "without HKOLNGT", the electricity generated by BPPS units were constrained by the maximum contract quantities of other gas sources available. CPPS units were required to generate to make up the balance of energy demand. If CPPS units do not have sufficient available capacity, Ultra Low Sulphur Diesel (ULSD) generation will be initiated to meet the remaining energy demand. The CO₂ emissions is estimated based on BPPS and CPPS's respective replacement generation multiplied by their respective actual carbon emissions intensity (g CO₂/kWh) in that month, with consideration of a host of other factors such as load demand and operating regime of generating units.

Project Status

The terminal went into service and received its first long-term contracted LNG cargo in July 2023.

CCGT D2 Generation Unit



CAPCO's Second New Combined-Cycle Gas Turbine (CCGT) Generation Unit (D2)

Location	Black Point Power Station (BPPS), Hong Kong
Plant Performance Information	Adopting the latest advanced H-Class CCGT technology with a modified and enhanced version of D1 unit, the second new CCGT unit (D2) has an installed capacity of around 600MW and is more efficient than the existing eight older BPPS CCGT units adopting F-Class CCGT technology
Beneficial Environmental Impact	<ul style="list-style-type: none"> CO₂ emissions intensity of 351g CO₂/kWh in 2025^{1,3} Estimated CO₂ avoidance of 514 kT in 2025^{2,4}

1 The reporting of carbon emissions intensity and estimation of carbon emissions avoidance was for the period from 1st January 2025 to 31st December 2025.

2 Information has been subject to independent limited assurance by PwC.

3 CO₂ emissions intensity is the actual CO₂ emissions from D2 divided by the electricity sent out from D2.

4 Methodology and assumptions used in estimating CO₂ emissions avoidance:

The CO₂ avoidance is the difference in CO₂ emissions by Black Point Power Station (BPPS) and Castle Peak Power Station (CPPS) with D2 and without D2. For the scenario of "with D2" in CLP's electricity generation system, the CO₂ emissions by BPPS and CPPS were based on the actual figures recorded, using gross generation values. For the scenario of "without D2", the CO₂ emissions by BPPS and CPPS were estimated on a monthly basis based on their respective estimated hourly electricity generation multiplied by their respective actual carbon emissions intensity (g CO₂/kWh) in that month. The electricity generation by BPPS and CPPS was estimated hourly based on the actual electricity demand and plant dispatch requirements to meet the customers' load demand environmentally, reliably and economically in the hour.

Project Status

The project was completed and commenced operation in April 2024.

Smart Meters



CLP Power's Smart Meter Project

Location	Hong Kong
Project Performance Information	The project aligns with the strategy of the Hong Kong Government and CLP to promote energy efficiency through demand-side management solutions, and to support Hong Kong's transformation into a smart city. The project scope mainly involves replacement of the electro-mechanical meters used by residential and Small & Medium Enterprise (SME) customers with smart meters. With the enhancement of the existing smart metering platform, it is expected to cover installation of over 2.8 million smart meters. The provision of timely and meaningful consumption information facilitated by smart meters via web portals or mobile devices helps arouse customers' awareness and equip them with the right tools to better manage energy consumption. CLP Power's customers with smart meters can benefit from energy conservation during times of peak power demand in the hot summer months through the Summer Saver Rebate programme. Customers participating in the scheme receive notifications to alert them to save energy during specified times, and will be able to earn reward points by achieving reduction targets for those periods.
Beneficial Environmental Impact	<ul style="list-style-type: none"> Estimated annual energy savings of 44,466 MWh in 2025¹ Estimated CO₂ avoidance achieved in 2025: 16.5 kT²

1 The reporting of estimated annual energy savings and the estimation of carbon emissions avoidance was for the period of 1st January 2025 to 31st December 2025.
 2 Methodology and assumptions used in estimating annual energy savings and CO₂ emissions avoidance:

Along with the rollout of smart meters, CLP has introduced the Energy-Saving Missions by inviting residential customers with smart meters to participate in reducing energy consumption for a reward to their energy saving effort, which is envisioned to eventually engage all residential customers connected with smart meters. This programme associated with smart meters is one of the key drivers in changing customers' energy consumption behaviour. For estimation of energy savings in 2025, CLP targeted a focused group of close to 1,400,000 residential customers with smart meters who have participated in the Energy-Saving Missions in 2025 and adopted a saving factor of 0.8% in energy consumption, which is based on a study performed on smart meters customer behaviour. This saving factor is then applied towards the average annual energy consumption of the residential customers (based on sales per residential customer in Hong Kong of 3,939 kWh) to derive the estimated annual energy savings. Avoidance of CO₂ emissions is then calculated by multiplying the energy savings with the actual emissions intensity of CLP Power in 2025 (0.37 kg CO₂/kWh).

Project Status

The AMI programme has completed its seven-years smart meter mass deployment plan at the end of 2025, over 2.88 million smart meters were connected in Hong Kong, covering different districts in CLP Power supply area, accounting for about 97% of its customers. About 72 thousand existing electromechanical meters could not be replaced due to customer rejection and site constraints, these will be followed up between 2026 and 2028.