2025
Sustainability Report
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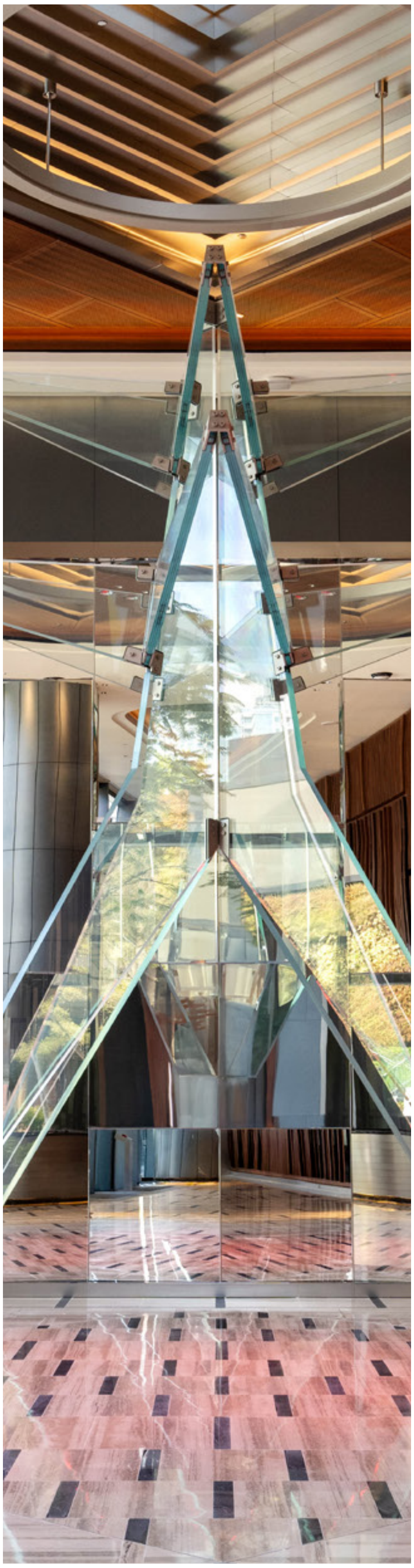
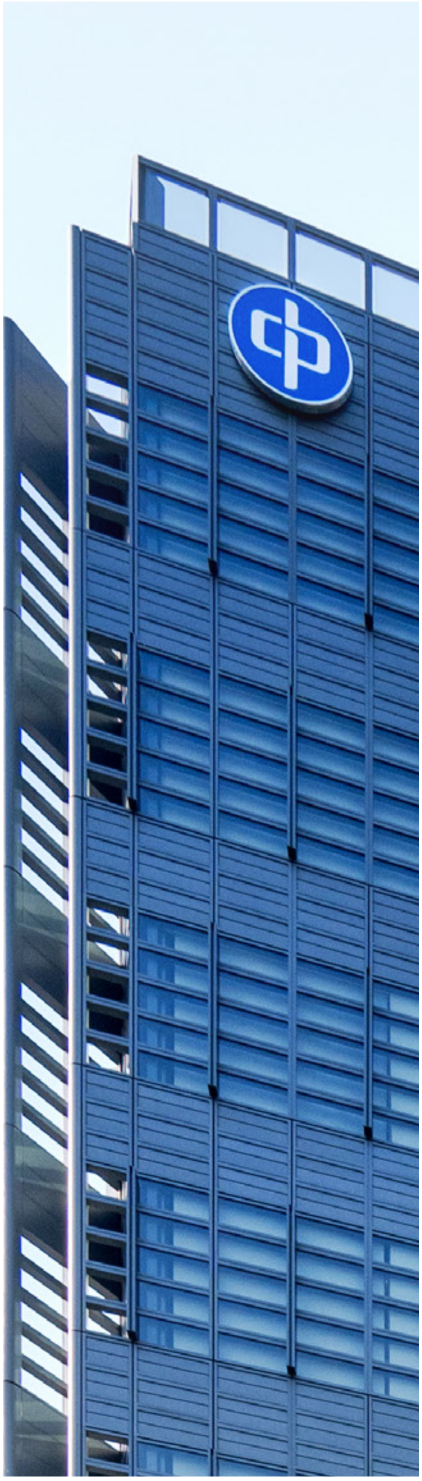
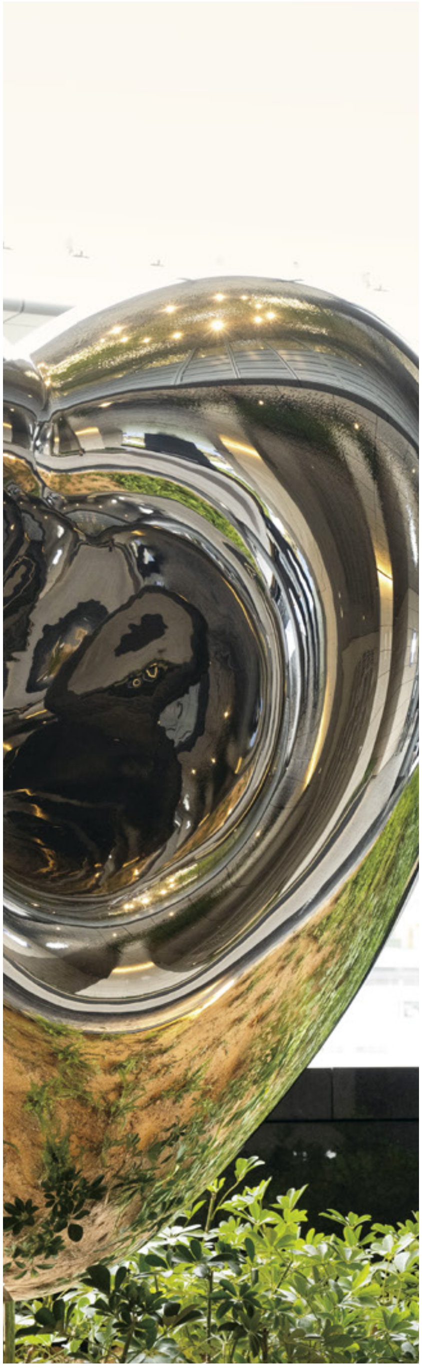
Power Brighter Tomorrows







Overview

Highlights

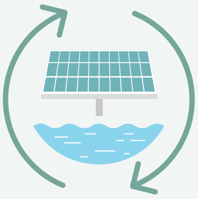
Achieved all 2025 environmental targets, demonstrating continued commitment to sustainability

Refined and strengthened nature-related commitments for applicable new investment projects

Outcomes for Nature

The **certified butterfly garden** at CLP Power's System Control Centre in Hong Kong helps promote local biodiversity and raise awareness of environmental protection and conservation

Continued to **implement CLP's Circular Economy Strategy**, such as adopting an agriculture-fishery-photovoltaic integrated approach at **Yixing Solar Farm** on the Chinese Mainland



Nature-related areas of interests

- CLP's nature-related governance
- CLP's nature-related strategy
- How CLP manages impacts and performance
  - Biodiversity and ecosystem
  - Air emissions
  - Waste management and materials use
  - Water
  - Energy conservation

Relevant material topic

Net-zero transition

Background

Increasingly, nature loss is recognised to be a source of risk to businesses and financial systems. CLP is enhancing its management of nature-related matters by seeking to better understand the interconnectedness between biodiversity and climate change, the potential risks and opportunities arising from its dependencies on natural systems that provide ecosystem services, and the impacts and implications of its own operations on the natural environment. With reference to the Taskforce on Nature-related Financial Disclosures (TNFD), CLP's disclosure covers how it assesses nature-related risks and opportunities in its governance, strategy, risk and impact management activities, as well as the relevant metrics and targets it uses.

To minimise adverse environmental impacts and create positive outcomes for nature, CLP has continued to strengthen its commitment to supporting biodiversity, implementing the circular economy and mitigating environmental discharges. CLP is also refining its focus areas and the relevant metrics to more effectively manage its interactions with nature. Group-level environmental targets for 2025 regarding air emissions, freshwater consumption, and waste production have been reviewed. All reduction targets set for 2025, using 2021 as the baseline, have been achieved as a result of various environmental initiatives implemented by individual assets.

Restoring ecosystem services through the reforestation of approximately 25,000 native trees at Meizhou Solar Farm on the Chinese Mainland

CLP's nature-related governance

Under CLP's robust governance structure, senior management is committed to managing nature-related impacts, risks and opportunities effectively. The Group clearly defines the relevant roles and responsibilities and has informed decision-making processes in place, all designed to uphold accountability and transparency. These allow CLP to proactively identify, assess and manage the risks and opportunities related to biodiversity conservation, the circular economy and environmental impacts.

Nature-related commitments

CLP is committed to preserving natural resources and fostering biodiversity, and recognises its responsibility to minimise the environmental impacts of its operations. CLP's responsibilities towards the environment are set out in the Group's Health, Safety and Environment (HSE) Policy, which is applicable to all individuals, including employees, contractors, and management. The Policy has been endorsed by the Group CEO, and its adequacy and effectiveness reviewed by the Board-level Sustainability Committee (SusCom). Group Health, Safety, Environment and Quality (HSEQ) is accountable for coordinating with the business units of CLP-controlled operations to implement the Group HSE Policy. Under the Group HSE Policy, CLP is required to:

- Protect the environment including the prevention of pollution and minimise the risk of environmental incidents;
- Strive to use resources including water and energy efficiently, and minimise emissions, discharges and waste; and
- Minimise any adverse impacts of its operations on biodiversity by protecting endangered fauna and flora and promoting ecological conservation.

Learn more about the CLP Group HSE Policy

As part of its nature-related strategy, and recognising the increasing loss of biodiversity globally, CLP is committed to conserving biodiversity both at its existing assets and in new investment projects. The Group has undertaken a range of initiatives in the regions where it operates designed to safeguard habitat quality and preserve the biodiversity of specific ecosystems.

Governance of nature-related matters

Sustainability principles are integrated into CLP's business strategy and corporate governance, covering oversight and governance of nature-related matters and a commitment to protecting the environment.

A key component of the Group's overall sustainability management is the Board-level SusCom, which has oversight of and provides advice on CLP's management of nature-related strategies. It also plays a role in reviewing and evaluating the adequacy and effectiveness of CLP's HSE Governance Framework and HSE Management System, supported by the CLP Group Health, Safety, Security and Environment (HSSE) Executive Committee.

Board and management oversight

SusCom and the Sustainability Executive Committee (SEC) are primarily responsible for overseeing the management of the Group's sustainability performance, including nature-related matters.

For their roles and responsibilities, as well as details of the key nature-related issues discussed in 2025, please refer to the Sustainability governance section.

Under the Board's oversight, the CLP Group CEO has ultimate accountability for reporting on the governance and performance of HSE management to SusCom, while the authority for day-to-day decision-making on HSE governance and assurance matters across CLP is delegated to the Group COO. The CLP Group HSSE Executive Committee, also chaired by the CEO, appoints senior executives to review and evaluate CLP's overall Health, Safety, Security and Environment governance, strategy, performance and assurance. In 2025, the committee undertook a review of the Group's environmental governance approach and its overall performance. It also received the results of the first stage of the Group-level nature-related risk assessment for assets under its operational control, and provided feedback on the initial scope and commitments on biodiversity for new investment projects where relevant.

Internal HSE assurance audits, which included environmental aspects, were carried out at selected assets to ensure compliance with relevant HSE directives and standards. Audit reports were submitted to the COO and senior management of relevant business units for approval.