

# **Hang Seng Bank (the “Bank”) Dividend Policy**

## **Objective**

The Bank’s medium to long term dividend objective is to maintain steady dividends in light of profitability, regulatory requirements, growth opportunities and the operating environment. Its roadmap is designed to generate increasing shareholders’ value through strategic business growth. The Bank would balance solid yields with the longer-term reward of sustained share price appreciation.

## **Considerations**

The declaration of dividends is made at the discretion of the Board, which will take into account all relevant factors including the following:

- financial results;
- level of distributable reserves;
- general business conditions and strategies;
- regulatory requirements;
- strategic business plan and capital plan;
- statutory and regulatory restrictions on dividend payment; and
- any other factors the Board may deem relevant.

## **Phasing and Timing**

Under normal circumstances and if the Board determines to declare a dividend at its discretion, dividends would be declared on a quarterly basis. The phasing of dividends would be planned on a prudent basis to allow for any unforeseen events, which might arise towards the end of an accounting period. Phasing of dividends would also take account of the volatility of the Bank’s profits.

*Updated in June 2019*