

TERMS OF REFERENCE
EXECUTIVE RESOURCE & COMPENSATION COMMITTEE
STARHUB LTD

1. General Scope and Authority

- 1.1 The Executive Resource & Compensation Committee (the “**ERCC**”) is a Committee of the Board of StarHub Ltd (the “**Company**” or “**StarHub**”) established by a resolution of the Board of Directors of the Company (the “**Board**”).
- 1.2 The ERCC shall be guided by the Company’s corporate governance policy.
- 1.3 The primary purpose of the ERCC is to support and advise the Company, its unlisted subsidiaries and, where applicable, unlisted associated companies (the “**StarHub Group**” and each company in the StarHub Group shall be referred to as a “**StarHub Group Company**”) to oversee the remuneration matters and leadership development of the StarHub Group by:-
- Overseeing the development of leadership and management talent in the StarHub Group;
 - Ensuring that companies in the StarHub Group have appropriate remuneration policies; and
 - Designing competitive compensation packages with focus on long-term sustainability of business and long term shareholders’ return.

2. Composition

- 2.1 The ERCC shall consist of not less than 3 members. All directors who are members of the ERCC shall be non-executive directors who are independent of the Management of the Company. The ERCC may include persons other than directors, co-opted to the ERCC by the Board provided that the number of such co-opted members shall be less than the number of non-executive directors on the ERCC.
- 2.2 In the event that a member of ERCC who is a member of the Board retires, is removed or resigns from the Board, that member shall cease to be a member of the ERCC.
- 2.3 The Board may, as it so decides, remove any member from the ERCC.

3. Meetings

- 3.1 The ERCC shall meet as frequently as required.
- 3.2 Any ERCC member or the ERCC Secretary (the “**Secretary**”) may call a meeting of the ERCC.
- 3.3 A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the ERCC.

- 3.4 The ERCC shall have access to professional advice from employees within the StarHub Group and from appropriate external advisers. The ERCC may meet with these external advisers without management being present.
- 3.5 Minutes of proceedings and resolutions of ERCC meetings shall be kept by the Secretary, and made available to all directors on request.

4. Quorum and Voting

- 4.1 A quorum will comprise any two ERCC members. In the absence of the Chairman of the ERCC or his appointed delegate, the members shall elect one of their number as Chairman for that meeting. All decisions at any meeting of the ERCC shall be decided by a majority of votes of the ERCC members present and voting (the decision of the ERCC shall at all times exclude the vote, approval or recommendation of any member who has a conflict of interests in respect of the subject matter under consideration).
- 4.2 Each member shall have one vote.
- 4.3 The Chairman of the ERCC shall have a second or casting vote in case of an equality of votes.
- 4.4 A resolution in writing, signed by the requisite majority of the ERCC members for the time being entitled to receive notice of a meeting to the ERCC and vote, shall be as valid and effectual as if it had been passed at a meeting of the ERCC duly convened and held (the decision of the ERCC shall at all times exclude the vote, approval or recommendation of any member who has a conflict of interest in the subject matter under consideration). Any such resolution may consist of several documents in like form, each signed by one or more members of the ERCC. The expressions 'in writing' and 'signed' include approval of any such ERCC member by telefax, telex, cable, telegram or electronic mail or any form of electronic communication approved by the ERCC members for such purpose from time to time incorporating, if the ERCC members deem necessary, the use of security and/or identification procedures and devices approved by the ERCC members.

5. Duties and Responsibilities

The ERCC shall perform the following duties and responsibilities:

5.1 Director Remuneration

Review and recommend for the Board's approval, the remuneration framework (including directors' fees, allowances and share-based incentives and awards) for non-executive directors on the boards of the relevant StarHub Group Companies.

5.2 Executive Remuneration Policy

- (a) Review and recommend for the Board's approval, the StarHub Group's policy for determining the remuneration of executives, including the remuneration of the Chief Executive Officer ("**CEO**") and the Key Management Executives of the StarHub Group.

The term "**Key Management Executives**" shall mean the G-grade senior management executives who report directly to the Chief Executive Officer of the StarHub Group; and

- (b) Review the on-going appropriateness and relevance of the remuneration policy and other benefit programmes for executives.

5.3 CEO

- (a) Appointment

Review and recommend for the Board's approval, the appointment and the terms of appointment (including remuneration and service terms) of the CEO.

- (b) Remuneration

Review and recommend for the Board's approval:

- (i) the entire specific remuneration package and service contract terms (including salaries, allowances, bonuses, payments, options, share-based incentives and awards, and benefits in kind) for the CEO, having regard to the executive remuneration policy of the relevant StarHub Group Company; and
- (ii) any termination, retirement, severance, gratuity, ex-gratia and other similar payments to the CEO.

5.4 Top 5 Key Management Executives

- (a) Appointment

Review and approve the appointment and the terms of appointment (including remuneration and service terms) of the top 5 Key Management Executives.

- (b) Remuneration

Review and recommend for the Board's approval:

- (i) the entire specific remuneration package and service contract terms (including salaries, allowances, bonuses, payments, options, share-based incentives and awards, and benefits-in-kind) for the top 5 Key Management Executives, having regard to the executive remuneration policy of the relevant StarHub Group Company (except as provided in paragraph 5.4(a)); and
- (ii) any termination, retirement, severance, gratuity, ex-gratia and other similar payments to the top 5 Key Management Executives,

5.5 Other Key Management Executives

- (a) Appointment

Review and approve the appointment and the terms of appointment (including remuneration and service terms) of the Other Key Management Executives.

The term "**Other Key Management Executives**" shall mean the Key Management Executives who are not the CEO or the top 5 Key Management Executives.

(b) Remuneration

Review and approve:

- (i) the entire specific remuneration package (including salaries, allowances, bonuses, payments, options, share-based incentives and awards, and benefits-in-kind) for each of the Other Key Management Executives, having regard to the executive remuneration policy of the relevant StarHub Group Company; and
- (ii) any termination, retirement, severance, gratuity, ex-gratia and other similar payments to the Other Key Management Executives.

5.6 Equity-Based Plans

- (a) Review and recommend for the Board's approval, the design of all option plans, share plans and/or other equity-based plans;
- (b) For each equity-based plan, determine each year whether awards will be made under that plan;
- (c) Review and approve each award as well as the total proposed awards under each plan in accordance to the rules governing each plan, including awards to the directors, the CEO and each Senior Management Executive, and recommend for the Board's approval, awards to the directors, the CEO and each of the Top 5 Key Management Executives; and
- (d) Review, approve and keep under review performance hurdles and/or fulfillment of performance hurdles for each equity-based plan.

5.7 Executive and Leadership Development

- (a) Oversee the development of Management with the aim of a continual build up of talent and renewal of strong and sound leadership to ensure the continued success of the StarHub Group and its businesses.
- (b) Periodically review succession plans for key positions in the StarHub Group Companies; and
- (c) Oversee the development of key executives and talented executives.

6. Other Duties and Activities

The ERCC shall perform other duties and activities that it or the Board considers appropriate in the context of these terms of reference.

These terms of reference will be subject to review by the Board from time to time.