

9 December 2015

CLP's Stance on Climate Change

With regard to an online report purportedly quoting CLP Director – Group Sustainability Jeanne Ng's comments in a side event at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21), CLP Holdings (CLP) would like to make the following responses:

- Recognising the urgency of tackling climate change, CLP has published its Climate Vision 2050 in 2007, which targets to reduce the carbon intensity of our generation portfolio by 75% of our 2007 level by 2050.
- The quote in the report is not presented in its full context given that it did not include her position that sea level rise is a longer term issue and that it will take a concerted effort across the community, the government and the business sector to discuss and plan together how to manage and get ahead of the challenge. The year 2100 in the quote is where many of the scenarios are projected to, which is challenging to plan for.
- CLP is committed to providing a reliable and stable power supply, which is critical to Hong Kong's economy. With incidents of extreme weather increasing globally as a result of climate change, CLP has made it a priority to improve the resilience of our power supply system through network reinforcement, asset refurbishment, preventive maintenance and emergency preparedness. Hong Kong has one of the world's most reliable electricity supply systems and we hope that these measures can reduce the impact of super-typhoons and floods on our power systems and keep disturbance to the public to a minimum.
- In addition, we have been conducting adaptation studies for our facilities to make them resilient to climate change and these are projected for the lifespan of the asset and include potential impacts such as temperature and sea level rise as well as storm surge and high wind speeds.
- We believe more studies do need to be undertaken to understand the potential severity of the sea level rise as well as other potential impacts such as temperature increase and storms on Hong Kong within the next few decades and how it should be planned and designed together across different sectors. Meanwhile, we need to continue working on the urgent issues of mitigation and adaptation for the short and medium term.

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About CLP Group

CLP Holdings Limited, a company listed on the Hong Kong Stock Exchange, 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 investment 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 the largest foreign investor in the power sector and the biggest independent power producer in wind energy, foreign or domestic. In Australia, its wholly-owned subsidiary EnergyAustralia is one of the largest integrated energy companies, providing gas and electricity to 2.6 million customers.

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), Hang Seng Corporate Sustainability Index Series and MSCI Global Sustainability Index Series.

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