

Report of the **Supervisory** *Committee*



Since the establishment of the Company, all members of the Supervisory Committee, aiming at protecting the interest of the shareholders and the benefit of the Company, have performed their supervisory functions in accordance with the PRC Companies Law and the relevant provisions in the Articles of Association of the Company. By following the principle of acting honestly and in good faith, the Supervisory Committee has carried out its work diligently.

In 2000, the Supervisory Committee attended various meetings of the Board of Directors; attended regular meetings of the Company; participated in supervisory work of important activities including the merger by absorption of Shandong Huaneng and the preparation work for issue of A Shares; conducted specific investigations on power plants of Huaneng Shantou Power Plant and Huaneng Fuzhou Power Plant. Through various measures, the Supervisory Committee performed effective supervision to ensure that the decisions made by the Company's management were in compliance with the relevant laws and regulations and the Articles of Association of the Company; that such decisions have followed the resolutions passed by the shareholders; and that such decisions were for the benefit of the shareholders. The Supervisory Committee has also conducted review on the performance of duties of the members of the Board of Directors and the senior management.

Before the annual general meeting of the Company, the Supervisory Committee has reviewed the working reports of the Board of Directors to be submitted to the annual general meeting of the Company, the 2000 financial reports of the Company, the auditors' report and the plan for distribution of profits. The Supervisory Committee is of the view that:

1. In 2000, the Company operated in compliance with the law and the procedures for decision making were lawful, thereby establishing a comprehensive internal management system.
2. All members of the Board and the senior management of the Company have performed dutifully and diligently and have followed the decisions made by the Board and the shareholders. Their behaviour has not contravened any relevant laws and regulations and the Articles of Association of the Company and has not caused any damage to the interests of the Company or its shareholders.
3. The financial statements of the Company for 2000 are truthful and reliable and objectively reflect the financial conditions and operating results of the Company. The Supervisory Committee agreed to the auditors' report issued by Arthur Andersen & Co.

To: All Shareholders:

On behalf of the Supervisory Committee of Huaneng Power International, Inc., I am pleased to report to the annual general meeting on the work of the Supervisory Committee during the past year.

In the new year, the Supervisory Committee will continue to live up to the shareholders' expectations and will work hard to safeguard all shareholders' interests.

By Order of the Supervisory Committee

Ju Zhanghua

Chairman of the Supervisory Committee

14th March, 2001

