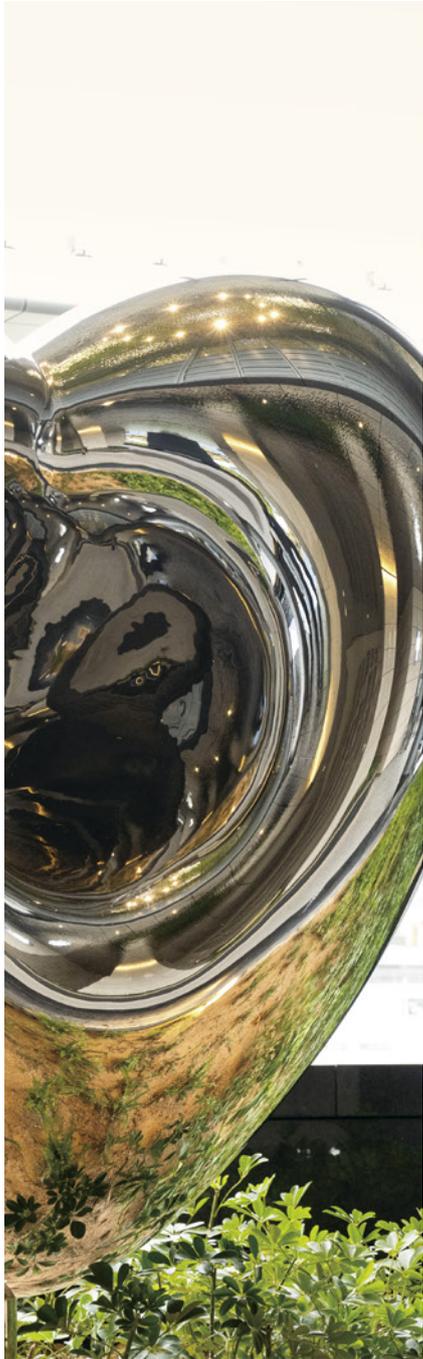


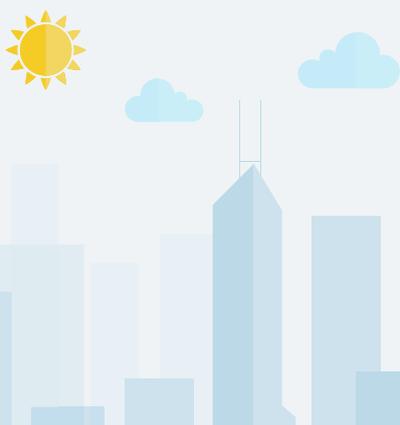
Power Brighter Tomorrows



Partners

Highlights¹

Pledged full support for the Hong Kong Government's **Climate Action Plan 2050**

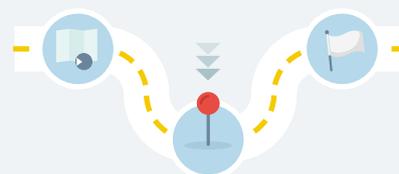


Worked with the Government to ensure smooth running of the National Games¹ events held in Hong Kong, with highly reliable power supply



Outcomes for stakeholders

Made progress in the second year of the **Sustainable Procurement Roadmap** by embedding ESG principles into CLP's core procurement processes



CLP Power conducted preliminary power assessment and **identified approximately 8,000 potential** locations across its supply areas for installing fast chargers



Stakeholders' areas of interest

- [Public policy](#)
- [Code of Conduct and anti-corruption](#)
- [Legal compliance](#)
- [Supply chain sustainability management](#)

Relevant material topic



Energy growth opportunities

1. The 15th National Games, the 12th National Games for Persons with Disabilities and the 9th National Special Olympic Games.

CLP continued to be a trusted partner to its stakeholders, fostering strong stakeholder relationships, promoting sustainability, and upholding ethical business practices throughout its value chain. The Company supports initiatives by government authorities aimed at achieving shared sustainability objectives. CLP also engaged proactively with suppliers and contractors through capacity-building activities, consistent communication, and through robust governance and compliance standards. These concerted efforts support the resilience and ongoing success of both CLP and its partners.

Public policy

GRI reference: 2-28, 201-4, 415-1

Recognising that joint efforts by the private and public sectors are essential for tackling the challenges emerging in the energy sector, CLP has continued to strengthen its communication with and support for governments, regulators and standard setters as part of its efforts to drive collaborative changes in energy market policies.

In Hong Kong, CLP Power works with the Hong Kong SAR Government under the Scheme of Control (SoC) Agreement, which sets out an effective and stringent regulatory framework and mechanism for the city's electricity industry.

CLP Power's current five-year Development Plan, covering 1 January 2024 to 31 December 2028, was approved by the Government in 2023. Offering strong support for the Government's policy priorities, it focuses on investments designed to drive Hong Kong's economic and infrastructural development, continued delivery of a world-class reliable electricity system, transition to a resilient smart city, and continuation of the decarbonisation journey.

CLP Power has maintained regular communication with Government officials and legislators through site visits and information sharing sessions, fostering understanding of the strategies and initiatives for shaping a low-carbon future. CLP Power also actively participates in major Government and industry consultations, putting forward carefully-considered positions relevant to the energy sector's development.

In actively supporting the development of the energy industry, CLP has drawn on its power expertise to shape policy and advance sectoral initiatives. CLP's responses to major public policy consultations and its position on critical issues such as climate change are available on the Group's websites and other online channels.

- CLP Power pledged its full support for the Hong Kong's Climate Action Plan 2050 upon its announcement in 2021. In line with the strategy of electrifying transportation to reduce carbon emissions, CLP Power has leveraged its expertise to provide convenient, reliable electric vehicle (EV) charging facilities and related technical support services. Please refer to the [Case Study: Leveraging power expertise in support of Hong Kong's efforts to achieve zero vehicular emissions by 2050](#) for more details.
- CLP Power has signed the Energy Saving Charter and the 4T Charter (Target, Timeline, Transparency, Together) of the Electrical & Mechanical Services Department (EMSD), in support of the Government's decarbonisation initiatives. To advance energy efficiency and conservation among members of the Hong Kong community, CLP Power engages and collaborates with local groups. For instance, it introduced the Subvented Organisation Energy Saving Improvement Scheme through the CLP Community Energy Saving Fund, helping subvented organisations and schools in enhancing energy conservation and reducing carbon emissions. Under the scheme, CLP Power has provided free energy audits and funding for recommended energy improvement works to eligible organisations, supporting them in improving energy efficiency while achieving energy cost savings.
- In support of Hong Kong SAR Government's policies on the low-altitude economy as an emerging industry and a smart city component, CLP Power has introduced innovative technologies to enhance grid performance and resilience against extreme weather. For instance, CLP Power adopts the Beyond Visual Line of Sight (BVLOS) pilot project for inspecting overhead lines and towers, which was approved as the "Low-altitude Economy Regulatory Sandbox Pilot Project". The approved BVLOS pilot will test different routes to evaluate the feasibility, safety and effectiveness of drones for inspecting critical power supply facilities at various voltage levels and terrains.
- In Australia, either directly or through participation in relevant industry bodies, EnergyAustralia contributed to a range of climate-related policy initiatives, such as the Productivity Commission's 5 Pillars consultation, the Climate Change Authority's Sectoral Pathways Report, Treasury's Climate-related Transition Planning Guidance, the National Climate Risk Assessment, technical consultations on the Australian Sustainability Reporting Standards, the review of the Environmental Protection and Biodiversity Conservation Act, and the Renewable Energy Guarantee of Origin Scheme.
- In India, Apraava Energy actively engaged with government agencies, regulators, and industry associations through working groups, policy roundtables, and sectoral committees to advance India's energy transition. Its involvement extended to key industry platforms such as CII, the Electric Power Transmission Association (EPTA), and ASSOCHAM. Apraava Energy contributed data-driven insights, highlighted regulatory challenges from an independent power producer perspective, and presented well-researched recommendations on

renewable integration, grid reliability, market reforms, and financing frameworks.

- CLP responded to the Hong Kong Monetary Authority's (HKMA) Phase 2A consultation on the Hong Kong Taxonomy for Sustainable Finance, emphasising the importance of this milestone in shaping a practical taxonomy that supports Hong Kong's transition to a sustainable economy. Our submission called for a framework tailored to Hong Kong's unique market context. Insights were drawn from CLP's roundtable during the HKMA's Hong Kong Green Week in September, which convened stakeholders from the energy, financial services, banking, credit rating, and policy sectors to discuss taxonomy development and exchange views on advancing transition finance to support the energy sector's net-zero transition.
- CLP actively contributed to updates of the Science Based Targets initiative (SBTi) standards. This included providing feedback on public consultations for the SBTi Corporate Net-Zero Standard Version 2.0 and the Power Sector

Net-Zero Standard, both directly and through business organisations. CLP was also a member of the SBTi Expert Advisory Group for the Power Sector Standard Development, acting in an advisory capacity to the SBTi over the duration of the project.

None of CLP's businesses receive any significant government financial assistance.

CLP engages with various organisations to keep abreast of different stakeholders' perspectives, navigate policy uncertainties and shape informed policy-making. The table below outlines the total amount CLP has contributed to organisations influencing public policy. These contributions include membership fees, donations, sponsorships and input into policy position papers. CLP has a general policy of avoiding political contributions, and no contributions were made to political parties, government officials or political candidates in the year.

Contributions to different types of organisations (HK\$M)

	2025	2024	2023	2022	2021
Lobbying, interest representation or similar (HK\$M)	0	0	0	0	0
Local, regional or national political campaigns, organisations or candidates (HK\$M)	0	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks) (HK\$M) ¹	6.91	7.06	8.05	8.69	14.12
Others (e.g. spending related to ballot measures or referendums) (HK\$M)	0	0	0	0	0

1 Includes contributions to trade associations or tax-exempt groups that seek to influence public policy in the form of memberships, donations or sponsorship.

CLP prioritises engaging with organisations actively involved in addressing climate change and broader energy market policies. It devotes considerable resources to the organisations listed below (in alphabetical order) through membership, sponsorship and other contributions, including active involvement by CLP senior management.

Organisation	Description of organisation	CLP contributions and engagement
ASSOCHAM	ASSOCHAM is India's oldest apex industry chamber, representing over 450,000 members and connecting industry with government to drive initiatives that enhance India's competitiveness.	In 2025, Apraava Energy's Head of Regulatory Affairs & Policy Advocacy played an active role at ASSOCHAM, engaging with Ministry of Power officials and industry peers to address key issues like Right of Way challenges, procurement delays for transmission assets, and the need for in-principle approvals in Change in Law and Force Majeure cases to improve project viability.
Association of the Electricity Supply Industry of East Asia and the Western Pacific (AESIEAP)	AESIEAP is a regional non-governmental organisation founded in 1975 to promote exchanges and cooperation in the Asia-Pacific power industry. Its members are from countries and regions including China, Japan, South Korea, Singapore, the Philippines, Thailand, and Australia etc.	In 2025, representatives from CLP Power presented 13 technical papers at the 25 th Conference of Electric Power Supply Industry of the Association of the Electricity Supply Industry of East Asia and the Western Pacific. This year's conference attracted over 3,000 participants from energy organisations, Government departments, power companies, and research institutes from the region and around the world.

Organisation	Description of organisation	CLP contributions and engagement
Australian Energy Council (AEC)	The AEC represents 20 major electricity and downstream natural gas businesses operating in the competitive Australian wholesale and retail energy markets.	EnergyAustralia participates in various AEC working groups to address a range of energy market issues. For instance, an EnergyAustralia representative currently serves as Deputy Chair of the Sustainability Working Group.
Business Council of Australia (BCA)	The BCA is a CEO-led industry association representing more than 100 of Australia's largest businesses. It supports the transition to a more carbon-efficient economy, with the goal of net-zero emissions by 2050.	EnergyAustralia is a member of the BCA and supports its advocacy for a national, bipartisan energy and climate change framework to achieve reliability, affordability, and sustainability objectives.
Business Environment Council (BEC)	The BEC is an independent charitable organisation established by the business sector in Hong Kong, which promotes environmental excellence by advocating for the uptake of clean technologies and practices.	CLP actively participates in or sponsors events, public consultations and working groups organised by the BEC. In 2025, CLP sponsored two BEC EnviroSeries Conferences held in May and November. CLP is also a signatory of the BEC Net-zero Carbon Charter and the Power Up Coalition.
Confederation of Indian Industry (CII)	The CII, a not-for-profit industry-led organisation, works to create and sustain an environment conducive to India's development through various advisory and consultative processes. It works closely with the Indian government on policy issues, interfaces with thought leaders and looks to enhance industry efficiency, competitiveness and business opportunities.	Apraava Energy has been a long-standing CII member, actively contributing renewable energy perspectives to India's climate policy dialogue. The Managing Director spoke at the Global Sustainability Summit 2025 and was named Co-Chairman of the National Committee on Power at the International Energy Conference & Exhibition 2025.
Free Electrons	A global accelerator programme for electric utilities, Free Electrons arranges for startups to work closely with utilities to address the challenges arising from the increase of renewable energy and the decentralisation of energy systems.	CLP has been participating in Free Electrons since 2018. The 2025 programme attracted applications from over 890 start-up companies worldwide. CLP collaborated with nine startups, piloting their innovative solutions in areas such as renewables, smart grids and energy storage. In July 2025, CLP hosted the third module in Hong Kong, bringing together seven leading global utilities with this year's top 15 start-ups to explore innovative energy solutions. The week culminated in the Hong Kong Innovation Immersion Session, which drew over 170 global participants.
IFRS Foundation	The IFRS Foundation develops internationally recognised disclosure standards that bring transparency, accountability and efficiency to financial markets. Responding to the need for consistent and comparable sustainability information, it created the International Sustainability Standards Board (ISSB) in 2021 to develop IFRS Sustainability Disclosure Standards.	CLP is supporting the development of globally comparable sustainability disclosure standards in its role as a member of the IFRS Sustainability Alliance. Through this programme, CLP connects with peers to advance standardised sustainability disclosures, strengthen reporting practices, and stay at the forefront of evolving regulatory requirements. To support Hong Kong's sustainability and accounting professionals in navigating the ISSB Standards, CLP sponsored a two-day ISSB preparer readiness training session hosted by the Hong Kong Institute of Certified Public Accountants and the IFRS Foundation in 2025.
International Electric Research Exchange (IERE)	IERE is a worldwide, non-profit organisation for exchanging new electricity and energy-related technologies as well as research and development information. Its members include participants from the electricity and energy supply industries, equipment providers, academic researchers, and government bodies.	CLP joined IERE in 2000 and has been an Executive Member since 2014. CLP serves on the board as a board member and had a representative as Treasurer in 2025. CLP has continued to work with IERE on joint research and development programmes such as the Technology Foresight Report, and shared the demand response programme in the 2025 IERE-TPC Taipei Net-Zero Workshop.

Organisation	Description of organisation	CLP contributions and engagement
Kadoorie Farm and Botanic Garden Corporation (KFBG)	KFBG raises awareness of ecological and sustainability matters, undertakes species conservation and ecosystem restoration, reconnects people with nature and promotes sustainable lifestyles.	<p>CLP has been supporting KFBG's 10-year forest restoration programme since 2022. This programme is supporting knowledge and capacity building on reforestation and potentially contributing to nature-based solutions and biodiversity recovery.</p> <p>In 2025, CLP and KFBG celebrated a major milestone with the planting of the 10,000th tree seedling. For further details, please refer to Case study: Major milestone reached for the 10-year forest restoration programme partnered with Kadoorie Farm & Botanic Garden (KFBG).</p>
The Construction Industry Council (CIC)	Formed in 2007, CIC consists of a chairman and 24 members representing various sectors of the construction industry in Hong Kong. Its main functions are to forge consensus on long-term strategic issues, convey the construction industry's needs and aspirations to the Hong Kong SAR Government, and provide a channel for the Government to solicit advice on construction-related matters.	CLP is actively involved in the CIC. Both CLP Group and CLP Power participate in the Hong Kong Construction Industry Safety CEO Forums, supporting efforts to reduce fatalities in the construction industry.
The Hong Kong General Chamber of Commerce (HKGCC)	HKGCC is a member-led organisation dedicated to improving the business environment and its competitiveness in Hong Kong. Its members consist of over half of the flagship corporations listed in the Hang Seng Index, one-fifth of the Fortune Global 500 companies, as well as many thriving SMEs and start-ups.	CLP actively participates in and sponsors events, public consultations and working groups organised by the HKGCC. The CLP Power Chairman and Managing Director are currently serving as members of the Chamber Council and the Managing Director is also the Vice Chairman of the Real Estate & Infrastructure Committee. CLP's senior management also serve as members of various Committees in support of the Chamber's work.
The Hong Kong Institute of Directors (HKIoD)	HKIoD, Hong Kong's premier body representing directors, works to foster the long-term success of companies through advocacy, standards-setting in corporate governance and professional development for directors.	The CLP Holdings Limited Chief Executive Officer has been invited as Fellow member of HKIoD since 2024. CLP's senior management are members of the Advisory Council and Steering Committee of the HKIoD-hosted Hong Kong chapter of the Climate Governance Initiative, a programme that aims to raise awareness of climate issues among company directors.
The International Emissions Trading Association (IETA)	Founded in 1999, IETA is a non-profit organisation committed to empowering businesses to engage in climate action, pursue net zero ambitions to advance the Paris Agreement's objectives, and establish effective market-based trading systems for GHG emissions and reductions. IETA collaborates with other stakeholders on developing components of global GHG market and trading systems.	By having a representative serve as a Council member and sponsoring IETA's events and programmes, CLP contributes to the development of effective carbon markets while gaining insights into global and Asia-specific carbon market trends. As part of its ongoing support for IETA, CLP was a Gold Sponsor of the Asia Climate Summit 2025, where it shared perspectives during a roundtable on carbon accounting and a panel discussion on compliance carbon markets in the Asia-Pacific region.



Organisation	Description of organisation	CLP contributions and engagement
<p>World Business Council for Sustainable Development (WBCSD)</p>	<p>The WBCSD is a global, CEO-led organisation of over 200 businesses that is working to accelerate the transition to a more sustainable world. Its Sustainable Development Goals are being pursued through six work programmes: Circular Economy, Cities & Mobility, Climate & Energy, Food & Nature, People & Society and Redefining Value.</p>	<p>CLP actively collaborates with the WBCSD on sustainability initiatives. In 2025, as part of WBCSD’s Corporate Performance & Accountability programme, CLP, WBCSD and BEC co-hosted two roundtable sessions. The first session engaged with Hong Kong’s financial and sustainability executive communities to gather insights into the new sustainability disclosure requirements under the Hong Kong Financial Reporting Standards. The second convened general counsel and legal leaders to discuss legal risks associated with the energy transition.</p> <p>As a member of WBCSD’s Embed Nature working group, CLP also participated in the group’s 2025 workshop series, which leveraged insights from the Accelerating Transformation for Nature (A-Track) project. The workshops covered topics including location-specific decision making for nature assessments, as well as the application of spacial datasets and metrics to assess locations and tailor nature strategies (A-Track – Embed Nature).</p>
<p>World Energy Council (WEC)</p>	<p>The WEC is an UN-accredited global energy body formed in 1923 with more than 3,000 member organisations in over 90 countries. The WEC informs global, regional and national energy strategies by hosting high-level events, publishing authoritative studies (e.g. the World Energy Trilemma Index) and working through its extensive member network to facilitate global energy policy dialogue.</p>	<p>CLP began participating in the WEC as a member organisation in 1988. Since the formal establishment of the Hong Kong member organisation (WEC-HK) in 2016, CLP’s CEO has been serving as Chair and representing WEC-HK and its members. In 2025, CLP contributed to commentaries on Hong Kong in the 2025 edition of <i>World Energy Issues Monitor</i>, while contributing Hong Kong’s profile for the <i>World Energy Trilemma</i>. CLP was honoured to host the WEC Asia Regional Meeting in Hong Kong, a significant milestone bringing together a diverse group of stakeholders to shape Asia’s energy future.</p>

Case Study

CLP’s commitment to support the National Games events held in Hong Kong

CLP played an important role in ensuring reliable and sustainable power for the 15th National Games, the 12th National Games for Persons with Disabilities, and the 9th National Special Olympic Games (Hong Kong) in November and December 2025.

CLP supported greener events for the National Games by purchasing Renewable Energy Certificates (RECs) to enable zero-carbon electricity at competition and operation venues in Hong Kong. CLP also sponsored Battery Energy Storage System (BESS) units at the media centre and beach volleyball site, to facilitate electric vehicle top-up charging. Additional BESS were deployed to other venues to enhance the power resilience of outdoor equipment. Portable power banks were also provided to athletes, technical officials, and media personnel.

Technical teams reviewed and reinforced the power supply arrangements, conducted power quality testing, and held joint emergency drills. These efforts ensured optimal power system performance at all venues, and underlined the Company’s dedication to supporting major events in Hong Kong through reliable, sustainable energy solutions.



CLP Chief Executive Officer Mr T.K. Chiang (middle) represented CLP as a torchbearer in the 15th National Games, carrying the torch in front of CLP’s new headquarters in Kai Tak.



CLP Power Managing Director Mr Joseph Law (left) supported Director of Customer Success and Sales Dr Anthony Lo (right), who represented CLP in completing the final 100 kilometres of the “100-Day to the National Games - All Together for 1 Million KM Challenge”.

Case Study

Leveraging power expertise in support of Hong Kong’s efforts to achieve zero vehicular emissions by 2050

A key strategy in Hong Kong’s Climate Action Plan 2050 is to promote the widespread adoption of electric vehicles (EVs) in Hong Kong. CLP Power is leveraging its power expertise to play an important role in supporting the development of local EV infrastructure.

In 2025, the Government introduced a HK\$300 million Fast Charger Incentive Scheme, aimed at providing 3,000 fast chargers to support an additional 160,000 EVs by 2028. To facilitate the implementation of the scheme, CLP Power conducted preliminary power assessments across its supply areas and identified approximately 8,000 potential locations across its supply areas to facilitate interested charge-point operators to accelerate their installation of fast chargers. The Company also offers various power supply solutions that can shorten the construction time for fast charger installation.



CLP Power engineers conducted preliminary power assessments across its supply areas, identifying around 8,000 potential locations for fast charger installation.

Working closely with industry stakeholders, CLP Power has actively promoted the adoption of electric commercial vehicles (ECVs) in Hong Kong through its eMobility Network. The partner organisations in the network include ECVs manufacturers and operators, charging service providers, battery recycling companies and financial institution. This collaborative platform is fostering industry partnerships and facilitating knowledge exchange across the EV sector, and supporting the development of a robust and sustainable e-mobility ecosystem in the region.



White electric buses with a livery of green leaves and a “Pure Electric, Zero Emission” logo are used to provide transport for employees commuting to power stations.

Internally, CLP has been making progress in electrifying its fleet. In Hong Kong, CLP Power has acquired four pure electric double-decker buses, the first batch of private double-decker electric buses. CLP will continue to explore the opportunities presented by ECVs and heavy vehicle technologies as they become viable for its company fleet transition.

Code of Conduct and anti-corruption

GRI reference: 205-3, 406-1, 417-2, 417-3

CLP's Value Framework and Code of Conduct provides the basis for responsible business conduct and ethics. Together with the Anti-Fraud Policy, they help ensure integrity and prevent fraud and corruption across the Group's business. The Code of Conduct, approved by the Board, is applicable to all people employed by CLP entities and their subsidiaries, as well as their contractors.

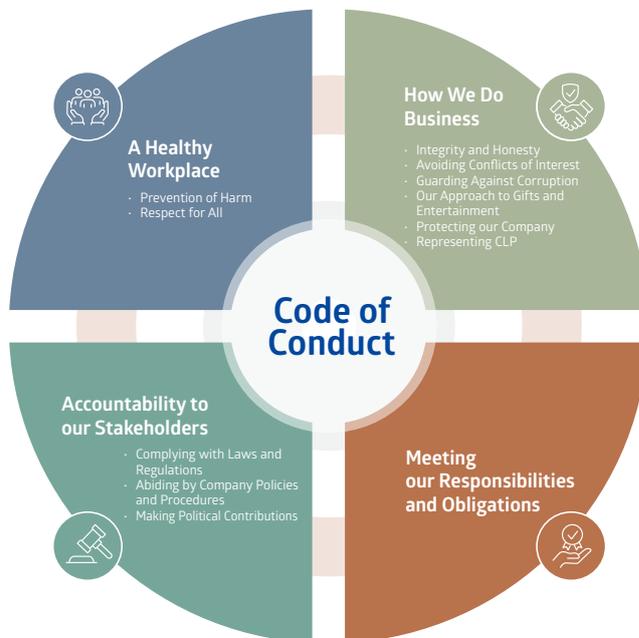
CLP regularly reviews the Code of Conduct to align with global best practices and stakeholder expectations. The latest version (December 2024) includes 12 guiding principles, each illustrated with specific examples and scenarios, to help employees and users better understand how to apply the Code of Conduct.

Every four years, CLP conducts a Business Practice Review (BPR), which includes running training modules to reinforce expected standards of conduct and refresh employees' understanding. In 2025, CLP introduced a BPR e-learning course that covers all 12 guiding principles, including "Guarding Against Corruption", to familiarise employees with the updated Code of Conduct. All employees were required to participate in the BPR, and contractors were encouraged to participate where possible.

CLP's Reporting and Handling of Irregularities procedure specifies the requirements, processes and responsible parties for reporting and investigating irregularities. The procedure also details the steps for escalating issues to Group Internal Audit (GIA) and the Audit and Risk Committee (ARC), and for finalising any disciplinary action following investigation.

In 2025, 40 breaches of the Code of Conduct were reported. None were material to the Group's financial statements or overall operations. The breaches were mainly related to issues of workplace behaviour and individuals' ethics and integrity.

Principles of CLP's Code of Conduct



There were no convicted cases of corruption. Any breaches were managed internally in accordance with CLP's complaint handling process for violations of the Code of Conduct. All confirmed breaches were reported to the Audit & Risk Committee periodically. Regarding whistleblowing cases, 26 cases were received in 2025 compared with 20 in 2024.

Confirmed cases of breaches of the Code of Conduct Principles in the past five years are shown in the table below.

Code of Conduct Principles

	2025	2024	2023	2022	2021
Prevention of Harm					
<i>Includes issues regarding health and safety, and alcohol and drug abuse.</i>	1	2	0	0	0
Respect for All					
<i>Includes discrimination, harassment and other issues related to not respecting people.</i>	14	11	2	5	4
Integrity and Honesty					
<i>Includes unethical business behaviour related to integrity, honesty and fairness.</i>	8	8	0	2	10
Other Principles					
<i>Includes avoiding conflicts of interest, abiding by company policies and procedures, protecting our Company, meeting our responsibilities and obligations, and representing CLP.</i>	17	10	10	3	4
Total	40	31	12	10	18

Legal compliance

HKFRS S2/SASB reference: IF-EU-140a.2, IF-EU-550a.1; GRI reference: 2-27, 205-3, 206-1, 306-3 (2016), 411-1, 413-2, 416-2, 417-2, 417-3, 418-1, EU22, EU25

In the spirit of transparency and accountability, CLP reports cases of legal non-compliance annually in its Sustainability Report. These include cases of criminal convictions against CLP and major breaches that resulted in significant fines (greater than HK\$1 million) or equivalent non-monetary sanctions.

CLP's 2025 legal compliance performance is summarised below, according to the GRI Standards and the HKEX Environmental, Social and Governance Reporting Code.

The Company is also exposed to the risk of contractual disputes and litigation in the course of its normal operations. The Group considers each instance separately in accordance with legal advice, and makes provision for and/or discloses information as appropriate.

There were three new reportable case of legal non-compliance in 2025.

Legal non-compliance

	Number of cases	Supplementary information
Business practices		
Anti-corruption	No reportable cases	Read more in the Code of Conduct and anti-corruption section.
Anti-competitive behaviour	No new reportable cases in 2025. There is one existing and previously reported case involving Ho-Ping Power Station in Taiwan, in which the CLP Group has a 20% equity interest	The Ho-Ping litigation was against a penalty for alleged concerted action with other independent power producers (IPPs) in violation of the Taiwan Fair Trade Act. In 2013, the Taiwan Fair Trade Commission (FTC) ruled and fined nine IPPs for alleged cartel behaviour. Ho-Ping filed litigations against the FTC penalty in 2014 and 2017, which were followed by numerous appeals by both Ho-Ping and the FTC. Ho-Ping's most recent appeal (in April 2023) was rejected by the Taiwan Supreme Administrative Court (SAC). In May 2025, following a recommendation from the SAC in November 2023 for the FTC and Ho-Ping to undertake mediation, a settlement was reached. Under the settlement Ho-Ping recovered one third from the penalty paid, NT\$440 million (CLP's share is about HK\$20 million) and did not admit to having gained additional profits or having caused damage to any third party.
Employees and contractors		
Employment practices	No reportable cases	-
Labour standards (child and forced labour)	No reportable cases	-
Occupational health and safety	One reportable case	On 9 November 2023 EnergyAustralia Yallourn was charged by WorkSafe Victoria with five offences under the Occupational Health and Safety Act 2004 in relation to a fire that occurred during hot repair works at Yallourn Power Station on 11 November 2021. At the committal hearing EnergyAustralia contested the charges but was committed to stand trial. The prosecution subsequently introduced a new charge relating to the non-use of thermal imaging. As EnergyAustralia had already adopted the safety measure of thermal imaging following the fire, EnergyAustralia pled guilty to this new charge. On 27 March 2025, the court imposed a penalty of A\$170,000 for this breach.

	Number of cases	Supplementary information
Customer		
Customer privacy	No reportable cases	Read more in the Customer privacy section.
Product and service information and labelling and marketing information	One reportable case	The Essential Services Commission (ESC) in Victoria, Australia issued 27 Penalty Infringement Notices to EnergyAustralia totalling A\$1,066,986 in relation to incorrect information regarding its 'best offer' in communications with customers in July 2024.
Access to electricity	No reportable cases	-
Customer health and safety	No reportable cases	-
Community		
Rights of Indigenous people	No reportable cases	-
Environment		
-	No reportable cases	Read more in the Monitoring of and compliance with emissions and other nature-related regulations section.
Other		
Consumer protection	One reportable case	The ESC in Victoria, Australia accepted an enforceable undertaking from EnergyAustralia regarding a failure to inform customers in financial distress of their payment difficulties entitlements. Pursuant to the undertaking, EnergyAustralia will provide a customer remediation package including payments to customers of approximately A\$1.5million, write off debt of approximately A\$1million, and implement a management of debt collection approach over the next seven years for affected customers.

Supply chain sustainability management

GRI reference: 2-6, 2-24, 204-1, 308-1, 308-2, 407-1, 408-1, 409-1, 414-1, 414-2

Supply chain sustainability management is a strategic imperative for CLP, critical to its long-term resilience, reputation and operational success.

Recognising that sustainability-related risks and impacts within the supply chain directly affect the social licence to operate, CLP is proactively strengthening its approach. As endorsed by the Sustainability Executive Committee, CLP has launched a dedicated three-year Sustainable Procurement Roadmap, strengthening its [Sustainable Procurement Framework](#) and enhancing the visibility of its supplier sustainability risk profile. The Roadmap has five key focuses, namely building suppliers' awareness, assuring suppliers' compliance, managing priorities, driving positive impact, and gaining stakeholders' recognition.

The Three-year Sustainable Procurement Roadmap Vision and Key Focuses:



Build Awareness

Enhance the capacity of the Commercial and Supply Chain Management (CSCM) on sustainability awareness, and ensure clear communication with suppliers so that they adhere to CLP's Supplier Code of Conduct.



Assure Compliance

Implement third-party solutions to provide visibility in CLP's suppliers' compliance with the Supplier Code of Conduct and their extended supply chains, in order to monitor, assess, determine actions and develop improvement strategies.



Manage Priorities

Transition from reactive risk mitigation to proactively advancing opportunities in strategic sustainability priorities by embedding supplier sustainability assessments in CLP's procurement process.



Drive Impact

Create positive impact through collaborative programmes with suppliers that contribute to CLP's sustainability goals and objectives.



Recognition

Understand the expectations of internal and external stakeholders and drive CLP's Commercial and Supply Chain Management Sustainability towards industry best practice.

Sustainable Procurement Programme

The Sustainable Procurement Programme has been developed to provide CLP with a consolidated view of supplier sustainability risk and opportunity, facilitating well-informed procurement decisions. Implementing the three-year Sustainable Procurement Roadmap is a key component of the Sustainable Procurement Programme. In 2025, the programme made notable progress by embedding ESG principles into CLP's core procurement processes, with regular updates presented to the Board and CLP's management for alignment with corporate sustainability goals. The programme includes regular meetings with suppliers and the use of third-party sustainability profiling and ratings to ensure compliance and to enhance suppliers' awareness of their unique sustainability journeys.

Sustainability risk profile

CLP's supplier sourcing strategies have been developed to ensure suppliers selections are aligned with its business strategies effectively while managing costs, risks and supply continuity. Under the standard procedure, suppliers are selected through a competitive tendering process, in which each supplier's ability is evaluated according to criteria including quality, health and safety, environmental protection, delivery, innovation, sustainability and cost effectiveness.

Every supplier contract is designed to safeguard the interests of CLP stakeholders and ensure the supplier meets its commitments and obligations in areas such as legal and regulatory compliance, intellectual property rights, data confidentiality and security. CLP segments its contracted suppliers into tiers on an annual basis according to their contract value and potential business impact, taking into account risks relating to supply chain and sustainability factors. This segmentation allows CLP to apply appropriate levels of governance and engagement to different suppliers, thereby enhancing supply chain management efficiency.

CLP also has a risk profiling process to regularly identify and evaluate ESG risks for selected suppliers. This process incorporates responsible procurement practices and considers the following risks:

- Country-specific risks;
- Product/service-specific risks;
- Industry/category-specific risks;
- Legal and regulatory compliance risks;
- Cybersecurity risks;
- Labour practices and sub-contracting risks;
- Health and safety risks;
- Governance, business conduct and corruption risks;
- Environmental risks;
- Operational/supply chain risks; and
- Brand and reputational risks.

The risk profiling process helps CLP effectively address ESG considerations across areas such as labour practices, human rights, modern slavery, child labour, harassment, safety, environment, subcontractor management and anti-bribery along the value chain. It provides CLP with insights useful for developing sourcing strategies and risk mitigation measures for strategic suppliers in each category.

During the second year of the Roadmap, CLP began integrating risk profiles into its procurement process, partnering with a third-party platform to monitor supply chain risks. Utilising an ESG profile tool, over 2,000 suppliers have been assessed as High, Medium, or Low risk, with fewer than 1% identified as High risk. Strategic suppliers in the High- and Medium-risk categories undergo further assessments, while those rated as Low risk are continuously monitored for any changes.

Ongoing supplier risk monitoring

In alignment with its Corporate Risk Matrix, CLP actively monitors the risk incidents and risk profile of strategic suppliers with high business criticality and spend value. The risk profiles, which are conducted in conjunction with the supplier risk management and supplier relationship management processes, cover risks related to modern slavery, labour practices, supplier continuity, employee health and safety.

CLP also routinely reviews past performance data, anticipated business requirements, and technology and innovation roadmaps with its suppliers. Through ongoing operational, business and executive reviews, CLP has continued to enhance its supplier relationship management process for strategic suppliers. These reviews assess the delivery performance of each strategic supplier and facilitate continuous improvement efforts.

In line with its obligations under the Australian Modern Slavery Act 2018, EnergyAustralia submitted its fifth Modern Slavery Statement to the government in 2025. EnergyAustralia continued to use a Supply Chain Risk Management tool, Trust Your Supplier (TYS), which includes questionnaires about employment standards and human rights. All new suppliers must complete the questionnaires and register before being onboarded, while existing suppliers are being invited to register in a wave approach or as updated details are required. The TYS tool provides ongoing risk monitoring for all suppliers using data from an independent third party, which includes data on adverse media, sanctions and regulatory action.

In early 2026, EnergyAustralia plans to launch a refreshed Innovate Reconciliation Action Plan. The plan has a focus on engagement, and involves delivering initiatives co-designed with First Nations peoples at new energy projects, creating employment opportunities through the implementation of our Indigenous employment strategy, and developing an Indigenous procurement strategy to support investment with First Nations businesses.

Through procurement channels, EnergyAustralia fosters First Nations inclusion by including Indigenous participation clauses

in its supplier contracts, particularly for contracts relating to generation sites. By doing so, it seeks to encourage its suppliers to help drive indigenous inclusion by increasing their indigenous business spend and employment as well as boosting their cultural awareness.

This year, we continued our partnership with Mob Jobs to deliver Cultural Safety training for leaders of First Nations team members, supporting the implementation of our employment strategy and equipping leaders with practical tools to foster cultural safety, retention, and respectful leadership. Our refreshed Diversity, Equity & Inclusion strategy further strengthens support for First Nations people and advances gender equality to ensure an inclusive and empowering workplace. In addition, our successful Capacity Investment Scheme bids for Wooreen (VIC), Mt Piper (NSW), and Hallett (SA) feature significant co-design opportunities with local Traditional Owner groups and First Nations communities, ensuring economic, cultural, and environmental benefits are shared locally.

By the end of the year, the procurement team reported that it had sourced goods and services from 12 indigenous suppliers with a total of A\$1,374,598 in spending.

Sustainability assessment

CLP utilises a third party sustainability assessment programme that is closely aligned with its risk segmentation framework, and prioritises strategic suppliers that present prominent supply chain sustainability risks. In 2025, a pilot project onboarded selected strategic suppliers of CLP Power and systematically evaluated their sustainability performance and sustainability management systems. Following these assessments, strategies are being developed to drive continuous improvement across key sustainability areas. This data-driven approach is not only enhancing visibility across supply chain sustainability but also enabling targeted engagement with suppliers to address gaps, foster continuous improvement, and build a more resilient and responsible supply chain.

Sustainable Supply Chain Finance Programme

CLP is developing a new Sustainable Supply Chain Finance programme designed to support Hong Kong-based suppliers in their sustainability journeys. This upcoming programme will offer financial incentives for enhancing operational efficiency, promoting environmental stewardship and improving social and governance practices. Beyond financial assistance, the programme will also promote continuous improvement by rewarding progress, encouraging innovation and strengthening collaboration across the supply chain.

Supplier engagement

CLP regularly conducts workshops for contractors to raise their safety, environmental and labour rights awareness and capabilities. To enhance the professional development of contractor staff, workshops and training on procurement practices and supplier relationship management are conducted regularly.

CLP's contract terms and conditions include specific sustainability requirements and expectations regarding business ethics. Suppliers are encouraged to align their practices with the requirements and expectations stated in the [Supplier Code of Conduct \(SCoC\)](#) and are expected to adopt similar standards and practices when doing business with the Company. To ensure compliance with the SCoC and further promote sustainable procurement practices, the Company issued a [letter from the Director](#) to all suppliers, stating that suppliers must acknowledge the SCoC and be prepared to provide evidence of their adherence to its standards, which might involve submitting accreditations, certifications, sustainability assessments, compliance reviews and audit reports. This initiative has reinforced the Company's commitment to maintaining high ethical and operational standards across its supply chain.

In 2025, the number of CLP's suppliers that had committed to adhering to the SCoC more than doubled from the previous year, to over 3,800 suppliers. This notable progress reflects the effectiveness of CLP's ongoing efforts to embed ethical standards and sustainability principles into its procurement processes, ensuring that human rights, fair labour practices and environmental stewardship remain fundamental to CLP's supply chain management.

CLP places a high value on two-way communication, encouraging direct feedback from its strategic suppliers along with discussions on technology roadmaps and innovation, which are further supporting CLP's preparations for future challenges. In 2026, CLP plans to host a series of sustainability-themed webinars as part of the Sustainable Procurement roadmap, designed to strengthen awareness and foster collaboration within the supplier community.

Capacity building

A key focus of the Sustainable Procurement programme in 2025 was to enhance awareness among the Commercial & Supply Chain Management (CSCM) team. To support this, a brown bag session was held to enhance the team's knowledge of sustainable procurement in supplier selection, which featured an exchange of best practices with a leading bank institution in Hong Kong. Engagement sessions focused on sustainable procurement are planned with other departments and employees in 2026.

To further equip the CSCM team with skills for managing human rights risks within the supply chain, a Sustainable Development Goal (SDG) 2030 workshop was held for over 80 procurement professionals. The workshop provided valuable insights into why responsible management of human rights is not only a compliance requirement but also a strategic business imperative. By connecting global sustainability objectives to daily procurement decisions, it emphasised the importance of ethical sourcing, fair labour practices, and responsible supplier engagement in fostering long-term business resilience and strengthening brand trust. The initiative encouraged the team to see themselves as agents of change, capable of driving positive social impact while mitigating risks and upholding respect for human rights throughout all tiers of the supply chain.

In 2025, CLP Power also introduced several other initiatives to enhance the management of its supply chain and the associated risks, including:

- Introducing a new e-learning platform for self-learning on Sustainable Procurement topics;
- Providing Security of Payment training to buyers and users to ensure compliance; and
- Conducting daily screening of new suppliers and existing suppliers to highlight potential sanction risks.



Participants in the CSCM Sustainability Workshop SDG 2030 joined in a group photo after engaging in interactive activities.

Case Study

Advancing circularity in CLP procurement

CLP is integrating sustainability into its procurement practices by prioritising suppliers that embrace circular economy principles. For example, a Hong Kong-based cable supplier has implemented a steel drum reuse initiative. Under this initiative, the supplier collects used drums from CLP's designated warehouses, refurbishes them and returns them for reuse.

This initiative has achieved a return rate of over 80%, resulting in substantial waste reduction and alleviating the burden on local landfills. It also generates cost savings by extending the materials lifecycle and reducing the need for new resources. By incorporating such initiatives into our supplier selection process, CLP is ensuring that its partnerships actively support resource conservation and responsible operations, reflecting our commitment to long-term environmental stewardship.



Steel cable drums returned to the supplier for reuse

Case Study

Collaborations with academia on sustainable procurement

In 2025, CLP engaged university students through a case competition titled "Sustainable Sourcing at CLP: Implementing ESG Criteria in Procurement Decisions", which promoted sustainable procurement beyond its supplier network in Hong Kong. Students were invited to propose practical and innovative approaches for integrating environmental, social and governance (ESG) factors into procurement.

The winning team was given the opportunity to present their solution directly to the CSCM team, in a meaningful exchange of ideas between future

professionals and experienced procurement specialists. This initiative promoted the sharing of best practices while encouraging students to consider real-world sustainability challenges. CLP further supported this academic-industry collaboration by offering a summer internship to a member of the champion team, providing practical experience and nurturing future talent in responsible sourcing.



Participants and CLP's CSCM team at the "Sustainable Sourcing at CLP" case competition, celebrating academic-industry collaboration in sustainable procurement.

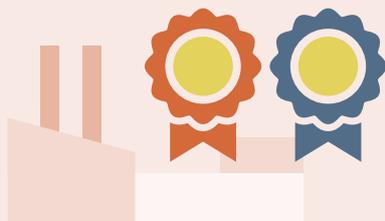
Community

Highlights

Donated **HK\$10.5 million** to support residents affected by the Tai Po fire and the family of the deceased firefighter; **applied power expertise to provide immediate and practical support**



CLP Power allocated **HK\$240 million** under the **CLP Community Energy Saving Fund** for a series of community support programmes



Daya Bay Nuclear Power Station on the Chinese Mainland was honoured with **the Legacy Award (Industrial)** and **Grand Award (Industrial, 1990s)** by The Hong Kong Institution of Engineers

Outcomes for stakeholders



CLP Power signed a Memorandum of Understanding with both **the College of Professional and Continuing Education of the Hong Kong Polytechnic University** and **the Vocational Training Council** to cultivate engineering talent



Stakeholders' areas of interest

- Providing access to reasonably priced energy
- Community investment
- Promoting nuclear safety and clean energy
- Safety around CLP's network (*online only*)

Relevant material topic



Community stewardship