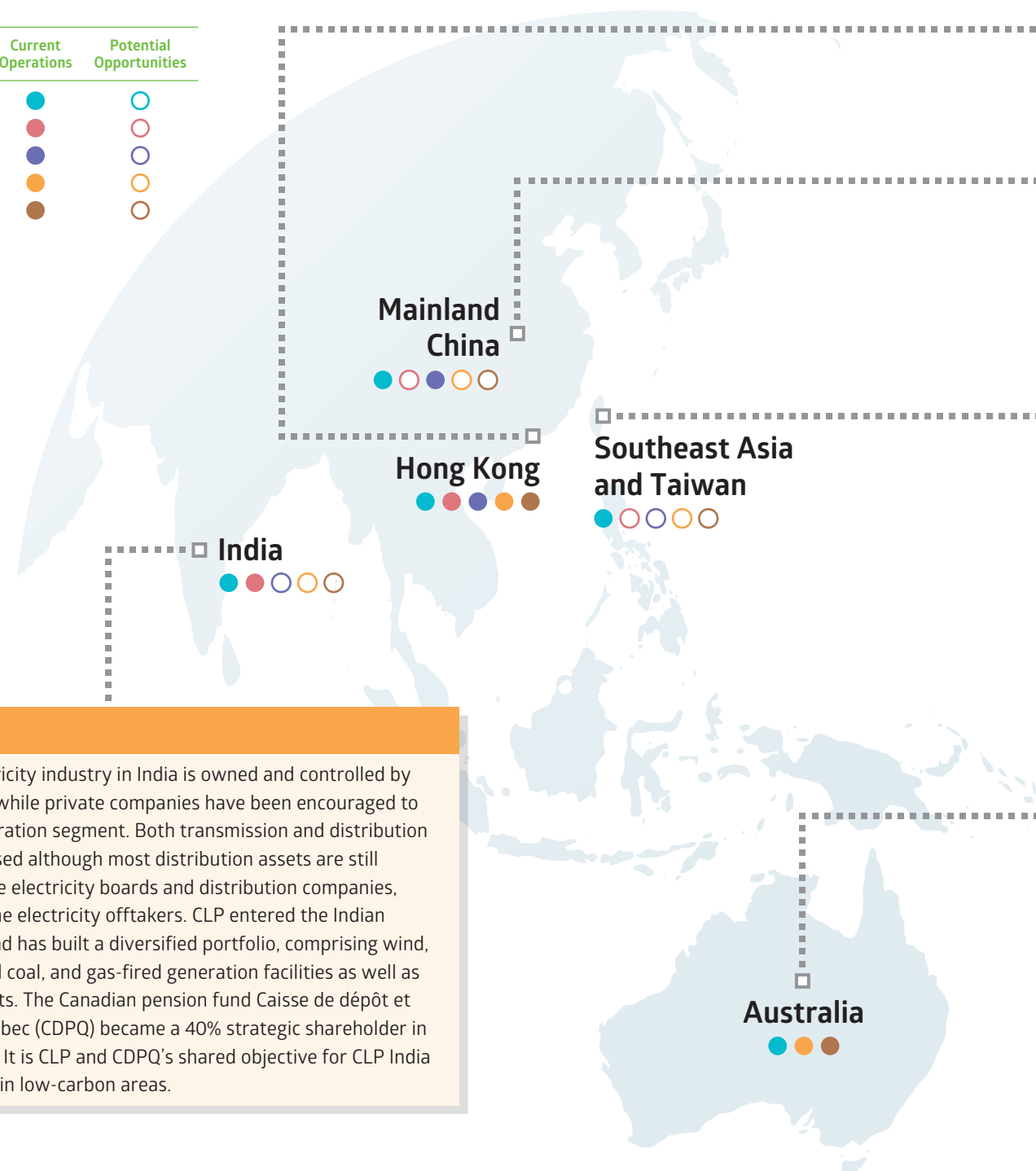


A Snapshot of CLP in 2019

About the CLP Group

The CLP Group is an investor and operator in the Asia-Pacific energy sector. It has powered the dynamic growth of Hong Kong for more than a century, and serves 80% of the city's population. Today, its business has expanded to Mainland China, India, Southeast Asia, Taiwan, and Australia. The CLP Group has become an important part of the social and economic fabric of the diverse communities in which it operates, working closely together with them to achieve sustainable growth.

	Current Operations	Potential Opportunities
Generation	●	○
Transmission	●	○
Distribution	●	○
Retail	●	○
Smart Energy Services	●	○



India

Much of the electricity industry in India is owned and controlled by the Government, while private companies have been encouraged to invest in the generation segment. Both transmission and distribution have been privatised although most distribution assets are still controlled by state electricity boards and distribution companies, which are often the electricity offtakers. CLP entered the Indian market in 2002 and has built a diversified portfolio, comprising wind, solar, supercritical coal, and gas-fired generation facilities as well as transmission assets. The Canadian pension fund Caisse de dépôt et placement du Québec (CDPQ) became a 40% strategic shareholder in CLP India in 2018. It is CLP and CDPQ's shared objective for CLP India to pursue growth in low-carbon areas.

Hong Kong

Hong Kong's electricity sector is privately-owned and operated. It consists of two vertically-integrated utility companies serving different geographical areas of the city. The companies are regulated by a Scheme of Control Agreement, under which they are obliged to provide a safe, reliable, and environmentally-responsible electricity supply at a reasonable rate. CLP Power Hong Kong, a wholly-owned subsidiary of the Group, provides a power supply of over 99.999% world-class reliability to 2.64 million customers in Kowloon, the New Territories, and most of the outlying islands.

Mainland China

The electricity industry in Mainland China is largely state-controlled. Transmission and distribution are limited to two public companies. Generation is dominated by five state-owned utility companies but the segment is open to market competition and has attracted private firms, foreign investors, and dozens of smaller-sized companies run by regional governments and local authorities. CLP first entered the market in 1979 when the Group began providing electricity to Guangdong province. Today, CLP China is one of the largest external independent power producers in Mainland China with over 50 power projects in 15 provinces, municipalities and autonomous region, concentrating on low-carbon energy, including nuclear power and renewable energy.

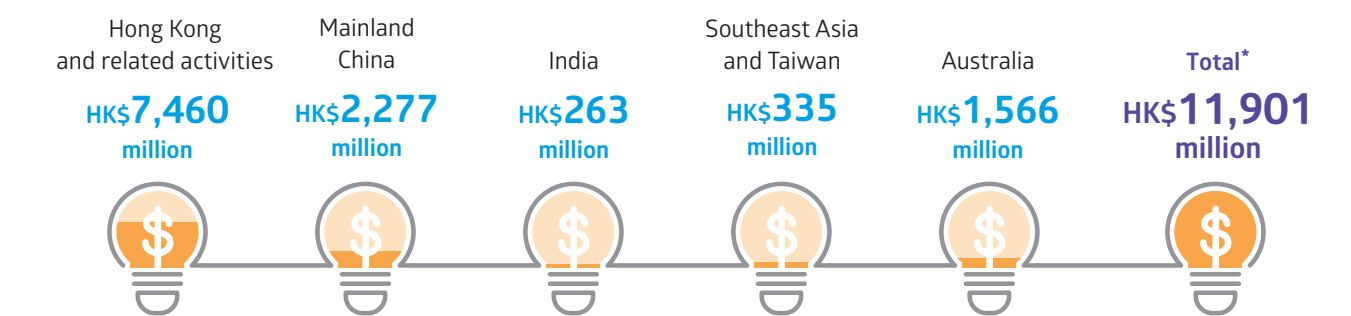
Southeast Asia and Taiwan

CLP has minority interests in a solar project in Thailand and a coal-based generation plant in Taiwan. The electricity industry is Government-controlled in both markets and CLP's involvement is in the generation side of the business. As a committed supporter of global efforts to reduce carbon emissions, CLP is exploring investment opportunities in renewable energy generation in Taiwan, Thailand and Vietnam.

Australia

CLP's wholly-owned subsidiary EnergyAustralia operates a customer-focused energy business serving 2.47 million accounts across southeast Australia under the National Electricity Market (NEM). Private generators operating under the NEM and a number of Government-owned assets provide generation services in a competitive wholesale market. The retail market is fully privatised while the transmission and distribution portions of the electricity value chain remain substantially regulated. EnergyAustralia is one of the largest privately-owned electricity generators under the NEM, a major gas and electricity retailer in New South Wales, Victoria, South Australia, and the Australian Capital Territory, and an electricity retailer in Queensland.

2019 Operating Earnings



* Before Group expenses

Our Portfolio

CLP's business spans every major segment of the energy value chain, including retail, distribution, and transmission, along with a diversified portfolio of electricity generation assets. The tables below detail the total generation capacity¹ as well as business activities in each CLP market as of 31 December 2019.

Hong Kong	Mainland China	India	Southeast Asia and Taiwan	Australia	Total
7,568MW	8,990MW	1,842MW	285MW	5,330MW	24,015MW

Hong Kong				
Assets and Services	Location	CLP's Equity Interest	Gross Capacity	CLP's Capacity (Equity / Long-term Purchase)
Customer Services				
Electricity and customer services for about 2.64 million customer accounts in Kowloon, the New Territories and most of Hong Kong's outlying islands	Hong Kong	100%	-	-
Transmission and Distribution				
555 km of 400kV lines, 1,671 km of 132kV lines, 22 km of 33kV lines and 13,782 km of 11kV lines 68,251 MVA transformers, 232 primary and 14,867 secondary substations in operation	Hong Kong	100%	-	-
Gas				
Black Point Power Station , one of the world's largest gas-fired combined-cycle power stations comprising four 312.5MW units and four 337.5MW units, with another new 550MW unit is currently being commissioned	Hong Kong	70%	3,150MW	3,150MW
Coal				
Castle Peak Power Station , comprising four 350MW coal-fired units and another four 677MW units. Two of the 677MW units can use gas as a backup fuel. All units can use oil as a backup fuel	Hong Kong	70%	4,108MW	4,108MW
Others				
Hong Kong Branch Line , comprising a 20-km pipeline and the associated gas launching and end stations, which transports natural gas from PetroChina's Second West-East Gas Pipeline in Shenzhen Dachan Island to Black Point	Hong Kong	40%	-	-
Penny's Bay Power Station , comprising three 100MW diesel-fired gas turbine units mainly for backup purpose	Hong Kong	70%	300MW	300MW
West New Territories Landfill Project , comprising five new 2MW units which make use of landfill gas from waste for power generation	Hong Kong	70%	10MW	10MW

Mainland China				
Assets and Services	Location	CLP's Equity Interest	Gross Capacity	CLP's Capacity (Equity / Long-term Purchase)
Nuclear				
Guangdong Daya Bay Nuclear Power Station , comprising two 984MW Pressurised Water Reactors. Through long-term capacity purchase, 70% of electricity generated is supplied to Hong Kong, with the remaining 30% sold to Guangdong Province ²	Guangdong	25%	1,968MW	1,577MW
Yangjiang Nuclear Power Station , comprising six 1,086MW generating units ³	Guangdong	17%	6,516MW	1,108MW
Wind				
Nanao II Wind Farm	Guangdong	25%	45MW	11MW
Nanao III Wind Farm	Guangdong	25%	15MW	4MW
Sandu Wind Farm	Guizhou	100%	99MW	99MW
Changling II Wind Farm	Jilin	45%	49.5MW	22MW
Datong Wind Farm	Jilin	49%	49.5MW	24MW
Qian'an I Wind Farm	Jilin	100%	49.5MW	49.5MW
Qian'an II Wind Farm	Jilin	100%	49.5MW	49.5MW
Shuangliao I Wind Farm	Jilin	49%	49.3MW	24MW
Shuangliao II Wind Farm	Jilin	49%	49.5MW	24MW
Qujiagou Wind Farm	Liaoning	24.5%	49.5MW	12MW
Mazongshan Wind Farm	Liaoning	24.5%	49.5MW	12MW
CLP Laizhou I Wind Farm	Shandong	100%	49.5MW	49.5MW
CLP Laizhou II Wind Farm ⁴	Shandong	100%	49.5MW	49.5MW
Dongying Hekou Wind Farm	Shandong	49%	49.5MW	24MW
Huadian Laizhou I Wind Farm	Shandong	45%	40.5MW	18MW
Laiwu I Wind Farm	Shandong	100%	49.5MW	49.5MW
Laiwu II Wind Farm	Shandong	100%	49.5MW	49.5MW
Laiwu III Wind Farm ⁵	Shandong	100%	50MW	50MW
Lijin I Wind Farm	Shandong	49%	49.5MW	24MW
Lijin II Wind Farm	Shandong	49%	49.5MW	24MW

- Of projects in operation and under construction on an equity basis, in addition to long-term capacity and energy purchase arrangements. Rounded to the nearest whole number.
- Agreements have been reached to increase the proportion of energy supply to Hong Kong to slightly above 70% in 2014 and to about 80% from 2015 to 2023, with the remainder continuing to be sold to Guangdong Province.
- The sixth generating unit was commissioned in July 2019.
- Commenced operation in June 2019.
- Construction commenced in April 2019.

Mainland China (Cont'd)

Assets and Services	Location	CLP's Equity Interest	Gross Capacity	CLP's Capacity (Equity / Long-term Purchase)
Penglai I Wind Farm	Shandong	100%	48MW	48MW
Rongcheng I Wind Farm	Shandong	49%	48.8MW	24MW
Rongcheng II Wind Farm	Shandong	49%	49.5MW	24MW
Rongcheng III Wind Farm	Shandong	49%	49.5MW	24MW
Weihai I Wind Farm	Shandong	45%	19.5MW	9MW
Weihai II Wind Farm	Shandong	45%	49.5MW	22MW
Zhanhua I Wind Farm	Shandong	49%	49.5MW	24MW
Zhanhua II Wind Farm	Shandong	49%	49.5MW	24MW
Chongming Wind Farm	Shanghai	29%	48MW	14MW
Xundian I Wind Farm	Yunnan	100%	49.5MW	49.5MW
Hydro				
Huajji Hydro Power Stations	Guangdong	84.9%	129MW	110MW
Jiangbian Hydropower Station	Sichuan	100%	330MW	330MW
Dali Yang'er Hydropower Station	Yunnan	100%	49.8MW	49.8MW
Solar				
Jinchang Solar Power Station	Gansu	100%	85MW ⁶	85MW ⁶
Meizhou Solar Power Station ⁷	Guangdong	100%	36MW ⁸	36MW ⁸
Huai'an Solar Power Station	Jiangsu	100%	12.8MW ⁹	12.8MW ⁹
Sihong Solar Power Station	Jiangsu	100%	93MW ¹⁰	93MW ¹⁰
Lingyuan Solar Power Station	Liaoning	100%	17MW ¹¹	17MW ¹¹
Xicun I Solar Power Station	Yunnan	100%	42MW ¹²	42MW ¹²
Xicun II Solar Power Station	Yunnan	100%	42MW ¹³	42MW ¹³
Coal				
Beijing Yire Power Station ¹⁴	Beijing	30%	-	-
Fangchenggang Power Station Phase I	Guangxi	70%	1,260MW	882MW
Fangchenggang Power Station Phase II	Guangxi	70%	1,320MW	924MW
Sanhe I and II Power Stations	Hebei	16.5%	1,330MW	219MW
Zhungeer II and III Power Stations	Inner Mongolia	19.5%	1,320MW	257MW
Suizhong I and II Power Stations	Liaoning	15%	3,760MW	564MW
Shenmu Power Station ¹⁵	Shaanxi	49%	-	-
Heze II Power Station	Shandong	29.4%	600MW	176MW
Liaocheng I Power Station	Shandong	29.4%	1,200MW	353MW
Shiheng I and II Power Stations	Shandong	29.4%	1,260MW	370MW
Panshan Power Station	Tianjin	19.5%	1,060MW	207MW
Others				
Rights to use 50% of Phase I of Guangzhou Pumped Storage Power Station for serving CLP's Hong Kong business under a long-term capacity purchase agreement	Guangdong	-	1,200MW	600MW
Fangchenggang Incremental Distribution Network¹⁶	Guangxi	22.05%	-	-

India

Assets and Services	Location	CLP's Equity Interest	Gross Capacity	CLP's Equity Capacity
Wind				
Mahidad Wind Farm	Gujarat	60%	50.4MW	30MW
Samana I Wind Farm	Gujarat	60%	50.4MW	30MW
Samana II Wind Farm	Gujarat	60%	50.4MW	30MW
Harapanahalli Wind Farm	Karnataka	60%	39.6MW	24MW
Saundatti Wind Farm	Karnataka	60%	72MW	43MW
Chandgarh Wind Farm	Madhya Pradesh	60%	92MW	55MW
Andhra Lake Wind Farm	Maharashtra	60%	106.4MW	64MW
Jath Wind Farm	Maharashtra	60%	60MW	36MW
Khandke Wind Farm	Maharashtra	60%	50.4MW	30MW
Bhakrani Wind Farm	Rajasthan	60%	102.4MW	61MW
Sipla Wind Farm	Rajasthan	60%	50.4MW	30MW
Tejuva Wind Farm	Rajasthan	60%	100.8MW	60MW

6 Gross/CLP Equity MW are expressed on an alternating current (AC) basis. If converted to direct current (DC), they are equivalent to 100/100MW.

7 Acquisition completed in January 2019.

8 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 42.5/42.5MW.

9 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 15/15MW.

10 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 110/110MW.

11 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 20/20MW.

12 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 50/50MW.

13 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 50/50MW.

14 Beijing Yire Power Station ceased operation on 20 March 2015.

15 Shenmu Power Station ceased operation on 28 February 2018.

16 The project company, of which TUS-CLP Smart Energy Technology Co. Ltd. is a shareholder, was awarded a contract in February 2019 to build and operate the incremental distribution network, which commenced to provide electricity supply services to customers in Fangchenggang Hi-Tech Zone in January 2020.

A Snapshot of CLP in 2019

India (Cont'd)				
Assets and Services	Location	CLP's Equity Interest	Gross Capacity	CLP's Equity Capacity
Theni I Wind Farm	Tamil Nadu	60%	49.5MW	30MW
Theni II Wind Farm	Tamil Nadu	60%	49.5MW	30MW
Solar				
Gale Solar Farm	Maharashtra	60% ¹⁷	50MW ¹⁸	30MW ¹⁸
Tornado Solar Farm	Maharashtra	60%	20MW ¹⁹	12MW ¹⁹
Veltoor Solar Farm	Telangana	60% ²⁰	100MW ²¹	60MW ²¹
Gas				
Paguthan Power Station , a combined-cycle gas-fired power plant designed to run on natural gas with naphtha as alternate fuel	Gujarat	60%	655MW	393MW
Coal				
Jhajjar Power Station , comprising two 660MW supercritical coal-fired units	Haryana	60%	1,320MW	792MW
Transmission				
Satpura Transco Private Ltd. which runs a 240 km intra-state line	Madhya Pradesh	60% ²²	-	-
Southeast Asia & Taiwan				
Assets and Services	Location	CLP's Interest	Gross Capacity	CLP's Capacity
Solar				
Lopburi Solar Farm	Thailand	33.3%	63MW ²³	21MW ²³
Coal				
Ho-Ping Power Station	Taiwan	20%	1,320MW	264MW
Australia				
Assets and Services	Location	CLP's Interest (Equity / Long-term Purchase)	Gross Capacity	CLP's Capacity (Equity / Long-term Purchase)
Customer Services				
Electricity and gas services for 2.47 million customer accounts	New South Wales, Queensland, South Australia and Victoria	100%	-	-
Wind				
Cathedral Rocks Wind Farm	South Australia	50%	64MW	32MW
Gas				
Tallawarra Gas-fired Power Station	New South Wales	100%	420MW	420MW
Wilga Park Gas-fired Power Station	New South Wales	20%	16MW	3MW
Hallett Gas-fired Power Station ²⁴	South Australia	100%	233MW	233MW
Jeeralang Gas-fired Power Station	Victoria	100%	440MW	440MW
Newport Gas-fired Power Station	Victoria	100%	500MW	500MW
Coal				
Mount Piper Coal-fired Power Station	New South Wales	100%	1,400MW	1,400MW
Yallourn Coal-fired Power Station and Brown Coal Open-cut Mine	Victoria	100%	1,480MW	1,480MW
Renewable Energy Long-term Purchase ²⁵				
Boco Rock Wind Farm	New South Wales	100%	113MW	113MW
Bodangora Wind Farm	New South Wales	60%	113MW	68MW
Coleambally Solar Farm	New South Wales	70%	150MW	105MW
Gullen Range Wind Farm	New South Wales	100%	165.5MW	165.5MW
Manildra Solar Farm	New South Wales	100%	46MW	46MW
Taralga Wind Farm	New South Wales	100%	107MW	107MW
Ross River Solar Farm	Queensland	80%	116MW	93MW
Waterloo Wind Farm Stage 1	South Australia	50%	111MW	56MW
Gannawarra Solar Farm	Victoria	100%	50MW	50MW
Mortons Lane Wind Farm	Victoria	100%	19.5MW	19.5MW
Others				
Pine Dale Black Coal Mine	New South Wales	100%	-	-
Narrabri (2C contingent resource of up to 1,794PJ)	New South Wales	20%	-	-
Rights to charge and dispatch energy from Ballarat Battery Storage which operates 24/7 and is capable of powering more than 20,000 homes for an hour of critical peak demand before being recharged	Victoria	100%	30MW/ 30MWh	30MW/ 30MWh
Rights to charge and dispatch energy from Gannawarra Battery Storage which is capable of powering more than 16,000 homes through two hours of peak demand before being recharged	Victoria	100%	25MW/ 50MWh	25MW/ 50MWh

17 Gale Solar Farm became a wholly-owned asset of CLP India in March 2019 after CLP India acquired the equity interest previously held by Suzlon Energy Limited.

18 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 69/41.4MW.

19 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 27.6MW/16.6MW.

20 Veltoor Solar Farm became a wholly-owned asset of CLP India in March 2019 after CLP India acquired the equity interest previously held by Suzlon Energy Limited.

21 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 120/72MW.

22 Satpura Transco Private Ltd. became a wholly-owned asset of CLP India in November 2019 after CLP India acquired the equity interest previously held by Kalpataru Power Transmission Ltd.

23 Gross/CLP Equity MW are expressed on an AC basis. If converted to DC, they are equivalent to 83/28MW.

24 Capacity at Hallett Power Station has increased 30MW in early 2020 following successful upgrade works.

25 Relates to long-term power purchase from power stations in which CLP has neither equity nor operational control.

Financial Highlights

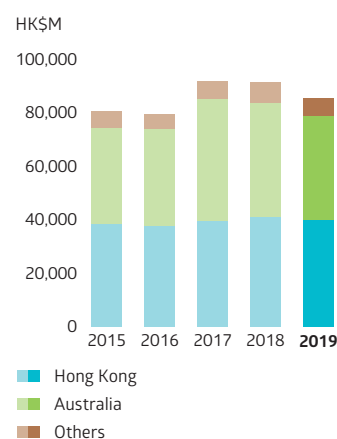
Group operating earnings of HK\$11,121 million were 20.5% lower than 2018 reflecting the full year impact of the lower permitted rate of return in Hong Kong and a challenging environment in Australia; total earnings decreased by 65.6% to HK\$4,657 million after an impairment of EnergyAustralia's retail goodwill of HK\$6,381 million.

	2019	2018	Increase / (Decrease) %
For the year (in HK\$ million)			
Revenue			
Hong Kong electricity business	40,025	40,872	(2.1)
Energy businesses outside Hong Kong	45,088	49,793	(9.4)
Others	576	760	
Total	85,689	91,425	(6.3)
Earnings			
Hong Kong electricity business	7,448	8,558	(13.0)
Hong Kong electricity business related ¹	211	227	
Mainland China	2,277	2,163	5.3
India	263	572	(54.0)
Southeast Asia and Taiwan	335	162	106.8
Australia	1,566	3,302	(52.6)
Other earnings in Hong Kong	(199)	(92)	
Unallocated net finance costs	(42)	(54)	
Unallocated Group expenses	(738)	(856)	
Operating earnings	11,121	13,982	(20.5)
Items affecting comparability			
Impairment provision	(6,381)	(450)	
Property revaluation	(83)	18	
Total earnings	4,657	13,550	(65.6)
Net cash inflow from operating activities	21,345	23,951	(10.9)
At 31 December (in HK\$ million)			
Total assets	221,623	230,514	(3.9)
Total borrowings	52,349	55,298	(5.3)
Shareholders' funds	105,455	109,053	(3.3)
Per share (in HK\$)			
Earnings per share	1.84	5.36	(65.6)
Dividends per share	3.08	3.02	2.0
Shareholders' funds per share	41.74	43.16	(3.3)
Ratios			
Return on equity ² (%)	4.3	12.4	
Net debt to total capital ³ (%)	26.7	25.5	
FFO interest cover ⁴ (times)	12	13	
Price / Earnings ⁵ (times)	45	17	
Dividend yield ⁶ (%)	3.8	3.4	

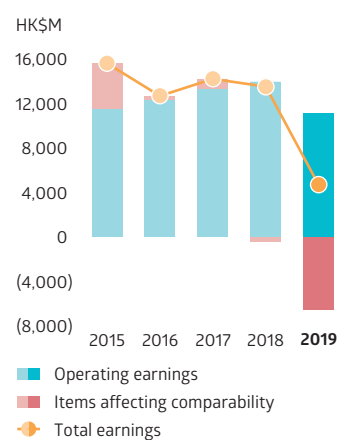
Notes:

- Hong Kong electricity business related includes PSDC, Hong Kong Branch Line and sales to Guangdong from Hong Kong
- Return on equity = Total earnings / Average shareholders' funds
- Net debt to total capital = Net debt / (Equity + advances from non-controlling interests + net debt). Debt = Bank loans and other borrowings. Net debt = Debt - bank balances, cash and other liquid funds.
- FFO (Funds from operations) interest cover = Cash inflow from operations / (Interest charges + capitalised interest)
- Price / Earnings = Closing share price on the last trading day of the year / Earnings per share
- Dividend yield = Dividends per share / Closing share price on the last trading day of the year

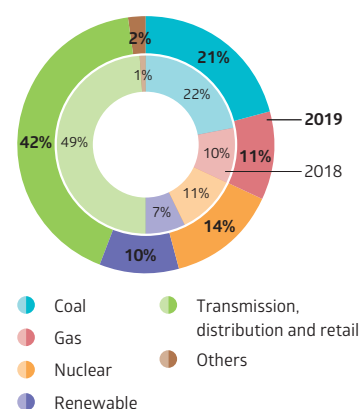
Revenue



Total Earnings



Operating Earnings (Before Unallocated Expenses) by Asset Type



Strategic Framework

Our Purpose

CLP powers the sustainable development of communities in which we operate by providing a safe, reliable and affordable electricity to our customers with minimal impact to the environment. We aim to be the leading responsible energy provider in the Asia-Pacific region, from one generation to the next.

Our Strategy

HOW WE SERVE OUR PURPOSE

To leverage new and emerging technologies to aid the progressive decarbonisation of our portfolio, empower our customers in making better energy choices, enhance performance of our operations, and to evolve and grow our business along with the transition.

▶ Read CEO's Strategic Review on pages 18 to 22

Our Values

WHAT GUIDE US IN FULFILLING OUR PURPOSE

CLP cares for people, the community and the environment. We care about performance, respect laws and standards, and value innovation and knowledge.

Our Governance

HOW WE HOLD OURSELVES ACCOUNTABLE

Good corporate governance is a key enabler of long-term value creation, which enhances our credibility and safeguards the interests of our stakeholders. We remain committed to doing the right thing at all times, and to embedding a corporate governance framework that our stakeholders respect and understand.

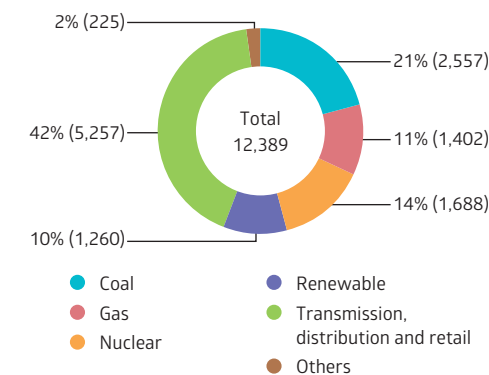
▶ Read 2019 at a Glance on pages 111 and 112

Key Performance Highlights

<p>Continue to grow a sustainable business</p> <p>HK\$ 4,657 million Total earnings ▼ 2018: HK\$13,550 million</p> <p>HK\$ 11,121 million Operating earnings ▼ 2018: HK\$13,982 million</p> <p>HK\$ 7,782 million Dividends ▲ 2018: HK\$7,630 million</p> <p>88,573 million kWh Electricity sent out ▼ 2018: 92,333 million kWh</p> <p>5.11 million Retail customer accounts in Hong Kong and Australia ▼ 2018: 5.15 million</p>	<p>Leverage new technologies to aid decarbonisation</p> <p>Key innovation projects and investments launched Smart Energy Connect, invested in R&B Technology Holding Co. Ltd.</p> <p>0.62 kg CO₂/kWh Carbon intensity ▼ 2018: 0.66 kg CO₂/kWh</p> <p>13.7 % Proportion of renewable energy ▲ 2018: 12.8%</p> <p>24.9 % Proportion of non-carbon emitting capacity ▲ 2018: 24.1%</p>	<p>Empower our customers in making better energy choices</p> <p>421,000 Smart meters connected in Hong Kong since 2018</p> <p>118 MW Demand response programmes demand reduced or capacity contracted in Hong Kong and Australia</p> <p>90 MW Feed-in Tariff Scheme in Hong Kong approved or connected to the grid since May 2018</p>	<p>Enhance operational performance</p> <p>Safety performance 0.11 Lost Time Injury Rate ▲ 2018: 0.10</p> <p>0.38 Total Recordable Injury Rate ▲ 2018: 0.25</p> <p>1 case Fatalities ▼ 2018: 2 cases</p> <p>99.999 % Reliability in Hong Kong ▲ 2018: 99.995%</p> <p>10 Environmental regulatory non-compliance cases ▲ 2018: 2 cases</p>
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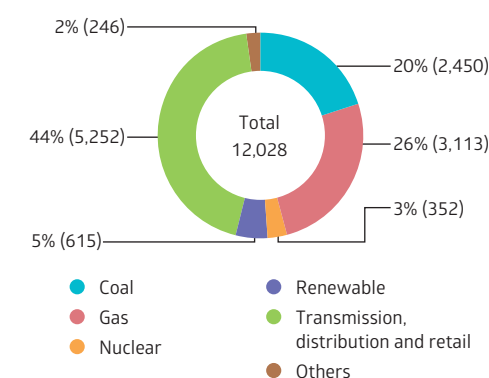
Evolve our business along with the transition

Operating earnings* by asset type % (HK\$ million)



* Before unallocated expenses

Capital investment# incurred by asset type % (HK\$ million)



On accrual basis

Key sustainability ratings

73 Dow Jones Sustainability Index	3.7 FTSE4Good
AA- Hang Seng Corporate Sustainability Index	AA MSCI ESG Leaders Indexes
	B CDP - Climate Change

Remuneration Policy

HOW WE LINK REMUNERATION TO CLP'S PURPOSE AND STRATEGY

These are amongst the broad range of strategy-linked performance indicators considered and balanced by the Board when determining incentive payments and total remuneration. The determination of performance outcomes is not formulaic but based on the Board's judgment, ensuring alignment between shareholders and management.

▶ See Human Resources & Remuneration Committee Report on pages 168 to 183

Creating Value for Stakeholders

At CLP, we utilise a range of capitals, which represent stores of value that can be built up, transformed or depleted in the production of goods or services, to create value for shareholders, customers, employees and the wider community.

Inputs ▶ Read the Capitals sections on pages 70 to 99

Financial Capital

- Shareholders' funds of HK\$105,455 million
- Total borrowings of HK\$52,349 million

Manufactured Capital

- Generation capacity of 19,238 equity MW
- Long-term capacity and energy purchase agreements of 4,777 MW
- Transmission and high voltage distribution lines of 16,270 km
- 15,099 primary and secondary substations in Hong Kong

Human Capital

- 7,960 employees

Intellectual Capital

- Research and development
- Innovation and technology

Natural Capital

- 485,453 TJ of coal consumed
- 107,183 TJ of gas consumed

Social and Relationship Capital

- 20,015 volunteer hours by staff and family members

What we do

Digital technologies

Data analytics, artificial intelligence and Internet of Things (IoT) enable new efficiencies and delivery of smarter and more connected energy services.

Generation



- Design, build, operate and invest in centralised and decentralised power stations and generation facilities
- Procure adequate and appropriate fuel and energy resources from diversified sources

Transmission



- Design, build and operate transmission networks
- Enhance transmission networks to facilitate integration of more clean energy into the grid

Distribution



- Design, build and operate distribution networks
- Integrate distributed energy resources into the grid

Customers



- Develop and deploy customer-oriented, technology-enabled energy services that help customers become active participants of a power system

Dynamic system balancing

Design, build and operate systems that integrate centralised and decentralised generation, and balance dynamic customer demand against different generation profiles to optimise cost efficiency, reliability and environmental performance.

Outputs ▶ See The CLP Group Business in 2019 Sustainability Report

- Reliable, clean and affordable electricity supply** to customers in each of the markets we operate in
- Economic value generated** of HK\$87,517 million

Outcomes for stakeholders

Employees

- Staff expenses of HK\$4,535 million

Community

- Donations of HK\$21 million

Government and Regulators

- Current income tax of HK\$2,189 million

Suppliers and Contractors

- Fuel and other operating costs of HK\$58,985 million*
- * Excluding impairment of retail goodwill of HK\$6,381 million

Capital Providers

- Shareholders – total dividends of HK\$7,782 million, HK\$3.08 per share
- Debt holders – finance costs of HK\$2,033 million

Material topics

▶ Read the Material Topics section in [2019 Sustainability Report](#)

Responding to climate change

Harnessing the power of technology

Reinforcing cyber resilience and data protection

Building an agile, inclusive and sustainable workforce

Material risks to the Group

▶ Read our [Risk Management Report](#) on pages 141 to 151

Regulatory risk

- Uncertain regulatory changes, power sector reforms and regulatory compliance issues.

Financial risk

- Cash flow and liquidity, credit and counterparty risks, interest rate risks, foreign currency risks, and market-to-market fair value movements.

Market risk

- Economic structural changes, energy market competition and volatility as well as supply and demand imbalance.

Commercial risk

- Potential losses arising from inadequate gross margins and non-performance of trading partners or counterparties.

Industrial and operational risks

- Risks relating to Health, Safety, Security and Environment incidents, plant performance, human capital, data privacy, cyber attacks, and extreme weather events.