

8 May 2020

中電控股有限公司  
CLP Holdings Limited

## CLP Holdings Convenes 2020 Annual General Meeting

### Chairman's Opening Remarks

I would like to thank you all for your cooperation and understanding regarding the special arrangements that we have put in place for this year's Annual General Meeting (AGM). Our AGM is an important event in our corporate calendar and one which is strongly supported by shareholders with a very large number typically attending in person. But with the impact of COVID-19 being felt globally, we are not in typical times and we have placed a strict limit on the number of people attending the meeting venue today. Our hybrid AGM initiative which we first introduced last year allows shareholders to attend and participate in the meeting from the safety and convenience of their homes. I am pleased to see that many of you have taken up that option and are attending online along with my fellow directors and members of CLP management. All viruses have a finite life and so we know that this virus will eventually pass, and things will return to normality. In the meantime, we must all adapt in order to limit its impact.

Turning now to the Group's financial performance and our progress over the past year in developing our business for the future. In 2019 our operating earnings decreased 20.5% to HK\$11,121 million largely due to the expected lower permitted rate of return in Hong Kong, a reduction in our share of earnings in India following the strategic partial-divestment, and the continued challenges in Australia. In light of these results, we held our fourth interim dividend steady which took our total dividend for 2019 to HK\$3.08 per share, an increase from HK\$3.02 in 2018.

As the world comes to terms with the adverse economic and health implications that we are currently grappling with, we can expect that focus and attention on sustainability issues will continue to strengthen. I am pleased to note that in 2019 we took a number of steps to proactively drive change within the Company in order to build a sustainable business fit for the future. Important among them was the update to our Climate Vision 2050, which will play a key role in delivering our vision of being the leading responsible energy provider in the Asia-Pacific region. At its heart is a pledge not to invest in any additional coal-fired generation assets, and to phase out our existing coal-fired assets by 2050 at the latest. We have also pledged to revisit and strengthen our decarbonisation targets at least every five years as

technologies advance and costs reduce, tracking our progress against the goals of the Paris Climate Change Agreement. In line with these commitments, in 2019 we continued to decarbonise our generation portfolio, adding renewable energy in China, India and Australia and switching from coal to gas in Hong Kong.

Our home market of Hong Kong is the foundation stone of our business and we remain dedicated and positive about its future. The clearest sign of this is the HK\$53 billion of investment we have committed for future energy supply during the course of the current Development Plan to 2023, much of which will go towards improving Hong Kong's energy security and reducing overall emissions.

Our future is in the hands of our youth and it rests on us to create hope for them. I am proud that the CLP Power Academy in Hong Kong has proven to be a popular choice for those who wish to study power engineering in a professional environment. As well as offering young people a springboard for a career, this initiative helps ensure an adequate supply of skilled engineers for our industry, drives overall excellence and builds partnerships between CLP, the broader industry and academia.

We believe that innovation is the key to staying ahead of changing customer preferences and effectively adapting to a dynamic and, at times uncertain, business environment. In 2019 we continued to integrate innovation into the foundation and culture of the company. We launched Smart Energy Connect, our online energy solutions platform, deployed cutting edge technology to improve the efficiency of our operations and continued to make strategic investments in companies with the capabilities to enable our progress. Our hybrid AGM, which allows a large number of you to attend this AGM safely from your home, is another small example of the benefits of this approach.

As we look to the future, it is also critical that we take stock of how we work and to continue to refresh our governance to ensure that we are best placed to meet the evolving challenges ahead. In line with the retirement guideline that we introduced in 2019, two of my fellow directors, Mr Vernon Moore and Mr Vincent Cheng, will both retire from the Board at the conclusion of this meeting. I would like to take this opportunity to acknowledge and thank them both for their distinguished service and valuable contribution to CLP over many years.

Ladies and gentlemen, while we are in an increasingly complex and rapidly changing environment, I am confident that the strength of the Group from the diversity of our business along with our long-term view and commitment to building a safe and sustainable business, will continue to hold us in good stead.

Thank you.



CLP Holdings Chairman Sir Michael Kadoorie (middle), Chief Executive Officer Mr Richard Lancaster (right) and Company Secretary Mr David Simmonds (left) played host to CLP's 2020 AGM in the physical meeting today. Chief Financial Officer Mr Geert Peeters and other directors of the Board attended the meeting online at an off-site venue (top right hand corner).



In light of the COVID-19 situation, other directors of the Board joined CLP's 2020 AGM online. The meeting was held in a hybrid format that had been first introduced in 2019 and allowed shareholders to attend the meeting in person or participate from the safety and convenience of their homes.

### **About CLP Group**

CLP Holdings Limited, a company listed on the Stock Exchange of Hong Kong, is the holding company for the CLP Group, one of the largest investor-owned power businesses in Asia Pacific. Through CLP Power Hong Kong Limited, it operates a vertically-integrated electricity supply business providing a highly-reliable supply of electricity to 80% of Hong Kong's population.

Outside Hong Kong, CLP holds investments in the energy sector in Mainland China, India, Southeast Asia, Taiwan and Australia. Its diversified portfolio of generating assets uses a wide range of fuels including coal, gas, nuclear and renewable sources. CLP is one of the largest external investors in the Mainland's renewable energy sector. In India, it is one of the biggest renewable energy producers and among the largest foreign investors in the electricity sector. In Australia, its wholly-owned subsidiary EnergyAustralia is one of the largest integrated energy companies, providing gas and electricity to about 2.47 million households and businesses.

CLP is included 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), Hang Seng Corporate Sustainability Index Series and MSCI ESG Leaders Indexes.

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