

## **STARHUB LTD**

### **RISK COMMITTEE TERMS OF REFERENCE**

#### **PURPOSE**

The Risk Committee (the "RC") is a committee established as a matter of best practice by the Board of Directors (the "Board") of StarHub Ltd (the "Company"). The main objective of the RC is to assist the Board in fulfilling its fiduciary responsibilities for the governance of risk and to act in the interest of the Company's shareholders as a whole. The RC should also undertake periodic reviews of the operating and business environment of the Company to identify any elements which may have a possible impact on the risk profile of the Company.

#### **1. FUNCTIONS**

##### **1.1 The RC shall:**

- 1.1.1 advise the Board on the Company's overall risk tolerance and strategy;
- 1.1.2 oversee and advise the Board on the risk management framework and policies, risk exposures and risk strategy of the Company;
- 1.1.3 in relation to risk assessment:
  - (a) review the Company's overall risk assessment processes with a view to guiding the Board in its decision making;
  - (b) review regularly and approve the parameters used in these measures and the methodology adopted; and
  - (c) set a process for the accurate and timely monitoring of material exposures and certain risk types of critical importance;
- 1.1.4 review the Company's capability to identify and manage new risk types;
- 1.1.5 review reports on any material breaches of risk limits and the adequacy of proposed action;
- 1.1.6 review the adequacy and effectiveness of the Company's internal controls and risk management systems, including operational, compliance and information technology controls, and review and approve the statements to be included in the annual report concerning the adequacy and effectiveness of the Company's internal control and risk management systems;
- 1.1.7 monitor the independence of risk management functions throughout the organisation;
- 1.1.8 review all relevant risk reports on the Company;
- 1.1.9 review and monitor the Management's responsiveness to the findings on the aforementioned, where relevant; and

1.1.10 encourage and foster greater awareness of enterprise risk management at all levels of the Group.

## **2. COMPOSITION AND CONSTITUTION**

2.1 The RC shall comprise the following members:

Mr Stephen Geoffrey Miller (Chairman)  
Mr Ma Kah Woh  
Ms Nayantara Bali  
Mr Peter Kaliaropoulos (Co-opted Member)

2.2 The Board shall annually confirm the membership of the RC, which shall comprise no fewer than three (3) members, all of whom shall have relevant experience, and a majority of whom shall be non-executive Directors, namely a Director who shall not be:

2.2.1 an executive director of the Company; or

2.2.2 a spouse, parent, brother, sister, son or adopted son or daughter or adopted daughter of an executive director of the Company.

2.3 The RC may co-opt into the RC persons other than Directors who have the relevant expertise to assist it, provided that the number of such co-opted members shall be less than the number of non-executive Directors on the RC. Such persons may be associate members or invitees of the RC but shall have no decision-making powers or voting rights.

2.4 The members of the RC shall elect a Chairman from among their number, who is a non-executive director.

2.5 Only members of the RC have the right to attend RC meetings. However, other individuals such as the chairman of the Board, directors, the chief executive officer, and representatives of the Audit Committee, the Management Risk Committee and the Strategy Committee, may be invited to attend all or part of any meeting as and when appropriate and necessary.

2.6 If a member of the RC for any reason ceases to be a member with the result that the number of members is reduced to below three (3) or the requisite majority set out in sub-paragraph 2.2 above is not satisfied, the Board shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members or the majority, as the case may be.

## **3. MEETINGS AND PROCEEDINGS**

3.1 The RC shall meet two (2) times in each financial year, on a half-yearly basis, or as and when circumstances or events merit it.

3.2 A seven (7) days' notice or such shorter notice as may be agreed by the RC members, shall be given by the Secretary of the RC to each member of the RC and any other person required to attend specifying the date, time, venue and agenda of the meeting of the RC.

3.3 Meetings of the RC may be conducted by means of telephone or audio-visual conferencing or other methods of simultaneous communications by electronic means.

3.4 The Secretary shall convene a RC meeting on the requisition of a RC member.

- 3.5 The quorum for the RC shall comprise two (2) members. In the absence of the Chairman, the members present shall elect a Chairman from amongst themselves.
- 3.6 All decisions at any meeting of the RC shall be decided by a majority of votes of the RC members present and voting. The decision of the RC shall at all times exclude the vote, approval or recommendation of any member who has a conflict of interests in the subject matter under consideration.
- 3.7 Resolutions in writing signed by the requisite majority of the members of the RC shall be as effective as if a resolution passed at a meeting of the RC and may consist of several documents in the like form each signed by one or more RC member.
- 3.8 Minutes of the RC meetings shall be recorded by the Secretary and confirmed by the Chairman of the respective RC meeting. The minutes shall be tabled to the Board for information and such be kept by the Secretary at the registered office of the Company.
- 3.9 The Company Secretary, failing whom any person appointed by the RC to act as secretary, shall be the secretary (the "Secretary") for all meetings of the RC.
- 3.10 The RC may, in its discretion, invite Management, officers or other persons to attend any RC meeting.
- 3.11 The RC shall otherwise regulate/govern itself as it deems fit but within the ambit of its specified functions and in accordance with applicable law or regulation.

#### **4. ANNUAL GENERAL MEETING**

- 4.1 The Chairman of the RC should attend the general meeting of shareholders to answer shareholder questions on the RC's activities, role and scope of responsibilities.

#### **5. REPORTING RESPONSIBILITIES**

- 5.1 The Chairman of the RC shall report to the Board on the RC's proceedings after each RC meeting.
- 5.2 The RC shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 5.3 Taking into account the Company's reporting obligations (pursuant to, as applicable, relevant rules and regulations, including for instance the Singapore Exchange Securities Trading Limited's Listing Rules (the "SGX-ST Listing Rules")), the RC shall give a report of its activities and the Company's risk management and strategy to be included in the Company's annual report, as necessary.

#### **6. OTHER MATTERS**

- 6.1 The RC shall:
  - 6.1.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;

- 6.1.2 be provided with appropriate and timely training, in particular in respect of risk management expertise, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 6.1.3 give due consideration to laws and regulations, the provisions of the Singapore Code of Corporate Governance, the requirements of the SGX-ST's Listing Rules and any other applicable rules, as appropriate;
- 6.1.4 oversee any investigation of activities which is within its terms of reference; and
- 6.1.5 arrange for periodic reviews of its own performance, its constitution and terms of reference to ensure it is operating at optimal effectiveness and recommend any changes it considers necessary to the Board for approval.

## **7. AUTHORITY**

7.1 The RC is authorised to:

- 7.1.1 seek any information it requires from any employee of the Company in order to perform its duties;
- 7.1.2 obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and
- 7.1.3 require any employee to be in attendance at a meeting of the RC as and when required, and to respond to the RC's questions and/or to provide the RC with any other assistance.