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NOTICE OF ANNUAL GENERAL MEETING

Important Information

Hybrid AGM

The 2021 Annual General Meeting (AGM) of CLP Holdings Limited (the Company, or we) will be held in a hybrid format. Shareholders can join via our conventional **Physical AGM** (please refer to page 2) or our **Online AGM**.

Government Requirements

As at the date of this Notice of AGM, the Hong Kong Government's social distancing laws and regulations remain in place and for shareholders' meeting of a listed company, the number of persons permitted in a room or partitioned area is no more than 20. Accordingly, we have made a number of arrangements in connection with the AGM.

Recommendations

We are taking precautions to minimise the risk of exposure to COVID-19 but we cannot eliminate the risk. We encourage Shareholders to participate in the AGM using the online platform or by appointing the Chairman of the AGM as proxy to vote on your behalf. We strongly recommend that Shareholders who are elderly, infirm or suffering from underlying medical conditions, should not attend the Physical AGM.

Physical AGM

Prior registration is required if you wish to attend the Physical AGM. For the health and safety of the AGM attendees, the following mandatory precautionary measures will be implemented at the AGM Venue, and attendees who do not comply with the precautionary measures will be denied entry to the AGM Venue:

- (a) temperature screening/checks;
- (b) submission of the Company's health and travel declaration form and compliance with the entry requirements of the AGM Venue including those health related requirements that may be imposed by the Kerry Hotel, Hong Kong; and
- (c) wearing surgical face mask at all times.

In addition, **no souvenirs** will be distributed to Shareholders or their proxies who attend the **Physical AGM** and no refreshments or drinks will be served.

Shareholders should take note that the Kerry Hotel, Hong Kong, being the location of the AGM Venue, remains, as at the date of this Notice, a Hong Kong Government designated hotel for quarantine purposes. Whilst precautionary measures are in place to ensure the safety of the AGM Venue and the nearby common areas of the hotel, Shareholders are reminded to make their own self assessment as to the potential risks to themselves in attending the Physical AGM should the Kerry Hotel, Hong Kong continue to be a designated quarantine hotel on the date of the AGM.

Please refer to "Guidance Notes and Precautionary Measures for the AGM" on page 4 for more details.

As the COVID-19 situation continues to evolve, Shareholders are reminded to check the websites of the Company (www.clpgroup.com) and The Stock Exchange of Hong Kong Limited (the Hong Kong Stock Exchange) (www.hkexnews.hk) for announcements regarding the AGM arrangement updates.

Notice is hereby given that the twenty third AGM of the Shareholders of CLP Holdings Limited 中電控股有限公司 will be held at the Grand Ballroom, Level 2, Kerry Hotel, Hong Kong, 38 Hung Luen Road, Hung Hom Bay, Kowloon, Hong Kong (the AGM Venue or Physical AGM, as the context requires) on Friday, 14 May 2021, at 11:00 a.m. for the following purposes:

- (1) To receive the audited Financial Statements and the Reports of the Directors and Independent Auditor for the year ended 31 December 2020.
- (2) To elect and re-elect Directors.
- (3) To re-appoint PricewaterhouseCoopers as Independent Auditor and authorise Directors to fix the Auditor's remuneration for the year ending 31 December 2021.

As special business, to amend the Company's Articles of Association by passing the following Resolution as a Special Resolution:

- (4) "That the new Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the current Articles of Association of the Company."

As special business, to consider and, if thought fit, pass with or without modification the following Resolutions as Ordinary Resolutions:

- (5) "That:
 - (a) subject to paragraphs (c) and (d) of this Resolution, a general mandate be and is hereby unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to allot, issue and dispose of additional shares in the Company; to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers and to grant rights to subscribe for, or to convert any security into, shares in the Company;
 - (b) the mandate in paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers after the end of the Relevant Period;
 - (c) the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the mandate in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue, or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or (iii) any scrip dividend or similar arrangement pursuant to the Articles of Association of the Company from time to time, or (iv) an allotment of shares made in accordance with a grant of the right to subscribe for, or convert any security into shares provided that the right has been approved in advance by a resolution of the Company whether conditionally or unconditionally, shall not exceed five per cent (5%) of the total number of shares of the Company in issue at the date of this Resolution (as such number of shares may be adjusted in the event of any subdivision or consolidation of shares after the date of this Resolution) and the said mandate shall be limited accordingly;
 - (d) any shares of the Company to be allotted and issued (whether wholly or partly for cash or otherwise) pursuant to the mandate in paragraph (a) of this Resolution shall not be at a discount of more than ten per cent (10%) to the Benchmarked Price of such shares of the Company; and
 - (e) for the purpose of this Resolution:

"Benchmarked Price" means the price which is the higher of:

- (i) the closing price of the shares of the Company as quoted on The Stock Exchange of Hong Kong Limited on the date of the agreement involving the relevant proposed issue of shares of the Company; or

- (ii) the average closing price as quoted on The Stock Exchange of Hong Kong Limited of the shares of the Company for the five trading days immediately preceding the earlier of:
 - (A) the date of announcement of the transaction or arrangement involving the relevant proposed issue of shares of the Company;
 - (B) the date of the agreement involving the relevant proposed issue of shares of the Company; or
 - (C) the date on which the price of the shares of the Company that are proposed to be issued is fixed.

"Relevant Period" means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

"Rights Issue" means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong)."

(6) "That:

- (a) a general mandate be and is hereby unconditionally given to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to purchase/buy back or otherwise acquire shares of the Company in issue in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate number of shares so purchased/bought back or otherwise acquired shall not exceed ten per cent (10%) of the total number of shares of the Company in issue at the date of this Resolution (as such number of shares may be adjusted in the event of any subdivision or consolidation of shares after the date of this Resolution).
- (b) for the purpose of this Resolution:

"Relevant Period" means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting."

By Order of the Board
David Simmonds
Company Secretary

Hong Kong, 24 March 2021

GUIDANCE NOTES AND PRECAUTIONARY MEASURES FOR THE AGM

AGM-related information and materials referred to in this section can also be found at “General Meetings” under the “Investor Relations” section on the Company’s website (www.clpgroup.com).

As a token of appreciation for the Shareholders who use other means to take part in the AGM, Shareholders who join the **Online AGM** or appoint the Chairman of the AGM as proxy (please retain copy of instructions as proof), will be entitled to **one set of Shareholder souvenir**. The Company will deliver these to the eligible Shareholders after the AGM.

A. Hybrid AGM

1. The 2021 AGM will be a hybrid meeting. Shareholders have the option of attending the Physical AGM, or participating and voting in the AGM through the Online AGM. Shareholders attending the Online AGM (not as guests) will also be counted towards the quorum.

B. Our Online AGM

1. Both registered and non-registered Shareholders can participate in the Online AGM. You will be able to **view** a live webcast of the AGM, **submit questions**, and **cast vote** in near real-time through the online platform.
2. **Login details for registered Shareholders** – details regarding AGM arrangements and login details for joining the Online AGM are included in the Company’s notification letter sent to you on 24 March 2021. For corporate holders who wish to attend the Online AGM, please call the Company’s Registrars, Computershare Hong Kong Investor Services Limited (Computershare) on (852) 2862 8555.
3. **Login details for non-registered Shareholders** – if you wish to attend and participate in the Online AGM, **you should contact** your banks, brokers, custodians, nominees or HKSCC Nominees Limited through which your shares are held (collectively **the Intermediary**) and **instruct the Intermediary** to appoint you as proxy or corporate representative to attend the Online AGM and in doing so, you will be asked to provide your email address. Details regarding the Online AGM including the login details will be emailed to you by Computershare.
4. For enquiries, please call Computershare on (852) 2862 8555 for assistance.
5. Our step-by-step “Online User Guide” available on the Company’s website will guide you through the login process.

C. Our Physical AGM

1. **Limiting attendance at the Physical AGM** – in line with the requirements of Cap. 599G Prevention and Control of Disease (Prohibition on Group Gathering) Regulation, the Board has decided that the **maximum number of Shareholders permitted to attend the Physical AGM is 50** subject to the arrangement that there will be separate rooms with each room accommodating no more than 20 persons. The above arrangements will be subject to the applicable regulations on group gathering at the time of the AGM.
2. **Prior online registration** – both registered and non-registered Shareholders **MUST register your interest to attend the Physical AGM** at <https://clp.to/AGMregistration>. Registration commences on or shortly after 25 March 2021, 9:00 a.m. until 26 April 2021, 5:00 p.m. Duplicated registrations will be disregarded.
3. **Information for registration** – Shareholders (or your proxy) will be required to provide the following information for registration:
 - (a) full name;
 - (b) email address or residential address and contact phone number; and
 - (c) for registered Shareholders, the barcode number sent to Shareholders on 24 March 2021.

4. **Allocation of the right of admission to the Physical AGM** – if there is an over-application, attendance will be balloted.
5. **Allocation results** – Shareholders who have been allocated the right of admission to the Physical AGM will be notified by email, or by mail if only residential address is provided, on or shortly after 29 April 2021. The balloting result will also be published on the Company's website.

Non-registered Shareholders who are allocated the right of admission to the Physical AGM should liaise with your Intermediary to appoint you as proxy or corporate representative in order to be eligible for attending and voting at the Physical AGM.

6. **Electronic voting system** will be used for enhancing efficiency in the vote counting process. Every Shareholder or proxy will be given a hand-held voting device together with a personalised smart card to be used for the electronic poll voting upon his/her registration at the AGM Venue. A video on how to use the voting device and demonstration of the poll procedures is available on the Company's website.
7. **Arrangement for disability** – in case you have a disability (as defined under Cap. 487 Disability Discrimination Ordinance) and need special arrangements to participate in the Physical AGM, please provide us with your contact details (name; telephone number or email address) in advance and we will contact you on the day. We will endeavour to make the necessary arrangements.
8. **Health and safety measures for the Physical AGM**

The measures set out below will apply if COVID-19 continues to affect Hong Kong.

- (a) **Compulsory body temperature screening/checks** will be administered on all AGM attendees at the entry points of or inside the AGM Venue as determined by the Company in its absolute discretion. Any person with a body temperature above the reference range quoted by the Department of Health, exhibiting symptoms related to COVID-19, or are apparently unwell will be denied entry to the AGM Venue and will be requested to leave the AGM Venue.
- (b) All AGM attendees must complete and submit the Company's health and travel **declaration form** and comply with the entry requirements of the AGM Venue prior to entry to the AGM Venue. The declaration form is available on the Company's website. Those (a) who have been in close contact during the 21 days prior to the AGM with anyone known or suspected to have become infected with COVID-19, or (b) who themselves, or have been in close contact with persons who have, returned to Hong Kong during the 21 days prior to the AGM, or (c) who are themselves, or are residing with anyone who is, subject to compulsory quarantine, **will be barred from the AGM Venue**.
- (c) All attendees at the AGM Venue **must wear a surgical mask** at all times (including queuing for registration and during the AGM proceedings).
- (d) All attendees at the Physical AGM must be seated in accordance with the **seating arrangement as fixed** by the Company.
- (e) **No souvenirs** will be provided to those attending the Physical AGM.
- (f) **No refreshments or drinks** will be served.
- (g) To take reasonable care of the health and safety of all the AGM attendees, the Company may, to the extent permitted under the applicable law, deny entry to the AGM Venue or require any person to leave the AGM Venue if they fail to observe or practice proper personal hygiene at all times.

D. Proxy Information and Voting Record Date

1. A Shareholder who is entitled to attend and vote at the AGM is entitled to appoint a proxy to exercise the Shareholder's rights at the AGM. A Shareholder may also appoint separate proxies to represent respectively the number of the shares held by the Shareholder as specified in the proxy forms. A proxy may attend, speak and vote instead of the Shareholder and need not be a Shareholder of the Company.
2. Proxy forms for the AGM were sent to Shareholders on 24 March 2021. The proxy form is also available on the websites of the Company and the Hong Kong Stock Exchange (www.hkexnews.hk). Proxy forms must be completed, signed and deposited either at the Company's Registrars, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or via email to CLP2021.eproxy@computershare.com.hk, in each case, not less than 48 hours (excluding any part of a day that is a public holiday) before the time for holding the AGM. The email address provided herein is merely for receiving proxy forms relating to this AGM and will not be in use after the deadline for depositing the proxy forms.
3. In the case of joint holders of any share, the proxy form must be signed by all Shareholders whose names appear in the register of members. Where there are joint holders of any share, any one of the persons may vote at the AGM, either personally or by proxy, in respect of such share as if a sole holder; but if more than one of such joint holders be present at the AGM personally or by proxy, the person whose name stands first in the register of members of the Company in respect of such share shall alone be entitled to vote in respect of it.
4. For non-registered Shareholder, please liaise with your Intermediary where your shares are held on how to issue your voting instructions and the corresponding deadline.
5. Completion and return of the proxy form will not preclude a Shareholder from attending and voting at the AGM, or any adjournment or postponement.
6. The Register of Shareholders will be closed from 11 May 2021 to 14 May 2021, both days inclusive, during which period the registration of transfers of shares will be suspended. To be entitled to attend and vote at the AGM, all transfers should be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 10 May 2021.

E. Questions for the Company Prior to the AGM

1. If you wish to pose questions for the Company in advance of the AGM, these can be submitted to the Company by no later than 12 May 2021, 4:30 p.m. Contact information is as follows:

Address : 8 Laguna Verde Avenue, Hung Hom, Kowloon, Hong Kong
Telephone : (852) 2678 8228
Facsimile : (852) 2678 8390
Email : cosec@clp.com.hk

2. We will endeavour to address these questions at the AGM, if time permits. Any questions not taken at the AGM will be answered in writing and made available on the Company's website post AGM.

F. Bad Weather Arrangements

1. In the event that a gale warning (tropical cyclone no. 8 or above) or black rainstorm warning is in effect at any time between 9:00 a.m. and 11:00 a.m. on the day of the AGM, the AGM may be postponed to a later date and/or time as determined by the Company.
2. If postponed, the Company will, as soon as practicable, post an announcement on its website and on the website of the Hong Kong Stock Exchange to notify Shareholders that the meeting has been postponed (however, a failure to post such a notice shall not affect the postponement of such meeting). Shareholders can call (852) 2678 8228 to enquire whether the meeting has been cancelled.

3. When the date, time and location of the rescheduled meeting has been fixed, the Company will post a further announcement on its website and on the website of the Hong Kong Stock Exchange to notify Shareholders of the date, time and location of the rescheduled meeting. At least seven clear days' notice shall be given of the rescheduled meeting.
4. Shareholders should in any event exercise due care and caution when deciding to attend the AGM in adverse weather conditions.

G. Subsequent Updates on AGM Arrangements

1. Shareholders will understand that the AGM arrangements as set out herein may need to change in response to the changes in the prevailing laws and regulations, including but without limitation, Cap. 599G Prevention and Control of Disease (Prohibition on Group Gathering) Regulation, due to the evolving COVID-19 pandemic situation. The Company will closely monitor the situation and accordingly update the AGM arrangements via the following means:
 - (a) Announcement(s) to be posted on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.clpgroup.com); and
 - (b) Media release.
2. If Shareholders have any enquiries on the arrangements for the AGM or the registration process, please contact us on (852) 2678 8228 or by email to cosec@clp.com.hk or contact Computershare on (852) 2862 8555.

EXPLANATORY NOTES TO THE NOTICE OF AGM

Election and Re-election of Directors – Resolutions (2)

1. As at the date of the Notice of AGM (the Notice), Directors of the Company are:

Non-executive Directors: The Honourable Sir Michael Kadoorie, Mr William Elkin Mocatta, Mr John Andrew Harry Leigh, Mr Andrew Clifford Winawer Brandler and Mr Philip Lawrence Kadoorie

Independent Non-executive Directors: Sir Roderick Ian Eddington, Mr Nicholas Charles Allen, Mrs Law Fan Chiu Fun Fanny, Mrs Zia Mody, Ms May Siew Boi Tan, Ms Christina Gaw and Mr Chunyuan Gu

Executive Directors: Mr Richard Kendall Lancaster and Mr Geert Herman August Peeters

Election of Directors (Newly appointed in 2020)

2. In relation to Resolutions (2) regarding election of Independent Non-executive Directors, Ms Christina Gaw and Mr Chunyuan Gu, who were appointed by the Board in 2020, will retire at the AGM in accordance with Article 125 of the Company's Articles of Association and being eligible, offer themselves for election by Shareholders.
3. With the retirement of Mr Vernon Moore and Mr Vincent Cheng as Independent Non-executive Directors at the conclusion of the 2020 AGM, an independent global search process was conducted by consulting firm, Korn Ferry, for potential replacement candidates. Following this process, the proposal for appointing two candidates in Ms Christina Gaw and Mr Chunyuan Gu was put to the Nomination Committee for consideration. In assessing the proposed candidates, the Committee took into account various factors, in particular, the ability of the candidates to bring distinctive value-add aligned to the emerging strategic issues facing CLP and in navigating industry disruptions and leading transformation, as well as enhancing the diversity of the Board having regard to their expertise, background and experience.
4. The Nomination Committee considered the proposed appointments of Ms Christina Gaw and Mr Chunyuan Gu and endorsed the appointments for approval by the Board. They were then subsequently appointed by the Board in October 2020 as Independent Non-executive Directors and Members of the Finance & General Committee; in addition, Ms Christina Gaw and Mr Chunyuan Gu were also appointed as Members of the Sustainability Committee and the Audit & Risk Committee, respectively.

Re-election of Directors

5. For re-election of Directors, the following Directors will retire at the AGM by rotation pursuant to Article 119 of the Company's Articles of Association: Mr J. A. H. Leigh, Mr Andrew Brandler, Mr Nicholas C. Allen, Mrs Fanny Law and Mr Richard Lancaster. All the retiring Directors, being eligible, offer themselves for re-election at the AGM.
6. The election and re-election of Directors will be individually voted on by Shareholders.
7. Mr J. A. H. Leigh, Mr Andrew Brandler, Mr Nicholas C. Allen, Mrs Fanny Law and Mr Richard Lancaster have interests in the shares of the Company. Such Directors' interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance are set out in the Directors' Report on page 192 of CLP Holdings' 2020 Annual Report and have remained unchanged as at 10 March 2021, being the latest practicable date prior to the printing of the Notice (latest practicable date).
8. The basis of determining Directors' emoluments and the amount of emoluments paid for the year ended 31 December 2020 to each of the Directors who stands for election and re-election at the AGM are set out in the Human Resources & Remuneration Committee Report on page 175 of CLP Holdings' 2020 Annual Report.

9. The biographical details (as at the latest practicable date) of each of the Directors who stand for election and re-election at the AGM are set out in Schedule 1 to the Explanatory Notes. In addition, their responsibilities and attendance at Board and Board Committee meetings are set out in the Corporate Governance Report on page 118 of the Company's 2020 Annual Report. Our website also contains the comprehensive biographical details of all our Directors (as updated from time to time).
10. Mr Nicholas C. Allen holds cross-directorship with Ms May Tan since they both serve on the boards of the Company and Link Asset Management Ltd. However, given that each of them plays a non-executive role and holds less than 1% of the number of issued shares in each of the relevant companies, the Company considers that such cross-directorship would not undermine the independence of both Mr Allen and Ms Tan with respect to their directorships at CLP Holdings. Shareholders may refer to the section "Disclosure of Conflict of Interest and Independence of Directors" on page 137 of the Corporate Governance Report for full details.
11. Mr Nicholas C. Allen, who was first appointed on 12 May 2009, has served for more than nine years. Mrs Fanny Law, who was re-appointed on 1 August 2012, will have served for more than nine years from August 2021 onwards. Each of them has no financial or family relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company. Notwithstanding the position of Mr Nicholas C. Allen and Mrs Fanny Law as explained above, each of the Independent Non-executive Directors (including Mr Nicholas C. Allen, Mrs Fanny Law, Ms Christina Gaw and Mr Chunyuan Gu) has met the independence guidelines set out in Rule 3.13 of the Listing Rules and has also given to the Company an annual confirmation of his/her independence and as of the latest practicable date, the Company did not receive any notification from them that there has been a subsequent change of circumstances which affected their independence.
12. As recognised in CLP's Board Diversity Policy, the independence of Directors is a question of fact and is assessed with regard to all relevant factors concerned not just limited to the length of service. The Board is satisfied that the length of tenure of Mr Nicholas C. Allen and Mrs Fanny Law had not affected their independence having regard to their actual contributions, their impartiality and effective oversight of management, therefore, the Board considers them to be independent and recommends that they should be re-elected.
13. Save for the information referred to in paragraphs 2 to 12 above and set out in Schedule 1 to the Explanatory Notes, as at the latest practicable date, there is no other information that needs to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in respect of the Directors who stand for election or re-election at the AGM.
14. All of our Independent Non-executive Directors provide valuable contributions and insights to the Board. Each of the Independent Non-executive Directors has submitted to the Hong Kong Stock Exchange a written confirmation concerning his/her independence to the Company and has also given to the Company an annual confirmation of his/her independence. These written confirmations also covered the immediate family members of each of the Independent Non-executive Directors. Having regard to the confirmations as well as the actual contributions that each of the Independent Non-executive Directors has made, the Board concluded that each of the Independent Non-executive Directors to be independent.
15. Board Diversity is important to CLP. The proposed election and re-election of Directors should be considered based on merit having regard to the experience, skills and expertise as well as the overall board diversity. More details about CLP Board Diversity are set out in the Corporate Governance Report on page 118 of the Company's 2020 Annual Report and in Schedule 2 to the Explanatory Notes.
16. Pursuant to Article 122 of the Articles of Association of the Company, if a Shareholder wishes to propose a person other than a Director of the Company for election as a Director at the AGM, he/she can deposit a written notice to that effect at the registered office of the Company for the attention of the Company Secretary. In order for the Company to inform Shareholders of that proposal, the written notice must state the full name of the person proposed for election as a Director, include the person's biographical details as required by Rule 13.51(2) of the Listing Rules, and be signed by the Shareholder concerned and that person indicating his/her willingness to be elected. The period for lodgement of such a written notice will commence no earlier than 25 March 2021 being the day after the despatch of the Notice and end no later than 7 May 2021 which is seven days prior to the date of the AGM. If the notice is received less than 15 clear days prior to the AGM, the Company will need to consider the adjournment of the AGM in order to allow Shareholders 14 clear days' notice of the proposal.

Independent Auditor's Remuneration – Resolution (3)

17. In relation to Resolution (3) in the Notice regarding the authorisation of Directors to fix the Auditor's remuneration, Shareholders should note that, in practice, the amount of Auditor's remuneration for the year 2021 audit cannot be determined at the beginning of the financial year. This is because Auditor's remuneration for any given year varies, in particular by reference to the scope and extent of the audit work which is undertaken during that year.
18. In order to be able to charge the amount of Auditor's remuneration as operating expenses for the year ending 31 December 2021, Shareholders' approval to delegate the authority to the Directors to fix the Auditor's remuneration for the year ending 31 December 2021 is required at the AGM.
19. CLP Holdings recognises the Auditor's independence is a fundamental governance principle and in addition, PricewaterhouseCoopers (PwC) is required to give an annual confirmation on their independence. The lead audit partner of PwC is subject to rotation every seven years (as per The International Federation of Accountants rules on independence of external auditors). The current lead audit partner, after having served the Company's statutory audits in that capacity since the 2014 financial year-end audit, will complete his seven years of service as the lead audit partner after the 2020 financial year-end audit. He will be replaced by a new lead audit partner who has not had any prior involvement in the CLP Group audit.
20. In addition, PwC will not be engaged to perform non-audit work unless the non-audit work meets the criteria suggested in the Listing Rules and has been pre-approved by the Audit & Risk Committee or its delegates. There must be clear efficiencies and value-added benefits to CLP from the work being undertaken by PwC, with no adverse effect on the independence of their audit work, or the perception of such independence.
21. The work of PwC and the amount of remuneration paid to PwC for the year 2020 audit were reviewed by the Audit & Risk Committee, which comprises only Independent Non-executive Directors. In addition, the permissible audit related and non-audit services performed by PwC for the year 2020 were pre-approved by the Audit & Risk Committee or its delegates.
22. We summarise below the amount of remuneration paid to PwC for the audit and permissible audit related and non-audit services for the past three years:

	2020 HK\$M	2019 HK\$M	2018 HK\$M
Audit	39	39	39
Permissible audit related services (percentage to total)	10 (20.0%)	7 (14.6%)	8 (16.7%)
Permissible non-audit services (percentage to total)	1 (2.0%)	2 (4.2%)	1 (2.1%)
Total	50	48	48

(For these purposes, **permissible audit related and non-audit services** include any entity under common control, ownership or management with PwC or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally.)

Adoption of New Articles of Association – Resolution (4)

23. The Company convened its AGMs in 2019 and 2020 as hybrid meetings, whereby Shareholders were able to attend either the Physical AGM or they could attend the Online AGM. The online arrangements included the ability for registered Shareholders to vote through the online platform. At the same time, Shareholders at the physical location voted electronically, rather than completing traditional voting papers.
24. The Board now proposes to ask Shareholders to adopt a new set of Articles of Association (New Articles) to incorporate provisions to improve the arrangements for convening and managing hybrid general meetings. In addition, other changes are proposed to improve efficiencies at general meetings, and to improve the timeliness of the distribution of information to Shareholders.
25. The New Articles will not permit the Company to hold its general meetings exclusively by virtual means (unless this is mandated by Government legislation, as happened in some jurisdictions in response to the pandemic). The Company currently intends only to use hybrid meetings which will always include at least one physical location.
26. A summary of the proposed changes under the New Articles is set out in the Explanatory Statement on the New Articles of Association which accompanies the Notice.
27. The full text of the New Articles (both marked up to show the changes compared to the current Articles of Association (Current Articles), and as a clean document) are available in English and Chinese at “General Meetings” under the “Investor Relations” section on the Company’s website (www.clpgroup.com). The Chinese translation of the New Articles is for reference only. In case there are any inconsistencies between the English version and the Chinese version, the English version shall prevail.
28. A copy of the New Articles will also be available (a) for inspection at the Company’s registered office at 8 Laguna Verde Avenue, Hung Hom, Kowloon, Hong Kong during normal business hours on any business day (excluding Saturday) from 24 March 2021 until 14 May 2021, or (b) upon request in writing to the Company Secretary.
29. The draft of the New Articles displayed on the Company’s website and available for inspection is subject to amendment prior to the AGM.

General Mandate to Issue 5% Shares at 10% Benchmarked Price Discount – Resolution (5)

30. In relation to the general mandate referred to in Resolution (5) in the Notice, an Ordinary Resolution was passed at the AGM held on 8 May 2020 giving a general mandate to the Directors to issue up to five per cent (5%) of the total number of shares of the Company in issue and any shares of the Company to be allotted and issued pursuant to this general mandate shall not be at a discount of more than ten per cent (10%) to the Benchmarked Price of such shares of the Company. No shares have been issued pursuant to this mandate as at the latest practicable date. The general mandate will lapse at the conclusion of the forthcoming AGM, unless the mandate is renewed at that meeting.
31. The Company acknowledges the possible concern of some minority Shareholders with respect to possible dilution of their shareholding interest resulting from the exercise of the general mandate to issue shares, and has reaffirmed its commitment to use the mandate sparingly and in the interest of all our Shareholders. Accordingly, the Board has continued to propose to limit the general mandate to five per cent (5%) of the total number of shares of the Company in issue (rather than twenty per cent (20%) and without any increase for shares repurchased as permitted by the Listing Rules) as at the date of the Resolution passed by the Shareholders, and that any shares of the Company to be allotted and issued pursuant to this general mandate shall not be at a discount of more than ten per cent (10%) (rather than twenty per cent (20%) as permitted under the Listing Rules) to the Benchmarked Price of such shares of the Company unless and until there is a material change in circumstances or market condition.
32. The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to issue shares for flexibility in raising capital as and when needed.

Share Buy-back Mandate of 10% Shares in Issue – Resolution (6)

33. In relation to the general mandate referred to in Resolution (6) in the Notice, an Ordinary Resolution was passed at the AGM on 8 May 2020 giving a general mandate to the Directors to repurchase shares of the Company on the Hong Kong Stock Exchange representing up to ten per cent (10%) of the total number of shares of the Company in issue. Up to the latest practicable date, no shares were bought back pursuant to this general mandate, which will lapse at the conclusion of the forthcoming AGM, unless the mandate is renewed at that meeting. The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to buy back its own shares on an opportunistic basis for the enhancement of long-term shareholder value. Shareholders' attention is particularly drawn to the implication of share buy-backs under the Codes on Takeovers and Mergers and Share Buy-backs (Takeovers Code) as set out in the Explanatory Statement on Share Buy-back Mandate which accompanies the Notice.

Recommendation

34. The Board of the Company considers that each of the Resolutions (1) to (6) as set out in the Notice is in the best interests of the Company and its Shareholders as a whole and, accordingly, recommends Shareholders to vote in favour of Resolutions (1) to (6) to be proposed at the AGM.

Right to Demand a Poll

35. Pursuant to Cap. 622 Companies Ordinance and as reflected in Article 76 of the Articles of Association of the Company, a poll may be demanded at the AGM on any of the Resolutions by:
- (a) at least five Shareholders present in person or by proxy having the right to vote at the AGM;
 - (b) a Shareholder or Shareholders present in person or by proxy representing at least five per cent (5%) of the total voting rights of all the Shareholders having the right to vote at the AGM;
 - (c) a Shareholder or Shareholders present in person or by proxy holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to at least five per cent (5%) of the total sum paid up on all the shares conferring the right; or
 - (d) the Chairman of the AGM.
36. Since 2004, the Chairman has demanded a poll on each of the resolutions submitted for determination at General Meetings of Shareholders. The Chairman will continue to demand a poll on each of the resolutions submitted for determination at the forthcoming AGM. The results of the poll will be published on the Company's and the Hong Kong Stock Exchange's websites not later than the business day following the AGM and in the Minutes of the AGM which will also be published on the Company's website.

Schedule 1 – Biographical Details of Directors Standing for Election and Re-election at the AGM

Part A – Election of Directors (Newly appointed in 2020)

1. Ms Christina Gaw

Aged 48

Independent Non-executive Director

Member of Finance & General Committee and Sustainability Committee

Appointed on 20 October 2020

Expertise

- CLP market experience
- Company executive
- Global market experience
- Other industries
- Other listed board roles
- Related industry experience (Property)

Titles, qualifications and education

Bachelor of Science in Business Administration, the University of San Francisco

Other major offices

Gaw Capital Partners (Managing Principal, Head of Capital Markets and Head of GCP Singapore)
Pioneer Global Group Ltd.# (Executive Director)

Public service

Cheltenham Ladies College UK (Corporate member)

Hong Kong International School (Finance Committee member)

InspiringHK Sports Foundation (Board member)

Lingnan University (Council member)

St. Paul's Co-educational College Alumni Association (Executive Committee Vice Chair)

Teach for Hong Kong (Board member)

The TWGH's S.C. Gaw Memorial College (School supervisor)

Past experience

Prior to joining Gaw Capital Partners in 2008, Ms Gaw had over 15 years of investment banking experience at Goldman Sachs and UBS as a Managing Director, with responsibilities as Head of Asia Equities Distribution and as Head of APAC Capital Introduction in Equities Division.

Relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company

Ms Gaw has no financial or family relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company.

The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

Message from Ms Gaw

“The opportunity for me to join the CLP Board as an Independent Non-executive Director is an exciting one. This is my first independent non-executive director appointment for a listed company and this follows my professional career in investment banking whilst I continue to be involved with Gaw Capital Partners.

Through Gaw Capital Partners, I have gained in-depth experience in the Greater Bay Area, in particular, business opportunities in data centres and property developments with green initiatives. Over the years, I have developed a strong passion in Environmental, Social and Governance (ESG) and business sustainability values; I believe these are regarded as foundational for CLP.

As part of my onboarding programme, I learned about CLP’s strategic objectives for the Greater Bay Area and to supplement this, we had an experience sharing session on data centre with CLP colleagues that I led with Gaw Capital Partners’ data centre development team.

I envisage many exciting opportunities for CLP on ESG and business sustainability initiatives in the Greater Bay Area. I look forward to working with CLP in providing guidance and oversight on these opportunities both at the Board level and at the Committee level as Members of the Sustainability Committee and the Finance & General Committee.”



Part A – Election of Directors (Newly appointed in 2020)

2. Mr Chunyuan Gu

Aged 62
Independent Non-executive Director
Member of Audit & Risk Committee and Finance & General Committee
Appointed on 20 October 2020

Expertise

- CLP market experience
- Company executive
- Global market experience
- Other industries
- Professional (Engineering)
- Related industry experience (Power)
- Technology

Titles, qualifications and education

Bachelor of Engineering, School of Mechanical Engineering, Shanghai Jiao Tong University
Doctor of Engineering, School of Aeronautics, Royal Institute of Technology, Stockholm
General Management Program at Stockholm School of Economics

Other major offices

ABB Ltd.# (ABB) (Advisor)
ABB (China) Ltd. (Chairman of the Board)
NSK Ltd.# (Member of the China advisory council)

Public service

China EV 100 (Member)
Chinese Association of Automation (Managing Director)
Royal Swedish Academy of Engineering Sciences (International member)
The European Union Chamber of Commerce in China (Member of the advisory council)
The Guangdong Government (Economic advisor to the Governor of Guangdong Province)

Past experience

Mr Gu has over 30 years of experience working at ABB, a global pioneering technology leader in electrification and automation serving customers in utility, industry, transportation and infrastructure. Mr Gu has stepped down from his executive positions with ABB, but remains engaged by ABB in an advisory capacity as the Chairman of the Board of ABB (China) Ltd. Prior to that, Mr Gu was a member of the ABB Group Executive Committee and President of the Asia, the Middle East and Africa region and President of ABB (China) Ltd.

Relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company

Mr Gu has no financial or family relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company.

The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

Message from Mr Gu

“It has been a great honour for me to join the CLP Board as an Independent Non-executive Director.

This is my first independent non-executive director appointment of a listed company. I am very excited about the role as I will be serving not only as an Independent Non-executive Director but also as Members of the Audit & Risk Committee and the Finance & General Committee.

Following my long career in management as managing director of a multinational engineering business, I am most enthusiastic about the switch from a management leadership role to a board oversight role. I have found that my management leadership experience is particularly relevant in my role as an Audit & Risk Committee Member.

As a Member of the Audit & Risk Committee, I am provided with an excellent opportunity to gain a deeper understanding of the Group through the lens of financial and accounting monitoring and risk management.

I continue to be active in the field of engineering and technology through my involvement in various business, industry, professional and governmental appointments. In many of these associations, there is a great deal of alignment with the business interests and strategy of CLP.

It is a fascinating time to be joining the CLP Group and I very much look forward to working with CLP in navigating through the challenges and opportunities.”



Part B – Re-election of Directors

3. Mr John Andrew Harry Leigh

Aged 67

Non-executive Director

Appointed on 10 February 1997*

Expertise

- CLP market experience
- Company executive
- Global market experience
- Other industries
- Other listed board roles
- Professional (Legal)
- Related industry experience (Power/Property)
- Risk & compliance

Other major offices

The Hongkong and Shanghai Hotels, Ltd.# (Non-executive Director, and member of Executive Committee and Finance Committee)

Sir Elly Kadoorie & Sons Ltd. (Director)

Past experience

Prior to joining the CLP Group in 1986, Mr Leigh was in private practice as a solicitor in Hong Kong and the UK. He was the Senior Legal Advisor, Company Secretary and General Manager – Corporate Affairs in the CLP Group between 1986 and 1996.

Relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company

Mr Leigh is a director of Sir Elly Kadoorie & Sons Ltd., overseeing a number of Kadoorie Family's interests in Hong Kong and overseas and, as such, is associated with the substantial Shareholders of the Company.

* The date given is that of appointment to the Board of China Light & Power Company, Ltd., the holding company of the CLP Group prior to the Group Reorganisation in 1998. Mr Leigh was appointed to the Board of CLP Holdings on 31 October 1997.

The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

Part B – Re-election of Directors

4. Mr Andrew Clifford Winawer Brandler

Aged 64

Non-executive Director

Member of Finance & General Committee and Sustainability Committee

Appointed on 6 May 2000

Expertise

- Board/board committees leadership
- CLP market experience
- Company executive
- Global market experience
- Other industries
- Other listed board roles
- Professional (Accounting)
- Related industry experience (Infrastructure/Power/Property/Retail)
- Risk & compliance

Titles, qualifications and education

Member of The Institute of Chartered Accountants in England and Wales

Master of Arts, the University of Cambridge

Master in Business Administration, Harvard Business School

Major positions held with the Group

CLP Holdings Ltd. (Alternate Director – Alternate to Mr William Mocatta)

EnergyAustralia Holdings Ltd. (Director)

Other major offices

The Hongkong and Shanghai Hotels, Ltd.* (Non-executive Deputy Chairman, Chairman of Finance Committee, and member of Audit Committee, Remuneration Committee and Executive Committee)

Sir Elly Kadoorie & Sons Ltd. (Chairman)

Tai Ping Carpets International Ltd.* (Non-executive Director)

MTR Corporation Ltd.* (Independent Non-executive Director, Chairman of Risk Committee, and member of Audit Committee)

Public service

Hong Kong Golf Association Ltd. (Alternate Director)

The Chinese International School Foundation (Chairman of the Board of Governors)

Past experience

Mr Brandler was the Group Managing Director and Chief Executive Officer of CLP Holdings from 6 May 2000 to 30 September 2013. He continued to serve on the Board of CLP Holdings as an Executive Director until his redesignation as a Non-executive Director on 1 April 2014.

Mr Brandler has had an extensive career as a banker in the energy and utility sector in North America, Europe and, since 1995, in Asia. His experience covers power sector deregulation in the United States during the 1980s, and, moving back to London in 1989, the UK electricity industry privatisation and deregulation in the early 1990s. Immediately prior to joining CLP, Mr Brandler was Head of Asia Pacific Corporate Finance at Schroders, the UK investment bank, based in Hong Kong.

Mr Brandler was the Chairman of The Hong Kong General Chamber of Commerce from May 2008 to May 2010.

Relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company

Mr Brandler is the chairman of Sir Elly Kadoorie & Sons Ltd., overseeing a number of Kadoorie Family's interests in Hong Kong and overseas and, as such, is associated with the substantial Shareholders of the Company.

The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

Part B – Re-election of Directors

5. Mr Nicholas Charles Allen

Aged 65

Independent Non-executive Director

Chairman of Audit & Risk Committee, Human Resources & Remuneration Committee and Nomination Committee; and
Member of Finance & General Committee and Sustainability Committee

Appointed on 12 May 2009

Expertise

- Board/board committees leadership
- CLP market experience
- Global market experience
- Other listed board roles
- Professional (Accounting)
- Related industry experience (Property/Retail)
- Risk & compliance
- Technology

Titles, qualifications and education

Fellow of The Institute of Chartered Accountants in England and Wales

Member of The Hong Kong Institute of Certified Public Accountants

Bachelor of Arts in Economics/Social Studies, the University of Manchester

Other major offices

Link Asset Management Ltd.[#] (as manager of The Link Real Estate Investment Trust) (Independent Non-executive Chairman, and Chairman of Nomination Committee and Finance and Investment Committee)

Lenovo Group Ltd.[#] (Independent Non-executive Director and Chairman of Audit Committee)

Public service

Vision 2047 Foundation (Director)

Past experience

Mr Allen joined Coopers & Lybrand (C&L) in London in 1977 and was transferred to C&L Hong Kong in 1983. He was admitted to partnership in C&L Hong Kong in 1988, which was subsequently merged with Price Waterhouse into PricewaterhouseCoopers (PwC) in 1998. Mr Allen retired from PwC in 2007.

Relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company

Mr Allen holds cross-directorship with Ms May Tan since they both serve on the boards of the Company and Link Asset Management Ltd. Apart from that, Mr Allen has no financial or family relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company.

[#] The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

Part B – Re-election of Directors

6. Mrs Law Fan Chiu Fun Fanny

Aged 68

Independent Non-executive Director

Member of Audit & Risk Committee, Human Resources & Remuneration Committee and Sustainability Committee

Appointed on 17 August 2011 and reappointed on 1 August 2012

Expertise

- Board/board committees leadership
- CLP market experience
- Global market experience
- Other industries
- Other listed board roles
- Public administration
- Related industry experience (Infrastructure/Power/Property/Retail)
- Risk & compliance
- Technology

Titles, qualifications and education

Grand Bauhinia Medal

Gold Bauhinia Star

Justice of the Peace

Bachelor of Science (Hon.), the University of Hong Kong (outstanding alumnus of the Science Faculty)

Master in Public Administration, Harvard University (Littauer Fellow)

Master in Education, the Chinese University of Hong Kong (Dean's List)

Other major offices

China Resources (Holdings) Co., Ltd. (as the unlisted holding company for a number of China Resources listed group entities#)
(External Director, Chairman of Audit Committee, member of Remuneration Committee and Strategy Committee)

China Taiping Insurance Holdings Co., Ltd.# (Independent Non-executive Director, and member of Audit Committee, Remuneration Committee and Nomination Committee)

China Unicom (Hong Kong) Ltd.# (Independent Non-executive Director, and member of Audit Committee and Nomination Committee)

Minmetals Land Ltd.# (Independent Non-executive Director, Chairman of Remuneration Committee, and member of Audit Committee and Nomination Committee)

Nameson Holdings Ltd.# (Independent Non-executive Director)

Public service

The Government of Hong Kong SAR (Member of the Executive Council)

Our Hong Kong Foundation (Member of the Research Council)

Past experience

Prior to her retirement from the civil service in 2007, Mrs Law was the Commissioner of the Hong Kong Independent Commission Against Corruption. During her 30 years in the civil service, Mrs Law has worked in many fields, including medical and health, economic services, housing, land and planning, home affairs, social welfare, civil service, transport and education.

Mrs Law was an Independent Non-executive Director of DTXS Silk Road Investment Holdings Company Ltd.# (December 2015 to April 2019).

Relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company

Mrs Law has no financial or family relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company.

The securities of these companies are currently listed on the Hong Kong Stock Exchange or overseas stock exchange(s).

Part B – Re-election of Directors

7. Mr Richard Kendall Lancaster

Aged 59

Chief Executive Officer (CEO)

Chairman of Sustainability Committee and Member of Finance & General Committee

Appointed on 3 June 2013

Expertise

- CLP market experience
- Company executive
- Global market experience
- Professional (Engineering)
- Related industry experience (Power)
- Risk & compliance

Titles, qualifications and education

Bachelor of Engineering in electrical engineering, the University of New South Wales

Major positions held with the Group

Mr Lancaster is the CEO and is responsible for overall group performance of CLP. He is also a Director of various subsidiary companies and an affiliated company of the CLP Group, details of which are set out in the CLP website (www.clpgroup.com).

Public service

Business Environment Council (Chairman)

World Energy Council (Hong Kong Member Committee) (Chairman)

World Business Council for Sustainable Development (Council member) (member of the Climate and Energy Cluster Board)

Hong Kong Management Association (Fellow)

The Australian Chamber of Commerce Hong Kong & Macau (Founding member of the Advisory Council)

UNSW Hong Kong Foundation (Board member)

Operations Review Committee of the Independent Commission Against Corruption (Member)

Past experience

Prior to assuming his role of CEO in September 2013, Mr Lancaster was the Managing Director of CLP Power Hong Kong Ltd for three years, responsible for its electricity generation, transmission and distribution business and service to its customers in Hong Kong. He began his career with the Electricity Commission of New South Wales in Australia and has more than 30 years of experience in the power industry and in other industrial operations in Australia, UK and Hong Kong. Mr Lancaster joined CLP in 1992 and has held a variety of managerial positions in CLP. His experience covers project management, power plant operations, commercial, finance, legal and corporate functions. Earlier in his career, he worked in the electricity supply industry in his home country Australia and later in an international brewing company in the UK.

Relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company

Mr Lancaster has no financial or family relationships with any Directors, Senior Management or substantial or controlling Shareholders of the Company.

Schedule 2 – CLP Board Diversity

Our concept of diversity incorporates a number of different aspects, such as independence, professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service.

Our Board Diversity Policy also recognises that board diversity can be achieved without increasing the size of the Board and that a reduction in board size due to retirements without replacement can also be a way to further diversity.

In our 2020 Annual Report, we have set out our assessment of our Board Diversity with the current Board composition. We have set out below aspects of the Board Diversity for the Board on the assumption that the retiring Directors would be elected and re-elected at the 2021 AGM.



Length of service

Percentage of Directors having served the Board for over 10 years will remain at 42%



Capacity

Representation of Independent Non-executive Directors will maintain at a strong level of 50%; and representation of Executive Directors in the Board will remain at a relatively low level of 14%



Age group

Percentage of Directors aged 70 or above is on a downward trend and will remain at 14%



Gender

Gender diversity (female representation) will maintain at a high level of 28% amongst Hong Kong listed companies



Nationality

The Board will remain reasonably diverse in terms of nationality, with resident Directors in Hong Kong, India and Australia where CLP has major business and operations

The Board's expertise as a whole would be as follows:

Expertise	Relevance to CLP	No. of Directors (Full Board of 14)^(Note)
Board/board committees leadership	Board and governance leadership experience are regarded as a strategic asset to the Board and Board Committees	6
CLP market experience (Hong Kong/Mainland China (including Greater Bay Area)/ India/Southeast Asia & Taiwan/ Australia)	Facilitates the review of CLP's business and financial operations and investments in the respective region	14
Company executive	Provides insights into executive leadership and the management of CLP's business and operations	8
Global market experience	Provides insights into the global economic trends and opportunities that CLP can explore	14
Other industries	Brings in other expertise applicable across different industries	11
Other listed board roles	Brings in good practices as a board and/or board committee member of listed companies	12
Public administration	Brings in experience in the areas of regulatory and stakeholder engagement	1
Related industry experience (Infrastructure/Power/Property/Retail)	Facilitates the review of CLP's business operations and investment opportunities in the related industries	14
Risk & compliance	Risk and compliance as key governance responsibilities of the Board	10
Technology	Provides insights into the technological developments and the governance of cyber risks	4
Professional	Brings in oversight, advisory and operational experience in the respective field of profession	10
• Accounting		5
• Engineering		4
• Legal		2
<p>Note: Multiple professional background and experience may apply to a Director.</p>		

EXPLANATORY STATEMENT ON THE NEW ARTICLES OF ASSOCIATION

The following is a summary of the proposed changes under the New Articles and uses the same headings as used in the Current Articles and the New Articles.

1. Definitions

1.1 New definitions have been incorporated, including:

1.1.1 **“Hybrid General Meeting”** which is defined as a General Meeting convened and held by (i) **physical attendance** by members and/or proxies at the Principal Meeting Place and, where applicable, one or more satellite meeting places; **and** (ii) **virtual attendance** and participation by members and/or their proxies by means of electronic facilities.

1.1.2 **“Physical General Meeting”** which is defined as a General Meeting held and conducted **by physical attendance** by members and/or proxies **at the Principal Meeting Place and**, where applicable, **one or more satellite meeting places**.

1.1.3 **“Principal Meeting Place”** which is the location determined by the Board to be the principal meeting place which shall be in Hong Kong.

1.2 A general interpretation provision clarifies that all references in the New Articles to a person being present at or attending a General Meeting, whether in person or by proxy, refer to a person or proxy attending the physical meeting or participating via electronic facilities.

2. Non-registered Shareholders

2.1 Both the Current Articles and New Articles provide that the Company shall be entitled to treat the registered holder of any share as its absolute owner. Notwithstanding this, the New Articles provide that the Company may make arrangements to give notices and communications to persons who hold shares through a Clearing House (or other nominee) or to make arrangements with the Clearing House (or relevant nominee holder) to enable any such persons to vote at meetings.

2.2 This amendment recognises the Company’s intention **at an appropriate future time to enable non-registered Shareholders to receive information directly from the Company** and to enable them to cast votes provided this arrangement can be introduced securely.

3. General Meetings

3.1 Under the New Articles, the **Board must determine** whether a meeting, including an Annual General Meeting, is to be held as **a Physical General Meeting or a Hybrid General Meeting**. The Board will also determine the Principal Meeting Place.

3.2 The notice will specify whether the meeting will be a Physical General Meeting (which can include physical meetings at multiple locations, referred to as satellite meetings) or a Hybrid General Meeting. The notice must also include the locations of any satellite meeting place and the Principal Meeting Place, as well as details of the electronic facilities for use at a Hybrid General Meeting (or a statement as to the manner in which such details will be made available prior to the meeting).

3.3 With regard to **Physical General Meetings**:

3.3.1 The Board may resolve to hold **a meeting by simultaneous participation** at any places anywhere in the world designated by the Board **as satellite meeting places**. Members present in person or by proxy at satellite meetings shall be **counted in the quorum** for, and **entitled to vote** at, the meeting. The Chairman has to be satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all meeting places are able to:

- (a) participate in the business of the meeting;
- (b) hear all persons who speak in the Principal Meeting Place and any satellite meeting place; and
- (c) be heard by all other persons present at the meeting.

3.4 With regard to **Hybrid General Meetings**:

3.4.1 The Board may resolve to hold a Hybrid General Meeting **allowing simultaneous attendance by electronic means** pursuant to arrangements specified in the notice of meeting (or made available prior to the meeting).

3.4.2 The members or proxies present shall be **counted in the quorum** for, and **entitled to vote** at, the meeting. The Chairman has to be satisfied that adequate facilities are available throughout the Hybrid General Meeting to ensure that members attending the meeting who are not present in the same place may attend, speak and vote by electronic means.

3.4.3 Any documents required to be made available to the meeting are to be accessible electronically.

3.4.4 All persons seeking to attend a Hybrid General Meeting shall be responsible for maintaining adequate facilities to enable them to do so. If any person is unable to attend by electronic means, this does not invalidate the meeting.

3.5 The New Articles allow arrangements for members to be able to view and hear the proceedings and to speak at a meeting by attending at a venue anywhere in the world which is not a satellite meeting place. Those attending such a venue are not regarded as present at the meeting and are not entitled to vote at the meeting.

4. **Proceedings at General Meetings**

4.1 The **quorum at meetings is unchanged** under the New Articles, being ten members present in person or by proxy. The interpretation provision in the New Articles (see paragraph 1.2 above) ensures that the **quorum** also includes members or proxies **attending by electronic means**.

4.2 Where a member or proxy attends a satellite meeting or a Hybrid General Meeting electronically, the New Articles clarify that the meeting is treated as having commenced if it commences at the Principal Meeting Place, and is treated as having adjourned or concluded if it adjourns or concludes at the Principal Meeting Place.

4.3 The Current Articles allow the Chairman to **adjourn the meeting in certain circumstances**. The New Articles also allow the Chairman **to change the form of the meeting** to a Physical General Meeting or a Hybrid General Meeting. In addition, if it appears to the Chairman that:

4.3.1 the facilities at the Principal Meeting Place or any satellite meeting place have become inadequate; or

4.3.2 in the case of a Hybrid General Meeting, the electronic facilities or security have become inadequate; or

4.3.3 it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or

4.3.4 there has ceased to be a quorum; or

4.3.5 there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting;

the Chairman may adjourn the meeting or, in the case of a Hybrid General Meeting, change the electronic facilities.

4.4 The New Articles provide that if a member is unable to attend, in person or by proxy, at any particular meeting place, that member shall be entitled to attend at one of the other meeting places (including by means of electronic facilities, if available).

4.5 The New Articles provide, in relation to **Hybrid General Meetings**, that the **rights of a member** include the right to listen, speak (which may be implemented by electronic facilities, such as by text or chat messaging services, that enable the member to submit questions to the meeting in near real-time during the meeting), to vote on a show of hands or poll, be represented by a proxy and have access to all documents (including electronic access) which are required to be made available at the meeting.

- 4.6 The New Articles provide for arrangements at Hybrid General Meeting to ensure the identification of those taking part and the security of the electronic facilities.
- 4.7 Under the New Articles, if after sending notice of a meeting, the Board considers it impracticable to hold the meeting on the date or at the time and place and/or by means of the electronic facilities specified in the notice:
- 4.7.1 in the case of a meeting to be held at the Principal Meeting Place and one or more satellite meeting places, to be held at such other places and/or change the electronic facilities; or
- 4.7.2 to change the form of the meeting from a Physical General Meeting to a Hybrid General Meeting (or vice versa); or
- 4.7.3 to **make any other changes in respect of the meeting.**

In these circumstances, no new notice of the General Meeting need be sent but the Company shall:

- (a) endeavour to **post** notice of such change or postponement on the **Company's website** as soon as practicable; and
- (b) unless already specified in the original notice of meeting or included in the notice posted on the Company's website as mentioned above, the Board shall fix the date, time and place (if applicable) and electronic facilities (if applicable), for the changed or postponed meeting and **give members reasonable notice** (given the circumstances and which, in the case of a postponed meeting shall be at least seven clear days' notice) of such details.

5. Voting

- 5.1 To cater for more advanced technology, the New Articles will allow a **proxy** to be **appointed in any way, including by electronic means or on an electronic platform**, subject to any terms and conditions the Board decides. If any document or information relating to a proxy is sent to the Company by electronic means, it will not be treated as validly delivered unless received at the Company's designated electronic address or via its designated electronic platform.
- 5.2 Under the New Articles, if more than one proxy is appointed in respect of the same share to act at the same meeting, only the last appointment received will be treated as valid.

6. Notices

- 6.1 The Articles relating to the **giving of notices of General Meeting** and the provision of information to members will be reorganised so that they can be given:
- 6.1.1 **in hard copy form** personally, by hand, or (most likely) by post;
- 6.1.2 **in electronic form** personally, by hand, by post or (most likely) by electronic means:
- (a) note: sending electronic notices personally, by hand or by post refers to sending an electronic medium such as a CD ROM by physical means; and
- (b) the Company may only send a notice or information in electronic form if it has received that **member's written agreement**, generally or specifically, that the notice or information may be sent to him **in electronic form**. No revocation must have been received by the Company from the member, and the Company must comply with all other relevant requirements of the Companies Ordinance and the Listing Rules;

6.1.3 **by publication on the Company's website** provided the Company has received either:

- (a) the member's **written agreement**, generally or specifically; or
- (b) the member's **deemed agreement** in the manner prescribed in the Companies Ordinance and the Listing Rules, and has given the member a notification of the availability of such notice or information on the Company's website. No revocation must have been received by the Company from the member and the Company must comply with all other relevant requirements of the Companies Ordinance and the Listing Rules;

6.1.4 by placing an **advertisement** in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper; or

6.1.5 by such other means in printed or electronic form as permitted by applicable laws, rules and regulations.

6.2 The Current Articles and the New Articles are both subject to the Companies Ordinance and Listing Rules under which:

6.2.1 a member must give (a) actual consent to receive notices by electronic means, or (b) actual or deemed consent to receive notices by publication on the Company's website;

6.2.2 consent can be deemed if the member does not respond within 28 days to the Company's advice that it will make publications available on the Company's website; and

6.2.3 the Company must send separate notification to the member that the notice is available on the Company's website. This notification may be in physical form or (but only if the member has actually consented) electronic form.

6.3 The Company currently posts notifications to Shareholders to advise them that information has been posted on the Company's website. Even if the Company were to move to sending notifications by email, it is doubtful all members would give actual consent to receive email notifications, and some may opt out of receiving information posted on the Company's website. The Company therefore expects it will continue to use the postal system for at least part of its notifications to members for the foreseeable future.

6.4 The pandemic has shown that the postal service can be severely disrupted for extended periods and, with this in mind, the New Articles will make **provision for any disruption to the postal system or electronic means of communication** in Hong Kong as follows:

6.4.1 If the Company cannot call a meeting by sending notices by post or electronic means because the postal system (whether domestic or airmail) or electronic means of communication in Hong Kong are suspended, notice of the meeting will be treated as given to members **by advertisement** in at least two Hong Kong newspapers.

6.4.2 In any such case, the Company must: (i) if possible, make the notice available on its **website** from the date of the advertisement until the end of the meeting or any adjournment of the meeting; **and** (ii) if it becomes generally possible to use the postal system or electronic means again more than 14 days before the meeting **send confirmation of the notice by post or electronic means**.

7. Other Changes

7.1 Other minor changes to the Current Articles are also proposed. These changes are for clarity or consequential amendments in line with the above proposed changes.

The legal advisors of the Company have confirmed that the proposed changes in the New Articles comply with the Listing Rules and applicable laws of Hong Kong. The Company confirms there is nothing unusual about the proposed changes for a Hong Kong company listed on the Hong Kong Stock Exchange.

EXPLANATORY STATEMENT ON SHARE BUY-BACK MANDATE

This Explanatory Statement includes information required under Rule 10.06(1)(b) of the Listing Rules to be given to Shareholders in connection with the proposed share buy-back mandate to be granted to the Directors of the Company.

1. Exercise of the Buy-back Mandate

- 1.1 Resolution (6) set out in the Notice will, if passed, give a general unconditional mandate to the Directors authorising the buy-back by the Company of up to ten per cent (10%) of the total number of shares of the Company in issue at the date of the AGM at any time from the passing of the Resolution until the conclusion of the next AGM of the Company, the expiration of the period within which the next AGM of the Company is required by law to be held, or at any time when the aforementioned mandate is revoked or varied by ordinary resolution of the Shareholders in general meeting, whichever occurs first (Relevant Period).
- 1.2 On the basis of 2,526,450,570 shares in issue as at the latest practicable date, if the buy-back mandate is exercised in full, this would result in up to 252,645,057 shares being bought back by the Company during the Relevant Period.

2. Reasons for Buy-backs

- 2.1 The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to buy back its own shares. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement in the value of the shares and/or earnings per share and will only be made when the Directors believe that such buy-back will benefit the Company and its Shareholders.

3. Funding of Buy-backs

- 3.1 In buying back its own shares, the Company may only apply funds legally available for such purpose in accordance with the laws of Hong Kong and the Articles of Association of the Company. Such funds may include profits available for distribution and the proceeds of a fresh issue of shares made for the purpose of the buy-backs.
- 3.2 In the event that the buy-back mandate is exercised in full, there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's Annual Report and Financial Statements for the year ended 31 December 2020). However, the Directors do not propose to exercise the buy-back mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or gearing level which in the opinion of the Directors is from time to time appropriate to the Company.

4. Status of Bought-back Shares

- 4.1 The Listing Rules provide that all the shares purchased by the Company are automatically delisted and the Company must ensure that the corresponding certificates are cancelled and destroyed. Under the Companies Ordinance, the shares so purchased in accordance with the proposed mandate will be regarded as cancelled.

5. Share Prices

- 5.1 The highest and lowest prices at which shares have been traded on the Hong Kong Stock Exchange during each of the previous 12 months and as at the latest practicable date were as follows:

	Highest HK\$	Lowest HK\$
2020		
March	84.20	65.00
April	84.05	69.90
May	81.80	75.10
June	79.85	75.30
July	78.50	70.70
August	77.40	71.90
September	76.40	71.80
October	74.30	71.30
November	75.00	71.05
December	73.35	70.25
2021		
January	74.25	71.40
February	77.35	71.60
10 March (latest practicable date)	74.05	73.10

6. Disclosure of Interests

- 6.1 None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any shares to the Company or its subsidiaries under the buy-back mandate if such buy-back mandate is approved by Shareholders.
- 6.2 The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the buy-back mandate pursuant to the proposed resolution in accordance with the Listing Rules and the laws of Hong Kong.
- 6.3 No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell shares to the Company or have undertaken not to do so in the event that the buy-back mandate is approved by Shareholders.

7. The Codes on Takeovers and Mergers and Share Buy-backs

- 7.1 If, as a result of share buy-backs by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, may be treated, as a result of share buy-backs by the Company, as having obtained or consolidated control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.
- 7.2 As at the latest practicable date, the Kadoorie Family's interests in the Company (which included interests held through/ by (i) various discretionary trusts of which members of the Kadoorie Family are beneficiaries, (ii) the charities associated with the Kadoorie Family, and (iii) some members of the Kadoorie Family personally (collectively, the Parties)), amounted in aggregate to 885,928,074 shares, representing 35.0661% of the total number of shares of the Company in issue.
- 7.3 If the Parties' holding of voting rights in the Company increases by more than 2% from their lowest percentage holding in the 12 months ending on the date of an acquisition of shares or buy-back of shares by the Company, the Parties may be obliged to make a mandatory general offer under the Takeovers Code unless a waiver is granted by the Securities and Futures Commission. The Company does not presently envisage exercising the buy-back mandate to effect on-market share buy-backs in circumstances where this will trigger a mandatory general offer obligation on the part of the Parties under the Takeovers Code.

8. Buy-backs Made by the Company

- 8.1 The Company has not repurchased any shares on the Hong Kong Stock Exchange in the six months prior to the date of the Notice.

Where is the AGM Venue

年會會場位置圖

Kerry Hotel, Hong Kong
香港嘉里酒店

38 Hung Luen Road, Hung Hom Bay, Kowloon, Hong Kong
香港九龍紅磡灣紅鸞道38號



MTR, Bus and Ferry Information

港鐵、巴士及渡輪資訊

Our AGM Venue is conveniently serviced by the following public transport services:

乘搭以下公共交通工具便可抵達我們的年會會場:

- MTR – Whampoa Station, take Exit C2 and walk for about 10 minutes
港鐵 — 黃埔站，從C2出口步行約10分鐘
- Bus/Mini Bus – Available stops at AGM Venue doorstep for routes:
巴士／小巴 — 總站／分站臨近年會會場，路線包括：

Bus 巴士：3B, 7B, 15, 85S, 85X, 268B, 269B, 297, 297P

Mini Bus 小巴：13

- Ferry (from North Point) – Pier at AGM Venue doorstep
渡輪(由北角出發) — 碼頭臨近年會會場

Ferry service between North Point Ferry Pier (off Kam Hong Street) and Hung Hom Pier takes an approximated journey time of 8 minutes.

渡輪航線往返北角碼頭(鄰近琴行街)及紅磡渡輪碼頭，每程約8分鐘。

- Ferry (from Central) – Pier at AGM Venue doorstep
渡輪(由中環出發) — 碼頭臨近年會會場

Ferry service between Central Ferry Pier No. 8 and Hung Hom (South) Ferry Pier takes an approximated journey time of 16 minutes.

渡輪航線往返中環8號碼頭及紅磡(南)碼頭，每程約16分鐘。

Shareholders may visit the Transport Department's Hong Kong eMobility website (<https://www.hkemobility.gov.hk/en>) to obtain the latest public transportation information closer to the date of 2021 AGM.

股東可於臨近2021年會日期，瀏覽運輸署香港出行易網站 (<https://www.hkemobility.gov.hk/tc>)，以獲取最新的公共交通資訊。

For more information on how to access our AGM Venue, please contact us on (852) 2678 8228 or by email to cosec@clp.com.hk.

如欲知悉前往我們年會會場的更多資料，請致電(852) 2678 8228 或電郵至cosec@clp.com.hk與我們聯絡。