

## Shareholder Value

### Our Goal:

- Create long-term and sustainable value for our shareholders.

### How We Achieve This:

- Investing in businesses and projects which leverage our core capabilities and provide long-term returns.
- Maintaining a healthy financial position, upholding our values in managing our businesses, and communicating with our shareholders on important issues.
- Recognising that we are the stewards of our shareholders' investments in the Company and we value their trust and confidence.

### Our Track Record:


- Our total annual dividends paid out have not decreased since 1960.
- Annualised rate of total shareholder return of 5.21% over the 10-year period (2011 to 2020).

## Our Shareholders

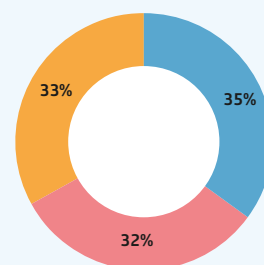
### Shareholding as at 31 December 2020

Size of Registered Shareholding	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
500 or below	2,562	13.40	788,666	0.03
501 – 1,000	3,584	18.74	2,880,754	0.11
1,001 – 10,000	8,773	45.87	37,171,990	1.47
10,001 – 100,000	3,738	19.54	107,498,359	4.26
100,001 – 500,000	386	2.02	79,365,778	3.14
Above 500,000	83 <sup>1</sup>	0.43	2,298,745,023	90.99
<b>Total</b>	<b>19,126<sup>2</sup></b>	<b>100.00</b>	<b>2,526,450,570<sup>3</sup></b>	<b>100.00</b>

Notes:

- Information on the [10 largest registered shareholders](#) in the Company is set out on our website. 
- Actual number of investors is much greater as many shares are held through intermediaries including Central Clearing and Settlement System of Hong Kong (CCASS).
- 54.81% of all our issued shares were held through CCASS.
- The Listing Rules required 25% public float was maintained throughout the year and up to 22 February 2021.

### Shareholding by Category<sup>4</sup>

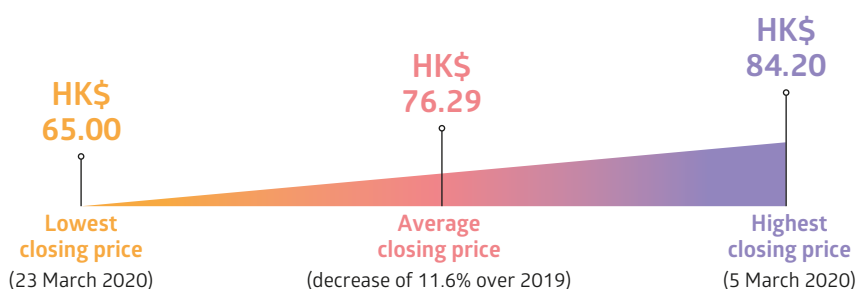


- Interests associated with the Kadoorie Family – our single largest shareholder group
- Institutional investors – many based in North America, UK, Europe and Asia
- Retail investors – mostly based in Hong Kong

The scale of our shareholders' investment is reflected in the market capitalisation of CLP Holdings which stood at HK\$181 billion as at 31 December 2020; this represented 1.36% by weighting of the Hang Seng Index (HSI), Hong Kong's leading listed companies index.

## Delivering Long-Term Value to Shareholders

### Share Price Performance – 2020



### Movement for 2020 ↓ 12.5%

HK\$71.70 (31 December 2020)  
HK\$81.90 (31 December 2019)

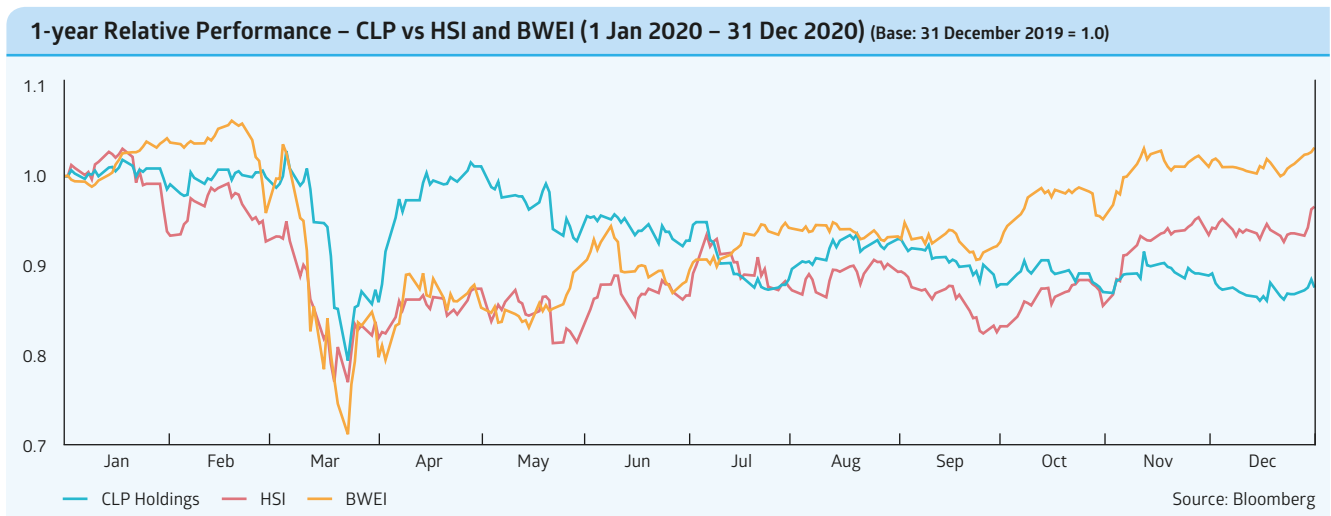
## Shareholder Value

The performance of all stocks during 2020 was significantly influenced by the COVID-19 pandemic. The growing spectre of the pandemic had little impact on CLP share price until late March when the stock tracked the plunge in global markets to close at HK\$65.00, down by 6.8% during the day. This was the stock's largest daily movement since October 2008, and the lowest closing price in over four years.

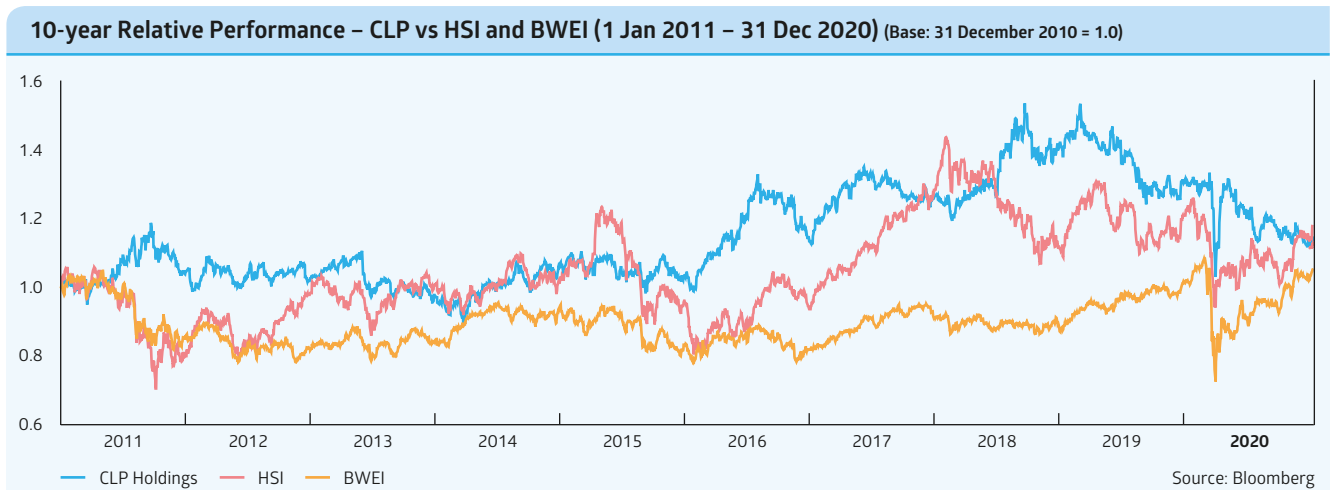
Despite this, CLP shares were resilient and by mid-April had regained all the lost ground to be trading at the same level as prior to the plunge. Reflecting confidence in the long-term outlook of the Company, the total dividends declared for 2020 were HK\$3.10 per share, up by 0.6% as compared with 2019. Nonetheless, as with many stocks and its peers in the local utility sector, downward pressure on CLP share price resumed and continued for the remainder of the year. CLP shares finished 2020 at HK\$71.70, down by 12.5%.

By comparison, the HSI was down by 3.4% while the Bloomberg World Electric Index (BWEI) was up by 3.2%.

This comparison is shown in the chart below.



The trend shown in the 10-year Relative Performance chart below represents the share price changes compared with the closing price 10 years ago.



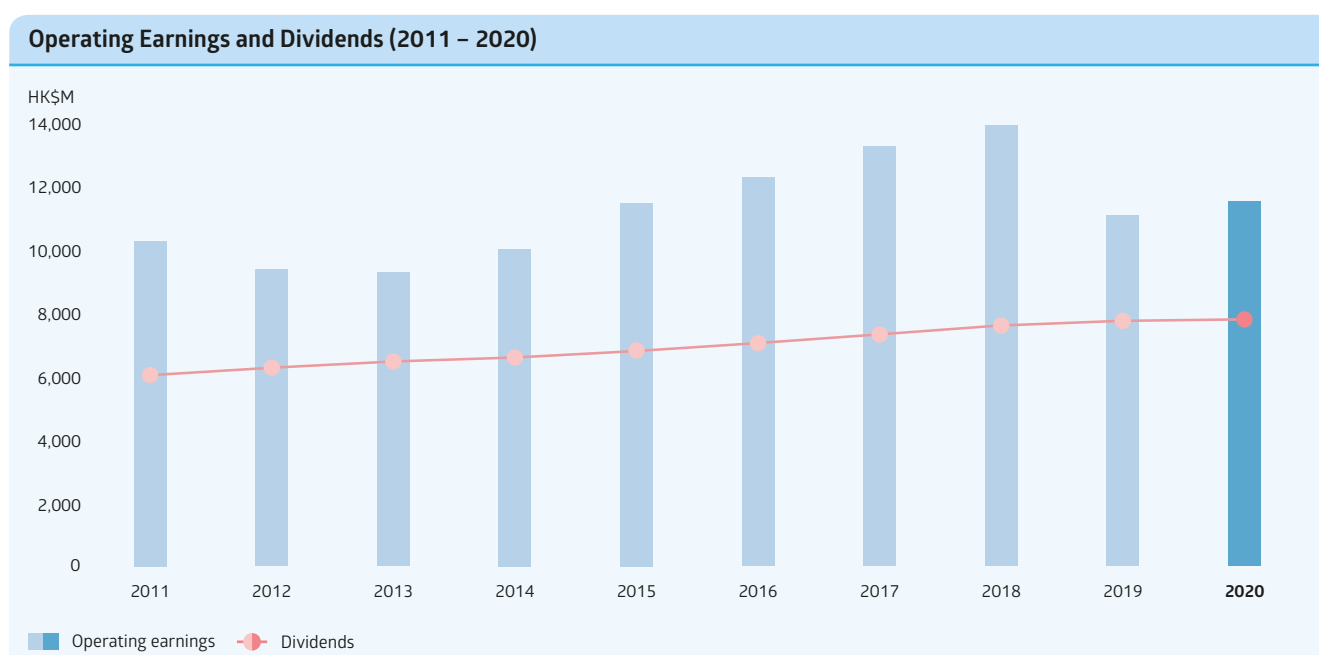
## Through Dividend Payments

CLP's Dividends Policy, adopted by the Board in February 2019, aims to provide reliable and consistent ordinary dividends with steady growth when supported by our earnings whilst ensuring that a solid financial position can be maintained to fund our business growth. In line with our established practice, our ordinary dividends are paid four times a year in each of the quarters.

[CLP's Dividends Policy](#) is available on the CLP website. 

Our shareholders, whether institutional or retail investors, have continued to emphasise the importance they attach to a consistent dividend stream with gradual growth from their investment in CLP shares. In fact, our total annual dividends paid out have not decreased since 1960 – a solid record maintained over the past 60 years.

The following chart demonstrates that we have maintained a stable dividend stream, despite fluctuations in earnings over the period.

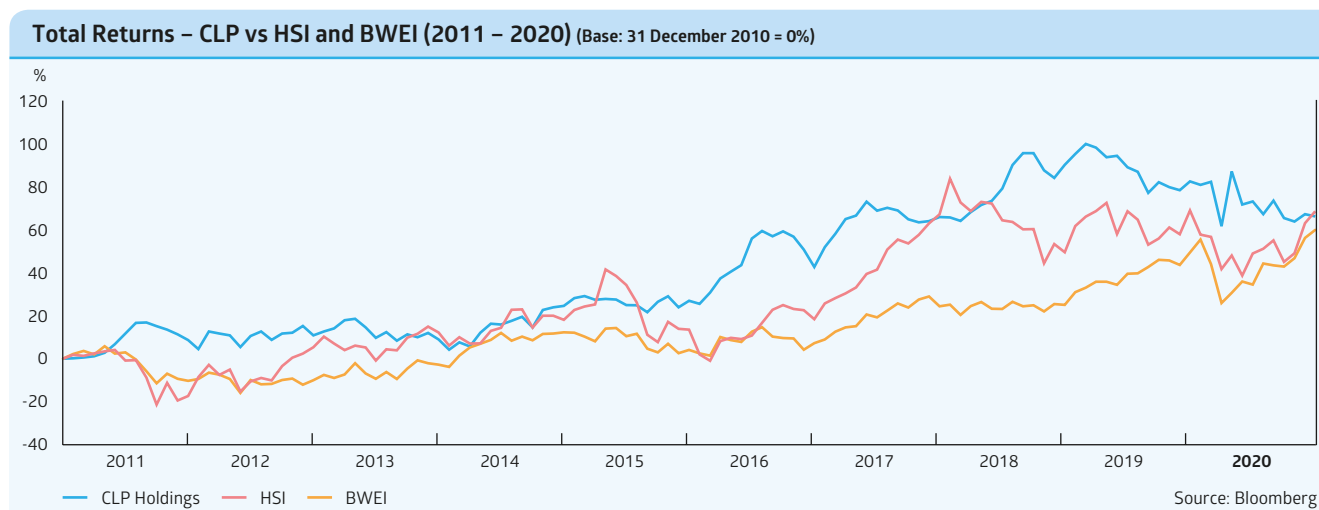


### Past 10 years (2011-2020)

CLP has provided reliable and consistent ordinary dividend payments over the past 10-year period. Our dividend payments have increased over the last five years where the average year to year growth was around 2.8% and this has been supported by a corresponding increase in earnings other than in 2019 where earnings fell against 2018. For the past 10 years, the average year to year growth was approximately 2% and the dividend payouts were in the range of 55% to 68% of operating earnings, except for 2013 and 2019 when our payout ratio rose to 70% of operating earnings.

### Through Total Returns

Total returns to shareholders come from the combination of share price appreciation and dividend payments over time. During the 10-year period from 2011 to 2020, CLP provided an annualised rate of return of 5.21%, as compared with 5.36% for the HSI and 4.81% for the BWEI.



### CLP Shares – Investment Comparison

For reference only, we have set out below our share price performance and the performance of some comparable investments which our shareholders might make. We have assumed that during the period of 1, 10 and 20 years prior to 31 December 2020, an investor has put HK\$1,000 into each of these investments every year. We have then compared the total worth of these investments (including bonus shares and dividends or interest reinvested) at the end of each of the three periods.

Investment Returns	Total Investment Worth at 31 December 2020		
	1-Year Period HK\$	10-Year Period HK\$	20-Year Period HK\$
CLP	911	12,815	47,294
Tracker Fund of Hong Kong	993	14,072	45,112
Hong Kong and China Gas	821	13,029	53,199
Power Assets Holdings	782	10,837	43,038
HK Electric Investments	1,035	N/A	N/A
HK\$ 1-Year Fixed Deposits	1,026	10,867	23,642

Adapted from Bloomberg

## Key Dates for 2021

The following are the key shareholder-related dates and events.

### Performance-related

22 FEB

2020 Annual Results and Fourth Interim Dividend announced

### Dividend-related

#### 2020 Fourth Interim Dividend

5 MAR	Ex-Dividend Date
9 MAR	Book Close Date
18 MAR	Payment Date

2021 AGM

14 MAY

Voting at AGM  
Book Close Days

11-14 MAY

Annual General Meeting (AGM)  
Notice Issue Date

24 MAR

17 MAY

2021 Q1 Quarterly Statement and First Interim Dividend announcement

#### 2021 First Interim Dividend

1 JUN	Ex-Dividend Date
3 JUN	Book Close Date
15 JUN	Payment Date

2 AUG

2021 Interim Results and Second Interim Dividend announcement

#### 2021 Second Interim Dividend


2 SEP	Ex-Dividend Date
6 SEP	Book Close Date
15 SEP	Payment Date

18 OCT

2021 Q3 Quarterly Statement and Third Interim Dividend announcement

#### 2021 Third Interim Dividend

2 DEC	Ex-Dividend Date
6 DEC	Book Close Date
15 DEC	Payment Date

Any changes to these dates will be published on our [website](#). 

Any shareholders who have questions or comments are most welcome to contact us by calling our shareholders' hotline on (852) 2678 8228 from 9 a.m. to 5 p.m. (Monday to Friday, excluding Hong Kong public holidays) or email to [cocsec@clp.com.hk](mailto:cocsec@clp.com.hk) (Company Secretary) or [ir@clp.com.hk](mailto:ir@clp.com.hk) (Director – Investor Relations).