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CLP meets 2010 carbon reduction targets and HKSAR Government's air emissions reduction targets

CLP Group is pleased to report that the company met its 2010 carbon intensity reduction target of 0.8kg CO₂/kWh as reported in its *2010 Sustainability Report*. Announced in 2007, the 2010 target is the first milestone in CLP's *Climate Vision 2050*, a roadmap that states the company's commitment to reducing the carbon intensity of its generation portfolio by 75% by 2050.

CLP Group 2010 Environmental Performance		
	2010 Target	2010 Actual
Carbon intensity	0.8 kgCO ₂ /kWh	0.8 kgCO ₂ /kWh (4.8% reduction from 2007 levels)
Renewable energy *	5%	16.8%
Non-carbon-emitting generating capacity *	–	20.4%

* As a percentage of total generation portfolio, which stood at 13,635 equity MW (excluding capacity purchase) as at 31 December 2010.

The reductions were primarily achieved through the expansion of CLP's renewable energy investments in the Chinese Mainland, India, Australia and Southeast Asia. As at December 31, 2010, renewable energy accounted for 16.8% of CLP Group's generation portfolio—far exceeding the 5% renewable energy target for 2010 that was established in 2004. Today, CLP is the largest wind energy investor in India and one of the largest external renewable energy investors in the Mainland.

The rationalisation of coal-fired assets in the Mainland as well as the increased usage of cleaner fossil fuels, such as gas in Hong Kong, also enabled the Group to meet its voluntary targets.

Our progress has been such that we have been able to tighten our targets for the next milestone in 2020 so that we can quicken our pace to a low-carbon energy journey. CLP will review its Climate Vision 2050 targets again by 2013 as the international framework on climate change is expected to evolve over the next two years.

"CLP has been in business for over a century and our aim is still to be here for hundreds more years. To do so, our business must continue to evolve and anticipate changes, including those on environmental sustainability, as there are significant differences among the markets which we serve," said Mr Peter Greenwood, CLP's Group Executive Director – Strategy. "We will continue to find the balance among the economic, social and environmental dimensions of our business to create value for all stakeholders," he continued.

Air Quality

In addition to performing well in meeting our climate change targets, the efforts that CLP Group made in reducing air emissions have also led to optimal results. Specifically, when compared with 2009, in 2010 CLP Group reduced the emissions of sulphur dioxide (SO₂) by 49%, nitrogen oxides (NO_x) by 10% and total suspended particulates (TSP) by 6%.

These reductions were mainly achieved through the commissioning of the emissions control (EC) facilities at the coal-fired Castle Peak Power Station, increased use of natural gas and less coal in our Hong Kong operations, lowered SO₂ emissions at Yallourn in Australia, as well as reduced use of naphtha and more natural gas at GPEC in India. For more details, please refer to our online Sustainability Report.

In Hong Kong, Castle Peak Power Company Limited (CAPCO) commissioned its EC facilities at Castle Peak Power Station in 2010. The EC facilities play an instrumental role in enabling CAPCO in meeting the HKSAR Government's 2010 emissions reduction targets. CAPCO recorded a reduction of 59% for SO₂, 56% for NO_x and 57% for Respirable Suspended Particulates (RSP) in 2010 as compared with 1997.

The summary version of the Sustainability Report is available today at:

<https://www.clpgroup.com/ourvalues/report/Pages/sustainabilityreport.aspx>

About Climate Vision 2050

CLP launched its *Climate Vision 2050 – Our Manifesto on Climate Change* in December 2007, in which the company committed to making deep reductions in the carbon emissions intensity of its power generation capacity. The ultimate goal is to have a 75% cut in carbon emission intensity, equivalent to reaching 0.2 kg CO₂/kWh, by 2050.

In 2010, the Group reviewed and tightened its interim targets for 2020 with the goal of quickening its pace to turn a low-carbon energy future into reality. For more information, please see CLP's *Climate Vision 2050—Our Manifesto on Climate Change and Our Journey to a Low-Carbon Energy Future –*

Turning CLP's Climate Vision 2050 into Reality, which are both available at our website at:

<https://www.clpgroup.com/ourcompany/aboutus/resourcecorner/publications>

About CLP Group

CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange, is the holding company for the CLP Group, which is one of the largest investor-owned power businesses in the Asia-Pacific region. Through CLP Power Hong Kong, it operates a vertically-integrated electricity supply business in Hong Kong, and provides a highly reliable supply of electricity and excellent customer services to 5.7 million people in Kowloon and the New Territories.

Outside Hong Kong, CLP Holdings also invests in energy businesses in Mainland China, Australia, India and Southeast Asia. It is a leading international private sector power company in the Asia Pacific region with a diversified portfolio of power generation from gas, coal, renewables and nuclear.

CLP is listed in the Global Dow – a 150-stock index of the world's leading blue-chips, the Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific), the Dow Jones Sustainability Asia Pacific 40 Index (DJSI Asia Pacific 40) and Hang Seng Corporate Sustainability Index Series.

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