

STARHUB LTD

AUDIT COMMITTEE TERMS OF REFERENCE

1. PURPOSE

- 1.1 The Audit Committee (the "AC") is a committee established as a matter of best practice by the Board of Directors (the "Board") of StarHub Ltd (the "Company").
- 1.2 The main objective of the AC is to assist the Board in fulfilling its fiduciary responsibilities to act in the interest of the Company's shareholders as a whole. It provides a basis for achieving and maintaining appropriate balance and independence in the relationship between Management and the External Auditors in carrying out their work.

2. FUNCTIONS

2.1 The AC shall:

- 2.1.1 review, with the External Auditors, the audit plan, their audit report (including any qualifications in their opinion) and report on matters arising from audit in respect of the Company and its subsidiaries, and also Management's response, level of co-operation and provision of information during the course of the audit, and the cost effectiveness of the audit;
- 2.1.2 review, with the External Auditors, their evaluation of the effectiveness and adequacy of the system of internal accounting and financial controls of the Company and its subsidiaries, and monitor the response to their findings and actions taken to correct any noted deficiencies. Such review shall be undertaken at least once a year on:
 - (a) the integrity, confidentiality and availability of critical information;
 - (b) the effectiveness and efficiency of operations;
 - (c) the safeguarding of assets; and
 - (d) the compliance with laws and regulations;
- 2.1.3 review together with the Risk and Sustainability Committee ("RSC"), 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;
- 2.1.4 review, with the External Auditors, the financial statements and any financial reporting of the Company and its subsidiaries and the report of the External Auditors thereon for submission to the Board of Directors;
- 2.1.5 review, with the External Auditors, the impact of any new or proposed changes in accounting standards and regulatory requirements to the financial statements and accounting policies of the Company and its subsidiaries. Any changes to the accounting policies of the Company and its subsidiaries arising from this should satisfy the test of substance over form;
- 2.1.6 review interested person transactions and other conflicts of interests of the Company and its subsidiaries, and also compliance with the procedures for interested person transactions;

- 2.1.7 assess the suitability of the accounting firm as External Auditors (including their independence, objectivity, resources and experience) and recommend to the Board of Directors the appointment or re-appointment of External Auditors for each financial year and the compensation of External Auditors;
 - 2.1.8 where the External Auditors also supply non-audit services to the Company and its subsidiaries, monitor and keep the nature and extent of such services under review, and to satisfy itself that the independence, objectivity and effectiveness of the External Auditors are not compromised as a result thereof;
 - 2.1.9 review and approve the Internal Audit plan and to review with the Internal Auditors, the scope and results of the internal audit procedures and to monitor the response to their findings to ensure that appropriate follow-up measures are taken;
 - 2.1.10 review the appropriate level of resources devoted to the internal audit function;
 - 2.1.11 approve the appointment, termination and compensation of the Internal Auditors;
 - 2.1.12 review the assistance given by officers of the Company and its subsidiaries to the External Auditors and Internal Auditors;
 - 2.1.13 in the event the AC becomes aware of a suspected fraud or irregularity or failure of internal controls or infringement of any law, rule and regulation which has or is likely to have a material impact on the operating results and/or financial position of the Company and its subsidiaries as a whole, to commission internal or as appropriate, external investigations into matters, and to review and report the findings thereof to the Board. In this regard, AC Chairman and General Counsel shall be the reporting channel for any employee or individuals to raise reportable incidents;
 - 2.1.14 if required by Singapore Exchange Securities Trading Limited (the "SGX-ST") or any relevant authority, appoint a special auditor to review or investigate such areas of the affairs of the Company and/or its subsidiaries as directed, and to report its findings to the AC, the Board, the SGX-ST and/or the relevant authority as appropriate;
 - 2.1.15 review any actual or potential conflict of interest that may involve Directors as disclosed by them to the Board and the exercise of Directors' fiduciary duties in this respect, by (a) considering whether a conflict of interest does in fact exist and where such Director is a member of the AC, such Director will abstain from participating in any proceedings of the AC in relation to the review of a conflict of interest relating to him, and (b) examining the nature of the conflict and such relevant supporting data as the AC may deem reasonably necessary; and
 - 2.1.16 perform any other functions as may be agreed to by the AC and the Board or prescribed by applicable law or regulation.
- 2.2 For the avoidance of doubt, the External and Internal Auditors report and are responsible to the AC.

3. COMPOSITION AND CONSTITUTION

- 3.1 The AC shall comprise no fewer than three (3) members, all of whom shall be non-executive directors of the Company, and the majority of whom (including the Chairman) shall be independent, namely a Director who shall not be:
 - 3.1.1 executive directors of the Company or any related corporation; or
 - 3.1.2 a spouse, parent, brother, sister, son or adopted son or daughter or adopted daughter of an executive director of the Company or any related corporation; or

- 3.1.3 any person having a relationship with the Company and its subsidiaries which, in the opinion of the Board would interfere, or be reasonably perceived to interfere, with the exercise of independent judgement in carrying out the functions of the AC.
- 3.2 At least two (2) members of the AC, including the Chairman, shall have recent and relevant accounting or related financial management expertise or experience. Collectively, the AC should have broad business experience, knowledge of the operations, finance and auditing procedures of the Company and its subsidiaries.
- 3.3 The AC shall have at least one (1) member who also serves on the RSC, preferably the AC Chairman.
- 3.4 The Board shall appoint the Chairman of the AC, who is an independent non-executive director.
- 3.5 Only members of the AC, the External Auditors and the Internal Auditors shall have the right to attend AC meetings. However, other individuals such as the Chairman of the Board, directors, the Chief Executive Officer, and the Chief Financial Officer may be invited to attend all or part of any meeting as and when appropriate and necessary.
- 3.6 If a member of the AC 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 3.1 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.
- 3.7 In the event that a member of the AC 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 AC.
- 3.8 The Board may, as it so decides, remove any member from the AC.

4. MEETINGS AND PROCEEDINGS

- 4.1 The AC shall meet as required, but no less than four (4) times in each financial year.
- 4.2 The AC shall also meet with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.
- 4.3 The Company Secretary, failing whom any person appointed by the AC to act as secretary, shall be the secretary (the "Secretary") for all meetings of the AC.
- 4.4 A seven (7) days' notice or such shorter notice as may be agreed by the AC members, shall be given by the Secretary of the AC to each member of the AC and any other person required to attend specifying the date, time, venue and agenda of the meeting of the AC.
- 4.5 Meetings of the AC may be conducted by means of telephone or audio-visual conferencing or other methods of simultaneous communications by electronic means.
- 4.6 The Secretary shall convene a AC meeting (a) on the requisition of a AC member; or (b) upon the request of the External or Internal Auditors to consider any matter the External or Internal Auditors believe should be brought to the attention of the Board or shareholders.
- 4.7 The quorum for the AC shall comprise either (a) two (2) members, where the AC has three (3) members; or (b) three (3) members, where the AC has four (4) members. In the absence of the Chairman, the members present shall elect a Chairman from amongst themselves for the meeting.

- 4.8 All decisions at any meeting of the AC shall be decided by a majority of votes of the AC members present and voting. The Chairman of the AC shall have a second or casting vote in the case of an equality of votes. The decision of the AC 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.
- 4.9 Resolutions in writing signed by the requisite majority of the members of the AC shall be as effective as if a resolution passed at a meeting of the AC and may consist of several documents in the like form each signed by one or more AC member. The expressions 'in writing' and 'signed' include approval of any such AC member by electronic mail or any form of electronic communication approved by the Board for such purposes from time to time incorporating, if the Board deems necessary, the use of security and/or identification procedures and devices approved by the Board.
- 4.10 Minutes of the AC meetings shall be recorded by the Secretary and confirmed by the Chairman of the respective AC meeting. The minutes shall be tabled to the Board for information and kept by the Secretary at the registered office of the Company.
- 4.11 The Committee 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.

5. ANNUAL GENERAL MEETING

- 5.1 The Chairman of the AC should attend all general meetings of shareholders to answer shareholder questions on the AC's activities, role and scope of responsibilities.

6. REPORTING RESPONSIBILITIES

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

7. OTHER MATTERS

- 7.1 The AC shall:
- 7.1.1 have access to sufficient resources in order to carry out its duties, including access to the Secretary for assistance as required;
 - 7.1.2 be provided with appropriate and timely training, in particular in respect of accounting and financial expertise, on an ongoing basis for all members;
 - 7.1.3 be provided with appropriate and timely updates with regards to financial reporting requirements and trends;
 - 7.1.4 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; and

- 7.1.5 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.

8. AUTHORITY

8.1 The AC is authorised to:

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

19 January 2023