

CLP Fair Disclosure Policy

There continues to be considerable discussion and occasional controversy in regulatory and financial circles on the subject of “selective disclosure”. This is the provision of material non-public information, such as advance warnings of earnings results, to certain market participants before making full disclosure of that information to the general public.

CLP is aware of its obligations under the Listing Rules and the Securities and Futures Ordinance. Selective disclosure is unfair. At the same time, certain investors and analysts do have a closer and more active interest than others in CLP’s affairs and their legitimate questions deserve a reasonable reply.

To balance these considerations can be difficult in principle and in practice. An overall policy of open communication is the best response. This, in turn, requires procedures for the broad, non-exclusionary distribution of information to the public (to adopt the language of the U.S. Securities and Exchange Commission’s Regulation FD (Fair Disclosure) of August 2000).

In CLP’s case, financial results are announced as early as possible and in any event within two months after the end of the financial year. CLP publishes its financial statements within three months after the end of its financial year. Reports/statements are issued to shareholders on a quarterly basis to keep shareholders informed of the performance and operations of the Company.

In addition, we make full use of the Internet to make information broadly available to our shareholders. The “Corporate Governance” section on the CLP website, of which this Policy appears, has been expanded to include a wide range of up-to-date shareholder information.

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