



CONNECTING YOUR DIGITAL WORLD

● ANNUAL
REPORT
2021

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The background features a vibrant night cityscape with illuminated skyscrapers. Overlaid on this is a complex digital network of glowing blue lines and nodes, resembling a fiber optic or data network. Vertical light streaks and a diagonal beam of light add to the futuristic aesthetic.

CONNECTING YOUR DIGITAL WORLD

As an organisation that thrives within an evolving economy, StarHub continues to be a catalyst for transformation. The conclusion of our DARE 1.0 transformation programme is but an initial step in our ongoing growth journey. We are now embarking on our next phase of growth with a new strategic programme. With the introduction of DARE+ this year, StarHub is well positioned to extend our businesses beyond traditional telco services to one that connects all fronts of our customers' digital world. Doubling down on digital across everything we do will ensure that we consistently deliver better experiences, accelerate value creation and realise new growth opportunities. Our challenger spirit strengthens everyday as we strive to make a true difference to our stakeholders' lives.

Infinite
Continuum of
**Digital
Products** ●

BUILDING ON THE JOY OF **INFINITY PLAY**

At StarHub, we believe in maximum fun with minimum fuss. That is why we are moving from quad-play to Infinity Play, bringing our customers an infinite continuum of digital experiences and digital services that match their diverse wants and needs. From OTT streaming entertainment to lag-free cloud gaming on our world-class network, infinite joy is now simply a click away.





Integrating More
Consumption Drivers
For Greater Lifetime Value

Expand Reach

To Both StarHub &
Non-StarHub Customers

2.4X

Increase in
on-demand
viewing hours

+22%

Live Channel
Consumption
(OTT vs IPTV)

>300K

5G Subscribers

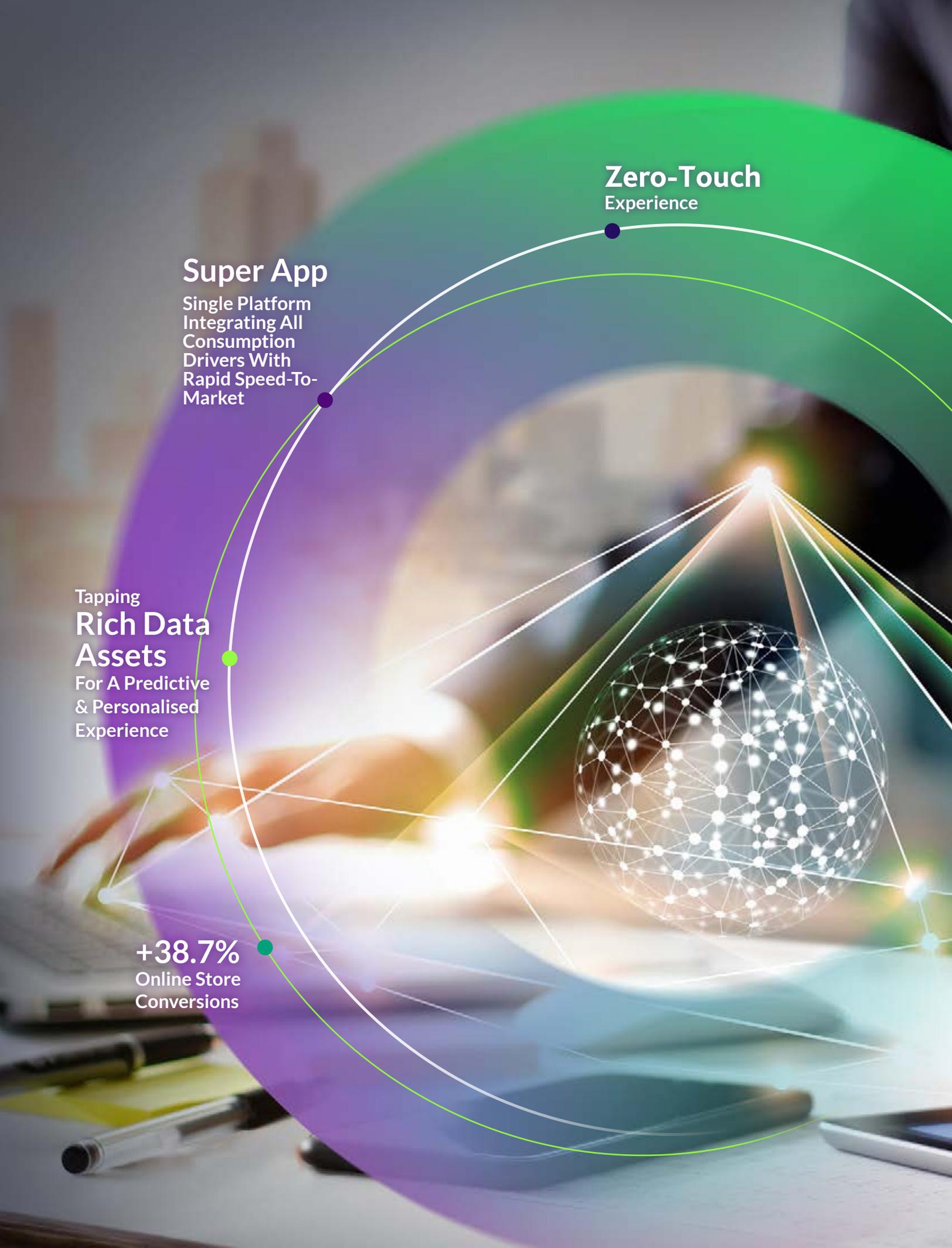
**Zero-Touch
Experience**

Super App

Single Platform
Integrating All
Consumption
Drivers With
Rapid Speed-To-
Market

Tapping
**Rich Data
Assets**
For A Predictive
& Personalised
Experience

+38.7%
Online Store
Conversions



End-To-End,
Needs-Focused
**Digital
Experience**

Engaging our customers online keeps them engaged with our brand. Our DARE+ initiative puts frictionless self-serve engagement at the core, supported by strong infrastructure that offers superior connectivity. By empowering individuals and enterprises with access anytime, anywhere and on any device, StarHub continues to deliver value in smarter and faster ways.

ENABLING SEAMLESS

PLATFORM ENGAGEMENTS



STRENGTHENING NETWORKS

THROUGH DIGITALISATION

As an enabler of digital transformations, we know what it takes to stay ahead of changing times. Our focus on building a superior network is supported by a greater push in IT and digital excellence, which will form the backbone to our new business initiatives, opening doors to new possibilities.

Core Physical
Infrastructure
As Moat

Singapore's
**MOST
AWARDED
NETWORK**



**Agile,
Cloud-Based
IT Capabilities**



~\$150M Savings
5G Network Sharing Model of
Unprecedented Efficiencies



**5G Cloud
Native**
Programmable &
adaptable network





EVOLVING BEYOND THE TELCO LANDSCAPE

StarHub's transformation is to grow from a telco to become a full-on digital life and digital services provider. This evolutionary journey includes the expansion of our ecosystem of capabilities through key partnerships and acquisitions, as well as streamlining products and services via Infinity Play delivered over a single platform for ease of use. As we constantly create greater value for consumers, we will concurrently strengthen our Enterprise proposition by converging Cybersecurity, Cloud and Connectivity to empower customers navigating the rapidly changing demands and disruption in a digital age.

Strateq & JOS
Bolstered ICT Capabilities

Uniquely positioned to
deliver convergence of

**Cybersecurity,
Cloud and
Connectivity**
for Enterprises

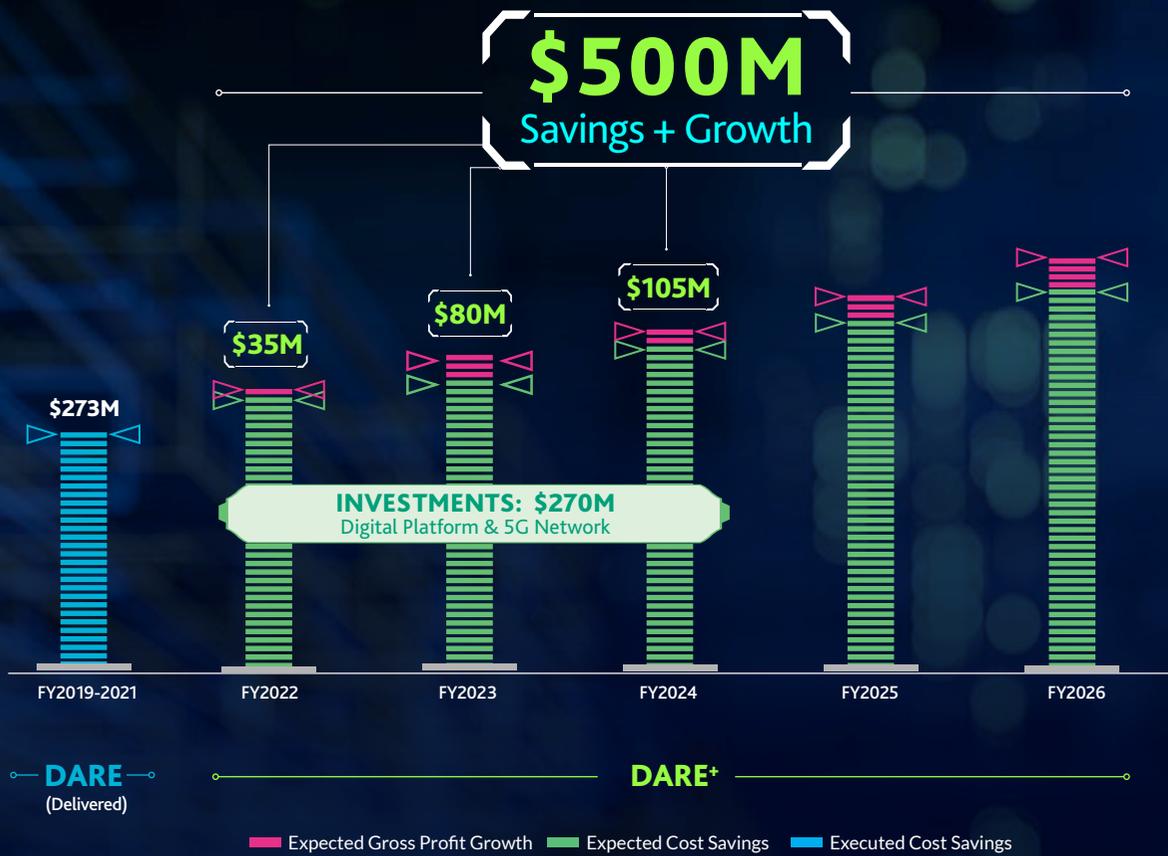
ENSIGN

Cybersecurity Engine
With Sustained
Double-Digit Annual
Growth

**MyRepublic
Broadband**
Augmented
Market Share Through
Acquisition



DARE+ GROWTH ROADMAP



\$220M
Expected Gross Profit Growth

+

\$280M
Expected Savings

From FY2022 to FY2026

Stable State Incremental
NPAT Run Rate

\$80M p.a.

From FY2026

DIGITAL In Everything We Do

The next giant step in our digital transformation

- + Bring customers digital products that enrich their digital lives
- + Empower customers to engage with us on zero-touch digital platforms with true freedom to act on their choices
- + Digitalise systems, process & architecture for agility and efficiency to innovate rapidly with customers' evolving needs

ACCELERATING Value Creation

Creating value for our customers, enriching lives and improving productivity

- + Growth across all our businesses
- + Focus our businesses on cohesively serving our Enterprise customers' own cloud, digital and 5G transformations
- + Constantly digitalise end-to-end for an increasingly efficient & scalable business model as we grow

REALISING Growth Without Frontiers

Continuously expand product & services for our customers

- + Grow capabilities and skills to serve our customers' evolving needs
- + Continue to pursue acquisitions that add to our scale, footprint as well as products and capabilities for customers
- + Drive synergies across our platform to pursue new growth areas

EXPERIENCES That Enrich Customers' Lives

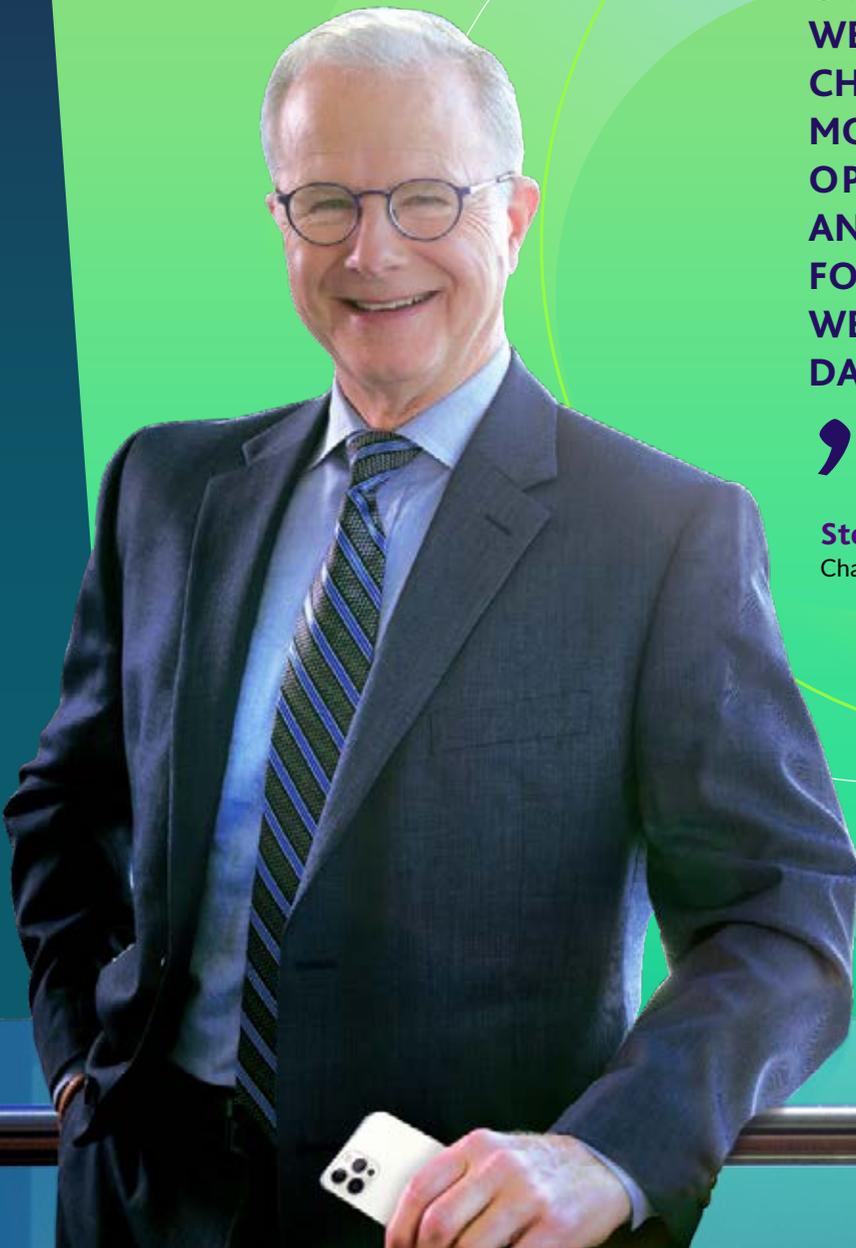
Our paramount objective for our customers

- + Bring customers an infinite range of diverse experiences, products and services to match our customers' diversity, complexity, and growing wants and needs every day
- + Supported by the fastest, highest-quality connectivity to deliver these enriching experiences to our customers, from anywhere, on any device and on any network

UNLOCK PERFORMANCE & RELEASE COSTS



CHAIRMAN'S MESSAGE



“

OVER THE LAST THREE YEARS, WE MADE CRITICAL STRATEGIC CHANGES TO OUR BUSINESS MODEL THAT ENHANCED OUR OPERATIONAL EFFICIENCIES AND LAID THE FOUNDATION FOR THE DIGITAL ACCELERATION WE WILL BE DRIVING WITH DARE+.

”

Steven Terrell Clontz
Chairman

DEAR SHAREHOLDERS,

FY2021 was a milestone year for StarHub. Against a challenging backdrop brought about by the global pandemic, StarHub delivered growth on most financial metrics and business lines, as well as on key operating indicators, over multiple sequential quarters. We also concluded our DARE 1.0 transformation, achieving total savings of \$273 million against our original target of \$210 million. We then moved swiftly to announce and implement the next phase of our transformation, DARE+, which will launch the “Connecting Your Digital World” platform, a key enabler of StarHub’s pioneering “Infinity Play” vision. With the launch of DARE+, we are committed to growth and cost transformation targets across all lines of business and are seeing early indicators of our differentiated strategy. In another key milestone for FY2021, we announced two strategic acquisitions – to augment our leadership in the Broadband segment and to drive Infinity Play products into an expanded base; as well as to add scale in our Enterprise Regional ICT business and strengthen our value proposition to customers.

FY2021 also marked an important year for our 5G ambitions following our launch of the 5G non-standalone (“NSA”) network in FY2020 – the first operator to do so in Singapore. During FY2021, we initiated our 5G standalone (“SA”) market trial and completed the joint acquisition of the 2.1GHz spectrum to add to our comprehensive spectrum portfolio

earmarked for the 5G SA network. Our 5G SA rollout remains on track as part of our joint venture with another mobile network operator (“MNO”) – the first of its kind in Singapore – that is expected to reap unprecedented cost savings of approximately \$150 million from synergies harnessed via the shared 2.1GHz and 3.5GHz network. Meanwhile, our customers continue to enjoy unparalleled network quality, with StarHub receiving the highest number of network experience awards in Singapore for 2021, as we look forward to exciting new 5G experiences that we will enable for our customers as part of our Infinity Play offerings.

DARE 1.0: EXTRACTING VALUE; DRIVING EFFICIENCIES

In FY2021, we concluded the DARE 1.0 transformation programme that commenced in October 2018. Over the last three years, we made critical strategic changes to our business model that enhanced our operational efficiencies and laid the foundation for the digital acceleration we will be driving with DARE+.

One of the cornerstones of DARE 1.0 was a reboot of our Pay TV business – which now constitutes an integral element of StarHub’s Entertainment proposition. We successfully transitioned from a primarily fixed content cost model to a more variable cost model; upgraded all our customers from cable to fibre; and dramatically

expanded new entertainment possibilities for Singapore consumers with StarHub TV+. StarHub TV+ seamlessly integrates the market’s most comprehensive over-the-top (“OTT”) portfolio alongside linear offerings, an important platform to power our DARE+ Infinity Play vision.

With DARE 1.0, we conducted a review of all our business models and processes, sharpened our operations for agility and efficiency and achieved recurring savings from cost optimisation initiatives. This has positioned us with a more efficient business model and strong cash flows to fund organic DARE+ growth initiatives and execute synergistic M&A opportunities as they arise.

OPENSIGNAL

Singapore Mobile Network Experience Report (June 2021)

StarHub led in five network performance categories, including Video Experience and Download Speed.



Customer Satisfaction Index of Singapore 2021

StarHub led on Mobile for the second consecutive year.

CHAIRMAN'S MESSAGE

DARE 1.0 ACHIEVEMENTS >>>



\$273M
total savings achieved



Exceeded original target
of >\$210M by **30%**
or >\$60M



29%
reduction in Operating
Expenditure¹



Added **\$340M²**
in revenue through the
acquisition of Ensign and
Strateq

DARE 1.0 KEY MILESTONES >>>

First In Market Initiatives

- First to launch 5G in Singapore
- First joint network rollout in Singapore

Leading Experiences

- Successful Hello Change campaign: Transparency, Simplicity, Flexibility
- Exclusive partnerships: Disney+, NVIDIA GeForce NOW
- Significant YoY improvements in Net Promoter Scores

Pay TV Transformation

- Cable-to-fibre migration
- Converting content costs to variable fees
- New hybrid content delivery platform: StarHub TV+
- Strong OTT portfolio of 10 brands and growing

IT Transformation & Digitalisation

- Enhanced online touchpoints and migration towards online sales
- Strong growth momentum for digital fighter brand, giga!
- Deployed RPA and automation initiatives across organisation
- Commenced multi-year IT & Digital Transformation programme

Strengthened Enterprise Proposition

- Formation of Ensign and Acquisition of Strateq to bolster Cybersecurity and Regional ICT propositions
- Sustained double-digit YoY growth for Cybersecurity Services

DARE+: FOCUS ON GROWTH & TOTAL SHAREHOLDER RETURN

DARE+ is focused on moving StarHub beyond telco, to a “Connecting Your Digital World” platform. With DARE 1.0, we set the basis to move seamlessly into DARE+ and have already seen leading indicators from our differentiated strategy in terms of new product take-up, digital adoption and increasing consumption and upgrade of Mobile and Broadband plans.

A centerpiece of our DARE+ Consumer strategy is moving from quad-play to Infinity Play, which we envision as an infinite continuum of digital products to connect all facets of our customers' lives. We are empowering our consumers to engage digitally on a zero-touch basis with our Infinity Play digital product, through digital Super App platforms.

giga!, our digital fighter brand focused on the Mobile Postpaid SIM Only segment, is proof-of-concept for our digital and Super App strategy with its seamless end-to-end digital customer engagement. Over FY2021, giga! achieved strong subscriber growth and the highest Net Promoter Score (“NPS”) in the market, with over 30% of its sales derived from referrals. We plan to replicate and scale up the successful giga! model for StarHub, incorporating new Infinity Play products to drive greater lifetime value for customers.

Connectivity and our state-of-the-art network underpins Infinity Play and is the core of our business. Our focus will be on adding consumption drivers for connectivity – for the entire household; across Mobile and Broadband; in and out of the home; anytime, anywhere and on any device. Hence, we look forward to bringing greater value to customers and broadening StarHub's revenue streams. Importantly, as our business transforms, we will be increasingly empowered by our new agile, cloud-based IT systems that is a key deliverable of our ongoing multi-year

¹ Excluding Cost of Sales and Operating Expenses relating to the Cybersecurity and Regional ICT Services segments; and referring to the percentage change between FY2018 and FY2021 levels

² Refers to Ensign and Strateq's collective FY2021 revenue contribution

IT and Digital Transformation efforts. We will also leverage our rich data assets to gain real-time intelligence to design better products, services and customer experiences, thereby elevating customer lifetime value.

For Enterprises, we are uniquely positioned to drive converged platforms bringing together Cybersecurity, Cloud and Connectivity – or the 3C's, following the formation of Ensign (Cybersecurity Services), as well as the acquisition of Strateq and HKBN JOS in Singapore and Malaysia (Regional ICT Services). StarHub's Enterprise business has its core in connectivity, Managed Services, cloud migration and apps modernisation. During the past year, we have grown our stable of products and solutions, significantly moving into 5G next-gen network products, Managed Secure Access Service Edge (SASE) and Digital/Cloud transformation services. Through building common platforms and reaping cost synergies across our Enterprise businesses, we are well-equipped to pursue new opportunities and applications around facilities management, Smart City and Industry 4.0, with sustainability as a cornerstone.

These new verticals, across Consumer and Enterprise, will support a resilient and future-ready business, one that is agile and a step ahead of the evolving needs of our customers and industry trends. Unlike DARE 1.0 that was developed with a focus on cost savings, DARE+ is expected to deliver aggregate gross profit growth of \$220 million over the next five years, and generate a stable-state incremental run rate net profit after tax of \$80 million per annum from FY2026. In addition, DARE+ will apply various digital strategies that fundamentally achieves a lower operating cost model, with expected savings of \$280 million cumulatively over five years. We will be focused on execution as a key priority over the coming three years when we will be investing heavily into these

new business verticals, transforming with IT and digital strategies, and deploying 5G network and related solutions. This upfront focus and investment into key transformation areas will be critical for us as we pursue our future.

BUSINESS REVIEW & OUTLOOK

Consumer – Improved Indicators

Our efforts over the past few years have contributed to the improved performance and indicators we achieved this year.

Average Revenue Per User (“ARPU”) has moved up across the board and we attribute this mainly to our clear market differentiation brought about by early strategies around Infinity Play – cross-product bundles integrating our exclusive OTT content, cloud gaming and other offerings.

Supported by increased take-up for entertainment value added services and initial roaming recovery in 4Q2021, we ended the year with Postpaid Mobile ARPU of \$30. We are also encouraged by consistent migration towards our 5G plans, having exceeded 300,000 5G customers at premium ARPU compared to the 4G offerings. We look forward to adding more Infinity Play product and services – more content, gaming and value-added propositions as we roll out our 5G SA network that is expected to reach nationwide coverage by end-2022.

With the shift in our content delivery strategy, and higher prices achieved for HomeHub bundled plans, the Entertainment segment achieved higher ARPU of \$44 in 4Q2021 compared to \$40 in 4Q2020. While traditional Pay TV subscribers continue to churn, we are pleased to report that total Entertainment subscribers have grown 30.8% YoY to 444,000, lending confidence to our OTT streaming product strategy.

We have driven growth in our Broadband segment during the pandemic, focusing on bundling seamless connectivity with attractive entertainment options that drive consumption. We registered significant ARPU improvements in Broadband, achieving \$33 for 4Q2021 compared to \$30 a year ago due to reduction in subscription discounts and a 3.3 times YoY growth in subscribers for the premium 2 Gbps plans.

In September 2021, we announced the acquisition of a 50.1% majority stake in MyRepublic Broadband Pte Ltd (“MyRepublic Broadband”) for an investment of up to \$162.8 million. This strategic acquisition will enable us to consolidate and strengthen our position in the Singapore broadband market, expanding our market share to 40%. There is an attractive market opportunity for us to work closely with MyRepublic Broadband, to cross-sell OTT, cloud gaming and other Infinity Play services to their customers, and create mutually beneficial opportunities through scale and operational synergies.

Enterprise – Growth Engine

Our Enterprise business has continued to deliver growth year after year, lifted by double-digit revenue growth contributions from our Cybersecurity business and the first full-year consolidation of our Regional ICT business.

Our Network Solutions business has seen some recovery in its Managed Services business, offset by declines in traditional connectivity businesses that have continued to see price pressures in recent years. That said, Singapore's growing Infrastructure as a Service (IaaS) market presents significant demand for Cloud Connectivity, Cloud Security and Cybersecurity services. This presents new

CHAIRMAN'S MESSAGE

opportunities in mobile private network, telco data, edge computing, Internet of Things (IoT), and mission critical capabilities. To pursue these new growth sectors, we will continue to build new competencies as an end-to-end digital service provider internally, as well as through M&A to build scale, presence, and complementary capabilities.

Anchored by Ensign, our Cybersecurity Services segment contributed \$268.5 million in FY2021 revenue, an increase of 21.7% from \$220.7 million in FY2020; and operating profit of \$3.5 million. In FY2021, Ensign continued its push into the region winning new market opportunities in Brunei, Indonesia, Myanmar, South Korea and Vietnam. Ensign has continued to contribute positively to our Enterprise business, and we will continue working closely with Temasek to enhance the growth and synergies for between StarHub, Ensign and our Regional ICT business.

Our Regional ICT Services segment, Strateq, demonstrated resilience despite uncertainty and disruptions presented by Malaysia's Movement Control Orders (MCO), State of Emergency and Change of Government. The Regional ICT Services division contributed its first full-year revenue of \$75.8 million and operating profit of \$1.7 million, on the back of a 12% YoY growth in its order book that will also secure its growth moving into FY2022.

To strengthen our Regional ICT Services division, we acquired a 60% interest in HKBN JOS Singapore ("JOS SG") and Malaysia ("JOS MY"). Both entities have over 30 years of deep expertise in delivering in demand end-user computing, IT maintenance and infrastructure

support services to meet the digital and cloud transformation needs of enterprise customers. Now backed by both StarHub and HKBN Ltd, JOS SG and JOS MY will be able to tap on the collective network and capabilities of both shareholders across Singapore and Hong Kong, to deepen the value proposition to customers. Concurrently, this strengthens the overall partnership between StarHub and HKBN Ltd, as we explore cross-regional collaborative opportunities for mutual growth.

DELIVERING SHAREHOLDER RETURNS

In keeping with our commitment to return surplus cash to shareholders, the Board has recommended a final dividend of 3.9 cents per share. Together with the interim dividend of 2.5 cents per share, this brings total dividend for FY2021 to 6.4 cents per share. This is in line with our dividend policy of distributing at least 80% of net profit attributable to shareholders, adjusted for one-off, non-recurring items; and taking into consideration short- to mid-term business conditions, cash flow and investment requirements; as well as results reaped and expected from the ongoing business transformation initiatives.

While we expect to incur significant upfront investments in the coming years to underpin the execution of DARE+, our balance sheet and cash generative abilities remains strong, and our net debt to EBITDA remains low at 1.04 times. We will continue to adopt a responsible and prudent approach to dividends, to strike a balance between our commitment to share the fruits of our labor with

shareholders and retaining sufficient resources for financial flexibility. With a sharp focus on growth, we aspire to enhance shareholder value from a total returns perspective in the coming years.

SUSTAINABILITY AND CORPORATE GOVERNANCE

As a responsible homegrown digital service provider, Sustainability is at the heart of everything we do for our customers, shareholders, partners, community, and workforce. Amid a tumultuous year, we made significant strides in enhancing our strategy and practices across Environment, Social, Governance ("ESG") pillars. Cognisant that Sustainability is a key focus area and differentiator, we have embedded green and responsible practices into our core business ethos and day-to-day operations, and it is a key prong of our DARE+ five-year roadmap.

Reflecting a material milestone in our Sustainability journey, we are honored and humbled to be named the world's most sustainable wireless telecommunication service provider by the 2022 Corporate Knights Global 100. Amongst all telecommunication companies in Singapore, we were placed first in Singapore. Of about 7,000 companies globally across industries, StarHub came in at the 72nd position – an improvement from our 80th ranking in 2021.

This global recognition together with a series of accolades secured, are strong endorsements as we acted decisively to build a more sustainable future for Singapore and make a meaningful difference in the community. Noteworthy

accolades in 2021 include LowCarbonSG Mark for our sustainable business operations by Carbon Pricing Leadership Coalition with support from the National Environment Agency and Enterprise Singapore; Most Transparent Company at the SIAS Investors' Choice Awards 2021 for the 5th time since 2014; and ranked 40th out of 519 listed companies in the annual Singapore Governance and Transparency Index (SGTI) assessment of corporate governance practices.

Engendering trust and transparency, we align our reporting standards with ESG frameworks, such as the GRI Standards since 2011, UN Sustainable Development Goals (SDGs) since 2016, and Sustainability Accounting Standards Board (SASB) since 2020. Climate change is an urgent reality, and with the objective of mitigating climate-related risks and capturing opportunities, we embarked on the latest reporting framework Task Force on Climate-related Financial Disclosures (TCFD) in 2021.

On environmental stewardship, we achieved a 'B' rating in the CDP climate change score in 2021, ahead of the global average. With this, we are pleased to report that we have met the sustainability performance target of our maiden sustainability-linked term loan facility we took on in 2020, qualifying for a rebate against the loan interest. We will continue to evaluate the use of sustainability-linked financing, should the need arise.

In terms of community support, we doubled down on our efforts in 2021 to help people in need. Working with various non-profit organisations, including Community Chest, Care Corner Singapore, Central Singapore Community

Development Council, and The Food Bank Singapore, we contributed over \$880,000 and pitched in for volunteer work, channelling care towards over 4,800 underprivileged families, youths, children, and seniors as well as persons with disabilities. For demonstrating strong community spirit, we received the Community Chest's Charity Platinum Award for the third time since 2018.

We are heartened that our efforts have been recognised by leading institutions here and abroad, and we will continue to do bigger, better, and more for our customers, our community and the environment.

ACKNOWLEDGEMENTS

During the year, Dr Nasser Marafih and Mr Lim Ming Seong retired from the Board as Non-Executive Directors on 30 April 2021 and 13 August 2021 respectively. Both Dr Marafih and Mr Lim are long serving Directors on the Board having been appointed on 9 July 2007 and 14 December 2000 respectively. We would like to express our heartfelt appreciation to Dr Marafih and Mr Lim for their invaluable contributions to the Board and wise counsel to Management during their tenure of service.

In 2021, we strengthened the Board with several appointments: Mr Nikhil Eapen as Executive Director in August; and Mr Ahmad Al-Neama, Group Regional CEO at Ooredoo Group, as Non-Executive Director in November. Most recently, we welcomed Mr Olivier Lim as Independent Non-Executive Director in February 2022. Olivier is the Chairman of Certis CISCO Security Pte. Ltd. and PropertyGuru Pte Ltd,

and is the Lead Independent Director of DBS. We look forward to the new ideas and contributions our new Directors will bring to StarHub.

I would like to extend the Board's sincere appreciation to StarHub employees for their dedication and invaluable contributions, as well as the Board's sincere gratitude to the Group's customers, business partners and suppliers for their continued support and loyalty.

Lastly, we would like to thank you – our shareholder – for your continued trust and support as we continue our evolution beyond telco to a company that strives to enhance the enjoyment, productivity, and safety of our customers' rapidly evolving digital lives.



Steven Terrell Clontz
Chairman

CONSUMER

Infinite Possibilities; Enriched Experiences

2.0M
Mobile subscribers

484K
Broadband subscribers

444K
Entertainment subscribers

1 in 2
Households in SG is a StarHub customer

MOST AWARDED

MOBILE

A full suite of mobile services powered by Singapore's most awarded network, driving greater value to customers through first-in-market innovations and complementary lifestyle and Entertainment services including OTT offerings and cloud gaming options.

giga! is StarHub's SIM Only digital brand launched in 2019. Its seamless end-to-end digital experience, including e-KYC, has consistently achieved the highest NPS scores in the market.



ENTERTAINMENT

A rich entertainment experience for all demographics, seamlessly integrating international and local TV channels with a growing portfolio of OTT content, including Disney+, Netflix and Amazon Prime.

With StarHub TV+, customers have access to more than 100,000 hours of content and 10 popular OTT brands at their fingertips – anytime, anywhere, and on any device.



BROADBAND

Superfast, reliable high-speed fibre-optic network for customers seeking modern living conveniences with smart homes and mesh solutions, and unsurpassed gaming experiences.

With the integration of MyRepublic's broadband business and strong gamer base, we have a 40% share of the market and are well positioned to benefit from scale and operational synergies.



**STARHUB
GROWING
ECOSYSTEM**

¹ As at 31 December 2021

ENTERPRISE

Enabling Digital Businesses Of Tomorrow
Cybersecurity | Cloud | Connectivity

NETWORK IN 2021

STARHUB ENTERPRISE

StarHub is the partner of choice for Enterprises building hyperconnected offices and a future-ready workforce that will thrive in the digital and green economy. We offer a full suite of solutions ranging from local and international connectivity; to cloud, cybersecurity and digital solutions including 5G Multi-Access Edge, SmartPTT and data analytics. With rising concerns of climate change and increasing organisational needs to build a smarter, sustainable future, our 5G network and solutions provide the high speed connectivity and real-time communications capabilities needed to transform processes, operations and infrastructure.

With complementary capabilities and network from our subsidiaries, we are uniquely positioned to offer converged solutions in Cybersecurity, Cloud and Connectivity to support Enterprises in this digital-first world.

CYBERSECURITY SERVICES



Headquartered in Singapore, Ensign InfoSecurity ("Ensign") is the region's largest pure-play cybersecurity provider. With a growing regional presence, Ensign offers end-to-end solutions to address varying customer needs regardless where they are on their cybersecurity journey – from advisory and assurance services, architecture design and systems integration services, and managed security services for advanced threat detection, threat hunting, and incident response. Underpinning these competencies is its R&D arm, Ensign Labs, which develops bespoke and patented solutions against advanced threats based on an innovative approach.

REGIONAL ICT SERVICES

We provide data-driven business solutions and information and communications technology services through our subsidiaries Strateq and HKBN JOS (Singapore & Malaysia).



Strateq is a leading end-to-end ICT solutions provider in Malaysia, with over 30 years of proven track record and a growing presence in the ASEAN market. Strateq creates advanced and customised digital solutions for a wide range of customers, including proprietary products driven by its in-house R&D Centre of Excellence.



HKBN JOS (Singapore and Malaysia) have accumulated over 30 years of deep expertise in delivering in demand end-user computing, IT maintenance and infrastructure support services to meet the digital and cloud transformation needs of Enterprise customers.

PARTNERSHIPS

ILITIES & MARKET SHARE

04B
 tal
 enue

\$149M
 Net Profit

\$485M
 Free Cash Flow

HUB'S
 WING
 SYSTEM

1.04x
 Net Debt
 To EBITDA



IN DISCUSSION WITH STARHUB'S EXECUTIVES



Nikhil Eapen

CHIEF EXECUTIVE

Q

The DARE+ vision is very ambitious, and you've spoken about enhancing total shareholder returns. Please share your views on the expected time frame and key performance indicators shareholders should track to assess progress?

A

DARE+ is a fundamental realignment of our strategic positioning and our operating model to move beyond telco to a Connecting your Digital World and Digital Services platform.

With DARE+, we are investing upfront to drive our transformation. We continue to roll out more digital and cloud-based product as we move from quad-play to Infinity Play. We are building digital and cloud platforms, accelerating from giga! to a broad-based Super App engagement with our customers. We continue moving our world class network forward across 5G, fixed network and cloud-based edge functionality to enable Anytime, Anywhere access to our customers across any device.

We intend to achieve total shareholder returns through revenue growth from 2023 and beyond; and growing profit to support rising dividends as we move from 2023 to 2024, and beyond. With DARE+, we have targeted to increase our run-rate net profit after tax, by an additional \$80 million per annum on a steady state basis. This excludes recovery in roaming as well as synergies from existing acquisitions and the effect of future acquisitions. We have achieved credibility by outperforming our DARE 1.0 cost savings targets by over 30% and by materially outperforming our FY2021 guidance on every metric. We hope to similarly exceed expectations with DARE+.

Underlying our DARE+ financial targets are ambitious objectives and indicators across our business that reflect how we engage our customers with digital

products and digital platforms that add real value to the ways in which they live, work and play. Stakeholders should expect us to roll out more and more digital products within our existing verticals and to also launch new verticals – more content, gaming, Peace of Mind products, amongst many others – for our customers. This will drive consumption and upgrade to higher value plans within our connectivity platforms.

Within our Enterprise business, stakeholders should expect continued growth in our Cybersecurity business, Ensign, and our Regional ICT businesses – Strateq and HKBN JOS Singapore and Malaysia. We intend to pivot our Network Solutions business toward growth by building platforms where connectivity is applied to bind cloud and cybersecurity toward high value, critical use cases around 5G internet of things and broad-based automation across industrial, commercial and residential environments, particularly with a green agenda and sustainability focus.

Our stakeholders should expect us to do all of the above with increasing levels of digital engagement, reflected in increasing levels of digital sales and digital services that fundamentally improve engagement and reduce costs. We intend to support our product and our engagement with cloud-based IT and network platforms that drive improving levels of agility and efficiency.

Last but not least, our stakeholders should expect us to continue to serve our community here in Singapore, matching their values and providing the most enriching digital lifestyle experiences as well as the digital services that enable their own transformation.

IN DISCUSSION WITH STARHUB'S EXECUTIVES

Dennis Chia



Q

FY2022 to FY2024 will see heavy investments into your digital platform, 5G and new business initiatives. Does that mean lower dividends over the next three years?

A

While we will incur relatively higher upfront investments in FY2022 and FY2023, we intend to maintain our dividend of at least 5 cents for the following two years to demonstrate our commitment to preserving and enhancing shareholder returns in the near- to long-term. Taking into consideration our strong free cash flow generation of 27.5 cents per share in FY2021, balance sheet capacity and expectations for new DARE+ contributions to materialise from the latter half of FY2023, we believe this level of dividend is sustainable and we will endeavour to meet and exceed expectations through our sharp focus on the execution of our DARE+ strategy.

Q

You have undertaken a relatively greater number of M&As in the recent years. Do you anticipate that this trend will continue and how do you expect this to impact the leverage levels?

A

We have completed several acquisitions over the last few years – the formation of Ensign in 2018, acquisition of Strateq in 2020 and most recently, the acquisitions of MyRepublic Broadband and HKBN JOS Singapore and Malaysia. Since its formation, Ensign has recorded double-digit revenue growth annually and added to our breadth and capabilities in the Cybersecurity space. Similarly, Strateq has delivered strong results in its first full-year contribution as well as contributed to our suite of Enterprise solutioning capabilities. We continue to actively work on harnessing revenue growth and cost synergies from all of our portfolio companies.

M&As will continue to be a key pillar of our growth strategy to accelerate our trajectory, creating diversified revenue streams; broadening our reach, geographical presence and customer segments; and most importantly – to significantly augment our technological capabilities and bench strength for us to move up the value chain. We will continue to evaluate synergistic acquisitions that are adjacent to our core business, which will be integral to achieving our DARE+ vision.

We will continue to exercise prudence in our acquisitions, with a strong focus on financially-accretive regional businesses with a robust growth track record and future-proof business model. Our strong free cash flow position and low leverage ratios equip us with the financial flexibility to execute on these acquisitions on an ongoing basis.

Q

Given that you've always exceeded your guidance, is your FY2022 and FY2023 guidance overly conservative? Stripping out the effect of these investments, please comment how StarHub's normalised performance for FY2022 compares to FY2021 levels.

A

FY2022 margins are expected to be impacted by a steep increase in electricity tariffs; upfront operating expenditure ("Opex") investments for IT and Digital Transformation, talent acquisition, entertainment content, ongoing network rollout – all of which are integral to achieving our long term DARE+ growth initiatives. We also expect to see impact from the continued intense competition in our core connectivity business segments.

Margins for FY2023 are expected to improve with higher revenue lifted by initial contributions from DARE+ business initiatives such as the rollout of 5G products and services; and DARE+ cost savings from our digital push.

These projections do not include potential upsides from roaming recovery as international borders reopen gradually; revenue and cost synergies to be harnessed from recent acquisitions; as well as additional M&As that we may execute on in the coming years.

We will enter an investments phase in FY2022 and FY2023, to put in place the right IT and digital platforms, network infrastructure, and attracting and developing the right talents to execute our ambitious DARE+ strategy. While margins will be impacted over the next two years, we expect to start reaping results from DARE+ from the latter half of FY2023 and more significantly from FY2024. We are focused on improving on our overall profitability following the successful execution of this strategy, and as we work towards achieving a stable state incremental net profit after tax run rate of \$80 million per annum from FY2026.

FY2022 GUIDANCE & FY2023 OUTLOOK

SERVICE REVENUE & SERVICE EBITDA MARGIN

Service EBITDA Margin



Service Revenue



CAPEX COMMITMENT⁴ (As % of Total Revenue)



¹ The acquisition of MyRepublic Broadband was completed on 21 March 2022
² The acquisition of HKBN JOS (Singapore & Malaysia) was completed on 3 January 2022
³ Initial contributions expected from new DARE+ business initiatives
⁴ Excluding 5G Capex and spectrum right

IN DISCUSSION WITH STARHUB'S EXECUTIVES

Q

Could you elaborate on your vision to become a Green Digital Service Provider, leveraging opportunities from the Singapore Green Plan 2030 national agenda? Please share with us what is the value proposition for StarHub's Enterprise business and what kind of new revenue streams this presents.

A

The Singapore Government unveiled the Singapore Green Plan 2030 to advance the nation's economic, climate and resource resilience. As part of this 10-year sustainability plan, GreenGov.SG, was launched in July 2021 to drive the execution of sustainability targets in carbon abatement, resource efficiency and function as an enabler of green efforts. Additionally, plans are afoot to advance sustainability efforts through green financing with \$35 billion worth of public sector green projects identified¹.

By 2030, the public sector has set ambitious targets to reduce energy and water usage. Apart from adhering to new industry standards, all new and retrofitted public sector buildings are encouraged to achieve Green Mark Platinum (Super Low Energy) where feasible. This will require digitalisation, cybersecurity, cloud expertise, as well as network communications and engineering capabilities, which are key enablers for digitalisation. This is where we are able to play a vital role in Singapore Green Plan 2030.

As a leading local digital services provider, we have the experience and capabilities to digitalise end-to-end green tech services for government and enterprises by bringing together high-quality connectivity, sophisticated cybersecurity and cloud solutions, augmented by our ecosystem of partners and their domain expertise.

Our partnership with NUS illustrates the possibilities. We are working together closely to incorporate StarHub's latest 5G and Internet of Things solutions to drive smart campus innovations and to support the university's goal of becoming a smart, safe and sustainable campus. This joint exploration will bolster the university's ability to manage campus facilities proactively and more efficiently, drawing from 'live' data which can be consolidated from a network of sensors regardless of the number, type or brand.

We believe 5G will play a key role in transforming processes, operations and infrastructures, driving operational efficiencies through new technologies in this digital-first world. With deep expertise and proven capabilities in connectivity, cybersecurity and cloud, StarHub Enterprise is well-positioned to benefit from the high-growth sustainability enablement industry.

Charlie Chan



¹ Source: Ministry of Finance, Budget 2022, Budget Statement

Q

StarHub's DARE+ strategy sounds very exciting. What does DARE+ mean for the Consumer business and what are the key deliverables?

A

The foundation of our DARE+ strategy is StarHub's best-in-class connectivity services from the latest 5G technology to fibre broadband. Over the next five years, DARE+ will see our Consumer business building unparalleled experiences that leverage the capabilities of our cloud-native network.

The gateway to connectivity starts with My StarHub app, which will welcome an update in 4Q2022 that will be a big step towards our Super App implementation. Placing our customers at the heart of the app's transformation, we will deliver significant improvements in customer experience and product simplicity. We endeavour to create a seamless customer journey regardless of the channel – be it on the app, online or at our stores. StarHub customers can look forward to a variety of new app features and enhancements, including the integration of products from our new verticals to offer customers a seamless experience to manage and consume services via a single app platform. This offers great convenience, deeper customer engagement, and services that will not only enrich our customers' lives, but also help them navigate the evolving demands and risks in an increasingly digitalised world.

Central to our transformation beyond telco is the way we serve customers. All activities across our online and offline touchpoints will be powered by rich analytics, which will allow StarHub to better personalise and simplify the customer journey.

2022 will also be the year we advance our Infinity Play vision through the addition of services across the Gaming, Entertainment, and Peace of Mind verticals. Our recently-launched subscription-based cloud gaming service, NVIDIA GeForce NOW Powered By StarHub, continues to see strong uptake with non-StarHub customers accounting for more than 50% of subscribers. We expect a similar reception from the gaming community as we gear up to launch another gaming proposition in 2Q2022. We also recently launched CyberCover in the Peace of Mind vertical – the first among our new suite of cybersecurity products to protect customers from impact of heightening online threats. We also plan to expand the Infinity Play spectrum in 2Q2022 into other adjacent verticals.

On Entertainment, we will continue bringing unique and exclusive content across 2022 that will offer distinct market differentiation across all three lines of businesses – like what we've done with Disney+ and most recently, the homecoming of the English Premier League to our platform.

Through the range and depth of our transformative developments, we hope to be deeply integrated in our customers' digital lives to drive long-term value for them, and for shareholders.



Johan Buse

IN DISCUSSION WITH STARHUB'S EXECUTIVES

Q An excellent network is the backbone to StarHub's DARE+ vision. What competitive advantage does your 5G network have, especially since you are sharing a network? Apart from 5G, are there other key network enhancements are you working on?

A StarHub's new 5G SA network will be cloud-native, with software-based features and interfaces to enable on-demand services as we execute on a larger range of products and services, both for Consumers and Enterprises.

DARE+ is anchored on digital strategies, and our network needs to front-run digital enablement to allow direct service activation and provisioning. Our 5G standalone network gives us an opportunity to redesign our network and take a big step forward by having the core network software ready.

Our strategy is two-pronged. First is to ensure the highest network reliability at the infrastructure layer. Secondly, through a combination of software development and IT operations (DevOps), we will shorten the systems development lifecycle and provide continuous delivery for a more agile IT and Network infrastructure. This will allow us to implement faster service activation through applications such as on-demand services and e-SIM, amongst many others.

To put it simply, a joint network is only a shared radio which allows for shared access to a spectrum. Our network experience – the true service differentiator – is designed end-to-end to offer a seamless quality experience. This is supported by our portfolio of low-, mid- and high-band spectrums for comprehensive coverage. Network security continues to be a top priority and our Defence-In-Depth and Zero Trust cybersecurity approach ensures that our Mission Critical infrastructure remains secured and protected.

In addition to our focus on bringing new-to-market 5G infrastructure, technology and solutions, we will continue to modernise our fixed network, allowing for a greater number of services and solutions to be developed on our high-quality network. This will create additional revenue streams and allow us to maximise returns from our core assets.

Chong Siew Loong





Veronica Lai

Q

StarHub has been named the world's most sustainable telecommunication service provider. What is StarHub doing differently, or especially well, to have been recognised as an ESG leader globally? How will you continue to raise the bar?

A

2021 was a year of achievement and recognition for StarHub Sustainability.

We are proud that our efforts have been internationally recognised, having recently been named the World's Most Sustainable Wireless Telecommunication Service Provider, and Singapore's Most Sustainable Telco¹. We believe our key differentiator is the heightened awareness and strong support from all business units across the organisation that has helped us raise the bar in optimising energy usage, reducing waste, adopting green practices and upholding the highest level of governance.

Looking ahead, there is still much to be done. As a responsible corporate citizen, we endeavour to use our technology and skills to do good, better the communities which we serve, and mitigate the effects of climate change.

With the resolve and commitment of the Board of Directors and Management to enhance our ESG efforts, we are boldly taking a leap to set StarHub's Sustainability Goals towards 2030. On this front, we are working towards halving our carbon emissions by 2030, taking reference from 2019 as our baseline year. We also commit to increase our usage of renewable energy to 30% of total consumption by 2030 by adopting various energy optimising measures.

Our leadership and first-mover advantage in 5G continues to present exciting Green Tech opportunities for StarHub and our customers. Our bold and transformative plans to accelerate digitalisation under DARE+ is in sync with our vision of a connected world for our customers, allowing us to optimise processes and systems, and realise incremental efficiencies across the Group.

Just as we have partnered closely with Singapore NGOs, such as Community Chest, Care Corner, and The Food Bank Singapore in recent years, we will continue to extend our support to the community in 2022 and beyond. Underpinned by the StarHub Challenger Spirit, we seek to deliver meaningful and tangible outcomes through our CSR efforts to bridge the digital divide – a critical cause as the world transitions to a digital economy.

Our path is clear and our resolve is unwavering. We are confident that with the collective purposeful efforts of StarHubbers, we will be able to make a meaningful impact for all stakeholders.

¹ 2022 Corporate Knights Global 100

SIGNIFICANT EVENTS

2021 ACHIEVEMENTS



February

Became Official Distributor of Disney+ in Singapore, first fully-integrated quad-play service provider to offer the freshest entertainment experience across all screens.



November

Unveiled DARE+, the company's five-year strategic transformation and growth programme to go beyond telco and become a digital life and digital services provider of an infinite continuum of enriching experiences for customers.

Launched a slew of Enterprise 5G solutions including Mission Critical Communications Solution, 5G Digital Experience Showcase, 5G MEC and Future of Work bundles.

April

First in Southeast Asia and only local operator to introduce cloud gaming service NVIDIA GeForce NOW.



May

Dialled Singapore's first 5G standalone call.

Launched Managed SASE to transform network security and connectivity for the mobile workforce.

June

Highest customer satisfaction scores among all other operators for StarHub's mobile and broadband services according to the Customer Satisfaction Index of Singapore (CSISG) 2021 national study on the info-communications sector

- Led on Mobile for second consecutive year
- Extended lead over competitors for both Mobile and Broadband

Launched Singapore's first 5G SIM Only plans.

July

First in Singapore to offer fully managed Device Lifecycle Management service for iPhone 12 and iPad Pro Devices with 5G Digital Workplace.



VALUE CREATION

Value creation is at the core of StarHub's next phase of transformation – DARE+, which will see the creation of new revenue streams anchored by digital strategies that will enrich experiences and offer differentiated solutions for both consumer and enterprise customers. As we are guided by a robust ESG framework that places all stakeholders' interests in key decisions we make, this will in turn ensure StarHub's agility and relevance in the digital age, safeguarding shareholder interest in our pursuit of elevating total shareholder returns over the long-term.

OUR COMPETITIVE ADVANTAGE

OUR VALUE CREATION STRATEGY

OUR RESOURCES

FINANCIAL CAPITAL

Our optimal capital structure is supported by a growing ecosystem which is anchored by a robust Consumer business and growing Enterprise business. It is defined by a strong and efficient balance sheet, underpinned by our proactive capital and cost management approach.

PHYSICAL CAPITAL

Our core network infrastructure and digital architecture is the backbone on which we will realise our DARE+ and digital transformation, allowing us to meet the needs of customers for increased connectivity, speed, security and value.

INTELLECTUAL CAPITAL

Our intellectual capital is underpinned by our established household brand, which is today synonymous with best-in-class customer experience and network experience. Driven by our challenger spirit and guided by our DARE+ vision, we are evolving beyond being a pure telco, strengthening our brand equity for differentiation in a crowded market.

HUMAN CAPITAL

We have a successful values-driven corporate culture that is adopted by all StarHubbers – from our interns to our Chairman. Embodying the StarHub challenger spirit, our employees continue to optimise efficiencies and accelerate value creation across our business.

SOCIAL CAPITAL

Our sustainable business is built on social relationships which we have established with our stakeholders over two decades. The trust and partnerships that we have established, have allowed us to build a strong brand which is widely recognised for quality, value and service excellence.

NATURAL CAPITAL

We depend on natural resources to create value for our customers and stakeholders. We remain committed to reducing our carbon footprint and engaging in more sustainable processes and responsible citizenship.

DARE+ = TRANSFORMATION + GROWTH

Growth Roadmap: FY2022 to FY2026, and beyond



D DIGITAL
In Everything We Do



A ACCELERATING
Value Creation



R REALISING
Growth Without Frontiers



E EXPERIENCES
That Enrich Customers Lives

Read about our DARE+ vision on pages 10 and 11.

With the successful completion of our DARE 1.0 programme at the end of October 2021, we embarked on the next phase of our journey through DARE+, which seeks to transform StarHub beyond a Telco to a digital-first company that connects customers to their digital world and creates sustained value for investors.

OUR BUSINESSES

CONSUMER BUSINESS

Read about our Consumer strategies and latest developments on pages 36 to 41.

Mobile



We differentiate ourselves by driving greater value to customers through innovative services and products. We were the first to offer Singapore access to 5G non-standalone coverage, and we now integrate exclusive content and gaming propositions to consumers.

Entertainment



We offer customers an unparalleled entertainment experience providing the best of both worlds: StarHub TV content and a growing portfolio of over-the-top streaming options on a single seamless, intuitive and immersive platform.

Broadband



As the pandemic shifts the way we work, live and play, the home broadband experience is more critical than ever. Our customers can be assured on the reliability and quality of our network, supplemented by a full suite of broadband solutions for the confidence to embrace the future of work in the digital space.

OUR PROGRESS

Strategies to Connect Your Digital World

- + Infinity Play
- + Digital Platform Engagement
- + Convergence of Cybersecurity, Cloud and Connectivity
- + Unparalleled Network Experience
- + Agile Cloud-based IT Capabilities
- + Access Anytime, Anywhere, Any device

Growth and savings of \$500 million over five years to generate stable state incremental NPAT run-rate of \$80 million p.a. from FY2026

- + Smart Focused Growth
- + Radical Simplification, Evolved Execution

ENTERPRISE BUSINESS

Read about our Enterprise strategies and latest developments on pages 42 to 49.

Network Solutions



We provide fully-integrated network infrastructure capabilities to connect businesses seeking to adopt agile and efficient modes of working in the new era. We empower our customers with cutting-edge technologies, innovative digital solutions and seamless 24x7 connectivity, allowing our customers to embrace the future of work in the digital space.

Cybersecurity Services



Anchored by Ensign, our Cybersecurity business continues to gain momentum in the high-growth industry. Supported by one of the region's largest teams of skilled and experienced Cybersecurity specialists, we offer a full-suite of cybersecurity solutions to enterprises, industries and governments.

Regional ICT Services



Through Strateq and HKBN JOS Singapore and Malaysia, we offer data-driven business solutions and information and communications technology services to organisations in Singapore and the region. We redefine industries with proprietary digital products, with an immediate focus to seek regional growth in the areas of enterprise business solutions, data centre and cloud solutions, and solutions for the petrol retail and healthcare markets.

VALUE CREATED IN FY2021

Despite sustained hypercompetition and COVID-19 challenges, we continued to deliver growth and positive outcomes for our stakeholders, reflecting initial results from our DARE+ Infinity Play strategies, successful M&A efforts and commitment to long-term value creation for all stakeholders.

OUR INVESTORS

- \$2.04B in FY2021 Revenue
- 17% YoY growth in FY2021 Net Profit to \$148M¹
- Exceeded guidance for Service Revenue, Service EBITDA Margin and Capex Commitment
- Declared dividend of 6.4 cents in FY2021, representing a payout ratio of 80%
- Lowered Net Debt to EBITDA ratio to 1.04x
- 25% growth in FY2021 free cash flow to \$485M

OUR CUSTOMERS

- 9.6% incremental YoY improvement in Net Promoter Score
- Most awarded network in Singapore
- 10 integrated OTT apps, offering >100K hours of non-stop entertainment
- 3.3x YoY growth in 2Gbps broadband subscribers
- 113% YoY giga! subscriber base growth; maintained highest NPS in the market

OUR EMPLOYEES

- 22,789 hours of training provided to employees, reaching 99% of StarHub's workforce
- Awarded Best People-Centric Culture & Best Leadership Development by EngageRocket's Workplace Transformation Awards 2021

OUR SOCIETY AND OTHER STAKEHOLDERS

- 8% reduction in greenhouse gas emissions against 2019 baseline
- Increased renewable energy use to 6%
- 40% YoY reduction in water consumption
- Contributed over \$880K, reaching over 4.8K beneficiaries through community investment programmes

¹ Excluding the effect of JSS payouts recognised over the comparative periods

AWARDS AND INDUSTRY HONOURS

ADVERTISING/ BRANDING/ MARKETING

Expat Living Readers' Choice Awards 2021

- Silver: Best Telco / Internet Services (Services category)

HWM + HardwareZone.com Tech Awards 2021

- Winner: Best Pay TV Service Provider (Singapore)
- This is the company's 11th win

Loyalty & Engagement Awards 2021

- Silver: Best Loyalty Programme - Telecommunications (StarHub Rewards)
- Bronze: Best Engagement Strategy - B2B (StarHub Business Mobile Office); Best Use of Relationship Marketing - B2B (StarHub Business Mobile Office)

Marketing Excellence Awards 2021

- Gold: Excellence in Loyalty Marketing (StarHub Rewards); Excellence in Programmatic Marketing (StarHub Mobile Programmatic Campaign)

MARKies Awards Singapore 2021

- Gold: Most Effective Use - Mobile (StarHub Mobile Campaign)
- Bronze: Most Effective Use - Programmatic Marketing (StarHub Mobile Programmatic Campaign)

Mob-Ex Awards 2021

- Silver: Best Use of In-app Advertising (giga!)
- Bronze: Best User Experience (StarHub Rewards); Best Mobile Growth Strategy (giga!)

2021 Stevie Awards for Sales & Customer Service

- Gold: Customer Service Department of the Year - Telecommunications
- Silver: Contact Centre of the Year (Over 100 Seats) - All Other Industries

World Branding Awards 2020-2021

- Brand of the Year in Telecommunications - Mobile (Singapore)



CORPORATE

Community Chest Awards 2021

- Charity Platinum Award: StarHub

2021 Corporate Knights Global 100

- Most sustainable telecommunications company in Asia
- Ranked 72nd in the list of the world's most sustainable corporations

EngageRocket's Workplace Transformation Awards 2021

- Best People-centric Culture & Best Leadership Development: StarHub

SIAS Investors' Choice Awards 2021

- Winner: Most Transparent Company Award (Communications category)
- Awarded five times since 2014

Singapore Governance and Transparency Index 2021

- Ranked 40th out of 519 companies

TECHNOLOGY

Infocomm Media Development Authority IMconnected H1 2021 report

- StarHub delivered the fastest 4G median throughput

Opensignal – Global Mobile Network Experience Awards (March 2021)

- Global Leader: Download Speed Experience (best in Southeast Asia), Video Experience (best in Southeast Asia), Games Experience and Upload Speed Experience
- Global High Performer: Voice App Experience and 4G availability
- StarHub's download speed is 2.4 times the global average

Opensignal's Singapore Mobile Network Experience Report (June 2021)

- Only outright winner of the Video Experience award
- Second consecutive win in Download Speed Experience
- Largest haul of awards, leading in five out of seven network performance categories



BUSINESS HIGHLIGHTS

FY2021 SERVICE REVENUE MIX



Mobile	32.9%
Broadband	12.1%
Entertainment	11.2%
Network Solutions	22.5%
Cybersecurity Services	16.7%
Regional ICT Services	4.6%

MOBILE REVENUE



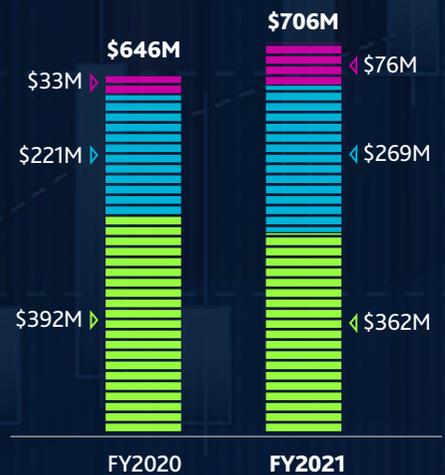
BROADBAND REVENUE



ENTERTAINMENT REVENUE²



ENTERPRISE REVENUE



- Regional ICT Services⁵
- Cybersecurity Services
- Network Solutions

IMPROVING ARPU ACROSS FY2021



STABLE SUBSCRIBER BASE



¹ Lower FY2021 Mobile revenue was partly due to the absence of roaming revenues in the first four months in 2021
² Consists of service revenue and ARPU from Pay TV only
³ Includes residential Pay TV subscribers with and without over-the-top ("OTT") subscriptions, as well as Mobile and Broadband
⁴ ARPU would have been stable QoQ on a normalised basis
⁵ FY2021 is the first full year consolidation for Strateq, which was acquired on 30 July 2020

BUSINESS REVIEW

CONSUMER

PAVING THE WAY TO INFINITY PLAY

Over the course of the DARE 1.0 programme from FY2018 to FY2021, we have completely redefined our business models for the Consumer business to ensure we are well-positioned to offer customers unparalleled experiences enabled by our superior network. We led the market in enhancing the simplicity and transparency of our plans; redefined Entertainment by integrating IPTV favourites with the most popular over-the-top (“OTT”) brands; and provided customers with an enhanced home broadband experience that was critical as the pandemic accelerated a global shift towards work-from-home.

Our key focus for FY2021 was to elevate these experiences by leveraging on the new 5G standalone network that unleashes a myriad of new possibilities with its low latency and high speeds. Apart from a growing stable of OTT brands, we also added cloud gaming to our ever-expanding continuum of products and services that we now call Infinity Play, which was introduced as part of our new DARE+ vision. These exciting new products and services are now offered across all three verticals, including our SIM Only and giga! customers.

During the year, we held fast to our digital-first approach to drive frictionless, digital transactions and achieve a zero-touch journey for our customers. Our ability to provide customers with an end-to-end, needs-focused digital experience will be enhanced through our all-in-one My StarHub app and online touchpoints that will house our growing suite of products and services, and tap our rich data assets for a personalised experience that will deepen customer engagement. We have started our journey towards our Super App



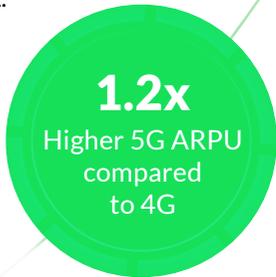
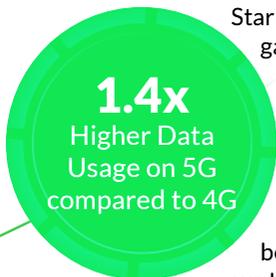
– in FY2021, the monthly active users for My StarHub app grew YoY to exceed 500,000, with an improved average net promoter score (“NPS”) score of over 40 points. We have also continuously reviewed and improved on the customer journey for our online store, reducing the amount of time spent to complete a transaction and enhancing user experience. This has contributed to a 12% YoY growth for online transactions. Currently, 30% of our customers sign-up or recontract online while over 25% of our digital sales are transacted on the My StarHub app.

In July 2021, we were delighted and humbled to achieve highest customer satisfactions scores for StarHub Mobile and Broadband – a nod from customers for our rejuvenated and integrated approach to our products and services. For every two households in Singapore, one is a StarHub customer; we are proud to be an integral part of our customers’ lifestyles and habits, and look forward to becoming more entrenched in connecting our customers’ digital world.

Mobile - Sharpened Differentiation

FY2021 was the year we sharpened our differentiation in a hypercompetitive market with the integration of Entertainment in our premium 5G plans, in line with our focus to transcend beyond pure connectivity to bring customers new and exclusive experiences.

Our connectivity layer is the backbone to our DARE+



vision and digital transformation. We led the market in August 2020 to be the first to launch non-standalone services, and we maintained our forerunner position to have accumulated over 300,000 5G Mobile+ subscribers on our network as at the end of 2021.

Our joint rollout with another mobile network operator (MNO) has allowed for unprecedented efficiencies in the nation's first network sharing arrangement, allowing us to channel resources to deliver enriched experiences to our customers. Having jointly secured the 2.1GHz spectrum in late 2021, we now enjoy a comprehensive spectrum portfolio comprising of low-, mid-, and high bands on an agile, cloud native network that is adaptable to emerging market trends and technologies. Access to a comprehensive range of spectrum also allows for excellent coverage and quality for customers to enjoy the things they love on the 5G SA network, such as gaming and streaming at ultra-fast speeds and maximum responsiveness, simultaneously with crystal clear mobile conversations. The 5G SA network will achieve nationwide coverage by end-2022.

During the year, we secured exclusive multi-year partnerships with the highly-coveted Disney+ and the NVIDIA GeForce NOW Powered by

StarHub cloud gaming service that were launched in February 2021 and September 2021, respectively.

To allow 5G Mobile+ customers to experience the benefits of the 5G network, we bundled in complimentary 12 months of Disney+ access and a free one-month trial for retro game streaming service, Antstream Arcade.

Not forgetting our SIM Only customers – carrying on the momentum as the pioneer of 5G services, we were the first to introduce Singapore’s first 5G-bundled SIM Only plans in June 2021, and likewise, our SIM Only customers also gain instant access to Disney+ for unmatched network and entertainment experiences. giga! followed shortly after, with both existing and new customers gaining access to 5G from September 2021.

giga! continued its strong growth momentum in 2021, recording 1.8 times YoY expansion in its subscriber base while maintaining the highest NPS in the market. Its end-to-end digital experience has resonated strongly with customers, with a high referral rate of over 30%; and 98% of customer queries are handled by a chatbot within the giga! app. With giga! run by a small and very efficient team, its cost structure is incredibly lean, with low customer acquisition and marketing costs. Its digital model is a proof of concept that we will emulate and improve on for our Super App.

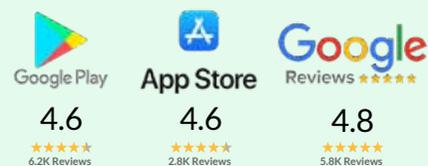


Regional MOB-Ex Awards 2021

MOB-Ex Awards

Silver: Best use of in-app advertising
Bronze: Best Mobile Growth Strategy

Best social ratings:



The SIM Only segment is an important segment for us as more customers seek greater value; and with no subsidised handsets bundled, these plans also offer higher margins. In July 2021, we announced the launch of Hub Club Go, Singapore’s first loyalty programme to extend multi-service discounts and membership perks to StarHub’s SIM Only customers. In September, we launched the HubBundle, a value-packed package comprising of a Mobile Sim Only Plan, 1Gbps Fibre Broadband, 12 months of Disney+ access and a standard Netflix plan at an attractive price of \$79.90 monthly with a two-year subscription. In September, we have also removed all barriers to simple and affordable device ownership with the EasyGo device



instalment payment that allows SIM Only customers to buy their desired mobile device at \$0 upfront.

BUSINESS REVIEW

CONSUMER



By structuring greater value into our service and product offerings for differentiation, we are better positioned to increase customer consumption, enhance user satisfaction and drive healthier margins over the longer-term. We have seen early results from our efforts, with Postpaid ARPU registering sequential quarter-on-quarter (“QoQ”) improvements. Our Postpaid subscriber base has also grown 4.9% YoY to almost 1.5 million Postpaid customers at the end of FY2021.

In 2H2021, as borders started to re-open progressively alongside the easing of COVID-19 measures, we observed early signs of roaming recovery, albeit much

lesser compared to the four months of roaming revenue recorded in 1H2020. While we are hopeful for roaming revenue to return more significantly in 2022, we maintain a sharp focus on elements of the business strategy that we can control – our journey towards Infinity Play, leveraging on the needs-based Super App digital platform.

While COVID-19 continues to weigh down on the shrinking Prepaid market, ARPU has held steady at \$10 over FY2021. We will continue to closely monitor the Prepaid market, enhance our product offerings and pursue partnership initiatives to engage with our Prepaid base.

Broadband: Demand for Robust and Seamless Connectivity

StarHub’s Broadband is now an essential product for customers who demand robust and seamless connectivity for work, gaming and entertainment. Connectivity to StarHub doesn’t just stop at the door, it means helping our customers connect with information faster and reliably inside the home. Towards this end, we have over the last two years launched a series of products to improve the home WiFi experience.

In March 2021, we became the first Internet Service Provider in Singapore to offer the exclusive Linksys’ Next Gen WiFi 6 Mesh Router, allowing customers to enjoy an unrivalled home broadband experience. Referred to as StarHub Smart WiFi Pro under the partnership, Linksys’ MX4200 combines Mesh networking and next-generation WiFi 6 technology for coverage, low latency and speed – offering the best of two worlds for an unrivalled home broadband experience.



Our ability to enhance the broadband experience for customers with our differentiated broadband technologies and integrated Entertainment proposition has generated a 3.1-fold YoY

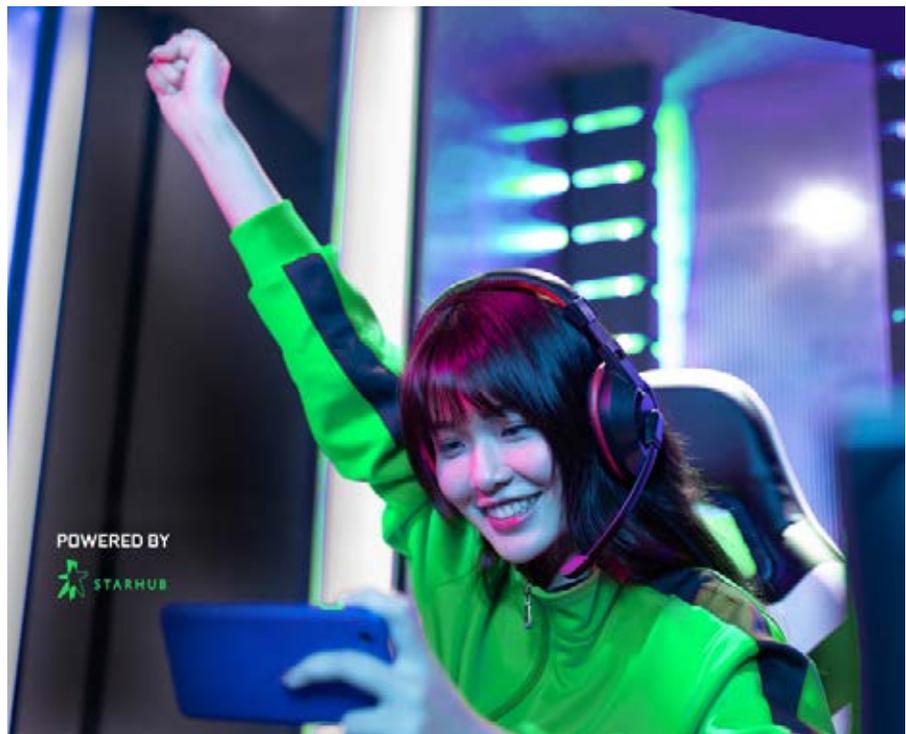
**GET 12 MONTHS
OF DISNEY+ ON US
WITH 2GBPS FIBRE BROADBAND**



increase in subscribers for our higher-tier 2Gbps plan, which offers 1.4x higher ARPU compared to the 1Gbps plan.

The segment's performance has seen considerable improvement in FY2021, with a \$3 YoY increase in ARPU that contributed to a 10.4% YoY growth in Broadband service revenue due to continued reductions in subscription discounts extended to customers during the cable-to-fibre migration two years ago, as well as increased take-up of the 2Gbps plan. Notwithstanding the intense competition in the Broadband sector, our ARPU has shown resilience due to the differentiated value that we bring to our customers, such as the integration of 12 months access to Disney+ and bundled mesh solutions to elevate their home broadband experience.

In September 2021, we announced the acquisition of a majority 50.1% stake in MyRepublic Broadband Pte Ltd, which holds MyRepublic's broadband business in Singapore. MyRepublic Broadband, a profitable and growing business, currently holds 6% share of Singapore's broadband market and has built a strong brand and amassed a loyal base of customers, particularly in the higher-ARPU gaming segment. The proposed transaction will consolidate and strengthen StarHub's position in the Singapore broadband market, expanding our market presence to 40% and extending our reach by almost 90,000 additional broadband subscribers. This offers StarHub the opportunity to accelerate our growing range of connectivity, OTT, cloud gaming and other future verticals by cross-selling them to the newly-added subscriber base. Additional operational synergies for joint go-to-market strategies,



wholesale opportunities and further cost savings could also be harnessed post-completion.

Entertainment: Delivering New Immersive Experiences

Over the last three years, we've radically transformed our Pay TV business by firstly migrating all our customers from cable to fibre, and then changing the way we deliver content with the launch of our hybrid StarHub TV+ platform that integrates IPTV favourites with the hottest OTT brands. With this hybrid platform, customers are no longer confined to their televisions, and can consume content anytime, anywhere and on any device.

Alongside this shift, we have also converted most of our content cost from fixed to variable fees, thereby improving the margins of the segment significantly. To more accurately reflect the future trajectory of this segment, we have reclassified the business under "Entertainment" in FY2021.

10
Integrated
OTT Apps

2.4x
Increase in
Viewing Hours
(On-Demand)

>100K
Hours of
Non-stop
Entertainment

+22%
Live Channel
Consumption
(OTT vs IPTV)

+10%
Increase in NPS
vs Legacy IPTV

BUSINESS REVIEW CONSUMER



Disney+ Media Launch at Marina Bay Sands.

During the year, we continued to add to the breadth and depth of our content. Apart from Disney+, we've added Amazon Prime, bringing 10 popular OTT brands to consumers.

In January 2021, we signed an exclusive agreement with The Walt Disney Company to become the official distributor of Disney+ in Singapore, providing unbridled access to 500 films and 15,000 episodes of content from six Disney iconic brands: Marvel, Disney, Star Wars, National Geographic, Pixar and Star.

Launched in April 2021, GeForce NOW Powered by StarHub is a result of our exclusive partnership with NVIDIA. StarHub is the first in Southeast Asia and the only operator in Singapore to introduce the GeForce NOW cloud gaming service. Working with over 300

publishers including Riot, Ubisoft, Valve, and CD Projekt RED, GeForce Now offers over 1,000 premium games, including 80 of the biggest free-to-play games like Apex Legends, League of Legends, Dota 2 and Destiny 2.

In November 2021, Amazon's streaming service Amazon Prime Video joined StarHub TV+. Featuring a rich slate of newly-released movies and TV shows, indie favourites, cult classics, sports and more, Amazon Prime Video widens StarHub's existing stable of content offerings. With that, StarHub TV+ customers continue to have the largest local repository of streaming services, apps and live TV channels on a single platform, for the simplest and most seamless multi-screen viewing experience. As of now StarHub boasts over 10 OTT services that are fully integrated within StarHub TV+.

OFFERING THE BEST IN OTT ENTERTAINMENT THROUGH STARHUB TV+



Sports have been a cornerstone of the segment, and we have continued to expand our sports offerings, having closed several deals with regional and international providers to secure the rights to broadcast various popular sporting events. Customers can have their pick of the widest mix of sports genres – from basketball to football, tennis to cricket, motorsports to mixed martial arts – at the best value in the market.

In October 2021, StarHub brought the pinnacle of mixed martial arts to StarHub TV+ with Ultimate Fighting Championship (UFC) 2021. This bolsters an already impressive lineup of world-class sporting events, such as WWE, ATP, WTA, the BWF and more to StarHub. Football fans are also spoilt for choice with the Bundesliga, UEFA Champions League, UEFA Europa League, La Liga and Ligue 1, as well as 51 matches for the highly-anticipated UEFA European Football Championship 2020 that was streamed 'live' through the LIVENow app. In addition, StarHub offers golfing action with the European Tour, Asian Tour, Ryder Cup and LPGA; and high-flying slam dunks with the NBA.

SPOTV and SPOTV2 joined StarHub's line-up of more than 10 premium sports channels and streaming apps in October. With SPOTV and SPOTV2, customers can catch 'live' and on-demand coverage of thrilling motorsports (MotoGP) and table tennis events (WTT), prestigious tennis Grand Slams (Wimbledon, US Open) and golf majors (Open Championship), as well as electrifying Korean sports content (KBO League, KOVO V-League, KBL).

Additionally, cricket fans on Indian+ are enjoying top-tier 'live' tournaments, via integrated video streaming app Hotstar. Available since 17 October 2021, Indian+ customers can savour the explosive ICC Men's T20 World Cup 2021, which features 16 top-notch cricket teams from India, Sri Lanka, Scotland, Australia and more, on Hotstar at no extra cost.



Apart from sports, Asian entertainment fans were offered an additional Now Jelli channel on StarHub offering top-tier Chinese variety programmes at no extra cost via the Asian+ pass.

With the change in content delivery strategies, we recorded a 30.8% YoY growth in total Entertainment subscribers despite a 11.2% decline in traditional Pay TV subscribers. Meanwhile, we achieved a 7.6% YoY growth in ARPU to \$42 in FY2021.

Overall, segment revenue declined 4.2% mainly due to the decrease in Pay TV subscribers and lower commercial TV revenue and advertising spend by Enterprise customers as a result of conservatism arising from COVID-19. Notably, the rate of decline for Pay TV has slowed down in 2H2021, as we continue to add to the variety of content and value we bring to our customers.

BUSINESS REVIEW

ENTERPRISE

The Enterprise business has been a growth engine for StarHub, and we continued to deliver a 9.4% YoY growth in revenue of \$706.1 million in FY2021. This is driven by a consistent double-digit growth from our Cybersecurity Services arm anchored by Ensign Infosystems (“Ensign”), and the first full year consolidation of our Regional ICT Services subsidiary, Strateq.

FY2021 was the year we focused on strengthening our suite of capabilities to offer differentiated digital solutions to our customers. We launched new

5G products and services; secured critical partnerships and accreditations necessary to empower Enterprises on their digitalisation journey; and accelerated M&A efforts to accumulate complementary capabilities and broaden our regional customer reach.

These efforts have brought us closer to our DARE+ vision to converge Cybersecurity, Cloud and Connectivity (the “3C’s”), giving us a unique edge to tap emerging opportunities and sustain our growth and competitiveness well into the future.

OUR ENTERPRISE DARE+ PRIORITIES:



DIGITAL In Everything We Do

Drive and safeguard a digital world with cloud enablement, cybersecurity and 5G solutions

- + Ongoing internal transformation to streamline architecture, systems, and processes.
- + Differentiate offerings with end-to-end digital solutions for SMEs and Enterprises.



ACCELERATING Value Creation

Offering convergence of use cases across cloud, security and 5G across business solutions

- + We strive to offer the fastest and highest quality next-generation connectivity that will be the backbone to the synergies we will harness from Ensign, Strateq and HKBN JOS (SG & MY) and MyRepublic Broadband



REALISING Growth Without Frontiers

To become a leading end-to-end Digital Service Provider

- + We continue to expand our product portfolio in Digital & 5G solutions and will leverage our unique capabilities to pursue new growth opportunities in the green economy



EXPERIENCES That Enrich Customers Lives

Enabling and empowering digital transformation for Enterprises

- + We will deliver converged network and solutions to deliver superior experiences through integrated network offerings tailored to our customers’ evolving needs

Laying Strong Foundations For A DARE+ Future

Our Enterprise DARE+ vision is to drive and safeguard the digital world with StarHub's Cloud Enablement, Cybersecurity and 5G solutions. With our differentiated end-to-end solutions for SMEs and Enterprises, we look to deliver the fastest and highest quality next generation connectivity in a secure and low-latency platform to customers.

Singapore's Infrastructure as a Service (IaaS) is projected to deliver a compelling average annual growth rate of 24% over a 5-year period and attain a \$2.7 billion market size by 2024¹. On the back of this impressive growth, industry watchers expect the Cloud Security and Cybersecurity markets to grow 36% and 7% CAGR over the same period and reach market sizes of \$9 million and \$1.6 billion by 2024 respectively².

Leveraging joint capabilities and the depth of synergies that could be harnessed between our Enterprise, Cybersecurity and Regional ICT businesses, we are well positioned to harness these tailwinds to capitalise on emerging regional opportunities in areas such as security across public cloud environments, 5G & IoT security, artificial intelligence for threat detection, rich suite of cloud capabilities and 5G solutions, operations technology for industrial development, and comprehensive digital and cloud transformation solutions for Governments, Enterprises and SMEs.

Having identified these priorities, we have amassed critical industry accreditations that recognise our capabilities in delivering gold standards in network and digital solutions:

In April 2021, we achieved the highest certification for Azure, Gold Competency for Microsoft's Azure Cloud platform. In September 2021, we attained the highest certification level within Cisco Channel Partner program - Cisco Gold Integrator. This exclusive accreditation recognises our commitment to maintaining the highest degree of expertise, standards and service excellence when implementing and maintaining customer networks.

In November 2021, we were accredited the Amazon Web Services ("AWS") Direct Connect Service Delivery Partner, validating our technical capabilities in

deployment, migration, maintenance of cloud services on these platforms. Additionally, StarHub's AWS Direct Connect services are delivered over StarHub's robust fibre network with high network resilience and bandwidth of up to 100Gbps, scalable according to customers' needs. In the same month, we were also awarded JAPAC SASE Partner of the Year from Palo Alto Networks for our excellence in performance, enablement and engagement in 2021, and FY21 Partner of the Year by Aruba, HPE, for our successful strategic collaboration and commitment in delivering high quality services.



¹ Source: GlobalData

² Source: Gartner

BUSINESS REVIEW

ENTERPRISE

During the year, we enhanced our service level agreement relating to the extension of latency and packet loss for our Enterprise Internet services to eight countries. We are proud to be Singapore's only Internet Service Provider to offer such extensive and comprehensive service level assurance to Enterprise and Wholesale customers.

Meanwhile, we continue to engage with SME customers on a journey to accommodate a distributed workforce operating under hybrid work arrangements brought about by the ongoing pandemic. While SMEs also require converged solutions in Cloud, Cybersecurity and Connectivity, we recognise that their needs and access to resources differs significantly from mid-to-large enterprises. To meet these specific needs, we have launched new digital products, enhanced our self-help online and mobile channels and re-designed our online purchase experience for quicker and more intuitive customer experience.

Our outreach campaigns are also focused on digital channels to drive leads and new customer acquisitions. Starting in 2021, we have minted 10 August as Small Business Day, an annual initiative to rally Singapore's small businesses, providing

marketing support free-of-charge for over a year to help owners drive sales to a wider, stay-at-home audience.

Similarly, in December 2021, we launched a new service concept – the "SME Convenience Store" – which provides SMEs the flexibility to mix and match services based on their needs. Via our online channels, SMEs can put together their preferred digital solution consisting of **Connectivity** (mobile plans), **Communication** (Unified Communications products) and **Collaboration** services (such as Microsoft 365 Business and Frontline plans).

To extend our reach, we've established strategic partnerships and new customer acquisition channels, such as our collaboration with DBS, to offer exclusive cost-efficient mobile and broadband deals for SMEs with a newly opened DBS Business Multi-Currency account. We will continue to pursue more of such partnerships to capture greater market share in this segment.

While these firms are small individually, collectively they are a significant driver for Singapore's economy. We will continue to strengthen our value proposition for SMEs and enhance customer acquisitions to differentiate and advance our market position.



StarHub: Green Tech Managed Services Provider

The Singapore Green Plan 2030 focuses on enhancing our nation's economic, climate and resource resilience. The Singapore Government has outlined plans to drive sustainability efforts through green financing with the issuance of up to \$35 billion green bonds by 2030³ to fund public sector green infrastructure projects.

To realise their sustainability targets set out in the Singapore Green Plan 2030, companies will need to invest in energy-efficient equipment and decarbonisation solutions to pursue efficiency improvements in their operations and buildings. All new and existing buildings will be required to raise their minimum energy efficiency from 2021.

With experience and capabilities to digitalise end-to-end green tech services for government and enterprises, it is a natural extension for us to enable businesses. We will bring together industry partners with strong complementary capabilities; and verticals that are adjacent to our core offerings, such as the integration of our Managed SASE solutions secure, ultra-low latency cloud connectivity; and an intelligent network edge.

We are moving quickly to build awareness of our offerings - in November 2021, we participated in the 8th International Facility Management Expo (iFaME) 2021, an industry conference which focuses on the latest technologies that drive digital transformation in the Real Estate and Facilities Management sectors. At the event, we demonstrated how our digital solutions can optimise sustainable operations with 5G, ICT and IoT, through three use cases: Smart Data Centre, Smart Warehousing, and Smart Construction, as well as shared more insights through



StarHub at the International Facility Management Expo (iFaME) 2021 conference.

a webinar titled "Drive Sustainable and Smarter Facilities Management".

Subsequent to the year end, we inked a collaboration in February 2022 with the National University of Singapore ("NUS") to incorporate StarHub's latest 5G and IoT solutions into the university's smart campus innovations, supporting NUS' goal of becoming a smart, safe and sustainable campus. Over the next two years, we will leverage 5G standalone services and Singapore's first 100% solar-powered campus WiFi by StarHub 5G to develop a variety of 5G and IoT applications to lift efficiencies for the management of outdoor campus facilities operations. Some of these applications include building facade inspection, housekeeping and landscape management, waste management, security management, and augmented/virtual reality applications, using the campus as an immersive classroom for sustainability education.



BUSINESS REVIEW

ENTERPRISE

StarHub is poised to take the position as the leading Green Tech Managed Services Provider, enabling us to move up the value chain from a network service provider to deploying sustainable digital solutions and become the smart facilities enabler in the next five years.



5G - EMPOWERING POSSIBILITIES

The benefits of 5G are widely discussed – its high speeds and low latency are able to support a myriad of new applications, and we have been actively involved in the development of products and solutions that cater to the needs of our customers in a digital world. Being the most awarded network in Singapore for 2021, alongside the impending completion of a nationwide rollout of our 5G Standalone network by end-2022, our brand is now synonymous with unparalleled network experience and reliability that will be the cornerstone to a stable digital

infrastructure critical for Enterprises to remain adaptable and relevant.

Over the last two years, we engaged with key customers from government, property developers, financial and tertiary institutions, hospitality, and transport industries to reimagine and redefine how they can use 5G to increase efficiency, accelerate innovations and empower workforce. These 5G solutions are highly scalable and can be applied to various industries including logistics, smart facilities management and addressing reliable communications for first responders and mission-critical needs. Our initial 5G solutions focused

on mobile private networking, 5G IoT, and Mobile Edge Networking to enable enterprise digitalisation, collaboration and remote monitoring projects. With these next generation technologies becoming increasingly important in driving digital economies and business success, we designed and launched several enterprise solutions in FY2021. Some of these solutions and applications can be experienced 'live' in our 5G digital experience showcase that was launched in November 2021, featuring use-case scenarios for customers and partners to experience real-world applications of digitalisation with 5G MEC solutions and applications.



We formed three notable partnerships in 2021, taking our 5G enterprise solutions to the next level. In February 2021, we partnered Germany-based Software AG to offer an end-to-end 5G-ready IoT platform that delivers everything companies need to deploy and build IoT solutions. This IoT-as-a-service brings together connectivity, device management, integration, analytics, managed services, along with professional services to help companies build innovate apps.

We launched Managed Secure Access Service Edge (Managed SASE) in May 2021 in partnership with global cybersecurity leader, Palo Alto Networks. With greater digitalisation and cloudification, it is imperative for enterprises to circumvent security threats. StarHub Managed SASE helps enterprises to simplify and automate cyber threat protection and multi-site network management as they operate with and connect through various cloud environments. With this integrated offering fully managed by StarHub, enterprises can strengthen their security posture proactively and expeditiously, while reducing networking complexities and costs.

In November 2021, we partnered Hewlett Packard Enterprise to help



enterprises and government clients move time-critical workloads – such as artificial intelligence, automation, data analytics, machine learning, and mission critical communications – nearer to the source or wherever customers require ultra-low latency performance, through a new solution called StarHub 5G Multi-access Edge Computing (“5G MEC”). 5G MEC is set to unleash the true ultra-high responsiveness features of StarHub’s 5G – it brings computing power to the closest StarHub 5G node to enable the completion of encrypted data aggregation, processing and analysis within unprecedented single-digit millisecond.

In the same month, we also introduced a first-in-market initiative – SmartPTT (Push To Talk), Singapore’s first 5G Capable Mission Critical Communications Solution with Push-to-Video capabilities. SmartPTT is a one-stop solution that offers true reliability for mission-critical calls, messaging and video communications using ruggedised PTT camera phones, supported by training and comprehensive after-sales support with guaranteed response time. Compliant with 3GPP mission critical PTT standards, this could be adopted by first responders in government agencies and industries from public safety, aviation, construction, healthcare, hospitality, manufacturing, logistics to transportation who will be able to access dedicated bandwidth islandwide even in times of network congestion.



BUSINESS REVIEW

ENTERPRISE



Cybersecurity: Leading the Way in a High Growth Enterprise Market

StarHub's Cybersecurity Services division outperformed in FY2021, as Ensign continued to solidify its position as the region's largest pure-play end-to-end cybersecurity services provider. Our cybersecurity business contributed \$268.5 million in FY2021, an increase of 21.7% from \$220.7 million in FY2020. The segment also contributed positive operating profit of \$3.5 million in FY2021. During the year, Ensign continued to deliver on its strategic growth thrusts, deepening and expanding client engagements with noteworthy projects in Malaysia and Hong Kong. The leading cybersecurity group also expanded its presence in the region, winning new market opportunities in Brunei, Myanmar, Vietnam, South Korea and Indonesia.

A fundamental reason for Ensign's edge over its competitors is Ensign Labs. The Group's research & development unit develops bespoke patented technologies and cybersecurity solutions, allowing Ensign to stand out and lead in the high-growth cybersecurity market, especially

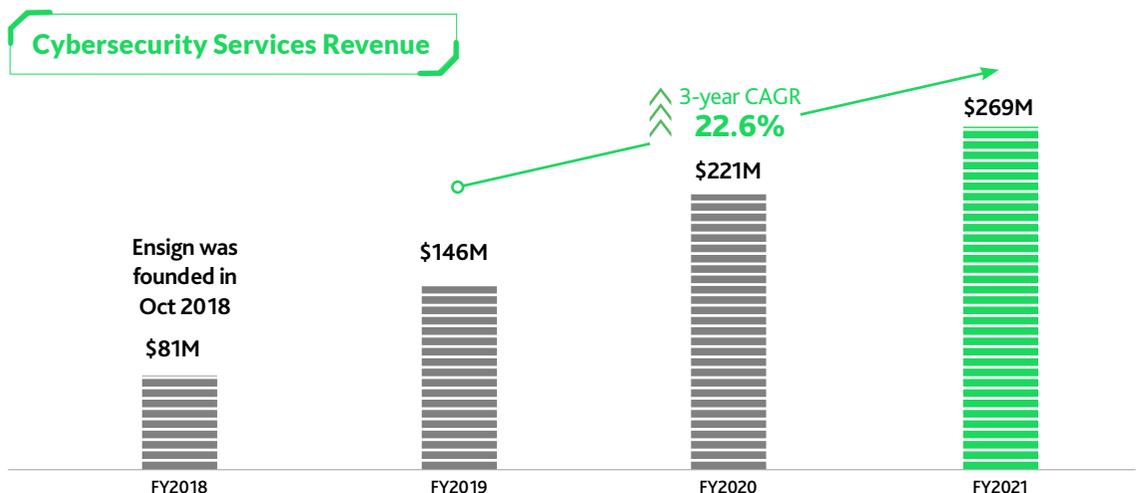
in the areas of AI-Powered Cyber Analytics.

Our patented self-taught learning techniques and algorithms allow Ensign to exploit large datasets to train advanced analytic models with minimal labels, optimising the use of resources and significantly reducing costs for clients. Ensign has also developed a Phishing Suite which achieves more than 90% accuracy in analysing phishing campaigns. This new-to-market technology is pending patent and is expected to quickly gain strong interest from Governments and Enterprise customers.

These successes have formed the foundation for the Ensign's 2022 priorities. The Group is set to launch analytics-enabled managed security services, and expand its capabilities across cloud, data science, IoT security and 5G security. Supported by a team of experts and a portfolio of new-to-market technologies and services, Ensign will continue to deepen engagement with clients and further regional expansion into new markets like Australia and the Middle East to drive growth and profitability.

STRONG REVENUE GROWTH MOMENTUM

Sustained Double-Digit Annual Growth

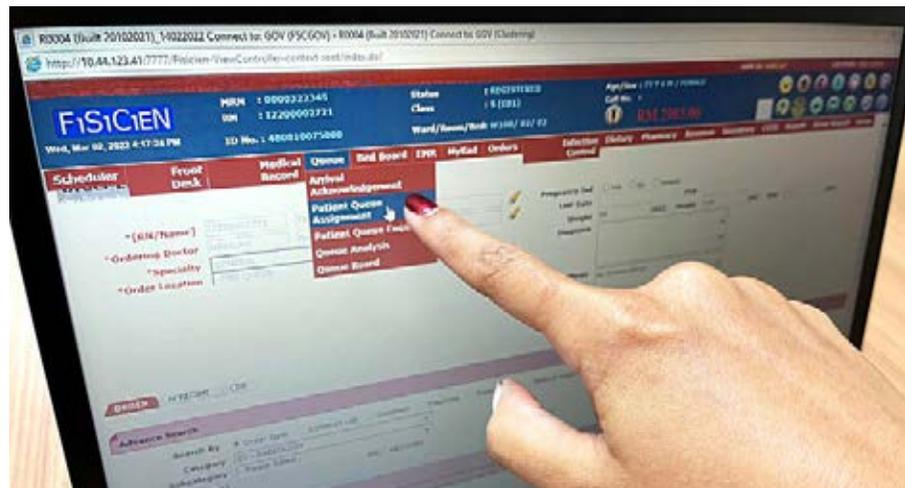


Regional ICT Services: Resilience and Market Leadership

Strateq demonstrated resilience as the Group navigated strong headwinds in the ICT market and persevered in the face of uncertainties and disruptions presented by Malaysia's Movement Control Orders, State of Emergency and Change of Government in 2021. Despite the challenging operating environment, Strateq continued to build trust and preserve its top line, while managing costs and cash flows to ensure financial resilience. As a result, our Regional ICT Services division contributed operating profit of \$1.7 million, on the back of higher FY2021 revenue of \$75.8 million and improved EBITDA margins.

Given Strateq's strong 30-year track record and reputation, the group was able to grow its strong order book by over 12% YoY as at end-2021, exceeding internal full-year expectations and setting the pace for growth in 2022.

In the year ahead, Strateq seeks to maintain its market leadership position through deeper customer engagement; accelerate organic growth by pursuing new opportunities in the US healthcare and customer experience centre sectors, with the ambition to emerge as Malaysia's number one ICT provider by 2025; as well as pursuing inorganic growth by harnessing revenue synergies with StarHub Enterprise and HKBN JOS Malaysia, as well as exploring bolt-on acquisitions to expand its suite of capabilities and customer reach.



Developed by Strateq, FiSiCien is a comprehensive healthcare management platform widely adopted by government and private hospitals in Malaysia

Harnessing Rich Synergies

During the year, we continued to build scale, presence and capabilities through M&A. To accelerate the execution of our DARE+ strategy, we completed the acquisition of HKBN JOS Singapore and JOS Malaysia (collectively "JOS") in January 2022, which will be consolidated under our Regional ICT Services segment.

JOS has a 30-year track record with extensive experience across industries and a broad customer base of more than 1,500 customers including government agencies and blue-chip customers. Focussing on complementary ICT services such as next-generation infrastructure, cloud computing, end-user computing, cybersecurity and digital solutions, JOS strengthens our ICT capabilities, enterprise solution offerings and customer footprint across Singapore and Malaysia.

Looking ahead into 2022, JOS seeks to leverage synergies with both StarHub Enterprise and Strateq in Malaysia to tap cross- and up-sell opportunities, providing maximum value to Enterprise customers across the StarHub Group, both in Singapore and regionally, seeking digital solutions and services.

We will also participate in joint bids for tenders with connectivity and end-user computing requirements, and leverage vendor rebate schemes to achieve better cost synergies. Additionally, with JOS being backed by both HKBN and StarHub, it is better positioned to serve Enterprises expanding into the region. With a closer partnership with HKBN, we will also explore regional collaboration opportunities for mutual growth.

In September 2021, we also announced the acquisition of MyRepublic Broadband, which has over 10 years of established track record and brand equity. This offers us the opportunity to drive our Enterprise propositions into MyRepublic's regional Enterprise customer base, particularly in selected SME segments; as well as explore wholesale offerings and joint go-to-market strategies on an expanded suite of digital and ICT solutions.

As we work towards extracting value from our acquired entities through harnessing both revenue and cost synergies, our M&A strategy will continue to play an important role to accelerate the growth trajectory and customer value proposition of our Enterprise business.

GROUP FINANCIAL REVIEW

1.1 REVENUE

	Year ended 31 December					
	2021		2020		Incr/(Decr)	
	\$m	%	\$m	%	\$m	%
Mobile revenue	530.7	26.0	579.7	28.6	(49.0)	(8.5)
Broadband revenue	194.4	9.5	176.1	8.7	18.3	10.4
Entertainment revenue ⁽¹⁾	180.0	8.8	187.9	9.3	(7.9)	(4.2)
Enterprise Business revenue	706.1	34.6	645.5	31.8	60.6	9.4
- Network solutions ⁽²⁾	361.8	17.7	391.6	19.3	(29.8)	(7.6)
- Cybersecurity services ⁽³⁾	268.5	13.1	220.7	10.9	47.9	21.7
- Regional ICT service ⁽⁴⁾	75.8	3.7	33.2	1.6	42.6	128.1
Total service revenue	1,611.2	78.9	1,589.2	78.3	22.0	1.4
Sales of equipment	431.4	21.1	439.6	21.7	(8.2)	(1.9)
Total	2,042.6	100.0	2,028.8	100.0	13.9	0.7

Numbers may not add up due to rounding

⁽¹⁾ Consists of service revenue from Pay TV only

⁽²⁾ Includes Data & Internet, Managed Services and Voice Services

⁽³⁾ Includes service revenue from Ensign and D'Crypt

⁽⁴⁾ Includes service revenue from Strateq

The Group's total revenue of S\$2,042.6 million in 2021 was S\$13.9 million higher year-on-year (YoY), mainly due to higher contributions from Broadband and Enterprise Business, partially offset by lower revenues from Mobile, Entertainment and Sales of Equipment.

Mobile service revenue in 2021 was 8.5% lower YoY, mainly due to lower prepaid and postpaid revenues. The decrease in prepaid revenue was mainly due to a decline in the number of tourists and foreign workers from ongoing travel restrictions, lower data subscriptions, lower prepaid expired credits and lower IDD usage. The decrease in postpaid revenue was due to lower IDD usage, excess data usage, voice usage, and comparatively lower roaming revenue YoY with the absence of roaming revenues which were recorded in the first 4 months in 2020 as well as ongoing travel restrictions that had since tightened again in 4Q2021; partially offset by the increase in SMS usage, higher plan subscriptions, VAS (value-added services) revenues and a one-off revenue of S\$4.0 million from an infrastructure project. Excluding this one-off revenue, Mobile service revenue would have been S\$53.0 million or 9.1% lower YoY in 2021.

Broadband service revenue of S\$194.4 million in 2021 was 10.4% higher YoY, mainly due to higher ARPU from continued reductions in subscription discounts and the absence of a one-time 20% rebate on Home Broadband monthly fee extended to customers for a service disruption in April 2020. Excluding the one-time rebate from prior year, Broadband service revenue in 2021 would have been S\$16.8 million or 9.5% higher YoY.

Entertainment service revenue decreased 4.2% YoY in 2021, mainly due to a lower subscriber base, offset by higher ARPU achieved by the higher-priced HomeHub bundled plans, lower commercial TV revenue and lower spending on advertising by Enterprise customers.

Enterprise segment revenue increased 9.4% YoY in 2021, mainly due to higher contributions from Cybersecurity Services and the first full-year consolidation of revenue from Strateq (acquired on 30 July 2020) under the Regional ICT Services segment. This was partially offset by lower revenues from Data & Internet, Managed Services and Voice Services.

Revenue from Sales of Equipment decreased YoY by 1.9% in 2021, mainly due to lower volume of handsets sold arising from stock constraints of certain 5G handset models. Unit selling price of 5G handset models were, however, generally higher.

1.2 OPERATING EXPENSES

	Year ended 31 December			
	2021	2020	Incr/(Decr)	
	\$m	\$m	\$m	%
Cost of sales	783.5	847.7	(64.2)	(7.6)
Other operating expenses	694.2	733.0	(38.8)	(5.3)
Cybersecurity services ⁽¹⁾	273.2	224.7	48.4	21.5
Regional ICT services ⁽²⁾	74.2	33.4	40.7	121.9
Total	1,825.0	1,838.9	(13.9)	(0.8)

Numbers may not add up due to rounding

⁽¹⁾ includes cost of sales and other operating expenses from Ensign and D'Crypt

⁽²⁾ includes cost of sales and other operating expenses from Strateq

The Group's total operating expenses in 2021 was S\$13.9 million lower YoY, due to lower cost of sales and other operating expenses, partially offset by the increase in operating expenses relating to Cybersecurity Services and the consolidation of Strateq under Regional ICT Services.

As a percentage of the Group's total revenue, total operating expenses for 2021 was at 89.3%, compared to 90.6% last year.

Cybersecurity Services⁽¹⁾

	Year ended 31 December			
	2021	2020	Incr/(Decr)	
	\$m	\$m	\$m	%
Cost of sales	155.1	123.4	31.7	25.7
Other operating expenses	118.0	101.3	16.7	16.5
Total	273.2	224.7	48.4	21.5

Numbers may not add up due to rounding

⁽¹⁾ includes cost of sales and other operating expenses from Ensign and D'Crypt

Regional ICT services⁽¹⁾

	Year ended 31 December			
	2021	2020	Incr/(Decr)	
	\$m	\$m	\$m	%
Cost of sales	33.0	15.9	17.1	107.8
Other operating expenses	41.2	17.6	23.6	134.6
Total	74.2	33.4	40.7	121.9

Numbers may not add up due to rounding

⁽¹⁾ includes cost of sales and other operating expenses from Strateq

GROUP FINANCIAL REVIEW

A breakdown of total operating expenses is as follows:

(i) Cost of sales

	Year ended 31 December			
	2021 \$m	2020 \$m	Incr/(Decr) \$m	%
Cost of equipment sold	401.3	396.4	4.9	1.2
Cost of services	316.1	361.3	(45.1)	(12.5)
Traffic expenses	42.6	54.8	(12.2)	(22.2)
Customer acquisition costs	23.4	35.2	(11.8)	(33.5)
Cost of sales (excluding Cybersecurity services and Regional ICT services)	783.5	847.7	(64.2)	(7.6)
Cost of sales (Cybersecurity services)	155.1	123.4	31.7	25.7
Cost of sales (Regional ICT services)	33.0	15.9	17.1	107.8
Total	971.6	987.0	(15.4)	(1.6)

Numbers may not add up due to rounding

Cost of Sales (excluding Cybersecurity services and Regional ICT services)

Cost of sales in 2021 decreased S\$64.2 million YoY, mainly due to lower cost of services, lower traffic expenses and lower customer acquisition costs, partially offset by higher cost of equipment sold.

Cost of equipment sold rose 1.2% YoY in 2021, primarily due to overall higher cost of 5G handset models despite lower volume of handsets sold.

The YoY decrease of 12.5% for cost of services in 2021, was mainly due to lower Pay TV content costs and lower Network Solutions costs, partially offset by higher postpaid Mobile costs and higher Broadband costs.

Traffic expenses in 2021 decreased 22.2% YoY, mainly due to lower domestic and international traffic volumes, coupled with overall lower roaming cost in line with overall lower roaming revenue.

The lower customer acquisition costs of 33.5% YoY in 2021, was mainly due to lower dealer commission as a result of lower commission rates and higher sales transacted online for postpaid Mobile, coupled with lower prepaid Mobile revenues.

Cost of Sales (Cybersecurity services)

The increase in cost of sales was in line with higher Cybersecurity services revenue generated.

Cost of Sales (Regional ICT services)

The increase in cost of sales was due to the consolidation of Strateq under Regional ICT services.

(ii) Other operating expenses

	Year ended 31 December			
	2021 \$m	2020 \$m	Incr/(Decr) \$m %	
Staff costs	172.5	185.3	(12.8)	(6.9)
Operating leases	30.8	26.0	4.8	18.6
Marketing and promotions	20.9	23.2	(2.2)	(9.7)
Loss allowance for trade receivables	3.6	13.1	(9.5)	(72.7)
Repairs and maintenance	86.8	106.8	(20.0)	(18.7)
Other expenses	135.4	97.5	37.9	38.9
Depreciation and amortisation	244.2	281.2	(37.0)	(13.2)
Other operating expenses (excluding Cybersecurity services and Regional ICT services)	694.2	733.0	(38.8)	(5.3)
Other operating expenses (Cybersecurity services)	118.0	101.3	16.7	16.5
Other operating expenses (Regional ICT services)	41.2	17.6	23.6	134.6
Total	853.5	851.9	1.5	0.2

Numbers may not add up due to rounding

The Group's total other operating expenses in 2021 was S\$1.5 million higher YoY. As a percentage of total revenue, other operating expenses was 41.8% in 2021, compared to 42.0% last year.

Other operating expenses (excluding Cybersecurity services and Regional ICT services)

An analysis of major variances in other operating expenses (excluding Cybersecurity services and Regional ICT services) is provided below:

Staff costs

Staff costs was 6.9% lower YoY in 2021, mainly due to the reversal of provisions for certain staff compensation and restructuring costs relating to the IT transformation that were no longer required. Excluding the reversals, staff costs would have been S\$20.9 million or 10.4% lower in 2021, due to lower headcount.

Operating leases

Operating leases was 18.6% higher YoY in 2021, mainly due to the absence of rental rebates received last year for qualifying commercial and industrial properties under the COVID-19 stimulus package and a one-off refund from a landlord for previous overbilling in 2Q2020, offset by the higher reversal of base station rental accruals that were no longer required. Excluding the above, operating leases would have been S\$2.4 million or 7.6% higher in 2021 due to a lease of the StarHub Hyperscale Data Centre @ Loyang.

Marketing and promotions

Marketing and promotions expenses was 9.7% lower YoY in 2021, as a result of more targeted promotional efforts.

GROUP FINANCIAL REVIEW

Loss allowance for trade receivables

Loss allowance for trade receivables was S\$9.5 million lower YoY in 2021, mainly due to overall decrease in general allowance as a result of lower trade receivables, partially offset with overall higher bad debt written off.

Repairs and maintenance

Repairs and maintenance expense was 18.7% lower YoY in 2021, mainly due to lower maintenance costs for network infrastructure and novation of certain IS contracts, and absence of prior year provision for contracted maintenance costs for submarine cables that were no longer in use. Excluding this provision from prior year, repairs and maintenance expense would have been lower YoY by 10.8% in 2021.

Other expenses

Other expenses in 2021 was S\$37.9 million higher YoY, mainly due to higher miscellaneous expenses, higher occupancy costs, higher IT outsourcing costs, including manpower and repairs and maintenance expense that were previously classified under staff costs and repairs and maintenance expense categories, partially offset by lower licence fees, lower foreign exchange loss and higher miscellaneous income.

Depreciation and amortisation

Depreciation and amortisation expense was S\$37.0 million lower YoY in 2021, mainly due to lower depreciation of property, plant and equipment (PPE), lower amortisation of intangible assets and lower depreciation of right-of-use (ROU assets).

Other operating expenses (Cybersecurity services)

The other operating expenses in 2021 was higher YoY, primarily due to higher staff costs, higher depreciation and amortisation and higher other expenses for Cybersecurity services.

Other operating expenses (Regional ICT services)

The increase in other operating expenses in 2021 was due to the consolidation of Strateq under Regional ICT services.

1.3 PROFITABILITY

	Year ended 31 December			
	2021 \$m	2020 \$m	Incr/(Decr) \$m %	
Total revenue	2,042.6	2,028.8	13.9	0.7
Operating expenses	(1,825.0)	(1,838.9)	(13.9)	(0.8)
Other income	14.2	41.4	(27.2)	(65.7)
Profit from operations	231.8	231.3	0.6	0.2
Non-operating income	1.3	-	1.3	nm
Non-operating loss	(3.0)	-	(3.0)	nm
Finance income	4.1	1.9	2.3	122.5
Finance expenses	(49.1)	(40.8)	8.3	20.3
	185.1	192.3	(7.1)	(3.7)
Share of gain of associate, net of tax	3.4	0.6	(2.8)	nm
Share of gain/(loss) of joint venture, net of tax	1.7	(0.1)	(1.8)	nm
Profit before taxation	190.2	192.8	(2.6)	(1.3)
Taxation	(40.1)	(32.7)	7.4	22.6
Profit for the year	150.1	160.1	(10.0)	(6.2)
Service EBITDA	480.8	494.6	(13.8)	(2.8)
Service revenue	1,611.2	1,589.2	22.0	1.4
Service EBITDA as a % of service revenue	29.8%	31.1%	-1.3% pts	

nm - not meaningful

Numbers may not add up due to rounding

Profit from operations in 2021 increased S\$0.6 million YoY to S\$231.8 million. Operating profit from Cybersecurity services decreased S\$3.7 million to S\$3.5 million in 2021, mainly due to a one-off inventory write-off of S\$4.2 million. Excluding the inventory write-off, operating profit from Cybersecurity services would have increased S\$0.5 million YoY to S\$7.6 million in 2021. Operating profit from Regional ICT services was S\$1.7 million in 2021, compared to an operating loss of S\$0.2 million last year. Excluding Cybersecurity services and Regional ICT services, profit from operations would have been S\$226.7 million, which was S\$2.4 million or 1.1% higher YoY. This was due to higher Broadband revenue and lower operating expenses, partially offset by lower revenues from Mobile, Entertainment and Network Solutions, lower margin from Sales of Equipment and lower other income due to lower JSS payouts recognised coupled with lower TPG tunnel fees cost recovery.

In 2021, service EBITDA margin at 29.8% was 1.3% points lower, compared to last year. Excluding JSS, service EBITDA margin would have been 29.7% in 2021, compared to 29.0% last year.

Non-operating income of S\$1.3 million in 2021 was due to the gain on liquidation of StarHub (Mauritius) Ltd in 1H2021. Non-operating loss of S\$3.0 million in 2021 was primarily due to the recognition of a fair value loss arising from financial liabilities measured at fair value associated with the contingent consideration of Strateq.

Finance income was higher in 2021, compared to the last year. Finance expense was higher YoY in 2021, mainly due to interest on higher borrowings and finance cost on financial liabilities associated with the consolidation of Strateq.

Share of results of associate was higher in 2021, compared to last year.

GROUP FINANCIAL REVIEW

Share of results of joint venture was a gain in 2021, compared to a loss last year. The joint venture was incorporated last year with another MNO.

Profit before taxation of S\$190.2 million in 2021 was S\$2.6 million lower YoY, mainly due to higher net finance costs and non-operating loss (as explained above), partially offset by higher share of results of associate and joint venture.

Taxation expenses was higher at S\$40.1 million in 2021, mainly due to increase in taxable profits YoY after excluding the JSS payouts, which are not subject to income tax.

Profit for the year in 2021 was S\$150.1 million.

1.4 LIQUIDITY AND RESOURCES

	Year ended 31 December	
	2021	2020
	\$m	\$m
Profit before taxation	190.2	192.8
Non-cash items & net finance expenses adjustments	325.7	349.4
Operating cash flow before working capital changes	515.9	542.2
Changes in operating assets and liabilities	224.1	95.8
Income tax paid	(82.9)	(59.1)
Net cash from operating activities	657.1	578.9
Net cash used in investing activities	(286.9)	(256.7)
Net cash from/ (used in) financing activities	47.8	(35.4)
Net change in cash and cash equivalents	418.0	286.8
Exchange difference on cash and cash equivalents	(0.2)	-
Cash and cash equivalents at beginning of the year	403.7	116.9
Cash and cash equivalents at end of the year	821.5	403.7
Free Cash Flow⁽¹⁾	484.6	387.7

Numbers may not add up due to rounding

⁽¹⁾ Free Cash Flow refers to net cash from operating activities less purchase of property, plant and equipment and intangible assets in the cash flow statement

Net cash from operating activities of S\$657.1 million in 2021 was S\$78.2 million higher YoY, mainly due to lower working capital needs, partially offset by higher income tax paid and lower cash flow from operations.

The positive working capital changes of S\$224.1 million in 2021, was due to lower inventories, lower trade receivables and lower other receivables, deposits and prepayments, lower contract assets and lower contract costs, higher contract liabilities and higher trade and other payables, partially offset by lower net balances due from related parties.

Net cash used in investing activities increased by S\$30.2 million to S\$286.9 million in 2021, mainly due to a bridge loan extended to MyRepublic Holdings Ltd in relation to the 50.1% acquisition of MyRepublic Broadband Pte Ltd announced in September 2021, the absence of repayment of loan from an associate in 2H2020, deferred consideration paid to the founding shareholders of D'Crypt in 1H2021 and higher investment in the joint venture, partially offset by the funds used for the acquisition of Strateq in July 2020, lower CAPEX payments and proceeds from the disposal of rights relating to mm2 in 1H2021.

The Group's CAPEX payments amounted to S\$172.5 million in 2021, representing 8.4% of total revenue. CAPEX payments was S\$18.7 million lower YoY in 2021, mainly due to the decrease in purchases of intangible assets and property, plant and equipment (PPE).

Free cash flow of S\$484.6 million in 2021, was S\$96.9 million higher YoY, mainly due to higher cash from operating activities coupled with lower CAPEX payments.

Net cash from financing activities was S\$47.8 million in 2021, as compared to a net cash used in financing activities of S\$35.4 million last year, mainly due to the proceeds from the S\$200.0 million issuance of 10-year fixed rate notes in 1H2021 and lower

purchase of treasury shares and lower repayment of bank loans, partially offset by the absence of proceeds from bank loans last year, lower proceeds of capital contribution from a minority shareholder in relation to Ensign investment, higher interest paid and higher dividends declared and paid.

The resulting net cash generated was a surplus of S\$418.0 million in 2021, leading to a higher cash and cash equivalents balance (excluding restricted cash) of S\$821.5 million as of 31 December 2021.

1.5 FINANCIAL POSITION

	As at 31 December	
	2021 \$m	2020 \$m
Non-current assets	1,640.0	1,771.7
Current assets	1,602.9	1,159.6
Less: Current liabilities	1,093.9	772.9
Less: Non-current liabilities	1,452.8	1,532.0
Net assets	696.2	626.5
Shareholders' equity	696.2	626.5
Attributable to owners of the Company	589.5	538.3
Non-controlling interests	106.7	88.2

Numbers may not add up due to rounding

As at 31 December 2021, the Group's total non-current assets of S\$1,640.0 million was S\$131.7 million lower compared to S\$1,771.7 million as at 31 December 2020. The decrease was primarily due to lower PPE, lower intangible assets, lower ROU assets, lower investment in fair value through other comprehensive income, lower contract assets and lower prepayments, partially offset by higher investments in an associate and the 5G joint venture.

Total current assets as at 31 December 2021 increased by S\$443.3 million to S\$1,602.9 million, mainly due to higher cash and cash equivalents and higher other receivables, deposits and prepayments, partially offset by lower balances in inventories, contract assets and contract costs.

Total current liabilities increased by S\$321.0 million to S\$1,093.9 million as at 31 December 2021, mainly due to the reclassification of S\$220.0 million 10-year fixed rate notes due for redemption in September 2022, from non-current borrowings to current borrowings, higher trade and other payables and higher lease liabilities, partially offset by lower provision for taxation and lower amounts due to related parties.

The decrease in total non-current liabilities by S\$79.2 million to S\$1,452.8 million as at 31 December 2021 was primarily due to the reclassification of S\$220.0 million from non-current borrowings to current borrowings (as explained above) coupled with lower trade and other payables, lower lease liabilities and lower deferred tax liabilities, partially offset by the new S\$200.0 million issuance of 10-year fixed rate notes in January 2021.

The Group's shareholders' equity increased by S\$51.2 million to S\$589.5 million as at 31 December 2021 (excluding non-controlling interests of S\$106.7 million). The increase was mainly due to higher retained profits, partially offset by higher fair value losses on a quoted investment.

Following the disposal of D'Crypt in September 2019 to Keele, D'Crypt became an indirect subsidiary of Ensign as a result of the rights accorded to Ensign through the purchase of Preference Shares of Keele. The Group now holds 56.86% of the economic interest in D'Crypt through its shareholding and interest in Ensign.

Following the acquisition of Strateq in July 2020, the Group holds 88.28% economic interest in Strateq.

The non-controlling interests represent the balances of 43.14% and 11.72% effective economic interest in Ensign and Strateq, respectively, attributable to minority shareholders.

BOARD OF DIRECTORS

A BALANCED AND DEDICATED BOARD

With diverse yet complementary experience and strategic stewardship, our Board drives continuing progress and sustainable performance.



Steven Terrell Clontz

Non-Executive Chairman

Member: **N**



Nikhil Oommen Jacob Eapen

Chief Executive and Executive Director

Member: **R**



Paul Ma Kah Woh

Independent Director

Member: **A R**



Stephen Geoffrey Miller

Non-Executive Director

Member: **R E**



Nihal Vijaya Devadas Kaviratne CBE

Lead Independent Director

Member: **N A**



Michelle Lee Guthrie

Independent Director

Member: **E**



Nayantara Bali

Independent Director

Member: **R**



Ng Shin Ein

Independent Director

Member: **A**



Lionel Yeo Hung Tong

Independent Director

Member: **N** **E**



Olivier Lim Tse Ghow

Independent Director

Member: **N**



Teo Ek Tor

Non-Executive Director

Member: **A**



Naoki Wakai

Non-Executive Director



**Ahmad Abdulaziz
A A Al-Neama**

Non-Executive Director

SKILLS

69%

Financial Management and M&A

69%

Consumer Business

54%

Enterprise Business

85%

Transformation

54%

Sustainability

INDEPENDENCE

54%

Independent Directors

46%

Non-Independent Directors

Key to Committee Membership

- A** Audit Committee
- R** Risk and Sustainability Committee
- N** Nominating and Governance Committee
- E** Executive Resource and Compensation Committee
- Committee Chairman

BOARD OF DIRECTORS

Steven Terrell Clontz
Non-Executive Chairman

Date of Appointment:
8 December 1999 and Chairman on
15 July 2015

Last Re-elected:
22 May 2020

Member, Nominating and Governance
Committee

Terry is executive advisor at Singapore Technologies Telemedia Pte Ltd (ST Telemedia). He is a Director of STT GDC Pte. Ltd., Armor Defense Inc., Commerce Parent, Inc., Commerce Topco, LLC and Lumen Technologies, Inc. He served as the CEO of StarHub for 11 years before retiring on 1 January 2010. Terry is a well-regarded veteran in the telecommunications and media industry with over 49 years of extensive experience. He brings with him invaluable knowledge of the telecoms and media industry and extensive management expertise. During his 11 years at the helm of StarHub, Terry led StarHub in a number of major milestones including the transformation of StarHub from being Singapore's third mobile player in 2000 to a fully-integrated "quad-play" service provider; merging StarHub with the then Singapore Cable Vision in 2002; bringing StarHub public in 2004 on the Main Board of the Singapore Exchange; and advancing StarHub's market position to become Singapore's second largest mobile operator in 2005. Terry began his career in the USA. From 1996 to 1998, he served as the President and CEO of IPC Information Systems Inc., based in New York. Prior to that, Terry held senior executive positions at BellSouth International, Inc. He was the President of BellSouth International (Asia-Pacific), Inc. between 1991 and 1994. Terry holds a Bachelor of Science (Physics Major) from the University of North Carolina, USA.

Nikhil Oommen Jacob Eapen
Executive Director

Date of Appointment:
11 August 2021

Member, Risk and Sustainability
Committee

Nikhil is Chief Executive and Executive Director of StarHub. He brings 20 years of experience in the global ICT sector working with senior executive teams to drive growth and make synergistic investments in infrastructure and enterprise communications and technology. Nikhil is responsible, together with the Executive team, for leading StarHub's transformation and competitiveness and creating value for all stakeholders.

Prior to StarHub, Nikhil was Deputy Chief Executive Officer, ST Telemedia and President & Group Chief Executive Officer of ST Telemedia's Infrastructure Technology (InfraTech) where he led corporate development activities across its communications, data centres and technology holdings, in addition to building and acquiring cloud-centric platforms in IT, cybersecurity and enterprise software.

Before joining ST Telemedia, Nikhil was an investment banker for over 18 years at Citigroup, working in the firm's Hong Kong, New York and South East Asian offices. From 2008 to 2015, he was Managing Director & Head of Asia-Pacific Technology, Media & Telecommunications Corporate & Investment Banking at Citigroup, based in Hong Kong, where he led capital markets and M&A transactions across South East Asia, Greater China, India and the US.

Nikhil holds a Bachelor of Science (Honours) in Economics from University College London.

Paul Ma Kah Woh
Independent Director

Date of Appointment:
23 September 2015

Last Re-elected:
30 April 2019

Chairman, Audit Committee
Member, Risk and Sustainability
Committee

Paul is the non-executive Chairman of Mapletree North Asia Commercial Trust Management Ltd. He is a member of the Advisory Board of The Asian Civilisations Museum. Paul was a senior partner of KPMG Singapore, where he was in charge of the Audit & Risk Advisory Practice and Risk Management function until his retirement in September 2003. Paul is a Fellow of the Institute of Chartered Accountants in England and Wales, and a Member of the Institute of Singapore Chartered Accountants.

Stephen Geoffrey Miller

Non-Executive Director

Date of Appointment:

1 January 2017

Last Re-elected:

22 May 2020

Chairman, Risk and Sustainability Committee
Member, Executive Resource and Compensation Committee

Stephen is the President & Group Chief Executive Officer of ST Telemedia and is also a member of ST Telemedia's Board of Directors. He also serves on the Board of TeleChoice International Limited. Stephen joined ST Telemedia in 2005 and held various senior positions including Chief Financial Officer and President & Chief Operating Officer. He played a crucial role in enhancing ST Telemedia's business competitiveness and asset portfolio while simultaneously maintaining prudent financial management. Prior to joining ST Telemedia, Stephen was Financial Advisor to the company on the combination of its data centre business with Equinix and Pihana Pacific, creating one of the world's largest carrier-neutral data centre network. Stephen has more than 25 years of global investment, financial management, strategic planning and Communications, Media and Technology (CMT) industry experience. He spent over 14 years of his career in investment banking with Credit Suisse, primarily heading its telecommunications and media group throughout Asia and the Pacific. Stephen holds a Bachelor's Degree in Commerce, with First Class Honours in Economics and Finance, from the University of New South Wales, Australia.

Nihal Vijaya Devadas Kaviratne**CBE**

Lead Independent Director

Date of Appointment:

16 August 2004

Last Re-elected:

30 April 2021

Chairman, Nominating and Governance Committee
Member, Audit Committee

Nihal serves on the boards of Olam Group Limited in Singapore and GlaxoSmithKline Pharmaceuticals Limited in India. He is the Chairman of Caraway Pte. Ltd., a subsidiary of Olam Group Limited. He is also a Senior Advisor of Bain & Company for SEA and the Chairman of the Advisory Panel for Indonesia, SATS Ltd. He was appointed a member of the Global Corporate Resilience Advisory Council of McKinsey & Company, Inc. effective January 2018. Nihal held various senior level management positions in the Unilever group across Asia, Europe and Latin America over forty years. Nihal was cited in the Queen's 2004 New Year Honours List in the UK and was awarded the CBE (Commander of the Order of British Empire) for services to UK business interests in Indonesia. He was chosen by Business Week in 2002 for the Stars of Asia Award as one of the "25 leaders at the forefront of change". Nihal holds a Bachelor of Arts (Honours) with a major in Economics from Bombay University, India and has attended various management development programmes in India, Australia, the UK and the USA, including the Advanced Executive Programme conducted by Kellogg School of Management, Northwestern University and the Advanced Management Program at the Harvard Business School, USA.

Michelle Lee Guthrie

Independent Director

Date of Appointment:

25 August 2017

Last Re-elected:

30 April 2021

Chairman, Executive Resource and Compensation Committee

Michelle is non-executive Chairman of Mighty Kingdom Limited and a Director of Catapult Group International Limited and BNK Banking Corporation Limited, all of which are listed on the Australian Securities Exchange. She is Chairman of TRAVLR Pty Ltd and a Director of Hoppr Ltd. Michelle has extensive experience and expertise in media management, content development, and a detailed knowledge of both traditional broadcasting and the new digital media landscape. Over the last 26 years, Michelle has worked for a range of broadcasting and media organisations in Australia, Europe and Asia, including the Australian Broadcasting Corporation, BSkyB, Star TV and Google. She is well placed to guide StarHub's strategic development, with her extensive knowledge of the Asian media market, digital technology and digital disruption. Michelle holds a Bachelor of Arts and Law (Honours) from Sydney University.

BOARD OF DIRECTORS

Nayantara Bali

Independent Director

Date of Appointment:

6 August 2018

Last Re-elected:

30 April 2019

Member, Risk and Sustainability Committee

Nayantara is a Director of ANV Consulting Pte Ltd, a boutique management consultancy based in Singapore. She is also a Director of Torrent Pharmaceuticals Limited and Inchcape plc. She is a business leader with over 28 years of Asia-Pacific CEO and leadership experience at the international marketing powerhouse, Procter & Gamble (P&G). At P&G, Nayantara held various senior level management positions, including Vice-President of the Asia-Pacific Beauty Care, Global Skin Care and Gillette Asia business units. Nayantara has vast experience in the FMCG sector including how to build winning customer centric plans in a fast changing and digitally disrupted environment. She served on the Boards of P&G Gillette India from 2011 to 2013 and P&G Health & Hygiene India from 2003 to 2005. Nayantara was a member of P&G's Global Business Leadership Council and The Global Diversity & Inclusion Council. Nayantara holds a Bachelor of Arts in Economics from Stella Maris College, University of Madras, and a Post Graduate Diploma in Business Management from the Indian Institute of Management - (IIM) Ahmedabad.

Ng Shin Ein

Independent Director

Date of Appointment:

17 September 2018

Last Re-elected:

30 April 2019

Member, Audit Committee

Shin Ein brings with her a blend of legal, business and diplomatic experience. She is a legally trained private equity entrepreneur and co-founder of Gryphus Capital, a pan-Asian private equity firm. Prior to this, she spent a number of years at the Singapore Exchange where she was responsible for developing Singapore's capital market and bringing foreign companies to list in Singapore. Additionally, she was part of the Singapore Exchange's IPO Approval Committee, where she contributed industry perspectives and acted as a conduit between the market and regulators.

Shin Ein was admitted as an advocate and solicitor of the Singapore Supreme Court in 1998 and practiced as a corporate lawyer in Messrs Lee & Lee. Whilst at Messrs Lee & Lee, she advised clients on joint ventures, mergers and acquisitions and fundraisings.

Shin Ein has served on boards of companies listed on Nasdaq, the Singapore Exchange and the Australian Stock Exchange. She has steered some of these companies through their IPOs and seen others through their privatisations. She presently serves on the boards of Grab Holdings Inc and CSE Global. She is also on the Board of Governors of the Singapore International Foundation.

In 2015, Shin Ein was awarded the Friend of Labour award for her service as a board member of Fairprice.

Apart from corporate boards, Shin Ein serves as Singapore's Non-Resident Ambassador to the Republic of Hungary. In 2021, she was awarded the Commander's Cross, Order of Merit, the second highest civilian state award of Hungary.

Lionel Yeo Hung Tong

Independent Director

Date of Appointment:

10 January 2019

Last Re-elected:

30 April 2019

Member, Nominating and Governance Committee

Member, Executive Resource and Compensation Committee

Lionel is the Chief Executive Officer and Director of SportsHub Pte. Ltd., a company that manages the Singapore Sports Hub. He is an Elected Member, Committee of Management of Ngee Ann Kongsi. Lionel was CEO Advisor at Grab from September 2018 to 31 December 2019, and the Chief Executive of the Singapore Tourism Board from June 2012 to May 2018. Prior to that, he was the Dean & CEO of the Singapore Civil Service College and Deputy Secretary (Development) in the Public Service Division of the Prime Minister's Office. His work for the Singapore government also included securing FTAs and market access for Singapore companies (Ministry of Trade & Industry), designing tax reforms for economic competitiveness and fiscal sustainability (Ministry of Finance), and promoting culture and the arts (Ministry of Information and The Arts). Lionel holds a Bachelor of Science (BSc) in Economics from the London School of Economics and Political Science and a Master of Business Administration (MBA) from the Massachusetts Institute of Technology - Sloan School of Management.

Olivier Lim Tse Ghow

Independent Director

Date of Appointment:

12 February 2022

Member, Nominating and Governance Committee

Olivier is currently Chairman of Certis CISCO Security Pte. Ltd. and PropertyGuru Pte Ltd. He is the Lead independent Director of DBS Group Holdings Ltd and a Director of DBS Bank Ltd and Raffles Medical Group. He is also a member of the board of JTC Corporation and the board of trustees of the Singapore Management University (SMU). He serves on the Securities Industry Council.

Olivier has previously served as Chairman of ASX listed Australand Holdings Limited, globalORE Pte Ltd, Mount Faber Leisure Group, and the Advisory Council of the Singapore CFO Institute. He has also held directorships in several SGX-listed companies including Banyan Tree Holdings, CapitaMall Asia, and served on the boards of Sentosa Development Corporation and the Accounting and Corporate Regulatory Authority (ACRA).

Olivier worked at CapitaLand Limited from 2003 to 2014 and served as Group Deputy Chief Executive Officer, Group Chief Investment Officer and Group Chief Financial Officer (CFO) during his career there. He was named CFO of the Year in the Business Times Singapore Corporate Awards 2007. Between 1989 and 2003, he worked at Citibank Singapore in various roles in the corporate and investment banking units and was Head of the Real Estate Unit in his ultimate role. Olivier holds a First Class Honours degree in Civil Engineering from the Imperial College of Science, Technology and Medicine in the United Kingdom.

Teo Ek Tor

Non-Executive Director

Date of Appointment:

16 August 2004

Last Re-elected:

22 May 2020

Member, Audit Committee

Ek Tor is Chairman of PrimePartners Group Pte Ltd, PrimePartners Corporate Finance Pte Ltd and Aris PrimePartners Asset Management Pte Ltd, a joint venture asset management company based in Singapore. He is also Non-Executive Chairman of ST Telemedia, STT Communications Ltd and Asia Mobile Holdings Pte. Ltd. Ek Tor has vast experience in investment banking and asset management in Asia, and brings with him in-depth financial and analytical expertise. He had contributed to and been instrumental in the development of two major regional investment banking groups – Morgan Grenfell Asia (1980-1993) and BNP Prime Peregrine (1997-1999). Ek Tor held senior executive positions within the Morgan Grenfell Asia group and was the Regional Managing Director of BNP Prime Peregrine (Singapore) Ltd. He holds a Bachelor of Arts (Honours) in Business Administration, from the University of Western Ontario, Canada.

Naoki Wakai

Non-Executive Director

Date of Appointment:

30 August 2017

Last Re-elected:

30 April 2021

Wakai-san is an Executive Officer of NTT Communications Corporation (NTT Com) in Japan, in charge of Global Business. He is a Director of PLDT, Inc., a company registered in the Philippines and listed on the Philippine Stock Exchange. Wakai-san joined Nippon Telegraph and Telephone Company (NTT) in 1989 and has more than 25 years' experience in international telecommunications and IT business. He was involved in the establishment of subsidiaries and branch offices in China, Taiwan and Korea, and played a major role in the construction of international submarine cable systems. After serving as Senior Manager of IP Transit Business at NTT Com Asia (Hong Kong) and Director of International Business at Verio (USA), he became Head of Server Hosting Team in 2006, Head of Carrier Relations in 2008, and VP of Global IP Network in 2009. He served as Deputy Managing Director and COO of NTT Europe Limited for five years. Prior to becoming an Executive Officer of NTT Com, Wakai-san was CEO of NTT Singapore Pte. Ltd. for four years until 2021. Wakai-san holds a Bachelor of Laws from the Keio University, Japan and a Master of Economics from the International University of Japan.

Ahmad Abdulaziz A A Al-Neama

Non-Executive Director

Date of Appointment:

11 August 2021

Ahmad is Group Regional CEO at Ooredoo Group and a Commissioner of Indosat Ooredoo Hutchison. Prior to that he was President Director and Chief Executive Officer of Indosat Ooredoo. Ahmad is the Chairman of Ooredoo Myanmar Ltd., Ooredoo Tunisia and Ooredoo Algeria. He also serves on the Boards of Asia Mobile Holdings Pte. Ltd. and Shenington Investments Pte Ltd. He has more than 16 years of experience with the Ooredoo Group in various operational and management roles, including Group Chief Technology Officer, Chief Sales & Service Officer and Senior Director of Radio Networks. He has extensive experience in the telecommunications industry, with a proven track record of effective management, team leadership, project management, business development and strategy. Ahmad holds a degree in Engineering (Electrical and Electronics Engineering) from the University of Colorado at Denver.

DIRECTORS' PARTICULARS

Steven Terrell Clontz, 72

Non-Executive Chairman

Principal Commitments

- Commerce Parent, Inc. (Director)
- Commerce Topco, LLC (Director)
- Armor Defense Inc. (Director)
- STT GDC Pte. Ltd. (Director)
- Singapore Technologies Telemedia Pte Ltd (Executive Advisor)
- Temasek International (USA) (Advisor)
- U Mobile Sdn Bhd (Executive Committee Chairman)

Listed Company Directorships

- Lumen Technologies, Inc. (Director)

Nikhil Oommen Jacob Eapen, 50

Chief Executive and Executive Director

Principal Commitments

- StarHub Cable Vision Ltd. (Director)
- StarHub Mobile Pte Ltd (Director)
- StarHub Online Pte Ltd (Director)
- Malaren International Sdn. Bhd. (Director)
- Nettilling Sdn. Bhd. (Director)
- Taman Kenyir Holdings Sdn. Bhd. (Director)
- HKBN JOS (Malaysia) Sdn. Bhd. (Director)
- HKBN JOS (Singapore) Pte. Ltd. (Director)
- JOS Applications (S) Pte. Ltd. (Director)

Listed Company Directorships

Nil

Paul Ma Kah Woh, 75

Independent Director

Principal Commitments

- Mapletree North Asia Commercial Trust Management Ltd (Non-Executive Chairman)

Listed Company Directorships

Nil

Nayantara Bali, 56

Independent Director

Principal Commitments

- ANV Consulting Pte Ltd (Director)

Listed Company Directorships

- Torrent Pharmaceuticals Ltd. (Director)
- Inchcape plc (Director)

Lionel Yeo Hung Tong, 50

Independent Director

Principal Commitments

- SportsHub Pte. Ltd. (CEO and Director)
- Ngee Ann Kongsi (Elected Member, Committee of Management)

Listed Company Directorships

Nil

Ng Shin Ein, 48

Independent Director

Principal Commitments

Nil

Listed Company Directorships

- Avarga Limited (Director)
- Grab Holdings Inc. (Director)
- CSE Global Limited (Director)
- SingLand Properties Limited (formerly known as Singapore Land Limited) (Director)

Olivier Lim Tse Ghow, 58

Independent Director

Principal Commitments

- DBS Bank Ltd (Director)
- DBS Foundation Ltd (Director)
- Certis CISCO Security Pte. Ltd. (Director/Chairman)
- PropertyGuru Pte Ltd (Director/Chairman)
- Jurong Town Corporation (JTC) (Member of Board)
- Singapore Management University (Member of Board of Trustees)
- Lucid Investments Ltd (Director)
- Frasers Property Limited (Advisor)
- Pacific Coast Assets Inc. (Advisor)
- Securities Industry Council (Member)
- Leedon Capital Group Pte Ltd (Advisor)

Listed Company Directorships

- DBS Group Holdings Ltd (Lead Independent Director)
- Raffles Medical Group Ltd (Director)

Stephen Geoffrey Miller, 59

Non-Executive Director

Principal Commitments

- Singapore Technologies Telemedia Pte Ltd (President & Group CEO and Director)
- Asia Mobile Holdings Pte. Ltd. (Director)
- STT GDC Pte. Ltd. (Director)
- Antina Pte. Ltd. (Director)
- Armor Defense Inc. (Director)
- 2nd Watch, Inc. (Director)
- Australian Chamber of Commerce, Singapore (Board Member)

Listed Company Directorships

- TeleChoice International Limited (Deputy Chairman / Director)

Nihal Vijaya Devadas Kaviratne CBE, 78

Lead Independent Director

Principal Commitments

- Bain & Company South East Asia (Senior Advisor)
- Caraway Pte. Ltd. (Chairman)
- McKinsey & Company, Inc. (Member of the Global Corporate Resilience Advisory Council)
- The Bombay Mothers and Children Welfare Society (Governing Board Member)
- St Jude India ChildCare Centres (Founder)
- SATS Ltd, Singapore (Chairman of the Advisory Panel for Indonesia)

Listed Company Directorships

- Olam Group Limited (Director)
- GlaxoSmithKline Pharmaceuticals Limited (Director)

Michelle Lee Guthrie, 57

Independent Director

Principal Commitments

- Hopprr Ltd (Director)
- TRAVLR Pty Ltd (Chairman)

Listed Company Directorships

- Catapult Group International Limited (Director)
- Mighty Kingdom Limited (Chairman)
- BNK Banking Corporation Limited (Director)

Teo Ek Tor, 69

Non-Executive Director

Principal Commitments

- PrimeFounders Pte. Ltd. (Director)
- PrimePartners Group Pte Ltd (Chairman)
- PrimePartners Corporate Finance Pte Ltd (Chairman)
- Aris PrimePartners Asset Management Pte Ltd (Chairman)
- Singapore Technologies Telemedia Pte Ltd (Chairman)
- STT Communications Ltd (Chairman)
- Asia Mobile Holdings Pte. Ltd. (Chairman)
- Asia Mobile Holding Company Pte. Ltd. (Director)
- WhiteRock Medical Company Pte Ltd (Chairman)
- Prime Agri Limited (Chairman)
- Ensign InfoSecurity Pte. Ltd. (Director)
- Food Ventures Pte. Ltd. (Director)

Listed Company Directorships

Nil

Naoki Wakai, 57

Non-Executive Director

Principal Commitments

- NTT Communications Corporation (Executive Officer)
- PT NTT Indonesia Ltd. (Director)

Listed Company Directorships

PLDT, Inc. (Director)

Ahmad Abdulaziz A A Al-Neama, 42

Non-Executive Director

Principal Commitments

- Ooredoo Group (Group Regional CEO)
- Ooredoo Myanmar Ltd. (Chairman)
- Asia Mobile Holdings Pte. Ltd. (Director)
- Ooredoo Tunisie (Chairman)
- Shenington Investments Pte Ltd (Director)
- Ooredoo Algeria (Chairman)

Listed Company Directorships

PT Indosat Tbk (doing business as Indosat Ooredoo Hutchison) (Commissioner)

SENIOR EXECUTIVES



Chong Siew Loong
Network

Veronica Lai
Corporate Services
and Sustainability

Tim Goodchild
Government &
Strategic Affairs

Charlie Chan
Enterprise

Nikhil Eapen
Chief Executive and
Executive Director



Dennis Chia
Finance

Johan Buse
Consumer

Catherine Chia
Human Resource

Kee Yaw Yee
Information Services

Chris Lipman
Customer Experience

SENIOR EXECUTIVES

Nikhil Eapen

Chief Executive

Nikhil is Chief Executive of the StarHub Group. Nikhil brings 20 years of experience in the global ICT sector working with senior executive teams to drive growth and make synergistic investments in infrastructure and enterprise communications and technology. Nikhil is responsible, together with the Executive team, for leading StarHub's transformation and competitiveness and creating value for all stakeholders.

Prior to StarHub, Nikhil was Deputy Chief Executive Officer, ST Telemedia and President & Group Chief Executive Officer of ST Telemedia's Infrastructure Technology (InfraTech) where he led corporate development activities across its communications, data centres and technology holdings, most recently building and acquiring cloud-centric platforms in IT, cybersecurity and enterprise software. Nikhil also previously served as a member of StarHub's Board Strategy Committee.

Before joining ST Telemedia, Nikhil was an investment banker for over 18 years at Citigroup, working in the firm's Hong Kong, New York and South East Asian offices. From 2008 to 2015, he was Managing Director & Head of Asia-Pacific Technology, Media & Telecommunications Corporate & Investment Banking at Citigroup, based in Hong Kong, where he led capital markets and M&A transactions across South East Asia, Greater China, India and the US.

Nikhil holds a Bachelor of Science (Honours) in Economics from University College London. He is a Singaporean and married with two daughters and a son.

Dennis Chia

Finance

Dennis oversees StarHub's financial health, develops and executes strategies through financial management and ensures that business decisions are financially sound. He is also responsible for investor relations, merger and acquisition activities, procurement, supply chain and enterprise risk management.

Prior to joining StarHub, Dennis was the Senior Vice President and Chief Financial Officer (CFO) of STATS ChipPAC (Worldwide), a leading provider of advanced semiconductor packaging and test services. He was also with Lear Corporation as its Vice President of Finance, Asia Pacific Operations and CFO of Behringer Corporation and Frontline Technologies Corporation.

Dennis is a Chartered Accountant and currently a council member with the Institute of Singapore Chartered Accountants. He holds a Bachelor of Accountancy (Honours) from the National University of Singapore and a Master of Business Administration from the University of Hull, United Kingdom.

Charlie Chan

Enterprise

Charlie leads the Enterprise Business Group, which provides services and solutions to help enterprise customers build a hyperconnected workplace with an empowered workforce.

Charlie brings along more than 28 years of experience in the IT, professional services, systems integration and communications solution businesses, with comprehensive understanding of Singapore's enterprise market and deep corporate relationships. He was most recently with IBM as the Industry & Enterprise Lead of Global Technology Services (Asia Pacific). He was most recently with IBM as the Industry & Enterprise Lead of Global Technology Services (Asia Pacific), following various roles since 2010. He started his career with the BT Group in 1991, and last held the position of General Manager of Trading Systems (Southeast Asia) & concurrently as Head of Sales for Global Finance Services (Southeast Asia).

Charlie has a Bachelor of Science in Physics from the National University of Singapore. He has completed the Asian International Executive Program at INSEAD.

Johan Buse

Consumer

Johan leads the Consumer Business Group and is responsible for the development, marketing and delivery of consumer-market mobile and fixed products and services including Pay TV. He also charts StarHub's brand evolution.

Prior to joining StarHub, Johan's 19 years of experience in the telecommunications industry has brought him across Europe, Asia and the Middle East. Most recently, he was the Chief Commercial Officer of Ooredoo Oman, where he was responsible for marketing, sales and customer experience for mobile, fixed and new businesses. Before that, he held senior positions in Deutsche Telekom (T-Mobile), Axis (STC) and Singtel.

Johan was recognised by Forbes as one of the world's 50 most influential CMOs in 2014. He holds a Bachelor of Science, Commercial Economics - Communications from Hogeschool Breda, Netherlands.

Veronica Lai

Corporate Services and Sustainability

Veronica is responsible for StarHub's Legal, Corporate Secretariat, Regulatory, Corporate Communications and Sustainability functions.

With over two decades of experience in the info-communications industry, Veronica was the Group's General Counsel and Company Secretary prior to her current role. Before joining StarHub, she practised law at Rajah and Tann Singapore LLP.

Veronica serves as the Honorary Treasurer of the Management Committee of the Global Compact Network Singapore and is appointed as a specialist mediator by the Singapore International Mediation Centre. She was conferred the Chief Legal Officer 2020 Award by the Singapore Corporate Counsel Association, and is listed in Legal 500's GC Powerlist. She also received the Asian Company Secretary 2013 Award for Singapore by Corporate Governance Asia.

Veronica holds a Bachelor of Laws (Honours) from the National University of Singapore.

SENIOR EXECUTIVES

Chong Siew Loong

Network

Siew Loong provides leadership to maintain a robust and efficient network to support StarHub's multiple lines of business. He is also responsible for establishing the company's technical vision and leading all aspects of technology development.

Siew Loong was one of the pioneers in StarHub's formative years when the company won the licence to operate as a telco in 1998. He also set up and managed the Network and Systems Division at StarHub's wholly-owned subsidiary Nucleus Connect, where he now serves as General Manager.

Siew Loong received the 40 Under 40 award from the Global Telecoms Business in 2011. He holds a Bachelor of Electronics Engineering from the University of Southampton, United Kingdom.

Kee Yaw Yee

Information Services

Yaw Yee is responsible for the Information Technology (IT) strategy, IT infrastructure, systems and applications required to support StarHub's business growth and customer goals.

Prior to joining StarHub, Yaw Yee has held leadership roles in multinational companies like Accenture, Hewlett-Packard and AsialInfo. With over 24 years of experience in IT and management consulting, he has consistently delivered large-scale transformational programmes for local and regional clients, using different methodologies and technology solutions.

Yaw Yee was recognised as one of the top 50 CIOs in Southeast Asia and Hong Kong by IDG CIO50 ASEAN Awards 2020. Yaw Yee holds a Bachelor (Honours) of Electrical Engineering and Electronics from the University of Manchester, Institute of Science and Technology in the United Kingdom. He has a Performers' Diploma in piano from the Trinity College of Music, London.

Chris Lipman

Customer Experience

Chris leads the company's end-to-end customer experience, to drive StarHub's transformation to a consistently customer-centric brand.

Prior to joining StarHub, Chris was Vice President for Customer Experience, Insights & Operations (Southeast Asia) at HOOQ Digital, where he set the overall strategic direction of the customer experience team, managed vendor partnerships and built a pipeline of customer insights to assist the business. Before HOOQ Digital, Chris was Head of Customer Service & Experience at Globe Telecom, Philippines. Chris has also held similar senior roles in Telstra, Optus and Virgin Mobile.

Chris holds a Bachelor of Applied Science, Land Economics from the University of Technology Sydney, Australia.

Catherine Chia

Human Resource

Catherine leads the overall human resource strategy, programmes and services, to accelerate the growth and performance of StarHub.

Prior to joining StarHub, Catherine was Vice President of People Operations & Development at LEGO. Catherine has extensive human resource experience in organisations spanning multiple industries and geographies, such as Dell, GE and United Overseas Bank. In her previous roles, Catherine has implemented organisational change and transformation initiatives as well as developed leadership capabilities through robust talent management programmes.

Catherine holds a Bachelor of Social Science (Honours) from the National University of Singapore.

Tim Goodchild

Government & Strategic Affairs

Tim is responsible for managing StarHub's relationship with the regulators, and for providing regulatory support to StarHub's lines of business. He has more than 30 years' experience in telco regulatory issues.

Prior to joining StarHub, Tim's career has given him exposure to regulatory regimes throughout the Asia-Pacific region. This has included time with Telecom New Zealand, the Telecommunications Authority of Singapore (now the Infocomm Media Development Authority of Singapore), Millicom International Cellular, and Equant Singapore.

Tim holds a Bachelor of Economics (Honours) from Victoria University of Wellington, New Zealand.

CORPORATE GOVERNANCE

CREATING
SUSTAINABLE VALUE
AND GROWTH
WITH EFFECTIVE
AND TRANSPARENT
GOVERNANCE

CORPORATE GOVERNANCE REPORT 2021

This report describes our corporate governance framework, practices and policies for the financial year ended 31 December 2021 (FY2021) with reference to the principles and provisions of the Code of Corporate Governance (Code) issued by the Monetary Authority of Singapore on 6 August 2018. **We are pleased to confirm that StarHub has complied with the principles and provisions of the Code for FY2021.**

StarHub was named the Most Transparent Company in the Communications category at the Securities Investors Association (Singapore) Investors' Choice Awards, and was placed 40th out of 519 SGX-listed companies on the Singapore Governance and Transparency Index 2021. **Earning global recognition for outstanding sustainability practices, StarHub was ranked the world's most sustainable mobile service operator globally and Singapore's most sustainable telecommunications company, coming in 72nd globally on Corporate Knights Global 100 for 2022. This is an improvement of eight places from 80th position, in 2021.**



1. BOARD MATTERS

A. THE BOARD'S CONDUCT OF AFFAIRS

Board Duties

The Board oversees the business performance and affairs of the StarHub Group (Group), and is collectively responsible for its long-term success. The Board leads, directs and works closely with Management to ensure the alignment of interests of the Board and Management with that of shareholders particularly, and with stakeholders more broadly.

CORPORATE GOVERNANCE STATEMENT

StarHub is dedicated to upholding the highest standards of corporate governance. We firmly believe that a robust and sound governance framework is vital in providing a stable foundation for our long-term sustainability, enhance business performance, create value for our stakeholders and solidify investor confidence. Transparency, accountability and integrity are the cornerstones of all we do, and are reflected in our focus on robust stewardship, effective risk management and internal controls, and accountability to and engagement with our stakeholders.

The Board's key roles and responsibilities are:



Set StarHub's values and standards (including ethical standards) and corresponding corporate culture, to ensure that our obligations to shareholders and stakeholders are well-understood and duly met;



Establish a framework of prudent and effective controls supported by clear and robust procedures and delegated authorities, which enables risks to be assessed and managed to safeguard shareholders' interests and StarHub's assets;



Regularly review the performance of Management and the remuneration framework of the Board and Management, and perform succession planning for the Board and Management;



Provide proactive and focused leadership and guidance to Management and steer the Group in the appropriate strategy and corporate plan;



Ensure that the necessary financial and human resources are in place for the Group to meet its objectives;



Consider sustainability in steering the Group's strategy and corporate plan, and ensure adoption of environmental, social and governance (ESG) factors; and



Review and approve key operational and business initiatives, annual budgets, major funding and investment proposals, acquisitions and divestments;



Ensure regular and transparent communications with shareholders and guide Management to manage relationships with identified key stakeholder groups, including staff, customers, suppliers and business partners;



Ensure the Group's compliance with all relevant laws and regulations (including legal, regulatory and financial compliance), ethical standards and the implementation of related processes and policies, and ensure proper accountability.

CORPORATE GOVERNANCE

The Board has established a framework on approval and authorisation limits for capital and operating expenditure, interested person transactions as well as specified transactions including acquisitions and disposals of investments, procurement of goods and services, bank facilities and cheque signatories. Within this framework, the Board has set relevant approval and authority sub-limits for delegation to various Management levels to optimise operational efficiency when undertaking the day-to-day running of the business.

The Board and individual Directors act in good faith and make decisions objectively in the best interests of StarHub and all our shareholders.

The Chairman and the Directors support the Chief Executive and Management in stakeholder engagements, including with shareholders, business partners and regulators.

Access to Management, Advisers and Information

In furtherance of their duties, the Directors are given access to independent professional advice at StarHub's expense. **At least once a year, non-executive Directors (NED) meet to discuss, *inter alia*, Management's performance without the presence of Management. In FY2021, a NED meeting and an independent non-executive Directors' (ID) meeting were held, as chaired by the Chairman and the Lead Independent Director respectively.**

All Directors have direct access to the StarHub Board Portal, which allows the Directors to securely access and read Board and Board Committee materials electronically at their convenience. The Board Portal also provides relevant information and up-to-date policies that will help Directors discharge their duties, including:

- Board meeting information and Board papers;
- Information on Directors' statutory and other duties and responsibilities;
- Terms of Reference of the respective Board Committees;
- Insider trading policy and Directors' share trading policy of StarHub securities;
- Key industry news and analyst reports; and
- Business performance updates.

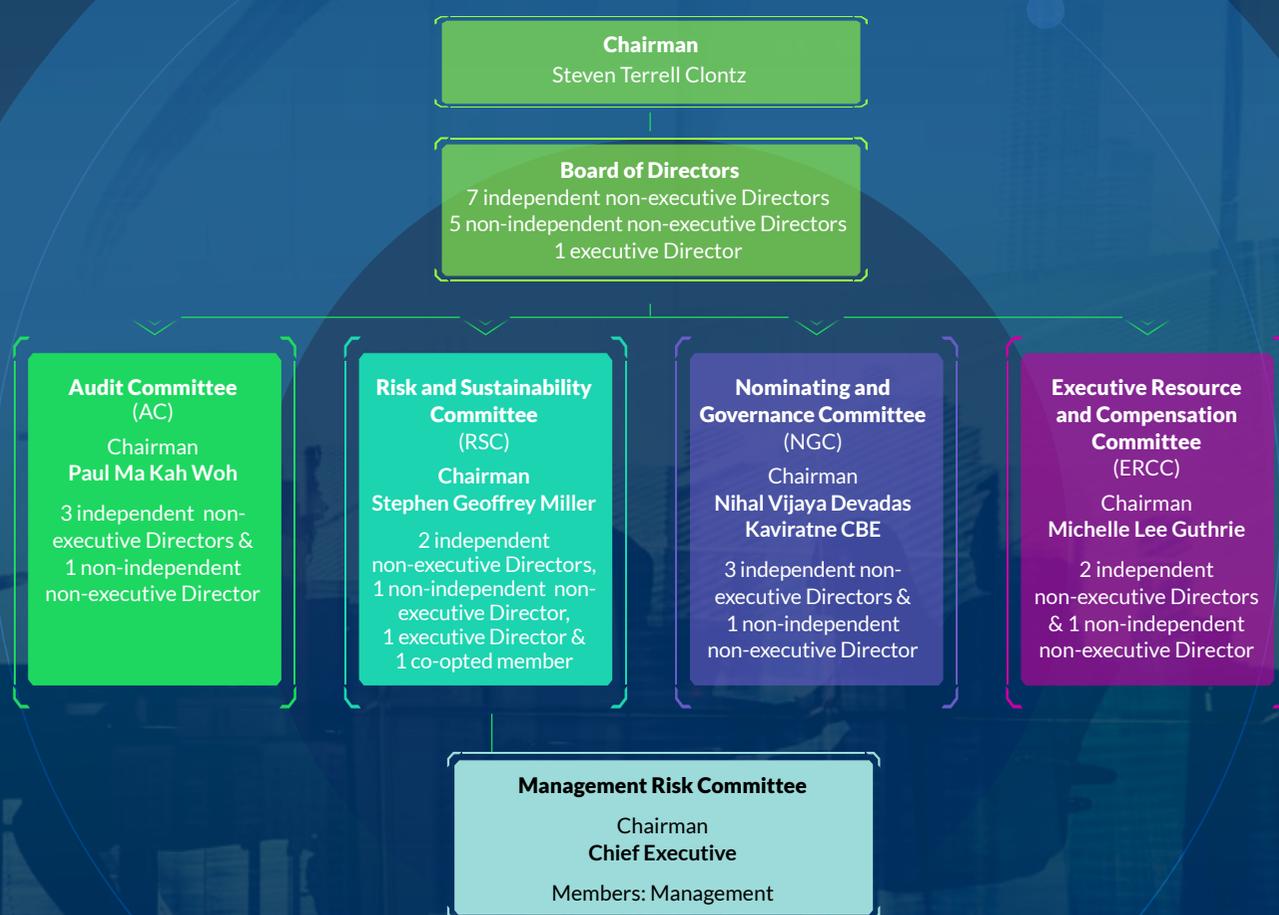
At least five business days prior to each Board or Board Committee meeting, Management provides the Directors with timely and relevant information pertaining to matters on the agenda, save for sensitive matters to be tabled at the meeting itself. All sensitive Board materials that are communicated electronically are encrypted with passwords to safeguard their security.

Quarterly reports by the Chief Executive on the state of the business, as well as regular analysts' reports and media articles on StarHub and the industry, are circulated to the Board for their information. In respect of the Group's budgets, any material variance between budgets and actual results are disclosed and explained. Other related business reports and updates are also provided to the Board regularly and upon request by the Board. Collectively, this enables the Directors to keep abreast of key issues and developments in the business and the industry as well as challenges and opportunities for the Group, thereby facilitating sound decisions.

Management is available to answer any queries raised by the Directors and to provide additional information as needed. Frequent dialogue and interactions take place between Management and the Directors. Consequently, the Directors are able to gain a good understanding of StarHub's operations and related information, allowing them to focus, strategise and guide StarHub in their role as Directors.

Delegation to Board Committees

The Board has constituted the following principal Board Committees to assist the Board in the discharge of its functions.



Note: Composition reflected is as at 4 April 2022.

The composition of the Board Committees and their specific responsibilities and authority are set out in the relevant sections of this report. Each committee has clear written Terms of Reference setting out its composition, authorities and duties, which are available on the StarHub Investor Relations (IR) website. A Board Committee is required to operate and make decisions on matters within its Terms of Reference.

Additional Board Committees may be formed to undertake specific duties if necessitated by business requirements. Upon receipt of the former Chief Executive, Mr Peter Kaliaropoulos' letter of retirement as Chief Executive in July 2020, an ad-hoc Board Executive Committee (Board ExCo), chaired by Mr Stephen Geoffrey Miller, was established to provide close support to Management during the Chief Executive transition

period. The Board ExCo comprised Mr Miller, Mr Steven Terrell Clontz, Mr Nihal Vijaya Devadas Kaviratne CBE and Ms Nayantara Bali. It was subsequently dissolved on 1 April 2021 after Mr Nikhil Eapen was appointed as Chief Executive on 1 January 2021.

The Board Committee Chairmen provide updates to the Board at Board meetings, on key matters discussed and/or decisions made at the last-held meeting of each Board Committee. For matters which require the Board's approval, the Board Committees would also recommend the course of action to the Board for its consideration and decision. Minutes of the Board Committee meetings are made available to the Board for its information.

CORPORATE GOVERNANCE

Board Meetings

Board and Board Committee meetings for the upcoming financial year are scheduled in advance before the end of the current financial year to enable Directors to plan ahead and attend the meetings according to the respective meeting schedules.

For FY2021, the Board held a total of five meetings, including the annual Board Strategy meeting to review and discuss in detail the Group's strategic direction, and to consider the Group's budget for the upcoming financial year. The annual Board Strategy meeting provided a key opportunity to

discuss, challenge and develop the Group's strategy, alongside Management. Additional Board meetings were also convened to consider urgent proposals or matters which required the Board's approval. In view of the COVID-19 situation, all Board and Board Committee meetings for FY2021 were held using video-conferencing facilities, as allowed under StarHub's Constitution.

Directors' attendance at Board and Board Committee meetings, the Annual General Meeting (AGM) and the Extraordinary General Meeting (EGM) held in FY2021, is set out in the table below. **There was full board attendance at the AGM and EGM, as well as for all scheduled Board meetings.**

Table 1 (Directors' Attendance at Board/General Meetings During FY2021)

	AGM & EGM	Board Meetings	Board Committee Meetings					Board ExCo ^(b)
			AC	SC ^(a)	NGC	ERCC	RSC	
No. of Meetings Held	1	5	4	2	4	4	2	2
Steven Terrell Clontz	1	5	-	2	4	-	-	2
Nikhil Oommen Jacob Eapen ^(c)	-	2	-	-	-	-	1	-
Paul Ma Kah Woh	1	5	4	-	-	-	2	-
Stephen Geoffrey Miller	1	5	-	2	-	4	2	2
Nihal Vijaya Devadas Kaviratne CBE	1	5	4	2	4	-	-	2
Michelle Lee Guthrie	1	5	-	2	-	4	-	-
Nayantara Bali	1	5	-	2	-	-	2	2
Ng Shin Ein	1	5	4	2	-	-	-	-
Lionel Yeo Hung Tong	1	5	-	-	4	4	-	-
Teo Ek Tor	1	5	-	-	-	-	-	-
Naoki Wakai	1	5	-	-	-	-	-	-
Ahmad Abdulaziz A A Al-Neama ^(d)	-	2	-	-	-	-	-	-
Lim Ming Seong ^(e)	1	3	3	2	-	1	-	-
Nasser Marafih ^(f)	1	1	-	-	-	-	-	-

^(a) The Strategy Committee (SC) was suspended from the third quarter of 2021 and subsequently dissolved with effect from 1 January 2022

^(b) The Board ExCo held two meetings in FY2021

^(c) Mr Nikhil Eapen was appointed as a Director on 11 August 2021

^(d) Mr Ahmad Al-Neama was appointed as a Director on 11 August 2021

^(e) Mr Lim Ming Seong retired as a Director on 13 August 2021. Prior to his retirement, he had attended all the convened Board, AC and SC meetings in the first three quarters of 2021, as well as the AGM and EGM. He had also attended the ERCC meeting in the first quarter of 2021, prior to his stepping down from the ERCC on 16 February 2021

^(f) Dr Nasser Marafih retired as a Director at the conclusion of the AGM on 30 April 2021. Prior to his retirement, he had attended the Board Meeting in the first quarter of 2021, as well as the AGM

Board Orientation and Continual Training & Development

All newly-appointed Directors participate in a comprehensive orientation programme that is bespoke for the Group's business and operations, including the opportunity to meet with the Chief Executive and Management, to be given an overview of the Group's business activities, strategic directions, financials, policies, governance practices, corporate culture as well as key regulatory, legal and industry developments which affect the Group. The Company Secretaries facilitate the newly appointed Directors' understanding of their Board and Board Committee membership details, director fees, statutory and other duties and responsibilities. Arrangements are also made for newly-appointed Directors without prior experience as a director of a listed company on the SGX-ST, to undergo mandatory training conducted by the Singapore Institute of Directors on their roles and responsibilities. Mr Nikhil Eapen and Mr Ahmad Al-Neama, who were appointed to the Board on 11 August 2021 and did not have prior experience as a director of a SGX-ST listed company, have duly completed the said mandatory prescribed training.

The Board recognises that ongoing professional development is important for the Directors to serve effectively and contribute to the Board. The Directors are encouraged to continually develop and refresh their professional knowledge and skills, and to keep themselves abreast of relevant developments in the Group's business, and the regulatory and industry-specific environments in which the Group operates. To this end, internal briefings as well as external seminars are arranged for the Directors. In addition, the Company Secretaries and members of Management also provide regular updates to the Directors during Board meetings, as well as through emails and the StarHub Board Portal, on key industry, technology, legal, regulatory and accounting updates which

affect the Group. These include updates from the management of subsidiaries such as Ensign and Strateq. In FY2021, the professional development programmes attended by the Directors included sustainability-related events by Global Compact Network Singapore and the Securities Investors Association (Singapore), and governance-related conferences and seminars organised by the Singapore Institute of Directors. The Board also attended a specialised technology-related session convened by a global technology company, as well as a detailed training on 5G by Management.

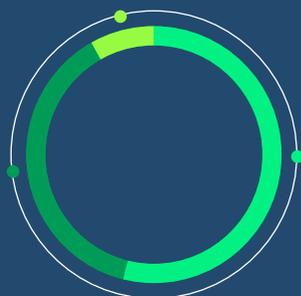
In addition, the Directors are free to conduct independent or collective discussions with Management and subject matter experts on any areas of interest or concern.

Company Secretaries

The Directors have separate and independent access to the Company Secretaries, who are qualified lawyers and trained in company secretarial practices. The Company Secretaries administer, attend and prepare minutes of all Board and Board Committee meetings (except for the ERCC) and are responsible for ensuring that board procedures are adhered to, and that the Group's Constitution and applicable laws and regulations are complied with. Under the direction of the Chairman, they advise the Board on all legal and corporate governance matters, and facilitate good communication within the Board and Board Committees, as well as between the Board and Management. The Company Secretaries are the primary channel of communication between StarHub and the SGX-ST and the Accounting and Corporate Regulatory Authority (ACRA). They also facilitate the orientation of new Directors and assist in arranging training for the Directors. The appointment and removal of the Company Secretaries are subject to the Board's approval.

CORPORATE GOVERNANCE

B. BOARD COMPOSITION AND GUIDANCE



● Independent, Non-Executive Directors	54%
● Non-Independent, Non-Executive Directors	38%
● Executive Director	8%

Independent, Non-Executive Directors	Non-Independent, Non-Executive Directors	Executive Director
Mr Nihal Vijaya Devadas Kaviratne CBE (NGC Chairman and Lead Independent Director)	Mr Steven Terrell Clontz (Chairman)	Mr Nikhil Oommen Jacob Eapen (Chief Executive)
Mr Paul Ma Kah Woh (AC Chairman)	Mr Stephen Geoffrey Miller (RSC Chairman)	
Ms Michelle Lee Guthrie (ERCC Chairman)	Mr Teo Ek Tor	
Ms Nayantara Bali	Mr Naoki Wakai	
Ms Ng Shin Ein	Mr Ahmad Abdulaziz A A Al-Neama	
Mr Lionel Yeo Hung Tong		
Mr Olivier Lim Tse Ghow		

Board Size and Composition

As of 12 February 2022, the Board comprises 12 NEDs and 1 Executive Director (ED), the majority of whom are IDs. In FY2021 and the financial year ending 2022 (FY2022), as part of a continual Board refresh, the following changes were made to the Board and Board Committees:

- On 28 January 2021, Mr Teo Ek Tor stepped down from the NGC and ERCC. Ms Michelle Lee Guthrie was appointed as the Chairman of the ERCC, and Mr Lionel Yeo was appointed to the NGC.
- On 16 February 2021, Mr Lim Ming Seong stepped down from the ERCC.
- Dr Nasser Marafih retired on 30 April 2021.
- Mr Nikhil Eapen was appointed as an ED on 11 August 2021.
- Mr Ahmad Al-Neama was appointed as an NED on 11 August 2021.

- Mr Lim Ming Seong retired on 13 August 2021 (including from the AC and SC).
- Mr Olivier Lim was appointed as an independent NED and a member of the NGC on 12 February 2022.
- Mr Teo Ek Tor was appointed to the AC on 12 February 2022.

The Chairman of the Board, Mr Steven Terrell Clontz, is not regarded an ID within the meaning of the Code and SGX-ST Listing Rule 210(5)(d)(i), given his position as executive advisor at ST Telemedia.

The Board, through the NGC, reviews the size and composition of the Board annually to ensure its overall effectiveness. The current Board size is 13. The Board is in the process of succession planning, and is working towards a smaller Board size.

The Board has put in place a set of Board Composition Governance Guidelines. The Guidelines set out the principles governing the Board's approach towards Board size, Director recruitment, Board refresh and Director retirement by rotation, and serve as guidance to the Board in the continual Board refresh.

Board Diversity

The Board consists of Directors who are business leaders and professionals of high calibre and integrity, with a broad range of core competencies and experience in enterprise and banking, accounting and finance, investment, risk management, legal, regulatory, technology, cybersecurity, business and industry knowledge, management and strategic planning experience, as well as customer-based experience and knowledge. Collectively, the Board constantly seeks to identify areas of focus and maintain an optimal mix of expertise, experience (both local and international), knowledge and diversity of gender, age, background, geography and ethnicity. In this regard, the NGC has developed a skills matrix as one criterion for Director appointments, which is reviewed by the Board on an annual basis. In FY2021, the skills matrix was refreshed to cover areas of expertise considered to be optimal for the Board given the evolving business landscape in which the Group operates.

The current composition of the Board reflects StarHub's firm belief that a well-balanced, diverse and inclusive Board will contribute positively in overseeing the delivery of the

Group's strategy, bringing fresh perspectives and providing constructive challenges to Management.

The immense network of contacts across various industries has proven invaluable to StarHub. Diversity is a key consideration in the appointment or re-election of Directors. Since FY2018, the Board has three female Directors on the Board (including the ERCC Chairman), which equates to a 23% female representation on the Board. The continual Board refresh also reflects an improved age diversity. With the appointments of Mr Nikhil Eapen and Mr Ahmad Al-Neama in FY2021, the Directors' age range has broadened, with Directors' ages ranging from 42 to 78.

Board Tenure

The tenure of the Directors as a whole, and the IDs in particular, is actively monitored and managed by the Board. Since 2017, there has been a constant refresh of the Board. Of the 13 Directors on the Board, 9 Directors have served for 5 years or less, with 3 Directors having served for more than 10 years. Amongst the 7 IDs, the majority have a tenure of 5 years or less.



CORPORATE GOVERNANCE

Lead Independent Director

The Lead ID, Mr Nihal Vijaya Devadas Kaviratne CBE, is also the NGC Chairman, and has been serving as the Lead ID since 1 October 2018. His role includes:

- Ensuring he is available to shareholders for consultation and direct communication, where contact via the normal channels of the Chairman, the Chief Executive or the Chief Financial Officer (CFO) is inappropriate or has failed to resolve their concerns;
- Serving as a liaison between the Chairman and the IDs;
- Providing a channel to IDs for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary; and
- Having the authority to call for and lead meetings of IDs without the presence of Management and provide feedback to the Chairman as appropriate.



The individual profiles of the Directors can be found in the Board of Directors and Directors' Particulars sections on pages 58 to 63 and pages 64 to 65 of the Annual Report respectively.

C. CHAIRMAN AND CHIEF EXECUTIVE.

StarHub has a clear division in responsibilities between the leadership of the Board and Management. The Chairman and the Chief Executive are separate persons, ensuring an appropriate balance of powers, increased accountability and greater capacity for the Board to make independent decisions. No single individual has unfettered powers of decision-making within the Group.

The Chairman, Mr Steven Terrell Clontz, is a NED and unrelated to the Chief Executive. He:

- Leads the Board to ensure its effectiveness on all aspects of its role;
- Sets the agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues;
- Promotes a culture of open interaction and constructive debate at the Board level;
- Ensures that the Directors receive complete, adequate and timely information. He works with the Chief Executive in relation to the Board's requirements for information in order to contribute effectively to the Board decision-making process;
- Encourages effective communication with shareholders;
- Encourages constructive relations within the Board and between the Board and Management. As the primary link between the Board and Management, he provides continuity between Board meetings and thereby oversees the effective implementation of all Board decisions;
- Facilitates the effective contribution of NEDs; and
- Promotes high standards of corporate governance.

The Chief Executive, Mr Nikhil Eapen, who was appointed with effect from 1 January 2021, leads the Management and has full executive responsibility for the day-to-day running of the Group's business operations as well as the effective implementation of the Group's strategies and policies.

D. BOARD MEMBERSHIP

The NGC has been delegated responsibility to review and make recommendations to the Board regarding Board composition. It leads and facilitates the Director nomination process based on written Terms of Reference that set out its authority and duties.

Nominating and Governance Committee	
Membership	Key Responsibilities
Mr Nihal Vijaya Devadas Kaviratne CBE, NGC Chairman and Lead ID	<ul style="list-style-type: none"> Lead and facilitate a formal and transparent process for the selection, appointment and re-appointment of Directors to the Board Regularly review the size, structure and composition (including the skills, qualification, experience and diversity) of the Board and Board Committees, including development and maintenance of a skills matrix, and recommend changes to the Board Conduct an annual review of the independence of individual Directors Implement and oversee the annual evaluation of the performance and effectiveness of the Board and Board Committees, including the communication of the results of such evaluations to the Board Review the adequacy of the Group's corporate governance policies and where appropriate, recommend to the Board any proposed changes to such policies from time to time
Mr Steven Terrell Clontz, non-executive Chairman of the Board	
Mr Lionel Yeo Hung Tong, ID ⁽¹⁾	
Mr Olivier Lim Tse Ghow, ID ⁽²⁾	
The NGC comprises four NEDs, with the majority (including the NGC Chairman) being IDs. During FY2021, the NGC held four meetings.	

⁽¹⁾ Mr Lionel Yeo was appointed as an NGC member on 28 January 2021.

⁽²⁾ Mr Olivier Lim was appointed as an NGC member on 12 February 2022.

Process and Criteria for New Board Appointment and Re-election

In proposing candidates for appointment or re-election as Directors, the NGC considers several factors, including (a) the composition, the diversity and the need for progressive renewal of the Board, (b) each candidate's competencies, commitment, contribution and performance (including attendance, preparedness, participation and candour) and (c) potential conflicts of interest. This ensures that the Board composition reflects an appropriate mix having regard to skills, experience, expertise, diversity and independence, which enables the Board to stay engaged and agile in meeting the needs of the Group. External consultants can be engaged to assist with the selection process if necessary. All new appointments to the Board are also subject to the approval of StarHub's industry regulator, the Infocomm Media Development Authority of Singapore.

In FY2021 and FY2022, three new Directors were appointed to the Board – Mr Nikhil Eapen, Mr Ahmad Al-Neama and Mr Olivier Lim. In relation to the appointment of Mr Nikhil Eapen who is the Chief Executive, the Board took the view that it would be beneficial and prudent for the Chief Executive to be an ED, to ensure a balanced representation of views at Board

meetings, and to facilitate the discharge of the Chief Executive's fiduciary duties in the day-to-day management of the Group.

In accordance with StarHub's Constitution, all Directors who are appointed by the Board during the course of the financial year are required to retire and offer themselves for re-election by shareholders at the first AGM of StarHub after their appointment. In line with the Code and SGX-ST Listing Rule 720(5), StarHub also requires all Directors to retire and offer themselves for re-election by shareholders at least once every three years, if the Board, on the recommendation of the NGC, deems it appropriate that they remain in office.

Board Independence

The NGC assesses the independence of each Director annually, and as and when circumstances require.

Evaluation of director independence is an important factor for NGC's annual review of the composition of the Board. To facilitate the assessment, StarHub has adopted an annual verification procedure on director independence, conflicts of interest, interested person transactions and other commitments that could compromise a Director's independence. Directors are required to provide sufficient

CORPORATE GOVERNANCE

information for the evaluation of his/her independence, including their professional engagements, positions and directorships, and notify the Board of any changes in such information.

Director independence is assessed based on the independence criteria under the Code and SGX-ST Listing Rule 210(5)(d), as well as other factors and circumstances that may potentially affect the status or perception of a Director's independence, in the overall evaluation from the standpoint of both StarHub and the Directors.

When assessing objectivity and independent judgement, the NGC and the Board consider, *inter alia*, the approach, character and attitude of each Director and the value each Director brings, including whether such Director:

- Is free from any interest and any business or other relationship which could, or could reasonably be perceived to, interfere with the exercise of the Director's independent business judgement with a view to the best interests of the Group;
- Has been employed by StarHub or any of our related corporations during the financial year in question or in any of the previous three financial years;
- Has an immediate family member who is employed or has been employed by StarHub or any of StarHub's related corporations for the past three financial years, and whose remuneration is determined by the ERCC; or
- Has any material contractual relationship with the Group other than as a Director.

The NGC also has the discretion to consider that a Director is not independent even in the absence of specific relationships or circumstances described in the Code and SGX-ST Listing Rule 210(5)(d), and similarly provides its views to the Board for the Board's determination. The NGC has considered and is of the view that as of 31 December 2021, all the IDs are sufficiently independent and are able to objectively exercise their judgement in the best interests of the Group.

Any Director who has an interest or relationship which is likely to impact on his/her independence or conflict with a subject under discussion by the Board is required to immediately declare his/her interest or relationship to the Board, remove himself/herself from the information flow, and abstain from participating in any further discussion or voting on the subject matter.

Where a Director's tenure exceeds nine years, their independence is carefully reviewed and monitored. As of 31 December 2021, one ID, namely Mr Nihal Vijaya Devadas Kaviratne CBE, has served on the Board for more than nine years. In compliance with Rule 210(5)(d)(iii) of the SGX-ST Listing Manual, Mr Kaviratne's continued appointment as an ID was approved in separate resolutions at the 2021 AGM by (a) all shareholders, and (b) all shareholders excluding shareholders who also serve as Directors or the Chief Executive (and their associates).



The individual independent status of the Directors can be found in the Board of Directors section on pages 58 to 63 of the Annual Report.

Board's Time Commitment

Directors with multiple board representations and/or other principal commitments (as defined in the Code) must ensure that they are able to devote sufficient time and attention to the affairs of StarHub to adequately carry out their duties as Directors of StarHub. The NGC has reviewed the individual performance of each Director and is satisfied that all Directors have dedicated adequate time to the affairs of StarHub and have properly discharged their duties in FY2021, and will continue to do so in FY2022. Although no maximum limit has been formally set by the Board on the number of listed company board representations a Director may hold, **the NGC is of the view that all Directors have fully discharged their duties as Directors of StarHub based on the time and attention devoted by each Director, their individual abilities and their respective contribution of skills, knowledge and experience as well as their commitment to the affairs of StarHub.**

The Board does not have any alternate Directors. All Directors dedicate their personal time and attention to the affairs of StarHub.



The attendance record can be found on page 76 of this report and the principal commitments and directorships in any listed companies currently held by the Directors can be found in the Directors' Particulars section on pages 64 to 65 of the Annual Report.

E. BOARD PERFORMANCE

StarHub believes that Board performance is ultimately reflected in the performance of the Group. The NGC has the responsibility of assessing the effectiveness of the Board as a whole, as well as the contribution of the Board Committees and each Director to the effectiveness of the Board.

For FY2021, the Board engaged the assistance of Aon Solutions Singapore Pte Ltd (Aon Solutions) as independent external consultants to facilitate the annual evaluation of the performance of the Board and the Board Committees. The evaluation process identifies key issues pertaining to the effectiveness, efficiency and functioning of the Board and the Board Committees, in particular the following:

- Adequacy of the Board composition, including the Board size, the degree of Board independence, the mix and diversity of skills, experience, gender, knowledge and background of the Board and the Board's diversity policy for board refresh;
 - Information management and Board processes, including adequacy and timeliness of information provided to the Board, insights by industry experts, and appropriate thresholds for escalating information surrounding material strategic or operational issues to the Board;
 - Sustainability and Environmental, Social & Governance (ESG), including appropriate consideration for a holistic view of material stakeholder and ESG objectives for StarHub's long-term sustainability;
 - Managing StarHub's performance and the Board's role in providing stewardship for the organisation and steering growth;
 - Effectiveness of Board Committees and time spent on activities including strategy, execution and performance management;
 - Chief Executive performance and ongoing succession planning for the Chief Executive and Management;
- Director development and management, including training and evaluation; and
- Reviewing the Group's risk management processes and addressing new or disruptive risks.

As part of the evaluation process, detailed questionnaires were completed by each Director, with feedback on the key areas. One-on-one Director interviews were also conducted, per the practice every two years.

For FY2021, as part of the evaluation exercise, Aon Solutions had additionally conducted one-on-one interviews with key investors of StarHub, to understand their perceptions of the effectiveness of the Board in engaging shareholders, corporate governance activities, and company management practices.

The annual review process facilitates consideration by the Board on its membership and renewal. The results of the evaluation are collected, analysed and presented to the NGC, in consultation with the Chairman, and thereafter to the Board. The NGC reviews and recommends to the Board the follow-up actions required to strengthen the Board's leadership in order to improve the effectiveness of the Board's oversight of StarHub. Where appropriate, Management may also be involved in the review process, and will assist in implementing the necessary measures.



2. STRATEGIC MATTERS

With the increasing complexity of the industry, the Board takes the view that the entire Board should be allowed more time to consider and deliberate upon the strategic direction and focus of the Group. This would additionally improve efficiency in discussions across Board and Board Committee meetings. As such, the SC was suspended from the third quarter of 2021 and subsequently dissolved with effect from 1 January 2022, and strategic matters have been tabled at Board meetings directly, to facilitate participation and deliberation by the entire Board.

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3. REMUNERATION MATTERS

A. PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The ERCC ensures the due implementation of a formal and transparent procedure for developing policies on executive remuneration and determining the remuneration packages of individual Directors.

Executive Resource and Compensation Committee	
Membership	Key Responsibilities
Ms Michelle Lee Guthrie, ERCC Chairman and ID ⁽¹⁾	<ul style="list-style-type: none"> Ensuring the implementation of a formal and transparent procedure for developing policies on executive remuneration and determining the remuneration framework of the Directors to be recommended to the Board, and thereafter to shareholders, for approval Succession planning for the Chief Executive, the CFO and other key management personnel. Potential candidates for immediate, medium and long-term needs are identified each year Assessing and approving restricted stock awards and performance share awards under StarHub's approved share plans, and recommending the grant of share awards to Directors and key management personnel for the Board's approval Assessing and approving candidates for key executive appointments Overseeing the development of Management and reviewing succession plans for key positions in the Group
Mr Stephen Geoffrey Miller, NED	
Mr Lionel Yeo Hung Tong, ID	
The ERCC comprises three NEDs, with the majority (including the ERCC Chairman) being IDs. During FY2021, the ERCC held four meetings.	

⁽¹⁾ Ms Michelle Lee Guthrie was appointed as Chairman of the ERCC with effect from 28 January 2021.

In overseeing StarHub's remuneration policies, the ERCC's key duties are to review and recommend the following to the Board for endorsement:

- General remuneration framework for the Group and specific remuneration packages for key management personnel (as defined in the Code); and
- Remuneration framework for the Board (including Director's fees, allowances and share-based awards) to be recommended to shareholders for approval.

The ERCC's review and recommendation process covers all aspects of remuneration for employees, Management

and Directors, including Directors' fees, employee salaries, allowances, bonuses, share-based incentives and awards, as well as benefits-in-kind and termination terms. The framework and packages are linked to:

- The performance of the Group and the relevant individual;
- Industry practices and compensation norms; and
- The need to attract key management personnel in order to ensure the continual development of talent and the renewal of strong leadership for StarHub.

B. LEVEL AND MIX OF REMUNERATION

The ERCC ensures that the remuneration paid to the Chief Executive and key management personnel is closely linked to the achievement of business and individual performance targets. The performance targets are determined by the ERCC based on realistic yet stretch levels each year to reward the Group and individual performance that supports strategic priorities of the business and promotes activities that help the business to successfully implement its strategy with emphasis on both short and long-term quantifiable objectives.

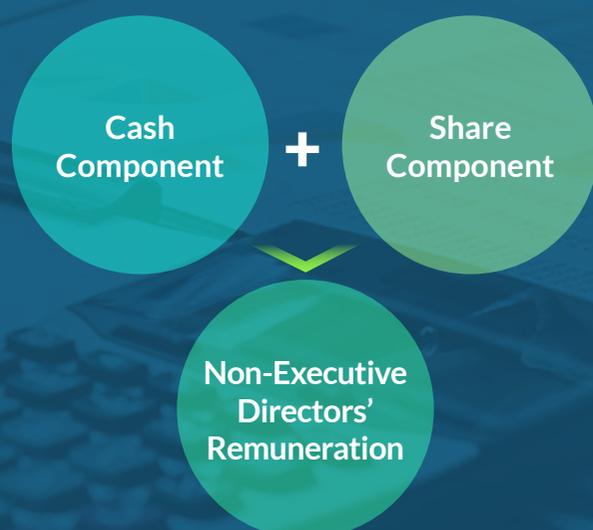
All decisions by the ERCC are made by a majority of votes of the ERCC members present and voting.

No ERCC member or any Director is involved in deliberations in respect of any remuneration, compensation, share-based incentives or any form of benefits to be granted to such individual, or where there are conflicts of interests.

C. DISCLOSURE ON REMUNERATION

Non-Executive Directors' Remuneration

The payment of board remuneration in cash and shares has been a practice at StarHub, to align NEDs' interests with those of shareholders and the long-term interests of the Group. NEDs receive 70% of their board remuneration in cash and the remaining 30% in share awards granted pursuant to the StarHub Restricted Stock Plan.



- **Cash Component**

Each NED receives a retainer fee. Overseas Directors are also entitled to a travel allowance, although none was paid for FY2021 as all Board and Board Committee meetings were held virtually. NEDs who serve on Board Committees receive additional retainer fees. In view of the greater responsibilities of the Board Chairman, the Lead ID and the Chairman of each Board Committee, they also receive a higher fee than the other members of the Board and the respective Board Committees.

The Chief Executive is present at all ERCC discussions on the compensation and incentive policies for StarHub's key personnel (such as share awards, bonus framework, salary and other incentive schemes), save for discussions which relate to the Chief Executive's own compensation, terms and conditions of service or the review of his performance, for which he absents himself.

The ERCC has access to expert professional advice on the remuneration policies of the Board and executives. The ERCC has appointed Aon Solutions as its remuneration consultant for FY2021 and is satisfied that the independence and objectivity of Aon Solutions is not affected by any relationship between StarHub and Aon Solutions.

Prior to the termination of any key management personnel's contract of service, the ERCC's approval is required. The ERCC reviews StarHub's obligations arising in the event of such termination to ensure that the contracts of service contain fair and reasonable termination clauses. The ERCC aims to be fair and avoid rewarding poor performance.

- **Share Component**

Pursuant to the StarHub Restricted Stock Plan, the share awards are granted as fully-paid StarHub shares without any vesting conditions attached. Nonetheless, in order to align NEDs' interests with those of shareholders, NEDs who receive the share awards are required to hold a minimum number of StarHub shares with a value equivalent to the lower of (a) their prevailing annual retainer fee or (b) the aggregate of 100% of the total number of StarHub shares awarded for the financial year ended 31 December 2011 and each subsequent financial year thereafter, and 50% of the total number of StarHub shares awarded from the financial years ended 31 December 2007 to 31 December 2010. NEDs can only dispose of all their StarHub shares one year after ceasing to be a Director. The number of StarHub shares to be awarded to a participating NED will be determined by reference to the volume weighted average price of a StarHub share on the SGX-ST over the 14 trading days commencing on the ex-dividend date that immediately follows the forthcoming AGM. The number of StarHub shares to be awarded will be rounded down to the nearest hundred, with cash to be paid in lieu of the remaining StarHub shares.

The total NEDs' remuneration for FY2021 amounts to \$1,802,540 and will be subject to shareholders' approval at the upcoming AGM in FY2022.

CORPORATE GOVERNANCE

The annual retainer fees and the total Directors' remuneration include the relevant Directors' compensation for membership of the Board ExCo for the period from 27 July 2020 to 31 December 2020 (in addition to the compensation for membership of the Board ExCo for the period from 1 January 2021 to 31 March 2021). Pursuant to the Terms of Reference of the Board ExCo, compensation shall be in arrears and only after

the Board ExCo has been dissolved. As such, the compensation is paid in arrears in FY2022.

Mr Nikhil Eapen, who is an ED, receives remuneration as the Chief Executive, and does not receive a fee for serving on the Board and Board Committees.

Table 2 (Annual Fees for the Board and the Board Committees for FY2021)

Annual Fees for the Board	
Board Chairman	\$189,000
Lead ID	\$108,000
NED	\$90,000

Additional Annual Fees for the Board Committees		
Type of Committee	Chairman	Member
Audit Committee	\$60,000	\$35,000
Risk and Sustainability Committee	\$42,000	\$22,000
Nominating and Governance Committee	\$42,000	\$22,000
Executive Resource and Compensation Committee	\$42,000	\$22,000
Board Executive Committee	\$60,000	\$35,000

Breakdown of Directors' Remuneration

The following shows the composition of Directors' remuneration for FY2021:

Table 3 (Directors' Remuneration for FY2021)

Name of NED	NEDs' Remuneration		Total (\$)
	Cash-based (\$)	Share-based (\$)	
Steven Terrell Clontz	193,760	83,040	276,800
Paul Ma Kah Woh	120,400	51,600	172,000
Stephen Geoffrey Miller ^(a)	151,760	65,040	216,800
Nihal Vijaya Devadas Kaviratne CBE	161,560	69,240	230,800
Michelle Lee Guthrie	106,820	45,780	152,600
Nayantara Bali	110,460	47,340	157,800
Ng Shin Ein	102,900	44,100	147,000
Lionel Yeo Hung Tong	92,722	39,738	132,460
Teo Ek Tor	66,136	28,344	94,480
Naoki Wakai ^{(a)(b)}	63,000	–	63,000
Ahmad Abdulaziz A A Al-Neama	24,570	10,530	35,100
Lim Ming Seong	65,800	28,200	94,000
Nasser Marafih	20,790	8,910	29,700
Directorship on Subsidiary			
Teo Ek Tor ^(c)	56,500	–	56,500

^(a) Cash component of fees are payable to Director's employer company

^(b) Mr Naoki Wakai had declined the share award. He will only receive the cash component of his remuneration. Mr Wakai does not hold any StarHub shares

^(c) Fees are payable to Mr Teo as a NED of Ensign InfoSecurity Pte. Ltd., a subsidiary of StarHub, in respect of the period from 1 January 2021 to 31 December 2021



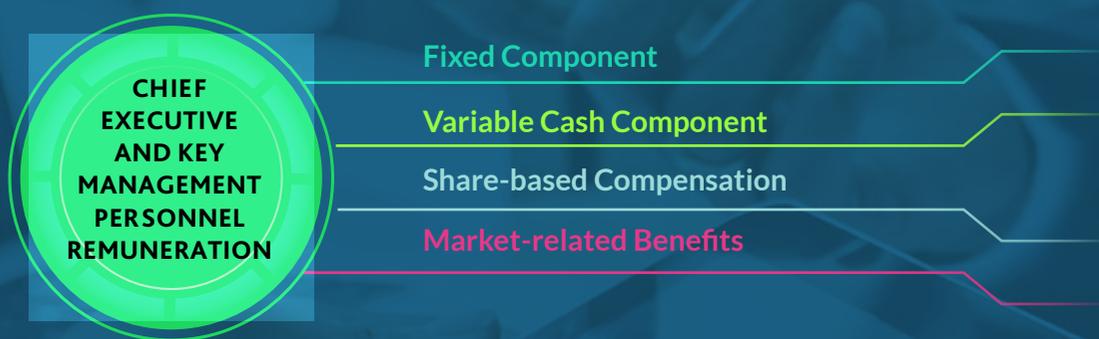
Details of the share awards granted by StarHub to the Directors under the StarHub Restricted Stock Plan can be found in the Directors' Statement section on pages 178 to 182 of the Annual Report.

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Chief Executive and Key Management Personnel Remuneration

The ERCC seeks to ensure that the level and mix of remuneration for the Chief Executive and key management personnel are competitive and relevant, aligned with shareholders' interests and promote the long-term success of the Group.

Remuneration for the Chief Executive and key management personnel comprises a fixed component, a variable cash component, a share-based compensation and market-related benefits:



- **Fixed Component**

The fixed component comprises the base salary, Annual Wage Supplement (AWS) and fixed allowances.

- **Variable Cash Component**

The variable cash component includes the Annual Variable Bonus (AVB) and Economic Value Added (EVA) Incentive Plan.

Annual Variable Bonus

The AVB is a cash-based incentive for the Chief Executive and key management personnel that is linked to the achievement of annual performance targets.

Individual performance objectives which are aligned to the overall strategic, financial and operational goals of the Group are set at the beginning of each financial year, and are cascaded down to a select group of key management personnel, creating alignment between the performance of the Group and the individual.

While the performance objectives are different for each executive, they are assessed on the same principles across the following broad categories of targets:

- Business outcomes (65% weightage); and
- Customer, Process and People outcomes (35% weightage).

The target AVB for the Chief Executive and key management personnel is pre-set at a fixed percentage of their annual base salary, and subsequently adjusted based on the Group's performance at the end of each financial year. The final AVB payout can range from 0 to 2.25 times of the target AVB.

EVA Incentive Plan (EIP)

The EIP rewards employees for sustainable shareholder value creation over the medium-term, achieved by growing profits, deploying capital efficiently as well as managing the risk profile and risk time horizon of the Group's business. A portion of the annual performance-related bonus of key management personnel is tied to the EVA achieved by the Group in the financial year.

Under the EIP, a notional EVA bank account is set up for each key management personnel, into which the annual EVA incentive declared and earned by him for each year is credited. One-third of the accumulated EVA incentive, comprising the EVA incentive declared for the current financial year and the balance brought forward from preceding financial years, is paid out in cash each financial year. The remaining two-thirds are carried forward in each individual's EVA bank account, payable to him upon his resignation or termination of employment (other than for cause), subject to certain conditions being met. The balance in the EVA bank account will increase or decrease depending on StarHub's EVA performance in subsequent years. This

mechanism encourages the Chief Executive and key management personnel to work for sustainable EVA generation and adopt strategies that are aligned with the long-term interests of the Group.

Based on the ERCC's assessment that the actual performance of the Group in FY2021 had met the pre-determined targets, the resulting annual payout under the EIP was adjusted accordingly to reflect the performance level achieved.

- **Share-based Compensation**

StarHub Performance Share Plan (PSP)

The PSP serves as a long-term incentive to motivate key management personnel to strive for superior performance and to align their interests with that of shareholders.

Pursuant to the PSP, the ERCC has decided to grant contingent awards of StarHub shares on an annual basis, conditional on meeting targets set for a three-year performance period. The performance measures used in PSP grants during FY2021 are:

1. Absolute Total Shareholder Return (Absolute TSR) against Cost of Equity hurdles (i.e. measure of Wealth Added);
2. Relative Total Shareholder Return (Relative TSR) against selected peers from the MSCI AC APAC Telecommunications Services index; and
3. Transformation KPIs reflective of the strategic growth objectives of StarHub.

A minimum threshold performance is required for any StarHub shares to be released to the recipient at the end of the performance period. The actual number of StarHub shares released will depend on the achievement of set targets over the performance period. For the performance measure of Absolute TSR, the achievement factor ranges from 0 to 1.5 times of 30% of the conditional award. For the performance measure of Relative TSR, the achievement factor ranges from 0 to 1.5 times of 30% of the conditional award. For the performance measure of Transformation KPIs, the achievement factor ranges from 0 to 1.5 times of 40% of the conditional award.

The final PSP award is conditional on the vesting of the StarHub shares under the Restricted Stock Plan which have the same performance end-period.

The Group has attained an achievement factor which is reflective of not meeting the pre-determined target performance levels for PSP awards granted in FY2019 based on the performance period from FY2019 to FY2021. The resulting shares vested were adjusted accordingly to reflect the performance level achieved.

StarHub Restricted Stock Plan (RSP)

The RSP has been established with the objective of motivating managers and key talent to strive for sustained long-term growth and superior performance of the Group. It also aims to foster a share ownership culture among employees within the Group and to better align employees' incentives with shareholders' interests.

Pursuant to the RSP, the ERCC has decided to grant contingent awards of StarHub shares on an annual basis, conditional on the achievement of annual Return on Invested Capital targets. The objective of the RSP is aligned to the overall financial performance of the Group and wealth creation for shareholders. The RSP acts as a medium-term incentive mechanism that drives business performance while retaining StarHub's key talent to drive shareholder value.

A minimum threshold performance is required for any StarHub shares to be released to the recipient at the end of the performance period. The actual number of StarHub shares released will depend on the achievement of the pre-determined target performance levels over the performance period, to be determined by the ERCC at the end of the performance period and capped at 1.0 times of the conditional award. The StarHub shares will be released in three equal tranches of 33¹/₃% per tranche over three consecutive years.

The Group has attained an achievement factor which is reflective of meeting the pre-determined target performance levels for RSP awards granted in FY2021 based on the performance period of FY2021. The resulting shares vested were adjusted accordingly to reflect the performance level achieved.

- **Market-related Benefits**

The benefits provided are comparable with local market practices.

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Remuneration of the Chief Executive and Top Five Key Management Personnel

The details of the remuneration of the Chief Executive and the top five key management personnel (who are not Directors or the Chief Executive) are set out in Table 4 below (in bands of \$250,000 and percentage terms) for the services rendered by them to the Group for FY2021.

Table 4

	Fixed ⁽¹⁾ (\$)	Variable ⁽²⁾ (\$)	Benefits ⁽³⁾ (\$)	Share-based Compensation ⁽⁴⁾ (\$)	Total (\$)
Chief Executive					
Nikhil Eapen	1,119,980	1,083,121	119,908	968,602	3,291,611
Total paid, including shares vested based on actual performance					2,323,009

Top 5 Key Management Personnel

	Fixed ⁽¹⁾	Variable ⁽²⁾ (%)	Benefits ⁽³⁾ (%)	Share-based Compensation ⁽⁴⁾ (%)	Total (%)	Remuneration bands ⁽⁶⁾
Dennis Chia	41	32	3	24	100	D
Johan Buse	42	26	3	29	100	C
Charlie Chan	44	21	3	32	100	B
Veronica Lai	46	28	4	22	100	B
Chong Siew Loong	51	19	4	26	100	A
Total including contingent shares granted but not vested, subject to performance⁽⁵⁾					\$5,664,418	
Total paid, including shares vested based on actual performance					\$4,757,048	

⁽¹⁾ Fixed refers to base salary, annual wage supplement and fixed allowances earned for FY2021

⁽²⁾ Variable refers to any applicable one-off incentive payments as well as incentives paid and accrued for the year pursuant to the AVB scheme and EIP for FY2021

⁽³⁾ Benefits are stated on the basis of direct costs to StarHub, and include non-cash benefits such as leave and medical scheme

⁽⁴⁾ Share awards granted under the RSP and the PSP are subject to pre-determined performance targets set over one-year and three-year performance periods respectively. The figures shown are based on the fair value of the StarHub shares at 100% of each of the RSP and PSP conditional awards, which may not be indicative of the actual value at vesting which can range from 0% to 100% of the RSP conditional award and 0% to 150% of the PSP conditional award. Over the last seven financial years ended 31 December 2015 to 31 December 2021, the average number of StarHub shares vested to participants of the RSP and the PSP has been less than 100% of the conditional awards granted

⁽⁵⁾ Refers to total remuneration including contingent shares granted but not vested, subject to performance

⁽⁶⁾ Remuneration bands:

"A" refers to remuneration between \$750,001 and \$1,000,000 per annum

"B" refers to remuneration between \$1,000,001 and \$1,250,000 per annum

"C" refers to remuneration between \$1,250,001 and \$1,500,000 per annum

"D" refers to remuneration between \$1,500,001 and \$1,750,000 per annum

If any key management personnel of StarHub (including the Chief Executive) is involved in fraud or misconduct, which results in a re-statement of StarHub's financial results or financial loss to StarHub, the Board may reclaim the unvested components of remuneration from such individual under all incentive plans for the relevant period, to the extent such incentive has been earned but not yet released or disbursed. The Board, taking into account the ERCC's recommendation, may decide whether, and to what extent, such recoupment is appropriate, based on the

specific facts and circumstances of the case. No such fraud or misconduct occurred in FY2021.

During FY2021, there was no employee of the Group who was a substantial shareholder of StarHub or an immediate family member of a Director, the Chief Executive or a substantial shareholder of StarHub, and whose remuneration exceeds \$100,000 per annum.



4. ACCOUNTABILITY AND AUDIT

The Board provides a balanced and informed assessment of the Group's performance, position and prospects to shareholders in the Group's quarterly business performance updates and half-yearly operating performance and financial results which are released via SGXNET, together with the associated press releases and accompanying presentation slides.

For the half year financial statements, the Board provides a negative assurance confirmation to shareholders, in line with the requirements of the SGX-ST Listing Manual. StarHub recognises that prompt and full compliance with statutory reporting requirements is imperative in maintaining shareholder confidence and trust.

The Chief Executive updates the Board through quarterly reports on the state of the business, including key performance and financial highlights, issues and priorities which Management is focused on, and the longer-term challenges which Management is addressing to ensure we stay committed on value creation for our customers, employees and shareholders. Other related business reports and updates are also provided to the Board regularly and upon request by the Board, to keep the Board informed of the key business initiatives and the latest market developments and trends as well as challenges and opportunities for the Group.

StarHub has also procured the relevant undertakings from all Directors and executive officers, in compliance with SGX-ST Listing Rule 720(1).

A. RISK MANAGEMENT AND INTERNAL CONTROLS

The Board provides oversight to the management of risk and internal controls of StarHub Group. To safeguard shareholder interests and Group assets, it reviews the adequacy of the Group's risk management system and internal controls with the support from the Risk and Sustainability Committee (RSC) and the Audit Committee (AC).

In FY2021, in view of the importance that StarHub attaches to sustainability issues as well as the need for greater Board guidance and oversight over such issues, the Risk Committee was re-named the RSC, and the Terms of Reference of the RSC were amended to include oversight over sustainability matters.

CORPORATE GOVERNANCE

The RSC ensures that all identified material risks are within the oversight of at least one Board Committee:

	Strategic	Operational	Regulatory/ Legal	Information Technology	Human Resource	Financial	Compliance/ Internal Audit
Risk Categories and Key Risks	<ul style="list-style-type: none"> • Inability to grow in key segments • Customer experience through transformation process • Inability to exploit opportunities in new/adjacent businesses • Competition and technology/Digital disruption • Failure to transform IT systems & adopting the appropriate IT right sourcing approach • Network Transformation – 5G launch & compliance, Fixed network and software-defined network (SDN) 	<ul style="list-style-type: none"> • COVID-19 impact • Major business continuity disruptions • Cyber breach and disruption due to cyber incidents 	<ul style="list-style-type: none"> • Cyber breach and fine by authorities due to non-compliance 	<ul style="list-style-type: none"> • Lack of credibility as a trusted provider (in area of IT capabilities to support key business processes) 	<ul style="list-style-type: none"> • Leadership bench strength and succession 	<ul style="list-style-type: none"> • Financial Accounting • Financial Disclosures • Management Accounting • Treasury and Tax 	<ul style="list-style-type: none"> • Compliance with statutory and listing requirements • Business Process and Policy Governance • Internal Controls • Control Self-assessment • Audit Issue Management • Fraud and Whistle Blowing
Board Committee oversight	Board	Risk and Sustainability Committee		Executive Resource and Compensation Committee		Audit Committee	

The RSC has full capacity to review risk matters within its Terms of Reference, while having full access to and support from Management. It has the discretionary capacity to extend invitations to any Director or executive to attend its meetings. It also requires Management to provide adequate resources to enable it to discharge its functions effectively.

In relation to sustainability matters, the RSC oversees responsibilities for the Group's sustainability vision, strategy, initiatives, policies and practices.

Risk and Sustainability Committee	
Membership	Key responsibilities
Mr Stephen Geoffrey Miller, RSC Chairman	<ul style="list-style-type: none"> Review the types of business risk that the Group undertakes in achieving its business strategy, and the appropriate risk management framework and policies for managing StarHub's risks Provide oversight in the design, implementation and monitoring of the risk management framework and internal controls for operations, compliance and information technology, and action plans to mitigate the identified risks are put in place Review the adequacy and effectiveness of StarHub's system of risk management and internal controls for operations, compliance and information technology Review the adequacy and effectiveness of policies and procedures for timely risk identification and remediation, including disclosure requirements for regulatory compliance Oversee and review the development and implementation of the Group's sustainability vision, strategy, framework, initiatives, policies and practices, and how these could be integrated into the Group's general operations and commercial objectives Regularly review the Group's sustainability framework based on the three pillars of Environmental, Social and Governance, to ensure the relevance and achievability of the framework Provide guidance on cybersecurity, data ethics and governance to ensure appropriate controls and measures are in place Set and instil in StarHub an appropriate risk-awareness culture for effective risk governance Ensure that all Group material risks are identified and responsibility is assumed by at least one Board Committee
Mr Nikhil Oommen Jacob Eapen ⁽¹⁾ , ED	
Mr Paul Ma Kah Woh, ID	
Ms Nayantara Bali, ID	
Mr Peter Kaliaropoulos, co-opted RSC member	
During FY2021, the RSC held two meetings.	

⁽¹⁾ Mr Nikhil Eapen was appointed as a co-opted RSC member on 1 January 2021. Upon his appointment to the Board on 11 August 2021, he became an RSC member.

The RSC is supported by the Management Risk Committee (MRC), which comprises relevant members of Management. The MRC assumes the execution and advisory role in overseeing the implementation of the Group's enterprise risk management programme, the corporate insurance programme as well as the facilitation of the self-assessment exercise required of business units on an annual basis. The MRC actively identifies and understands current and emerging risks that are critical to business, while managing them at all levels across the organisation. It also maintains oversight on cybersecurity, data

ethics and governance, and sustainability. The MRC regularly updates the RSC on matters pertaining to oversight, assessment and implementation of organisational resilience and ensures timely actions and decisions are attended to key issues.



Further details on StarHub's approach to sustainability can be found in the Sustainability Report on pages 112 to 174 of the Annual Report.

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Enterprise Risk Management System and Internal Controls

The Group's Enterprise Risk Management (ERM) programme integrates a holistic and structured approach towards risk management into the Group's key business activities and decision-making processes. The programme is established as one being integrative and multi-disciplinary, focusing on risks and opportunities that are pertinent to the Group's primary business operations as well as aligning to the Group's strategic priorities. StarHub strives to embed risk management in day-to-day corporate affairs at all levels and adopts a disciplined yet pragmatic approach to managing risks.

To optimise the management of risk, the RSC has identified certain top risks of the Group for tracking and monitoring. These risks comprise strategic, operational, regulatory/legal, information technology, human resource and financial. In consultation with the Board and other Board Committees, the identified risk areas are mapped and assigned to the corresponding Board Committees for oversight, assessment and control. The RSC maintains the oversight along with the providing necessary advisory on the identified top risks, which are subject to rigorous discussions at quarterly MRC and bi-annual RSC meetings.

Independent audits are conducted by the external and internal auditors to assess the effectiveness of the Group's internal financial controls. The AC has the responsibility for reviewing audit findings along with the adequacy of actions taken by Management in addressing the matters raised in the auditors' recommendations. Material findings are then reported to the Board.

StarHub is committed to effective corporate governance driven by a robust enterprise-wide risk management framework and internal controls to safeguard stakeholders' interests and StarHub's assets. This is achieved by making the necessary resources available for those tasked with managing and improving the corporate risk management framework, thereby enabling them to execute their roles adequately. StarHub seeks to achieve the key outcomes of such a framework, namely, to have a thorough understanding of the Group's significant and emerging risks, and to ensure the exposures of these risks are within acceptable tolerances that reflect StarHub's values, objectives and commitments.

For FY2021, the Board has received written assurance from:

- The Chief Executive and the CFO that the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- The Chief Executive, the CFO, MRC members along with other key management personnel that the risk management and internal controls systems are adequate and effective to address the financial, operational, compliance and information technology risks which the Group considers applicable to its present business landscape and operational context.

In view of the Group's current risk management system and internal controls, the reviews of Management as supported by internal and external audit findings, together with the relevant written assurance from the Chief Executive, the CFO, MRC members and other key management personnel, **the Board (with the concurrence of the RSC and the AC) is of the opinion that as at 31 December 2021, the risk management system and internal controls of the Group are adequate and effective to address the financial, operational, compliance, information technology risks as well as the risk management objectives which the Group considers applicable to its present business landscape and operational context.**

To ensure corporate assets are protected and public concerns are appropriately addressed, the Group has maintained a crisis management plan as part of its business continuity management programme, which is regularly reviewed by the MRC.

Though the Board acknowledges that the Group has an adequate and effective risk management system and internal controls, there can be no absolute assurance that the Group will not be adversely affected by unexpected events since these are often unforeseen and unpredictable in nature, which could be exacerbated by material errors, human lapses and irregularities. However, the Board considers corporate prudence supported by appropriate risk mitigating measures and internal controls as elemental when conducting business affairs.



Further details on StarHub's approach to enterprise risk management can be found in the Risk Management section on pages 104 to 109 of the Annual Report.

B. AUDIT COMMITTEE

The AC oversees the effective governance of the Group's financial reporting and internal controls to ensure quality and integrity of its financial statements and the adequacy of related disclosures. The internal audit function and the external auditors both report to the AC.

Audit Committee	
Membership	Key Responsibilities
<p>Mr Paul Ma Kah Woh, AC Chairman and ID</p> <p>Mr Nihal Vijaya Devadas Kaviratne CBE, Lead ID</p> <p>Ms Ng Shin Ein, ID</p> <p>Mr Teo Ek Tor, NED⁽¹⁾</p>	<ul style="list-style-type: none"> • Reviewing and approving quarterly business performance updates and half yearly financial results announcements and financial statements, before recommending to the Board for approval • Monitoring compliance with relevant statutory and listing requirements to ensure the integrity of the Group's financial statements and reporting, including the relevance and consistency of the accounting principles adopted • Providing oversight in the design, implementation and monitoring of the system of internal controls (financial controls, compliance with laws and regulations, and information technology (Financial Controls)) • Reviewing and reporting to the Board at least annually on the adequacy and effectiveness of the Group's Financial Controls • Reviewing the adequacy, effectiveness, scope and results of the external audit, and the independence and objectivity of the external auditors (taking into account the nature, extent and cost of non-audit services provided by the external auditors during the financial year) • Reviewing the scope and results of the internal audit and the independence and objectivity of the internal audit function • Reviewing interested person transactions to ensure compliance with the SGX-ST Listing Manual and the Shareholders' Mandate for Interested Person Transactions that is renewable annually • Making recommendations to the Board on the proposals to shareholders for the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors • Commissioning and reviewing findings of internal investigations into suspected fraud, irregularity, failure of internal controls or violation of any law that is likely to have a material impact on the Group's results • Reviewing reports made under StarHub's Whistle Blowing Policy, and where appropriate, directing the investigation of such matters and any follow-up actions to be taken
<p>The AC comprises four NEDs, with the majority (including the AC Chairman) being IDs. During FY2021, the AC held four meetings and a private session with the external auditors and internal auditors without Management being present.</p>	

⁽¹⁾ Mr Teo Ek Tor was appointed as an AC member on 12 February 2022

CORPORATE GOVERNANCE

The AC members are appropriately qualified to discharge their responsibilities and collectively have strong and recent accounting and related financial management expertise and experience. They keep abreast of changes to accounting standards and issues which affect the Group through, *inter alia*, consultation with the external and internal auditors and seminars (including those organised by the Singapore Institute of Directors).

The AC has explicit authority to investigate any matter within its Terms of Reference, with full access to and co-operation from Management. The AC also has full discretion to invite any Director or executive to attend its meetings, and to require Management to provide it with reasonable resources to enable it to discharge its functions properly. After each AC meeting, the AC Chairman reports to the Board on significant matters which have been discussed.

Key Audit Matters (KAMs)

The significant areas of audit focus in relation to the financial statements for FY2021 are (a) revenue recognition, and (b) impairment assessment of goodwill and investments in subsidiaries. During FY2021, the AC received updates from Management on the status of these areas, reviewed and discussed with the external auditors on the results of their audit, including their findings on the key areas of audit focus.

In assessing the KAMs, the AC took into consideration the appropriateness of:

- Revenue recognition policies and assumptions adopted; and
- Assumptions and estimates made in goodwill impairment assessment and valuation of investment in subsidiaries.



Significant matters that were discussed with Management and the external auditors have been included as KAMs in the Independent Auditors' Report on pages 184 to 186 of the Annual Report.

C. EXTERNAL AUDIT

The AC has performed a review of the independence and objectivity of the external auditors, as well as the volume and type of non-audit services provided by the external auditors to StarHub and the Group during FY2021. The AC meets with the external auditors without the presence of Management, at least annually.

The audit and non-audit fees paid/payable to KPMG LLP (KPMG) for FY2021 are \$0.8 million and \$0.2 million respectively, as disclosed in Note 26.3 to the Financial Statements for FY2021. The non-audit fees as a percentage of the total fees paid to KPMG for FY2021 would be 22.6%. The non-audit services included tax compliance and advisory, and services pertaining to the review of an integrated assurance framework. These constitute permissible non-audit services under the Accountants (Public Accountants) Rules – Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities.

The AC has evaluated the potential threats to KPMG's independence and objectivity arising from the provision of non-audit services by KPMG to the Group, and the appropriate safeguards that were put in place to mitigate such threats. Such safeguards included:

- having the non-audit services undertaken by a separate and different KPMG team from the audit team, with no overlap of lead partners on the respective team;
- StarHub taking management responsibility and decision for the results of the work performed by KPMG;
- obtaining the AC's approval prior to engaging KPMG to provide any non-audit service that results or may result in the aggregate non-audit fees exceeding 50% of the Group's total audit and non-audit fees to KPMG for the relevant financial year. When giving its approval, the AC had to be satisfied that the provision of non-audit services does not impinge on the independence of the auditors; and
- reporting to the AC on a quarterly basis, the nature and extent of non-audit services procured, and the fees to be incurred, both for individual non-audit services and in aggregate, relative to the total audit and non-audit fees of the Group.

In addition, the AC has requested information on and reviewed KPMG's policies and processes for maintaining independence and monitoring compliance with relevant requirements, and KPMG has confirmed its independence as auditors of the Group.

Based on the independence review, the AC is satisfied that the nature and extent of such non-audit services provided to the Group would not compromise the independence and objectivity of KPMG and that Rules 712 and 715 of the SGX-ST Listing Manual have been complied with. Accordingly, and having regard to the adequacy of the resources and experience of the external auditors and the audit engagement partner and staff assigned to the audit, the AC has recommended to the Board that KPMG be nominated for re-appointment as the Group's external auditors at the upcoming AGM of StarHub. To further maintain the independence of KPMG and in accordance with Rule 713 of the SGX-ST Listing Manual, the AC ensures that the audit partner in-charge of the Group is rotated every five years. In this regard, in FY2021, the audit partner-in-charge had been changed with effect from 1 January 2021. None of the Directors (including the AC members) or Management is or has in the past two years been a former partner, director or employee of the Group's external auditors.

The AC has also reviewed the appointment of different auditors for its subsidiaries pursuant to Rule 716 of the SGX-ST Listing Manual. The Board and the AC have confirmed that they are satisfied that the retention of Deloitte & Touche LLP (Deloitte) as the auditors of Ensign would not compromise the standard and effectiveness of the audit of the Group. Deloitte, through its member firms, has provided non-audit tax advisory services to Ensign during FY2021. The Audit and Risk Committee of Ensign has carried out a review of Deloitte's independence, and it is satisfied with Deloitte's independence. Deloitte has further confirmed its independence, within the meaning of regulatory and professional requirements. Appropriate safeguards were also established to address any potential independence threats arising from the provision of non-audit services to Ensign as well as the Group. Such safeguards included (a) assigning a separate and different Deloitte team from the audit team for the provision of non-audit services to Ensign and/or the Group, (b) undertaking an independent internal quality control review with respect to the audit of Ensign and (c) obtaining the StarHub AC's approval before any engagement of Deloitte to perform non-audit services where the total non-audit fees exceed or may exceed 50% of the Group's total audit and non-audit fees for the relevant financial year.

StarHub's auditor, KPMG, has reviewed the audit work of Deloitte as part of its overall review of the StarHub subsidiaries' audited financial statements in order to express an opinion on the Group's consolidated statements.

For the Strateq Group, KPMG has replaced BDO PLT as the auditors for FY2021.



Details of the aggregate amount of external auditors' fees paid for FY2021 and the breakdown for the audit and non-audit services are set out in Note 26.3 to the Financial Statements of the Annual Report.

D. INTERNAL AUDIT

The internal audit function of the Group (excluding Ensign) for FY2021 was carried out by PricewaterhouseCoopers Risk Services Pte. Ltd., an independent firm. The internal auditor is guided by the Standards for the Professional Practice of Internal Auditing, prescribed by the Institute of Internal Auditors.

The internal auditor reports to the AC functionally, and to the Chief Executive and the CFO administratively. The appointment, termination and remuneration of the internal auditor are approved by the AC. The internal auditor has unfettered access to all of StarHub's documents, records, properties and personnel, including access to the AC. The AC meets with the internal auditors without the presence of Management, at least annually.

The internal auditor adopts a risk-based auditing approach in developing the annual internal audit plan, which focuses on material internal controls across the Group's business, including financial, operational, compliance and information technology controls. The internal audit plan is submitted to the AC for its review and approval at the start of each financial year. Periodic internal audit reports are submitted to the AC detailing the internal auditor's progress in executing the internal audit plan and any major findings and corrective actions taken by Management.

Ensign maintains an in-house internal audit function, which reports to the Ensign AC. The Ensign internal audit function has unfettered access to all of Ensign's documents, records, properties and personnel, including access to the Ensign AC. The Ensign AC meets with the internal audit function at least annually. The Ensign internal audit report is reviewed by the AC as part of its overall review of the internal audit function of the StarHub Group.

The AC reviews the adequacy, effectiveness, scope and independence of the internal audit function (including the Ensign in-house internal audit function) annually. For FY2021, the AC is satisfied that StarHub and Ensign maintained an effective internal audit function that is adequately staffed and independent of the audited activities, and that the internal auditor has appropriate standing within StarHub and Ensign respectively to perform its function effectively.

CORPORATE GOVERNANCE

E. INTERESTED PERSON TRANSACTIONS

Interested person transactions (IPTs) entered into by any of the Group entities are governed by the Shareholders' Mandate for Interested Person Transactions (IPT Mandate) as approved by shareholders annually at StarHub's EGM, as well as the disclosure and shareholder approval requirements under Chapter 9 of the SGX-ST Listing Manual.

StarHub has established review procedures to ensure that all IPTs are undertaken on an arm's length basis and on normal commercial terms, and are not prejudicial to the interests of StarHub and its minority shareholders. Under the review procedures, the IPT terms and pricing are to be (a) consistent with StarHub's usual business practices and policies and no more favourable to the interested persons than those extended to unrelated third parties and are (b) fair and reasonable. StarHub will also consider factors such as specification compliance, track record, experience and expertise, as well as preferential rates or discounts for bulk purchases. An authorised senior officer who does not have any conflict of interests in relation to the IPT will determine whether the IPT terms and pricing are fair and reasonable. Where possible, competitive quotations or tenders for purchase transactions are procured. StarHub has also put in place procedures to identify interested persons and record and monitor the IPTs entered into by the Group.

All IPTs are subject to review and approval by the appropriate approving authority, including the AC, based on pre-determined threshold limits under the IPT Mandate. If any Director, AC member or authorised reviewing officer has a conflict of interests in relation to an IPT, he or she will abstain from reviewing that particular transaction.

The IPTs are reviewed by the internal auditors on a quarterly basis, and the quarterly audit reports on all such IPTs are provided to the AC. IPT disclosures are made via SGXNET announcements on a half yearly and annual basis at the same time as the Group's half-yearly and full-year results announcements.

In FY2021, there were no IPTs or related party transactions that can be classified as financial assistance to entities other than StarHub's subsidiary companies as well as associated company, Shine Systems Assets Pte. Ltd.

StarHub does not provide loans to Directors as a matter of corporate policy and therefore no loans have been provided by StarHub to the Directors in FY2021.



Further details on StarHub's IPTs for FY2021 can be found in the Interested Person Transactions and Material Contracts section on pages 276 to 277 of the Annual Report.



5. SHAREHOLDER RIGHTS AND ENGAGEMENT

StarHub respects shareholders' rights and promotes the fair and equitable treatment of all shareholders. StarHub keeps all our shareholders sufficiently informed of our corporate affairs and activities, including any changes to the Group or our business which may materially affect the price or value of StarHub shares, on a timely basis.

All new material price-sensitive information is disclosed on an adequate, accurate and timely basis via SGXNET and on the StarHub IR website. StarHub recognises that the timely release of relevant information is central to good corporate governance and assists shareholders to make informed investment decisions.

A. SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

General meetings

All shareholders are entitled to attend and vote at StarHub's general meetings and are afforded the opportunity to participate effectively in the general meetings. If shareholders are unable to attend, they are allowed to appoint up to two proxies to attend, speak and vote in their place at general meetings. Under StarHub's Constitution and pursuant to the Companies Act 1967, shareholders who are nominee companies, custodian banks or Central Provident Fund agent banks may appoint more than two proxies to attend, speak and vote at the upcoming AGM and at subsequent general meetings.

Notices of general meetings, together with the annual reports or circulars, are generally issued to all shareholders (including foreign shareholders) at least 14 days prior to the scheduled meetings. This provides ample time for shareholders to review the documents ahead of the meetings and appoint their proxies to attend the meetings if they wish. As part of StarHub's commitment towards more environmental-friendly and sustainable practices, StarHub makes our annual reports and circulars available online on the StarHub IR website.

StarHub encourages shareholder participation at general meetings. Shareholders are given the opportunity to seek clarification or direct questions on matters relating to the proposed resolutions. Each specific matter is proposed as a separate resolution, and sufficient information in relation to each resolution is provided to enable shareholders to vote. An independent scrutineer validates the voting results. At each AGM, the Chief Executive presents an update on the Group's business performance over the preceding financial year. All Directors (in particular the Board Chairman and the respective Chairmen of the Board Committees) together with Management and the external auditors, are present at general meetings.

2021 AGM and EGM

In FY2021, arising from the COVID-19 situation and in accordance with the various legislative measures passed to allow alternative arrangements for general meetings of companies, the AGM and EGM were convened and held by electronic means. Shareholders were afforded the opportunity to participate by:

- Observing and/or listening to the AGM and/or EGM proceedings via live audio-visual webcast or live audio-only stream;
- Submitting questions in advance; and
- Appointing the Chairman of the AGM and Chairman of the EGM as proxy to attend, speak and vote on their behalf at the AGM and EGM, respectively.

Substantial and relevant questions submitted by shareholders were answered prior to the AGM and EGM. The results showing the number of votes cast for and against each resolution and the respective percentages are announced via SGXNET on the same day of the general meeting. Minutes of general meetings are made available on the StarHub IR website. The minutes record substantial and relevant comments and questions from shareholders, and responses from the Board and Management.

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2022 AGM and EGM

Due to the ongoing COVID-19 situation, the AGM and EGM in FY2022 will continue to be convened and held by electronic means in the interests of public health and safety. As with the 2021 AGM, shareholders will have the opportunity to participate via live audio-visual webcast or live audio-only stream. Additionally, shareholders will be able to submit questions to the Chairman of the AGM and EGM, and to vote, “live” at the meetings. Details of the steps for pre-registration, submission of questions and voting at the 2022 AGM and EGM by shareholders are set out in a separate announcement released on SGXNet.

B. ENGAGEMENT WITH SHAREHOLDERS

StarHub remains committed to providing timely, fair, relevant and accurate information regarding the Group’s performance, progress and prospects as well as major industry and corporate developments and other relevant information to shareholders and the investment community to enable them to make informed investment decisions.

StarHub solicits and considers the views of shareholders via (a) regular and timely analyst and media briefings throughout the year, (b) frequent interactions between the Management, the StarHub IR team and both retail and institutional investors through investor roadshows and conferences organised by major brokerage firms, the SGX-ST and events organised by StarHub, including an Investor Day on 22 November 2021, and (c) third-party independent perception studies commissioned by StarHub. The StarHub IR team promptly provides feedback garnered from the investment community to senior management and the Board. As part of the Board’s annual evaluation exercise conducted by an independent third-party provider, the Board solicits shareholder feedback via one-on-one interviews conducted by Aon Solutions to understand shareholders’ perspectives on the effectiveness of the Board on matters relating to shareholder engagement, corporate governance and company management practices.

Apart from SGXNET announcements and the Annual Report, the regularly updated StarHub IR website at IR.starhub.com, is the main source of information for shareholders. It houses all media releases, financial results, annual reports, SGXNET

announcements, presentation materials, archived webcasts and conference calls, as well as other corporate information relating to the Group such as the corporate group structure. Investors may also elect to be notified of any new updates via an email alert service. New material price-sensitive information such as financial results are released via SGXNET before being posted on the StarHub IR website or the conduct of any media or analyst conferences. This ensures fair and non-selective disclosure of information to all shareholders.

In line with amendments to Rule 705 of the SGX Listing Manual, StarHub had adopted half-yearly announcement of its financial results with effect from the financial year ended 31 December 2020 (FY2020). The half-year and full-year financial results will contain detailed financial statements, key business drivers and management commentaries on the financial performance of the Group. They will be announced within 45 and 60 days from the end of each respective financial period. Voluntary quarterly business updates containing critical financial and operational data will be published for the first and third quarter of the financial year to give investors insight into the Group’s interim business performance.

Shareholders may direct their queries and concerns to the StarHub IR team using the contact particulars listed on the StarHub IR website, and the StarHub IR team will respond promptly and effectively. The StarHub IR team is also prompt in keeping Management fully apprised of shareholder views and sentiments.

Dividends were declared on a half-yearly basis in FY2021, and shareholders were informed of the dividend payments in the respective half year financial results announcements via SGXNET and the StarHub IR website. In determining the dividend, the Board balances the need for a satisfactory return to shareholders against StarHub’s investment requirement to ensure sustainable growth. StarHub is committed to its dividend policy to pay out at least 80% of net profit attributable to shareholders (adjusted for one-off, non-recurring items) as dividends, payable on a semi-annual basis. **Taking into consideration short-to-mid term business conditions (including the impact of COVID-19), cash flow and investment requirements, as well as results reaped from the ongoing business transformation initiatives, StarHub expects to declare a dividend per share of at least 5.0 cents for FY2022.**



6. MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

As social distancing becomes the norm due to COVID-19, StarHub continues to maintain effective stakeholder communication by moving more of our engagements online, making ourselves more accessible. Events such as Investor Day 2021 and employee townhalls have been held virtually. The StarHub online store was enhanced, with more customer service support being rendered remotely. Active engagement with stakeholders enables us to understand our stakeholders' needs, gain better insights on our business risks and opportunities, and create value for all. Our key stakeholders' views have been identified through a stakeholder mapping exercise and are reviewed annually to assess their potential impact on our business. We promote and manage our stakeholder relations through regular and proactive engagement with our stakeholders, at the corporate level and functional divisions across the Group. In FY2021, the Group's key areas of focus in relation to the management of stakeholder relationships included accelerating our digital strategy and providing more customised and tailored engagement to connect stakeholders' interests to our business goals.



Further details on StarHub's communication with our shareholders and other stakeholders can be found in the Investor Relations section and Sustainability Report on pages 110 to 111 and pages 112 to 174 of the Annual Report respectively.



7. OTHER CORPORATE GOVERNANCE PRACTICES AND POLICIES

A. DEALINGS IN SECURITIES

Insider Trading Policy

StarHub has adopted an enhanced insider trading policy with respect to dealings in StarHub securities by the Directors and Group employees. The policy imposes trading blackout periods which exceed the requirements of the SGX-ST Listing Manual, pursuant to which:

- All Directors and Group employees are prohibited from dealing in StarHub securities during the period:
 - (a) commencing two weeks prior to the announcement of the Group's business performance update for each of the first and third quarters of our financial year and ending on the date of announcement of the relevant business performance update; and
 - (b) commencing one month prior to the announcement of the Group's half-yearly and full-year results and ending on the date of announcement of the relevant results.
- All Management and employees directly involved in the preparation of the Group's quarterly business performance updates and the half-yearly and full-year results are prohibited from dealing in StarHub securities during the period commencing one month prior to the announcement of each of the Group's business performance updates and financial results and ending on the date of announcement of the relevant update or results.

All Directors, Management and Group employees are notified by email prior to the commencement of each trading blackout period and upon the lifting of the restrictions after the announcement of the respective business performance updates and financial results. The policy discourages trading on short-term considerations and reminds Directors, Management and Group employees of their obligations under insider trading laws.

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Share Trading Policy

In addition, in order to facilitate compliance by the Directors and Management, StarHub has adopted a share trading policy which requires them to give prior notice of their intended dealing in StarHub securities to the Chairman and Chief Executive through the Company Secretaries.

StarHub also prohibits the acquisition of any StarHub shares pursuant to our Share Purchase Mandate where a price-sensitive development has occurred or been the subject of a decision, until the development has been publicly announced.

For the issue of new StarHub securities, while the SGX-ST Listing Manual permits the Board to seek a general mandate from shareholders to allot and issue up to 20% of StarHub's total issued share capital other than on a *pro rata* basis to existing shareholders, the Board has continued to voluntarily limit such mandate to 15% only.

In addition, for the specific mandate from shareholders to allot and issue StarHub shares under the RSP and the PSP, the Board has limited the aggregate number of StarHub shares available for grant under the RSP and the PSP to 8% of StarHub's total issued share capital (instead of the permitted 15% under the SGX-ST Listing Manual), taking into account any outstanding unvested share awards.

B. WHISTLE BLOWING POLICY

StarHub adopts a zero-tolerance policy against ethical and legal violations. The Group has instituted a robust procedure which provides accessible channels for employees and external parties (such as our customers, suppliers, contractors and other stakeholders who may have a business relationship with the Group) to report in a responsible manner, anonymously or otherwise, any concern or complaint in relation to any irregularity, inappropriate behavior, legal or ethical violation or other serious breaches of internal processes. Such reporting channels have been communicated, and include a dedicated whistle blowing email and a direct channel to the AC Chairman and the General Counsel (via email and/or mail).

All complaints will be promptly and thoroughly investigated in confidence and on a need-to-know basis. The investigation outcome together with a recommendation on the necessary actions to be taken will be reported to the AC Chairman and the General Counsel, who will decide on the appropriate course of action. On a quarterly basis, a consolidated report of all whistle blowing cases for the quarter (if any) will be submitted for review by the AC.

The Group's Whistle Blowing Policy aims to encourage the reporting of such matters in good faith, by lending confidence

that employees and other persons making such reports will be treated fairly and accorded due protection against reprisals or victimisation. The Group's Whistle Blowing Policy is available on StarHub's intranet and corporate website for easy access by all employees and the public.

C. EMPLOYEE CODE OF CONDUCT AND RULES ON BUSINESS CONDUCT

StarHub has put in place the following policies and procedures to guide employees in carrying out their duties and responsibilities with high standards of personal and corporate integrity when dealing with StarHub, our competitors, customers, suppliers and the community:

- Employee Code of Conduct and Ethics;
- Corporate Gift and Hospitality Policy;
- Supplier Code of Conduct;
- Responsible Sourcing Policy;
- Purchasing Procedure; and
- Request for Proposal/Tender Procedure.

These policies and procedures cover (a) business conduct (including employees' compliance with anti-corruption and anti-bribery laws), (b) conduct in the workplace, (c) protection of StarHub's assets, proprietary and confidential information as well as intellectual property, (d) conflicts of interest, (e) non-solicitation of customers and employees and (f) workplace health and safety. In parallel, the Purchasing Procedure and Request for Proposal/Tender Procedure cover internal controls on tenders, vendor selection and purchasing to ensure transparency, objectivity and compliance. Given the importance of sustainability, StarHub also adopted the Responsible Sourcing Policy, which is aligned with the UN principles for universally-recognised principles on human rights, including labour rights, the environment and corruption.

The Employee Code of Conduct and Ethics, the Corporate Gift and Hospitality Policy, the Purchasing Procedure and the Request for Proposal/Tender Procedure are available on StarHub's intranet, while the Supplier Code of Conduct and the Responsible Sourcing Policy are available on StarHub's intranet and corporate website for easy access by all employees and the public.

In addition, employees are also required to undergo a mandatory Code of Conduct e-learning course, and complete an annual declaration which includes the declaring of any potential, apparent or actual conflict of interest between their official duties at StarHub Group, and any other persons or interests.

D. DOCUMENT CLASSIFICATION POLICY

StarHub's confidential information is one of its most important assets. To this end, StarHub has established a Document Classification Policy to guide employees on how to properly classify and apply the adequate level of protection on the information and documents they are entrusted with that relate to the Group's business, activities and operations. This helps to safeguard such information and documents, and ensures that only appropriate persons have access on a need-to-know basis.

E. CYBERSECURITY AND DATA PROTECTION

Cybersecurity and data protection remain key strategic priorities for StarHub, even more so in the COVID-19 era with the acceleration of digital transformation and adoption of cloud technology. Appropriate cybersecurity and data protection frameworks have been put in place to safeguard our networks/systems and customer and employee data and sensitive and/or confidential information from security risks and breaches, as well as to ensure the Group's compliance with all applicable laws, including the Cybersecurity Act 2018, the Personal Data Protection Act 2012 (PDPA) and sector-specific cybersecurity requirements imposed by the Infocomm Media Development Authority such as the Telecommunications CyberSecurity Code of Practice and the Broadcast CyberSecurity Code of Practice. These cybersecurity and data protection frameworks, which include policies, procedures, guidelines and checklists, are continually enhanced to enable StarHub to address the evolving cyber threats landscape.

As part of its best practices relating to cybersecurity, StarHub undergoes periodic audits by third party assessors as well as periodic risk assessment to ensure all potential risks are within an acceptable level. The Group continually executes our cybersecurity posture improvement plan from a 'People, Process and Technology' perspective:

People: Various cybersecurity virtual workshops and phishing email campaigns are conducted to strengthen our employees' awareness of cybersecurity risks.

Process: The existing cybersecurity governance framework has been reviewed and revised. Amongst other things, StarHub has implemented a vulnerability disclosure program (VDP) to enable security researchers to report potential vulnerabilities to StarHub via a publicly accessible website.

Technology: StarHub has implemented different technology stacks to strengthen multilayer defense for both external and internal threats.

The Group, including Ensign, also provides end to end support for all segments within the enterprise sector, including for large

enterprises, government, small and medium-sized enterprises, and retail consumers.

StarHub continues to be certified with the Data Protection Trustmark (DPTM), which is a voluntary enterprise-wide certification for organisations to demonstrate accountable data protection practices. Adapted from the PDPA, international benchmarks and best practices, the DPTM certification framework requires organisations to have sound data protection policies and practices to manage and protect personal data in accordance with the certification framework.

StarHub also conducts regular reviews of its data protection frameworks and awareness programs to ensure the Group's compliance with all applicable data protection laws and regulations. In FY2021, in view of legislative changes to the PDPA, updates to the policies and procedures were made and employees were briefed on the changes. All employees also underwent mandatory data breach response e-learning.



Further details on StarHub's approach to cybersecurity and data protection can be found in the Cybersecurity and Online Safety sections of the Sustainability Report on pages 127 to 128 of the Annual Report.

F. COMPLIANCE LEAVE POLICY

StarHub has voluntarily put in place a Compliance Leave Policy as an additional risk mitigation measure to enhance corporate governance. The policy is applicable to employees who hold Senior Manager positions and above, finance advocates and employees with sensitive job functions such as handling monies, inventories, payroll processing and approvals, risk management as well as purchasing of goods and services. Under the policy, relevant employees are required to go on mandatory block leave for a period of at least five consecutive working days per calendar year, thereby allowing covering officers to fully step into their duties and act as an additional check and balance against any breaches.

G. WORKPLACE SAFETY AND HEALTH

StarHub is committed to making continual efforts to support the health, safety and welfare of all our employees in carrying out business activities and operations. In FY2021, a suite of employee care initiatives was introduced to safeguard our employees' physical and mental well-being. StarHub's Workplace Safety and Health (WSH) Committee continually enhances our work health and safety programme by reviewing policies and procedures to incorporate best practices, in line with applicable laws such as the Workplace Safety and Health Act and regulations.



Further details on StarHub's approach to workplace safety and health can be found in the Employee Health & Safety section of the Sustainability Report on pages 142 to 143 of the Annual Report.

RISK MANAGEMENT

Approach to Enterprise Risk Management

StarHub's Enterprise Risk Management (ERM) is established based on a holistic approach to managing corporate risks. It is an integrative, multi-disciplinary program focusing on risks and opportunities, which are pertinent to business activities aligned to the company's strategic objectives. The Group seeks to embed the principles of risk management in its key corporate and decision-making processes across all levels of the organisation.

Enterprise Risk Management Framework

StarHub Enterprise Risk Management framework seeks to:

- Achieve an accurate, comprehensive understanding of StarHub's key risks and opportunities through a top-down and bottom-up approach to identifying and mitigating risks;
- Identify and prioritise key risks and opportunities which are aligned to business activities and strategic objectives;

- Promote a culture of risk management which entails awareness, accountability and ownership of risk and risk mitigation;
- Maintain consistent oversight of StarHub's Top Risks at the Board and Management Levels.

Risk Appetite Statement

- StarHub operates with an appetite for appropriate risk-taking where there is a preference for conservative options, a practice that is embedded in its operations.
- While StarHub continues to drive business excellence, innovation and growth, it takes a holistic view of the risks involved in doing so, while meeting regulatory and statutory requirements.
- StarHub balances the expectations of stakeholders and the need to take some level of prudent and educated risks in business, which is fundamental to the company's sustainable growth.



Top Risks

To constantly improve StarHub's risk management and mitigation effort, Top Risks are identified for tracking and monitoring. These risks are aligned with the company's strategic priorities, and are determined and prioritised in consultation with the Risk and Sustainability Committee and Management Risk Committee. They are corroborated by bottom-up risk assessments conducted at the business level to ensure that the risk information is effectively captured and synthesized into key themes for discussion at the strategic level.

To underpin the risk oversight, the top risk are also subject to in-depth discussions at quarterly Management Risk Committee Meetings and bi-annual Board Risk Committee Meetings.

StarHub's Top Risks are summarised in the table below (in no particular order):

Key Risk	Risk Description	Mitigation
Customer Experience Through Transformation Process	<p>As the industry continues to evolve along with changes in customer preference, StarHub needs to continuously improve customer experience to remain competitive.</p> <p>With the constant rise in customer expectations, StarHub needs to challenge the status quo and provide digital products and services while improving on network capacity, coverage, speeds, and overall value for money.</p> <p>StarHub continues to provide innovative products and offerings for all customers as a preferred challenger brand.</p>	<p>StarHub's focus is to be a leader in providing a superior customer experience across all services:</p> <ul style="list-style-type: none"> StarHub continues to expand its Net Promoter Score ("NPS") program to measure customer loyalty and long-term value covering more channels, touchpoints and partners to date. StarHub's NPS score continues to improve year-on-year, yielding significant value to the business and to customers. StarHub utilises real-time survey and data collection to systematically gain insights and to better understand drivers of customers' satisfaction and dissatisfaction as basis for the design of its products, services and journey improvements. StarHub continues to introduce first-in-market innovations for greater market differentiation and to drive more value to customers, while enhancing digital engagement for a seamless customer experience.
Lack of Credibility as a Trusted Provider	<p>StarHub needs to ensure confidentiality, integrity, availability and resilience of its network infrastructure and systems. The Group is committed to providing the best services to its customers.</p> <p>StarHub's business relies on information systems. There are threats that the Group faces such as ransomware and threat of data breaches. StarHub needs to ensure that its network security is as robust as possible. As custodians of customer data, StarHub needs to ensure adequate and effective data privacy and security measures are in place.</p>	<ul style="list-style-type: none"> StarHub has policies, guidelines and procedures in place to ensure that infrastructure and information systems are up-to-date, reliable and secure. StarHub ensures strict compliance with the Info-Communications and Media Development Authority of Singapore (IMDA) Resiliency Codes of Practices and is subjected to rigorous independent external audits on its infrastructure. StarHub is also compliant to ISO 23001 to ensure resiliency of its critical infrastructure. StarHub has a centralised Data Protection Office with defined Personal Data and Protection procedures and guidelines to ensure strict compliance with legislations from the Singapore Personal Data Protection Act and to mitigate breach of data and privacy risks. The Group's Information System Policy is also benchmarked to international standards such as ISO 27001. StarHub has adopted multi-layered cyber defense to protect valuable data and information from many different attack vectors. The multi-layered cyber defense comprises a series of successive cybersecurity controls and mechanisms designed with intentional redundancies.

RISK MANAGEMENT

Key Risk	Risk Description	Mitigation
Inability to Grow in Key Segments	<p>Business growth in key segments have been impacted by the economic downturn as a result of the pandemic, and the global chip shortage affecting global supply chains.</p> <p>StarHub's Mobile business has been impacted by the decline in roaming revenue caused by travel restrictions across the region and globally. The reduction in tourist arrivals have also affected the growth in the Prepaid business.</p>	<ul style="list-style-type: none"> StarHub is starting to see an upturn in key Enterprise segments as business sentiment gradually improves with the relaxing of COVID-19 restrictions. In response to the global chip shortage, StarHub increased common equipment stock for enterprise customers to address foreseeable demand, and sought alternative sourcing options where possible. In 2021, StarHub launched its 5G Standalone ("SA") service and announced a number of new products such as Singapore's first 5G-capable Mission Critical Communications Solution to provide low-latency solutions for emergency responders, transportation providers and construction sites. A Digital Services Unit has been created within the Enterprise Business Group to pursue growth opportunities through the development of innovative solutions based on new technologies such as 5G and IoT. As an example, the team has been successful in winning business to provide Smart Hygiene solutions and is working on a number of opportunities to drive incremental revenue. For Consumers, StarHub continues to expand its connectivity offerings with innovative and simplified product offerings while constantly improving and widening its digital touchpoints. StarHub is continually strengthening its partnership ecosystem to give customers exciting first-in-Singapore and StarHub-exclusive experiences, such as its multi-year exclusive partnerships with Disney+ and NVIDIA GeForce NOW. StarHub focuses on customer base management to look for cross-and up-sell opportunities.
Inability to Exploit Opportunities In New and Adjacent Businesses	<p>The increasingly saturated telecommunications market has seen a need for StarHub to venture into new business areas to remain relevant and competitive. Such initiatives are challenged by crowded markets, competition from other potential investors, legal and regulatory restrictions, other socio-political factors.</p> <p>With the acquisition of new businesses, StarHub faces the challenge of identifying suitable targets, integrating newly-acquired businesses into its operations, and generating synergies from these acquisitions.</p>	<ul style="list-style-type: none"> StarHub has ventured into areas such as cybersecurity, data analytics, digital solutions, Over-The-Top (OTT) and ICT Managed Services to generate alternative sources of revenue. StarHub is constantly exploring new investment opportunities to augment its existing business. In 2021 StarHub announced a majority stake in MyRepublic Broadband to bolster its Broadband market share, and also HKBN JOS Singapore and Malaysia, which strengthens StarHub's ICT capabilities, alongside another Malaysian ICT subsidiary, Strateq. StarHub has been pursuing strategic partnerships and conducting trials with Enterprise customers, industry and tech partners to develop 5G solutions catering to key enterprise and consumer segments. StarHub is building upon the momentum and traction for cloud gaming to a wider audience; adding more OTT entertainment offerings for customers and providing users peace of mind with protection for digital risks.

Key Risk	Risk Description	Mitigation
<p>Network Transformation – 5G Launch and Compliance, Fixed Network and SDN</p>	<p>Following the award of the 5G licence in June 2020, StarHub has launched 5G SA services in 2021, alongside active trials and collaborations to develop new use cases for the new technology.</p> <p>However, the ecosystem is still nascent and key aspects like customer adoption and device ecosystems are still developing.</p> <p>Furthermore, cyber threats are becoming increasingly sophisticated as it continues to evolve. With 5G being an end-to-end transformation of the wireless network, attacks can make use of thousands or even millions of interconnected and vulnerable nodes. Besides, many demanding new use cases enabled by 5G require built-in security that goes beyond 3GPP standards and encompasses automation, security orchestration, analytics to detect and mitigate threats.</p>	<ul style="list-style-type: none"> • StarHub has deployed a new cloud-native 5G core network to manage 5G SA bandwidth demand that has been projected to grow rapidly. This 5G SA upgrade will enable StarHub to run 5G technology independent of existing 4G network technology, offering greater agility and adaptability to support a wider range of products and services – enabling the Infinity Play strategies for its Consumer business. With 5G SA technology, StarHub can simultaneously connect a vast number of devices and offer game-changing mobility solutions that thrive on ultra-high speed, low-latency, secure campus networking capabilities for the benefit of consumers, businesses and government agencies in Singapore. • StarHub established the new 5G Digital Experience Centre at StarHub Green in 2021. The Centre showcases use-case scenarios for customers and partners to experience real-world advantages of digitalisation with 5G Multi-Access Edge Computing (MEC) solutions and their applications. This is StarHub's second 5G experience centre in addition to the 2020 launch of the Nanyang Polytechnic-StarHub Application & Experience Centre for 5G. • StarHub has been working with the National University of Singapore (NUS) to incorporate StarHub's latest 5G and Internet of Things (IoT) solutions into NUS' smart campus innovations, supporting the university's goal of becoming a smart, safe and sustainable campus. Through 'live' trials over a two-year period, StarHub and NUS will exchange knowledge, identify gaps, and co-develop solutions in smart campus facilities management. • StarHub operates its current 3G/4G/5G non-standalone ("NSA") Mobile network in Telecommunication Cybersecurity compliance and has established an operational ecosystem of best-in-class vendors and solution to address the increasing security threats emerging in today's Internet. Security processes are operational and provide a solid foundation for security operations in 5G SA networks. • StarHub 5G SA security solution is implemented with the features below to address the threats evolved in 5G network: <ul style="list-style-type: none"> – Utilise the 3GPP (Standard) framework for 5G Security and ensure encryption and authentication is deployed pervasively in its 5G network. – Implement Security Gateway for securing RAN communication with IPsec encryption as well as protection of the 5G core using GTP Firewall. – Implement 5G core security such as Perimeter Security, Security Zoning, Defense in Depth, Traffic Separation, Micro-segmentation and DDoS Protection. – StarHub 5G network complies to zero-trust environment for trust access, trust communication and trust execution. – StarHub builds on its existing ecosystem and expands security sensing, detection, intelligence and response using security Information and Event Management (SIEM) and security orchestration system to achieve end-to-end security operations.

RISK MANAGEMENT

Key Risk	Risk Description	Mitigation
COVID-19 Impact	<p>COVID-19 caused major disruptions to work, study and daily lives. Organisations across all sectors were forced to adapt and pivot to new ways of working in order to stay sustainable.</p> <p>Following on from 2020, working from home was still the norm throughout much of 2021 with a continued reliance on reliable and secure networking and unified collaboration tools. It has changed the way StarHub interacts with one another and has accelerated digital change.</p>	<ul style="list-style-type: none"> StarHub continues to work in accordance with the government's Safe Management Measures at the workplace. StarHub has put in place solutions to address the challenges faced both by the internal teams and enterprise customers as a result of dispersed working arrangements. StarHub has deployed new solutions like SmartSIP for Teams which provide seamless communication between unified voice and collaboration tools. StarHub has also worked with global security companies like Palo Alto Networks, to provide Managed Secure Access solutions which offer enterprises in Singapore a modern cyber security and digital networking solution to address the challenges brought about by today's increasingly distributed workforce. The Covid-19 Taskforce set up in 2020 continues to meet fortnightly to ensure staff safety, business continuity plans and other business issues are adequately addressed.
Competition and Technology/Digital Disruption	<p>StarHub continues to face intense competition with incumbent Mobile Network Operators (MNO), multiple Mobile Virtual Network Operators (MVNO) and OTT providers. By venturing into new and adjacent businesses, StarHub will be confronted with new challenges. StarHub remains focused on its customers and will continue to create new experiences that fit their needs.</p>	<ul style="list-style-type: none"> StarHub differentiates itself by providing best-in-class customer experience and digital, zero-touch products while improving on network capacity, coverage, speeds, and overall value for money. The Group's market differentiation for its Consumer business was sharpened in FY2021 by leveraging exclusive partnerships, such as Disney+ and NVIDIA GeForce NOW, and bundling such services across Mobile, Entertainment and Broadband plans. The StarHub Business Manager mobile app was enhanced in 2021 to enable onboarding of additional products as well as including capabilities for notifications and customer feedback. StarHub continues to enhance and refine its Enterprise propositions by offering end-to-end digital solutions tailored to customers' unique needs. It is also leveraging a growing demand for emerging technology to capture greater market share in adjacent verticals such as data centre solutions, IoT and data analytics. In response to the increasingly intensifying threat of ransomware attacks in Singapore, StarHub is teaming up with cyber protection top allies to launch Singapore's first one-stop CyberSecure Business Solution, a multi-layered end-to-end cyber security managed service providing endpoint protection, network security, data protection and threat identification.
Leadership Bench Strength and Succession	<p>With the increased pace of digitalisation, StarHub continues to face intensive competition for talent.</p> <p>The company continues to strive to attract, develop and retain talents with the skill sets and capabilities required to drive the business forward.</p>	<ul style="list-style-type: none"> StarHub benchmarks its Human Resource practices by taking part in multi-industry studies to identify key areas for improvement. StarHub has a continuous employee listening programme to better understand and address employee concerns. StarHub places strong emphasis on attracting, hiring and retaining talent with competitive remuneration packages, recognition awards and talent development programs. StarHub has put in place a robust talent review process to identify high potential talents who will go through a talent accelerator program, placed on critical assignments and be assigned with a coach and development sponsor.

Key Risk	Risk Description	Mitigation
Leadership Bench Strength and Succession (continue)		<ul style="list-style-type: none"> StarHub has a learning and development roadmap defined to help employees embrace StarHub's culture markers. Employees are encouraged to take charge of their development through the 3E approach (Education, Exposure, Experience), aligned with their individual development plans.
Cyber Breach and Fine by Authorities Due to Non-compliance	<p>Being a Critical Information Infrastructure (CII) operator, StarHub is exposed to the spectrum of cybersecurity-related threats prevalent in the digital era.</p> <p>A cyber incident on StarHub's CII could potentially cause:</p> <ul style="list-style-type: none"> Disruptions to StarHub's corporate network and/or services provided to customers; Breach of sensitive and/or confidential information; Significant regulatory fines and penalties. 	<ul style="list-style-type: none"> StarHub has implemented security policies, procedures and systems based on international standards such as ISO 27001, and local statutory requirements such as the Telecommunications Act, Broadcasting Act, and the CyberSecurity Act 2018. StarHub continues to benchmark against relevant frameworks to enhance its cybersecurity readiness. StarHub regularly conducts rigorous penetration testing and vulnerability assessments on its networks and systems to identify vulnerabilities and act accordingly in a timely and effective manner. StarHub has current business continuity and disaster recovery plans and conducts regular exercises to ensure swift recovery following the event of a disruption. StarHub constantly updates itself on regulatory requirements of government agencies. Furthermore, the Group continuously measures current levels of cyber maturity and prioritises cybersecurity investments on people, processes and technology throughout the organisation. These enable us to develop/revise plans and procedures to minimise the occurrence of emerging risks. StarHub has a dedicated SOC team that is actively monitoring (24x7) for any threat and vulnerabilities, triaging identified incidents, and escalating to those that warrant it. The SOC team plays a major role in Cyber Incident Response Team (CIRT) structure and is responsible for assessing IT security infrastructure, executing response and recovery processes to remediate incidents' impact as well. The entire process is derived and also aligned with the National Institute of Standards and Technology's (NIST) Cybersecurity Framework (CSF) standards.
Failure to Transform IT Systems and Adopting the Appropriate IT Right Sourcing Approach	<p>StarHub customer's services and experience is highly dependent on the uninterrupted availability of its IT systems.</p> <p>It is important to ensure that the IT systems are updated and enhanced constantly to ensure that it provides error-free and seamless experience for customers.</p> <p>Furthermore, StarHub needs to ensure that there is a ready pool of available manpower to maintain the IT systems.</p>	<ul style="list-style-type: none"> StarHub monitors the availability and operational robustness of critical IT systems in real time. StarHub has established standard operating procedures (SOPs) to mitigate system disruption caused by human or system errors. StarHub has maintenance contracts with agreed service levels in place for its IT technology suppliers. StarHub has critical business applications installed on high availability IT infrastructure and operates a disaster recovery data center. StarHub has defined business continuity management procedures and disaster recovery plans. StarHub conducts crisis exercises to ensure operational readiness in the event of a business operations disruption.

INVESTOR RELATIONS

EMPOWERING INVESTORS THROUGH OPEN AND TRANSPARENT COMMUNICATION

StarHub's philosophy is that quality investor relations is essential to attracting quality long-term investors and sustaining value for shareholders. True to this approach, we have in place a robust investor relations programme that allows us to engage the financial community across multiple channels and platforms through market cycles.

Three key elements underpin our investor relations programme: timely engagement, accurate disclosure and consistent communication. This allows us to communicate in an open

and transparent manner, empowering investors to make informed investment decisions, and nurturing a circle of trust with stakeholders.

A focus for investor relations in 2021 was to ensure that our shareholders and the financial community remained well-versed in StarHub's strategy and future direction. Our investor engagements over the past twelve months ensured that the market continued to have a sound appreciation of our proactive efforts to keep StarHub's growth prospects robust despite industry and macroeconomic headwinds.

Our communication concentrated on three areas of our value creation strategy. First, our investor education focused on

the positive impact of our three-year DARE 1.0 roadmap which concluded in October 2021, setting a strong foundation for the next phase of our transformation. Secondly, we followed-up with an introduction to our bold 5-year DARE+ transformation programme, defining its ambitious targets and differentiation from DARE 1.0. Thirdly, we secured buy-in from our investors on the rationale, synergies and valuation of our value-accretive acquisitions in 2021. This included our 50.1% acquisition of MyRepublic Group Limited to grow our broadband business, and the acquisition of a 60% stake in HKBN JOS (Singapore) Pte. Ltd. and HKBN JOS (Malaysia) Sdn. Bhd. to leverage cybersecurity and ICT as beachheads to drive connectivity on 5G solutions.

Reaching Investors Via Multiple Channels and Platforms

We leverage communication channels such as announcements, news releases, investor presentations, media and analyst briefings, quarterly institutional meetings and half-yearly retail briefings, annual reports, investor relations website, webcasts and email alerts to disseminate the latest information on StarHub's strategy, business performance, latest developments and competitors.

Cognisant that investor relations is only effective as a two-way communication, we continue to monitor market conversations through timely feedback from investors, analysts' reports, media articles, and financial blogs. This is augmented with insights into industry trends and changes in institutional investor ownership. Furthermore, an annual independent third-party perception study is conducted, providing us with greater clarity and awareness of market expectations and concerns. We periodically report our findings to the Board and C-suite to keep them apprised of market issues and challenges which may impact StarHub's share price.

During the year, we revamped our investor relations website to enhance user experience (UX) for investors. The enhanced UX has now augmented access for shareholders and investors to key strategic business and financial information on a well-designed and easy-to-navigate interface. StarHub's comprehensive investor relations website now provides up-to-date corporate information, key policies, financial results, webcasts and presentations, regulatory announcements, annual reports and circulars, share price information and dividend information. We endeavour to keep our investor relations website updated with material information on a timely basis to ensure fair and equal dissemination of information. The email address and contact number of our investor relations officer is also posted on the website for the convenience of investors with StarHub related queries.

INVESTOR RELATIONS CALENDAR 2021



Institutional Investor and Analyst Engagements

Listed on the Mainboard of the Singapore Exchange with a market capitalisation of \$2.4 billion¹, StarHub is a key component on indices such as SGX iEdge SG ESG Leaders Index, iEdge SG ESG Transparency Index and the ESG-focused FTSE4Good Index Series. As at 31 December 2021, we are actively covered by 18 sell-side analysts based in Singapore, Hong Kong, Malaysia, India, and the United Kingdom.

Given travel limitations due to border closures, we continue to engage investors and analysts through one-on-one and group virtual meetings, global and regional investor online conferences, non-deal virtual roadshows, and virtual investor days. We recorded over 440 investor engagements across these virtual platforms in FY2021.

Engaging Retail Investors at StarHub's 23rd AGM

With mandatory COVID-19 restrictions in place across Singapore, shareholders were unable to attend our 23rd Annual General Meeting ("AGM") in person for a second consecutive year. At the event on 30 April 2021, Nikhil Eapen addressed investors for the first time in his capacity as the newly-appointed Chief Executive. Mr Eapen's presentation covered the Group's performance in a challenging year 2020 and included an update on DARE 1.0, as well as his expectations for the year. Shareholders were presented with the option to submit their questions to StarHub in advance of the AGM. StarHub posted responses to these questions as well as those received from the Securities Investors Association of Singapore (SIAS) to SGXNet and our investor relations website prior to the AGM. Questions posed covered a range of StarHub related topics, including our strategy, operations, industry, financials and outlook for the group's business and dividend guidance.



More details on the proceedings of our AGM can be found in the Corporate Governance section on pages 99 to 100.



Unveiling Our Future at StarHub Investor Day 2021

With the conclusion of our DARE 1.0 roadmap in October 2021, we unveiled our DARE+ growth roadmap during our Investor Day in November 2021. The online event increased understanding of our strategies to transform StarHub beyond traditional Telco services to a digital-first brand that enables new possibilities for customers enabled by StarHub's growing ecosystem of products and services, backed by the most-awarded network in Singapore.

Participants were able to hear from C-suite and heads of business groups. Our Chief Executive opened the full day event with a presentation on our DARE+ Group vision and our Chief Financial Officer followed up with the unveiling of financial targets and objectives for the next five years. Our business chiefs elaborated on our DARE+ vision for Consumer and Enterprise divisions, and our Chief of Network talked about how StarHub's world-class network will be the backbone to enable new business opportunities. This platform increases investors' understanding of our ESG efforts and priorities and how our DARE+ efforts will drive business growth beyond the next five years.

Our DARE+ strategy was well received by the market as our share price gained traction from StarHub's Investor Day till end of 2021. This was also evident in the more active trading volume of StarHub shares during the period. To ensure fair disclosure of information to all investors, materials presented during the event were posted on SGXNet and our investor relations website prior to the event commencement.

Recognised for High Standards of Corporate Governance and Transparency

In FY2021, StarHub's investor relations was recognised by leading corporate governance and sustainability rating agencies for upholding high standards of integrity, accountability and investor communication.

We were accorded the Most Transparent Company Award in the Communications category at the SIAS Investors' Choice Awards 2021. This marked the sixth time we were bestowed the accolade which recognises excellence in companies adopting good corporate governance practices.

In recognition of our corporate governance policies and practices, we were ranked 40th out of 519 SGX-listed companies in the Singapore Governance and Transparency Index 2021 - General Category. Through a collaboration between CPA Australia, NUS Business School's Centre for Governance and Sustainability, and Singapore Institute of Directors, the SGTI is the leading index for assessing corporate governance practices of Singapore-listed companies.

Our Investor Relations Commitment

With the unwavering support of the Board and management, we are committed to delivering best practice investor relations, transparency and governance in our engagement with our shareholders and the financial community.

For investor queries please contact:

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¹ Bloomberg LLP, as at 31 December 2021

SUSTAINABILITY REPORT

50% reduction
in GHG emissions
by 2030



30% renewable energy
by 2030



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SUSTAINABILITY REPORT

INTRODUCTION

Message from the Board

We are pleased to present StarHub's 11th Sustainability Report.

2021 was a year characterised by uncertainty, however, it brought about many opportunities for us to make excellent progress on StarHub's sustainability targets. Guided by our strategic sustainability charter and as a pioneer in emerging areas such as 5G, we doubled down on our efforts to meet our clean energy and greenhouse gas emissions targets in support of the Singapore Green Plan 2030. Recognising the growing importance of human connections in a world disrupted and divided by the COVID-19 pandemic, we also expanded our commitment to community support together with our longstanding charity partners.

We are honoured and humbled to have improved our placing among the world's front runners of sustainability in the 2022 Corporate Knights Global 100 rankings, gaining international recognition for our sustainable practices. Notably, StarHub has been ranked as the world's most sustainable Wireless Telecommunication Service Provider, as well as emerging first in Singapore among telecommunication providers. These major milestones are a strong endorsement of StarHub's relentless quest to drive a more sustainable future for our businesses, our community and the environment in which we operate.

At StarHub, the Board of Directors is responsible for the strategic direction of sustainability governance, and we have made it our priority to consider sustainability issues as an integral part of our overall strategy. The Management plays a key role to support this integration, in executing and tracking the company's DARE+ transformation and growth strategy for the next five years.

To ensure we take into account our stakeholders' concerns and the latest developments, we have conducted a Materiality Assessment refresh this year whereby the Board-level Risk & Sustainability Committee took a key role in working closely with Management to prioritise the ESG topics that are most material to our business. We will continue to work closely with Management to oversee progress in these key areas.

In 2021, we leapt ahead to start climate impact reporting in

accordance with the recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD). Although the Singapore Exchange (SGX) only mandates the 'comply or explain' reporting requirements to apply from 2022 onwards, we believe aligning to the TCFD recommendations earlier will allow us to build resilience amid the growing climate change threat. Moving forward, we will be conducting more detailed scenario analyses in 2022, to enhance and broaden our climate impact reporting.

As an early signatory to the United Nations (UN) Global Compact, we continue to be committed to the Ten Principles of the UN Global Compact. Many of our initiatives are aligned to the Sustainable Development Goals (SDGs), demonstrating our strong belief that StarHub has the ability to make a significant contribution towards the fulfilment of the SDGs.

Moving ahead, to signal our strong intent to embed Sustainability into the core of all we do, we have set long-term greenhouse gas emissions reduction and renewable energy adoption targets for 2030, to align ourselves to make a positive impact on the climate, the environment and for all our stakeholders.

On behalf of the Board of Directors of StarHub, I thank you for your support of StarHub's sustainability strategy and practices. As a trusted homegrown brand, we will continue to push the boundaries of what is possible and reach new heights, to build a more sustainable future.

Best regards,
Steven T Clontz, Chairman of Board

ABOUT THIS REPORT

REPORTING SCOPE AND BOUNDARY

The information in this report covers all our business units, StarHub Shops (excluding Exclusive Partners unless otherwise stated), data centres, subsidiaries, and associated companies (excluding some new subsidiaries¹ and a joint venture², unless otherwise stated), during our financial year 2021 (1 January to 31 December 2021).

REPORTING FRAMEWORK

This report adheres to the Singapore Exchange Securities Trading Limited (SGX-ST) Listing Rule 711A on preparing an annual sustainability report and describes our sustainability practices with reference to the primary components set out in the SGX-ST Listing Rule 711B.

This report is also prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, given its wide adoption and to the extent applicable to StarHub's business operations. The GRI content index can be found on pages 165-168.

We have also included relevant metrics recommended by the Sustainability Accounting Standard Board (SASB) based on the Telecommunications Services (Industry Standard, Version 2018-10) as summarised in our SASB Disclosure Index on pages 169-170.

For the first time, our report also includes the recommended disclosures of the TCFD. Our TCFD Index can be found on page 164.

EXTERNAL ASSURANCE

StarHub has engaged KPMG LLP to provide independent assurance over a selection of our key ESG disclosures. Please refer to pages 171-174 for the assurance opinion and scope of data assured.

FEEDBACK

We welcome your comments and feedback on how we can continue to progress on our sustainability journey. Please contact us at: ir@starhub.com.



¹ Subsidiaries refer to Ensign InfoSecurity Pte. Ltd. (Ensign), Strateq Sdn. Bhd. (Strateq), HKBN JOS (Singapore Pte. Ltd (JOS SG), and HKBN JOS (Malaysia) Sdn. Bhd. (JOS MY) acquired between 2018 and 2022

² Joint venture refers to Antina Pte. Ltd., incorporated in 2021.

SUSTAINABILITY REPORT

FY2021 PERFORMANCE HIGHLIGHTS



Advancing Environmental Sustainability & Resilience

- 8% reduction in greenhouse gas emissions against 2019 baseline
- Increased the proportion of our renewable energy use to 6%
- Met the sustainability performance target of our sustainability-linked loan, qualifying for a rebate against the loan interest in 2021
- Embarked on our TCFD reporting



Enabling a Digital Society

- Following the momentum of being the first in Singapore to launch a 5G Non-Standalone network, we successfully deployed a 5G Standalone network in 2021
- Launched a 5G-ready Internet of Things platform service



Caring for Our People & Communities

- 22,789 hours of training provided to our employees, reaching 99% of our workforce
- 25% of Board members are female and 42% of our workforce are female
- Awarded “Best Leadership Development” and “Best People-centric Culture” in EngageRocket’s Workplace Transformation Awards
- Reached over 4,800 beneficiaries with our donation and hands-on community efforts



Embedding Responsible Business Practices

- Zero incidents of non-compliance pertaining to fraud, corruption, and unethical actions
- Zero incidents of non-compliance with regulations or voluntary codes concerning product and service information and labelling
- Rated highest in customer satisfaction scores for Mobile and Broadband services in the info-communications sector by the Customer Satisfaction Index of Singapore (CSISG) 2021 study³
- Fastest 4G median throughput in Infocomm Media Development Authority (IMDA) IMconnected 2021 H1 Report
- Ranked first in five network performance categories in the Opensignal Global Mobile Network Experience Awards 2021, for Video Experience, Download Speed Experience, Games Experience, Voice App Experience, and 4G Coverage experience
- Recognised as “Best Pay TV Service Provider” at the 2021 HWM+Hardwarezone.com Tech Awards
- Completed Supplier Self-Assessment Questionnaires with 100% of our key suppliers with an annual spend of \$1 million and above

³ Conducted by the Institute of Service Excellence (ISE) at Singapore Management University (SMU)



World's Most Sustainable Wireless Telecommunication Service Provider,
World's Third Most Sustainable Telco,
Singapore's Most Sustainable Telco,
Ranked 72nd Overall



Charity Platinum Award



Rated 'AA'
since 2017



'B' rating for CDP Climate Change



FTSE4Good
Included since 2020



EngageRocket's Workplace Transformation Awards

SGTI

Singapore Governance and Transparency Index 2021
Ranked 40th out of 519 Companies



AWARDS AND RECOGNITION



Most Transparent Company
(Communications category)

SGX Group

iEdge SG ESG Indices
ESG Leaders Index and ESG Transparency Index since 2016



Ranked **highest in customer satisfaction scores** for mobile and broadband services



Fastest 4G median throughput in IMDA IMConnected 2021 H1 Report



Recipient of the inaugural LowCarbonSG Mark

SUSTAINABILITY REPORT

APPROACH

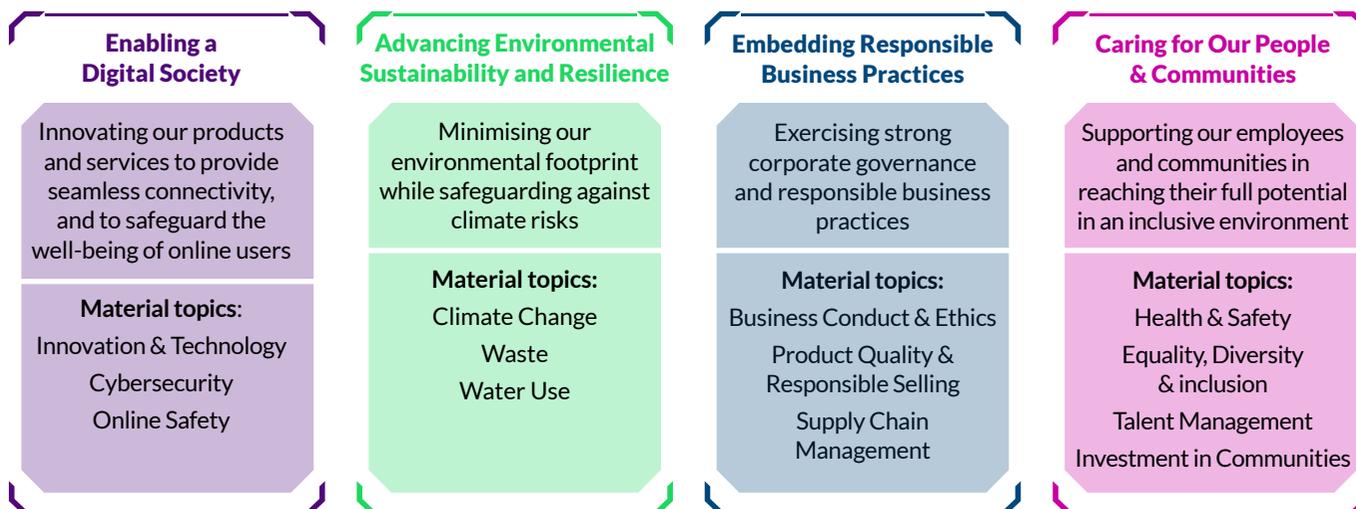
StarHub's Sustainability Framework

StarHub's ambition is to create a better world enabled by digital solutions, while caring for our planet and its people.

To achieve this ambition, we have identified a framework consisting of four key priorities. This framework guides our approach to strategically embed sustainable practices in every aspect of our business and creating long-term value for all our stakeholders. It is underpinned by action plans, with key

performance indicators and targets that drive continuous performance improvement. Tracking our progress against this framework forms the basis of this report, which is important for accountability and transparency.

Pillars of the StarHub Sustainability Framework



Sustainability Governance

1 The Board

- Responsible for overseeing StarHub's overall sustainability efforts, and climate-related risks and opportunities
- Reviews and considers sustainability issues as part of its strategic formulation, the determination, target-setting and monitoring of material ESG factors

2 Board Risk & Sustainability Committee

- Comprises members of the Board of Directors as well as the CEO
- Responsible for the oversight of sustainability and climate-related matters, keeping the Board informed on the identification, assessment, and monitoring of material sustainability topics and climate-related risks and opportunities
- Reviews business practices and climate-related risks and opportunities identification process to ensure alignment and integration of our sustainability strategy

3 Management Risk Committee

- Comprises cross-functional members of the Management across business units, with the sustainability agenda headed by the Chief Corporate and Sustainability Officer
- Reports to the Board Risk & Sustainability Committee on a regular basis
- Responsible for assisting the Board Risk & Sustainability Committee in developing management policies, strategies, and frameworks for monitoring and mitigating climate-related risks and opportunities, as well as establishing priorities, goals and targets in the short- and long-term

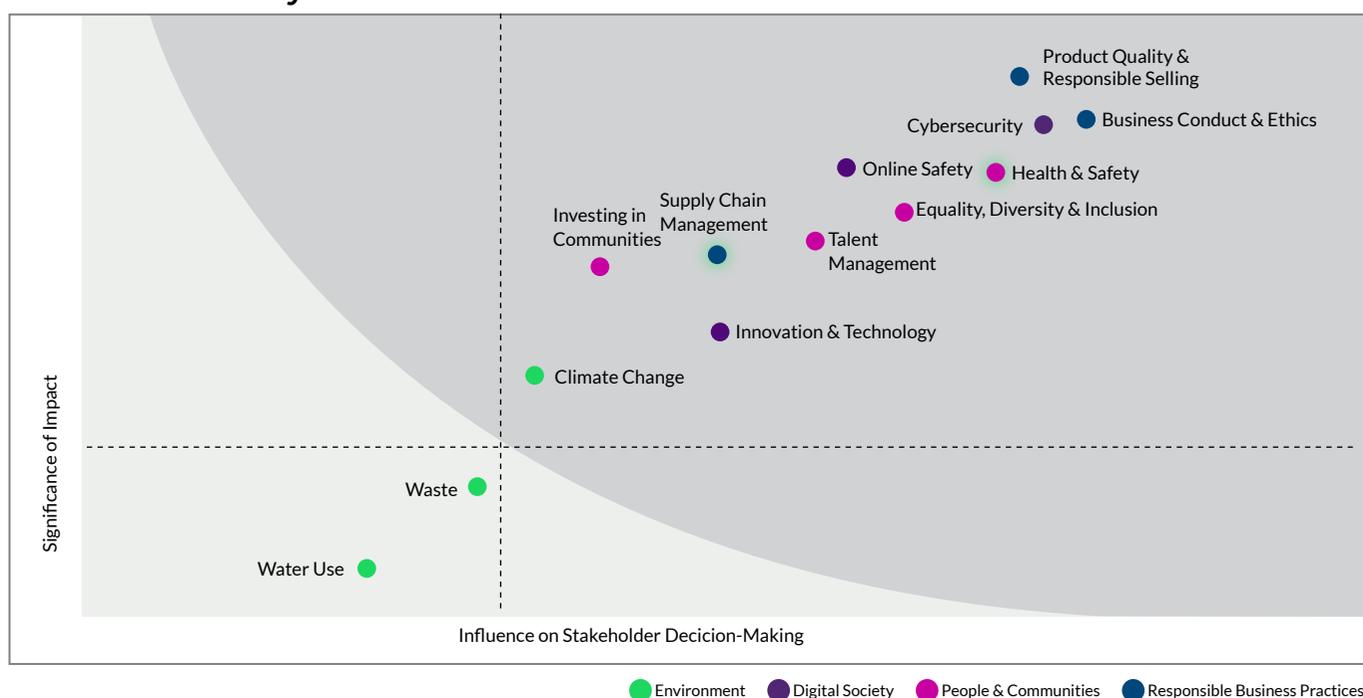
4 Corporate Sustainability Advocate Function

- Responsible for developing, implementing and coordinating programmes and initiatives with the support of cross-functional representatives

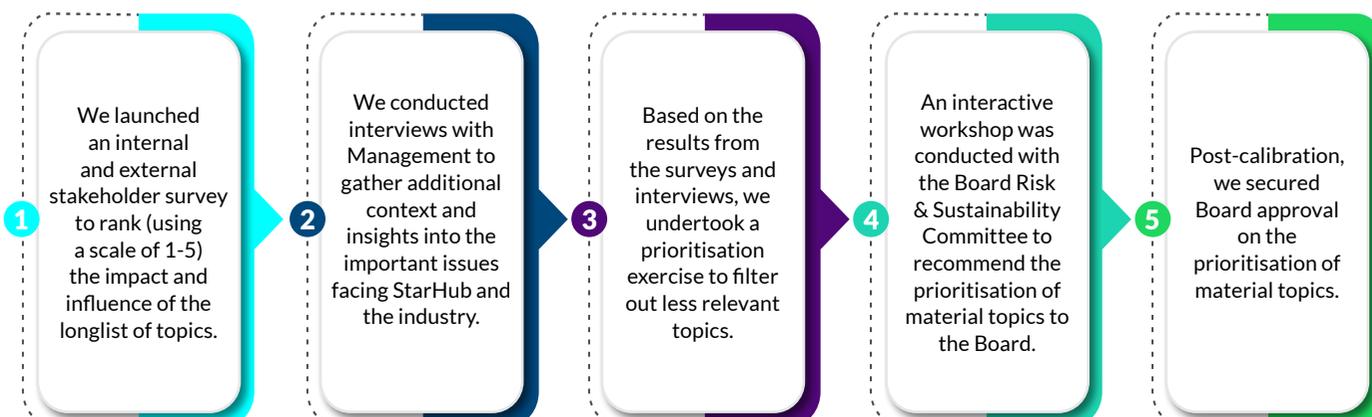
MATERIALITY ASSESSMENT

In 2021, we conducted a refresh of our materiality assessment to prioritise ESG topics that have the greatest influence on our stakeholders, and which StarHub can have the greatest impact. During the materiality assessment, we aimed to get balanced views from representatives of our most important stakeholder groups, namely the Board of Directors, Management, employees, enterprise customers, investors, media, non-governmental organisations (NGOs) and suppliers. We will continue to review our material topics on an annual basis.

StarHub's Materiality Matrix



To identify a longlist of material topics, we conducted desk-based research and peer benchmarking to identify any new topics that may have emerged since StarHub's last full materiality assessment in 2019.



SUSTAINABILITY REPORT

Supporting the UN Sustainable Development Goals

StarHub has identified the following SDGs as our key focus of impact and has concentrated on specific targets within each goal to which we are able to make specific contributions.

SDG (SDG Targets)	Material Topics	Examples of Efforts and Initiatives
 <p>Goal 3 Ensure healthy lives and promoting well-being for all at all ages</p> <p>(3.4, 3.d)</p>	<ul style="list-style-type: none"> Health & Safety 	<ul style="list-style-type: none"> Partnership with ThoughtFull to launch a company-wide mental wellness programme and a range of employee care initiatives (page 142) Sponsorship of Care Corner Youth Services Online Engagement Initiative to raise awareness and provide intervention for mental depression in youths (page 154) Implementation of safe management measures during the COVID-19 pandemic, following government advisories on work-from-home arrangements (page 142)
 <p>Goal 4 Supporting quality education as the foundation to improving people's lives and sustainable development</p> <p>(4.4, 4.a)</p>	<ul style="list-style-type: none"> Investment in Communities Talent Management 	<ul style="list-style-type: none"> Refurbishment of laptops for distribution to underprivileged youths to facilitate effective learning during the COVID-19 pandemic (page 149) Upskilling of workforce, particularly in the technical areas of 5G, network virtualisation, cybersecurity, and data analytics (page 147)
 <p>Goal 5 Achieve gender equality and empower all women and girls</p> <p>(5.1)</p>	<ul style="list-style-type: none"> Equality, Diversity & Inclusion 	<ul style="list-style-type: none"> Adherence to the Tripartite Alliance for Fair Employment Practices (TAFEP) guidelines, prohibiting any kind of discrimination in employment or transactions (page 144)
 <p>Goal 7 Improve access to clean energy</p> <p>(7.2)</p>	<ul style="list-style-type: none"> Climate Change 	<ul style="list-style-type: none"> Progressively raising the proportion of our renewable energy use to 10% by 2022 and 30% in 2030 (page 130)
 <p>Goal 8 Promote inclusive and sustainable economic growth by creating quality jobs for all</p> <p>(8.8)</p>	<ul style="list-style-type: none"> Supply Chain Management 	<ul style="list-style-type: none"> Implementation of a formalised Responsible Sourcing Policy based on the Ten Principles of the UN Global Compact (page 140) Assessment of suppliers through our Supplier Self-Assessment Questionnaire (page 140)

SDG (SDG Targets)	Material Topics	Examples of Efforts and Initiatives
 <p>Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p> <p>(9.1, 9.4)</p>	<ul style="list-style-type: none"> Innovation & Technology Climate Change 	<ul style="list-style-type: none"> Launch of a 5G standalone network (page 124) Provision of a 5G-capable IoT platform to support corporate and government clients with sustainable solutions (page 135) Developed bespoke mobile app for Go-Ahead Singapore (page 125) Commencement of operations of energy-efficient Data Centre SHDC@Loyang (page 130) Lowering the average PUE (power usage effectiveness) ratio of our technical centres from 2.08 to 1.76 (page 130)
 <p>Goal 10 Reduce inequality within and among countries</p> <p>(10.2)</p>	<ul style="list-style-type: none"> Investment in Communities 	<ul style="list-style-type: none"> Making contributions to disadvantaged members of the community through volunteering and monetary donations (page 149) Launching of a pilot programme by Ensign, to offer neurodiverse individuals better employment opportunities (page 144)
 <p>Goal 11 Make cities and human settlements inclusive, safe, resilient and sustainable</p> <p>(11.6)</p>	<ul style="list-style-type: none"> Waste 	<ul style="list-style-type: none"> One-for-one take-back service of used devices for customers (page 136) Fully-managed Device Lifecycle Management service (page 136) Waste reduction initiatives, including a) refurbishment of rental electronic devices, b) paperless processes and digital billing, and c) reduction of packaging (page 136)
 <p>Goal 12 Ensure sustainable consumption and production patterns</p> <p>(12.8)</p>	<ul style="list-style-type: none"> Investment in Communities 	<ul style="list-style-type: none"> Supporter of WWF Earth Hour since 2013, providing free TV airtime to raise awareness (page 150) Supporting WWF through their corporate engagement services to spread awareness (page 150)
 <p>Goal 13 Take urgent action to combat climate change and its impacts</p> <p>(13.1)</p>	<ul style="list-style-type: none"> Climate Change 	<ul style="list-style-type: none"> Adoption of the TCFD framework (pages 134-135) Established our Climate Risk Framework to identify and mitigate key climate risks (pages 134-135)
 <p>Goal 17 Strengthen the means of implementation and revitalise the global partnership for sustainable development</p> <p>(17.17)</p>	<ul style="list-style-type: none"> Investment in Communities 	<ul style="list-style-type: none"> Partnering NGOs and regulatory bodies to bridge the digital divide through our Senior Go Digital, Junior Stars and Small Business Day initiatives (page 149) Supporting Care Corner Youth Services to assist at-risk youths facing mental depression issues in cyberspace (page 154)

SUSTAINABILITY REPORT

2021 PERFORMANCE & NEW KEY TARGETS

In line with our commitment to sustainable development, we have laid out clear targets which we track our progress annually. We have set out a combination of long-term goals to achieve by 2030, aligned with the Paris Agreement, as well as short-term, immediate goals.

We regard the following targets as key contributors to our sustainability strategy. More specific targets under each of the four pillars of the StarHub Sustainability Framework are detailed under the respective sections in this report.

Material Topic	2021 Achievement	New Target
Greenhouse Gas (GHG) Emissions 	Achieved 8% reduction in Scope 1 and 2 GHG emissions	50% reduction in Scope 1 and 2 GHG emissions by 2030 (from a 2019 base year) Offset our Scope 1 and 2 GHG emissions for our Corporate Office and four main retail shops in 2022
Renewable Energy 	Achieved target of 6% renewable energy use through procurement of Renewable Energy Certificates (RECs)	10% energy use from renewable sources by 2022 and 30% by 2030
Energy Efficiency 	Exceeded target with an average PUE ratio of 1.76 for our technical centres	Improve monthly average PUE ratio to 1.70 by 2022
Supply Chain Management 	Completed Supplier Self-Assessment Questionnaires with all suppliers with an annual spend of at least \$1 million and new suppliers onboarded in 2021	To secure confirmation from 70% of our suppliers that they adhere to our Supplier Code of Conduct in 2022
Public Health & Safety 	100% compliance with relevant radio frequency (RF) radiation safety standards set by local regulators	100% compliance
Investment in Communities 	Invested a total of \$882,200 reaching more than 4,800 beneficiaries Estimated potential reduction of 250 tonnes of carbon emissions via sequestration through staff tree-planting activity	To support corporate social responsibility (CSR) activities that engage our employees and work with our beneficiaries, with a focus on climate change



ENABLING A DIGITAL SOCIETY

2021 Performance & New Targets



1 Innovation & Technology

Rolled out 5G Standalone network and launched a suite of new services and solutions for our customers

Target:

Continue to innovate with customers' evolving needs, embracing new technology and fostering innovation through our value chain



2 Cybersecurity

No information systems or customer databases were materially compromised

Target:

Continue to enforce strict compliance with local regulatory requirements and industry best practices and maintain the integrity of information systems and customer databases



3 Online Safety

Educated customers and employees on online safety and responded to requests and advisories from government agencies

Target:

Continue to encourage and promote the appropriate and safe use of online technologies, educate customers on potential scams and cooperate with requests from government agencies

SUSTAINABILITY REPORT

INNOVATION & TECHNOLOGY

StarHub is committed to embracing new technologies and fostering innovation throughout our value chain. This is evident in the nascent area of 5G, where StarHub moved early to establish ourselves as a market leader. 5G, which offers greater speeds, capacity, and connectivity, enables digital-first solutions for a smarter, safer and more sustainable society.

StarHub was the first in Singapore to launch 5G services for both consumers and businesses in 2020. This milestone was achieved in collaboration with our technology partner Nokia. In 2021, StarHub boosted our network to full-fledged 5G Standalone and secured additional wireless spectrum in the 2.1GHz band, which will allow our customers to experience excellent 5G indoor coverage.

Taking the opportunity to support the sharing economy, we rolled out our 5G Standalone network through our joint venture, Antina, on the 3.5GHz spectrum in a more sustainable manner by collaborating with another mobile network operator. Under the partnership, we will expand and enhance the 5G Standalone network with the additional 2.1 GHz spectrum which was secured in 2021. The sharing of network with our partner allows us to avoid the duplication of infrastructure, thereby optimising infrastructure spectrum costs as well as reducing the carbon footprint of our 5G service offerings.

StarHub has maintained its leadership in 5G innovation, launching a continuum of new services and solutions for customers. We are also conducting trials with government clients and firms across various industries to find breakthrough solutions to address the most pressing concerns faced by our customers.

With the network upgrade to 5G Standalone, StarHub unlocked the true ultra-low latency performance features



StarHub offers a full suite of 5G enhanced IoT services for corporate customers to boost sustainability efforts

of 5G. For consumers, we rolled out a complete package of 5G services, including 5G SIM cards, fixed contract and SIM Only plans, devices as well as roaming, streaming and cloud gaming services. Our customers can now enjoy an expanding suite of entertainment streaming and cloud gaming services optimised by our 5G network.

For our enterprise customers, security is just as important as network

responsiveness. In 2021, StarHub became the one-stop brand for our customers' 5G, cybersecurity, cloud, ICT and network connectivity needs. With the introduction of 5G Digital Workplace and Managed Secure Access Service Edge solutions, StarHub now offers integrated solutions to improve IT and workforce management, and to secure connectivity between our customers' offices and employees.



5G network rollout activities

StarHub forged a partnership with Hewlett Packard Enterprise to launch the 5G Multi-access Edge Computing (5G MEC) solution, which helps organisations and government clients make faster and smarter decisions that are time-critical, by enabling next-generation automation, mission-critical communications and data analytics. With the new solution, customers in latency-sensitive environments, including high-precision manufacturing, autonomous transportation, and intelligent robots and cameras with accurate predictive analytics, can move services and content closer to their end-users and make split-second business decisions based on real-time analytics.

Another major development was the launch of the StarHub 5G IoT Platform Service, a one-stop solution that allows organisations to aggregate all their existing IoT applications and connected devices on a single platform. For example, a public transport operator can perform real-time vehicle tracking, automated inspection of the conditions of its fleet, and predict potential issues pre-emptively.

Set out on the right are a few case examples of how StarHub acts as an enabler by providing our services to help our clients make efficient use of resources.

Case Example 1: StarHub Developed Bespoke Mobile App for Go-Ahead Singapore to Help Simplify and Automate Daily Work Processes

StarHub developed an innovative workflow and scheduling mobile app, BC Click, which helped Go-Ahead Singapore to increase business efficiency by simplifying and automating the work processes of its bus captains. In 2021, the app helped the bus operator achieve its work efficiency objective of saving 1,400 man-hours, while positively contributing towards the environment by going paperless and saving more than 500,000 sheets of A4 sized paper.



Simplify and automate work processes using mobile app

Case Example 2: StarHub Collaborating with H2i for a Cost-Effective Rainfall Monitoring System Using Mobile Base Stations as Rainfall Sensors

StarHub will be working with Hydroinformatics Institute (H2i), a water technology scale-up, to utilise StarHub's ubiquitous network of mobile base stations as "opportunistic" rainfall sensors in a Public Utilities Board (PUB) pilot project to develop a cost-effective rainfall monitoring system. StarHub analyses signal strength data from our base stations as part of our day-to-day network operations to enhance our network quality. Due to the effect that rain has on mobile signal strength, by analysing our data for micro changes in signal strength, insights on rainfall intensities can be obtained, allowing better management of storm water to alleviate and mitigate the effects of flash floods brought about by climate change. As the World Meteorological Organisation recognises extreme weather events as the "new norm" in its newly released State of the Climate



StarHub Mobile Base Station

report, there is an even greater urgency to address their impact. This timely and novel pairing between StarHub and H2i generates synergy through the sharing of expertise and technology to deliver an innovative flood management solution which provides a safer and more sustainable environment for all.

SUSTAINABILITY REPORT

Case Example 3: Mission-Critical Communications Solution

StarHub is the first to launch a mission critical communications solution in Singapore powered by both 4G and 5G, allowing public safety, aviation, construction and healthcare agencies to boost the safety and security of their workforce and the community through more effective crisis and emergency response strategies. Named SmartPTT, the service enables ruggedised mobile phones to possess amped-up walkie-talkie features, including crystal-clear audio quality, nationwide coverage and first-of-its-kind 'live' video feeds via Push-to-Video capability.



StarHub SmartPTT provides a 5G-capable mission critical communications solution



Signing of 5G Standalone Radio Access Network Contract. StarHub Chief Executive, Nikhil Eapen (right), M1 Chief Executive Officer, Manjot Singh Mann (left), and Nokia Head of Customer Experience, Asia Pacific & Japan, John Harrington



Enterprises, government clients, and partners saw StarHub's 5G solutions 'live' in action at the 5G Digital Experience Showcase and iFAME 2021



CYBERSECURITY

To maintain the trust our customers place in us, we take a proactive approach towards preventing cybersecurity incidents and protecting our customers' personal information.

StarHub complies with all applicable laws, including the Cybersecurity Act and the Personal Data Protection Act (PDPA), as well as sector-specific cybersecurity requirements imposed by IMDA. Audits, risk assessments, penetration tests, vulnerability assessments and cybersecurity exercises are performed on an ongoing basis.

In 2021, we successfully implemented a cybersecurity governance framework that is aligned with both the National Institute of Standards and Technology's cybersecurity framework and ISO/IEC 27001 standards. To implement our cybersecurity governance framework across the organisation, we have put in place a set of cybersecurity and information security policies, procedures, guidelines, and checklists for StarHub employees as well as third-party suppliers. Cybersecurity clauses have also been added to supplier contracts to ensure cybersecurity throughout our value chain. We also conduct annual cybersecurity awareness training and regular cybersecurity exercises to maintain staff security vigilance. We have in place a cyber risk insurance policy to further mitigate our exposure to cybersecurity risk.

StarHub's Data Protection Policy sets out how we collect, use, manage and disclose personal data in line with the PDPA. Our Data Protection Officer (DPO) oversees StarHub's Data Protection Management Programme and ensures compliance with the PDPA. The DPO, together with the Legal and Regulatory departments, monitors upcoming relevant legislative changes. Our Internal Audit function provides assurance to Management on the effectiveness of our control measures. Our data protection practices have been validated through a third-party certification process, achieving the Data Protection Trustmark in 2020.

Over 200 employees attended a total of five PDPA awareness sessions in 2021, equipping them with knowledge and skills to safeguard the personal data of our customers. A Personal Data Breach Response e-learning module was launched in 4Q2021 to educate our employees on the response measures in the event of a personal data incident. 85% of our employees successfully completed the e-learning module.

In 2021, through proactive online surveillance, StarHub discovered that the personal information of certain individual customers had been illegally uploaded on a third-party data dump website. The personal data appeared to

be around 14 years old. No credit card or bank account information was at risk and no StarHub information systems or customer databases were compromised. There was no evidence that the data was misused.

StarHub treated this incident with utmost seriousness. Apart from reporting the incident to the appropriate channels, we swiftly implemented the following mitigating actions:

- Activated an incident management team to assess and contain the situation
- Engaged a team of leading digital forensic and cybersecurity experts to launch an investigation
- Took immediate and appropriate actions to review existing security measures to protect core infrastructure and systems
- Offered free credit monitoring services to all customers impacted, in order to help guard against misuse of their information



SUSTAINABILITY REPORT

ONLINE SAFETY



StarHub offers CyberSecure, CyberCover and CyberProtect, providing additional protection for our enterprise customers and consumers

The internet has changed the way people live, work, learn and socialise. As technology continues to evolve, unknown threats will emerge. Being a responsible service provider, StarHub encourages and promotes the appropriate and safe use of online technology.

We provide information to educate our employees and customers about online threats. We share timely information about safe online practices on our website, community forums and social media platforms, including warnings about common scams. Topics are identified through customer feedback, trending issues, internal stakeholders, and other external parties.

A series of three videos, created in partnership with the National Crime Prevention Council, were released at the end of 2021 to educate the public on common scams and how they could use the ScamShield app to protect themselves.

We have put in place robust authentication mechanisms and resilient backend systems to protect customers' data and to prevent fraud and impersonation, including the mandatory use of strong passwords for customers' Hub ID accounts, and a one-time password authentication for customers who use their mobile number for My StarHub app log-in. We also took steps to suspend dormant Hub ID Lite accounts which no longer support any active StarHub services. Customers who were using the default voicemail passcode were reminded to reset it as an added safeguard.

With the increasing prevalence of digital scams, StarHub also works closely with the relevant authorities to block international calls that spoof local numbers, impersonating legitimate sources such as government agencies. For other overseas call, a plus '+' sign prefix has been added to help users identify potential overseas spoof calls and reduce their risk of becoming a victim.

In addition, we offer JuniorProtect, an internet parental control service to protect children online. A subscription allows parents to manage their children's data usage and screen time, block unsafe content with easy preset filters and obtain reports and alerts on their web activities.

In 2021, we pursued our efforts to encourage and promote the appropriate and safe use of online technology through the internet and My StarHub app. To safeguard enterprise customers and consumers, we are delivering a complete suite of cybersecurity solutions, including CyberSecure, CyberCover and CyberProtect in 2022, to strengthen their defences against cyber risks.



ADVANCING ENVIRONMENTAL SUSTAINABILITY & RESILIENCE

2021 Performance & New Targets



1 GHG Emissions
Achieved
8%
reduction in
GHG emissions
Target:
50% reduction in
Scope 1 and 2 GHG
emissions by 2030 (from a
2019 base year)



2 Renewable Energy
Adopted
6%
renewable energy use
through procurement
of RECs
Target:
10% by 2022 and
30% by 2030



3 Energy Efficiency
Average PUE ratio of
1.76
for our technical
centres
Target:
PUE ratio of 1.70
by 2022



4 Water Conservation
Achieved a
40%
year-on-year reduction
in water consumption
Target:
To detect and manage
leaks promptly to
minimise water wastage



5 Climate Resilience
Conducted an independent
infrastructure audit and
flood-prone zone review,
finding no significant
issues with the resilience
of our network operations
and facilities
Target:
To ensure climate resilience
through an annual review
of flood-prone areas for
all our network operations
and facilities



6 Waste Management
Diverted
100%
of the e-waste within our
operations away from
landfills through recycling
and smoothly transitioned
our public e-waste
recycling programme to the
government's new e-waste
management system
Target:
To recycle 100% of
the e-waste within our
operations



SUSTAINABILITY REPORT

CLIMATE CHANGE

The effects of climate change are evident and will continue to intensify. StarHub is committed to minimising our environmental footprint, as well as ensuring our business remains resilient in the face of climate risk and related regulatory impacts.

It is imperative that we put in place innovative and adequate measures to improve our energy efficiency and reduce our GHG emissions, as well as to ensure our physical assets remain resilient to potential damages from rising temperatures and natural disasters.

Consequently, we have set a new target to achieve a 50% reduction in our Scope 1 and 2 GHG emissions by 2030, using 2019 as a base year. We have also raised our renewable energy and energy efficiency targets correspondingly, as detailed in the next section. Our preferred approach is to consider and purchase RECs from nature-derived solutions and carbon credits from nature-based solutions or their equivalent in order to fulfil our low-carbon needs.

Energy & Emission

Our technical centres, including our data centres and base stations, contribute to the majority of our energy consumption as they are part of the key infrastructure which supports our products and services.

To address the higher energy consumption caused by the increasing demand for data, we are focusing on operating our technical centres in a more energy-efficient manner and adopting energy-efficient technologies. Measures implemented include temperature optimisation and improving airflow with the use of aisle containment and blanking panels to reduce cooling requirements. A list of our main energy reduction measures implemented in

2021 are presented on page 131. These measures are estimated to provide a reduction of 4,824,647 kWh (3%) in our annual energy consumption, on top of the annual reduction of 2,351,991 kWh from the measures implemented in 2020.

In 2021, following the procurement of 8,896 MWh of RECs, we increased the proportion of our renewable energy use to 6% through the purchase of additional unbundled RECs⁴. We are committed to increase the proportion of our renewable energy progressively to reach our target of 10% in 2022 and 30% by 2030. We have met and exceeded the average PUE ratio target of 1.77 in 2021 and we are committed to improve the monthly average PUE ratio of our technical centres to 1.70 in 2022.

StarHub Data Centre @ Loyang

SHDC@Loyang, our state-of-the-art hyperscale facility located within AirTrunk SGP1, began operations in January 2021. Using advanced energy-efficient indirect evaporative cooling through the evaporation of water, it can achieve an operating PUE ratio as low as 1.36. To-date, it is estimated that SHDC@Loyang has reduced the energy consumption of our data centre customers by 2,550 MWh, compared to Singapore's average data centre PUE of around 1.9.

We are on track to fully utilise our committed capacity for our customers at SHDC@Loyang, which is extremely encouraging. The strong take-up rate validates that an increasing number of large enterprises are seriously adopting responsible supply chain management.

We are in the process of formulating the next phase of our data centre strategy, which will embed sustainable practices by design, looking into more efficient use of energy and, where available, green sources of energy to support our climate action.



StarHub Hyperscale Data Centre @ Loyang on the AirTrunk SGP1 campus

⁴ Of the 8,896 MWh of RECs purchased, 2,496 MWh of RECs were generated from local solar photovoltaics in 2020 and 6,400 MWh of RECs were generated from solar photovoltaics in Vietnam, in 2021

Main Energy Reduction Measures Implemented in 2021

Energy Reduction Measures	Sites/Facilities	Estimated Annual Cost Reduction (\$)	Estimated Annual Energy Reduction (kWh)	Estimated Annual Avoided Emissions (tonnes CO ₂ e)
Temperature Optimisation ⁵	StarHub Data Centres - SHDC@Tai Seng - CO2 - SHDC@Tai Seng - NC CO1 - SHDC@Yishun - NC CO2	302,877	2,523,975	1,030
Cyclical replacement of 2 Computer Room Cooling Units	SHDC@Tai Seng - CO2	29,525	246,043	100
Cyclical replacement and consolidation of 3 units of Uninterruptible Power Supply system	StarHub Green	126,932	604,440	247
Consolidation of sites and systems	SHDC@Kaki Bukit - CO3	174,023	1,450,189	592
Total		633,357	4,824,647	1,969

We Plant for The Planet

40 StarHubbers, including our Management, planted 50 trees at Jurong Lake Gardens in support of the National Parks Board OneMillionTrees movement. An estimated 250 tonnes of carbon dioxide will be sequestered over the lifetime of the trees.



StarHub Management and employees planting trees at Jurong Lake Gardens

⁵ Achieved through an increase in the central offices' temperature from 24°C to 25.5°C and the implementation of good practices and housekeeping to improve airflow (assuming a 3% reduction in power consumption for every degree Celsius increment in cooling temperatures)

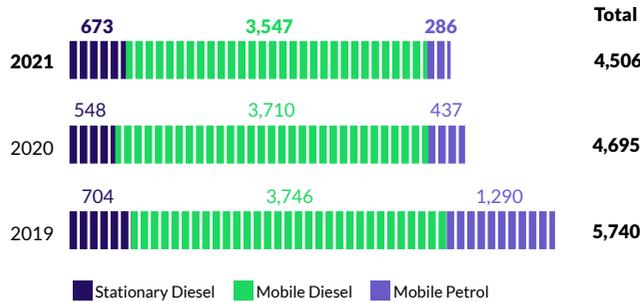
SUSTAINABILITY REPORT

In 2021, we generated 55,975 tonnes CO₂e of Scope 1 and 2 GHG emissions, of which 97.6% were attributable to purchased electricity, 1.8% to refrigerant gas leaks and 0.6% to our vehicle fleet and back-up power generators. Our fuel consumption remained stable with a 0.6% reduction in Scope 1

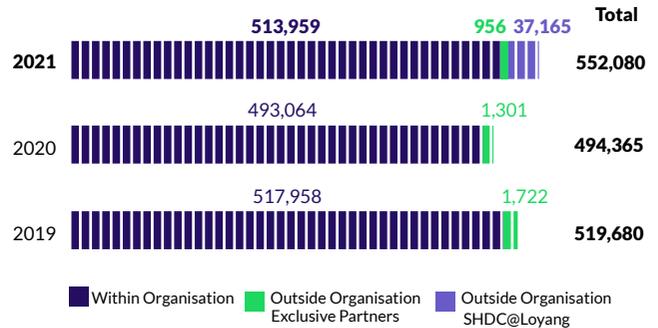
GHG emissions, while the lower use of refrigerant gases resulted in a 35% reduction in Scope 1 GHG emissions. The higher Scope 2 GHG emissions was attributable to the increase in our purchased electricity consumption of 4%. This increase resulted mainly from higher usage by the enterprise customers

subscribing to our data centre hosting services and, to a smaller extent, the provision of 5G services. We managed to minimise the year-on-year increase in our Scope 1 and 2⁶ GHG emissions to 1%, by raising the proportion of our renewable energy use to 6% in 2021 through the purchase of RECs.

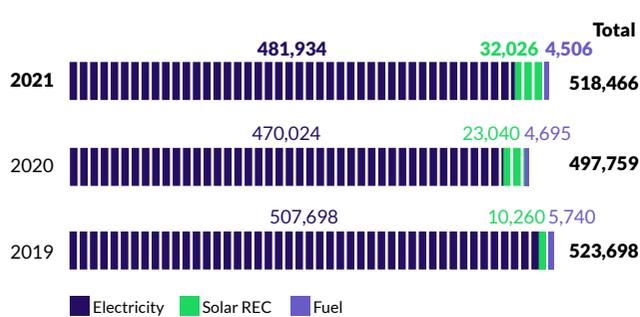
Fuel Consumption (gigajoules)



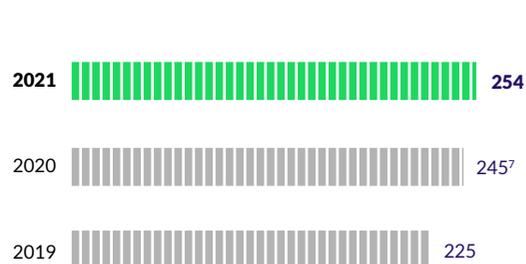
Electricity Use (gigajoules)



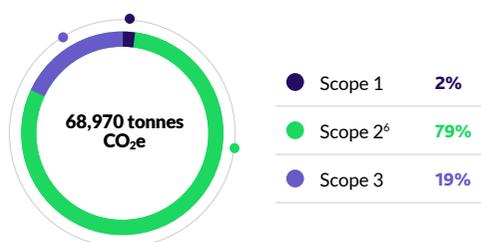
Energy Consumption within Organisation (gigajoules)



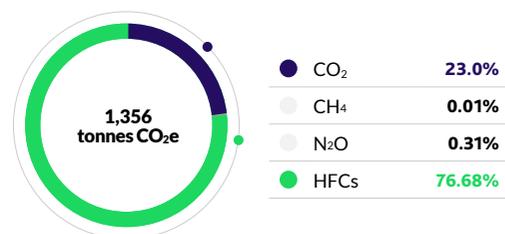
Energy Intensity within Organisation (gigajoules per \$million revenue)



GHG Emissions by Scope



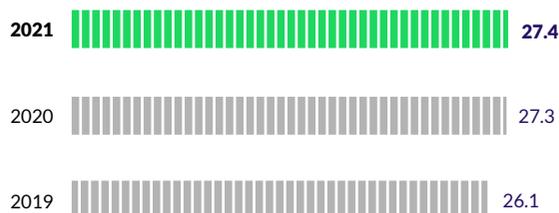
GHG Emissions by Gas Type (Scope 1)



⁶ Scope 2 GHG emissions are reported using market-based approach
⁷ Energy intensity for 2020 has been restated to exclude energy use outside organisation

GHG Emissions Source⁸ (tonnes CO₂e)

Scope 1	2021	2020	2019
Stationary combustion ⁹	47	38	49
Mobile combustion ¹⁰	269	290	349
Fugitive emissions - refrigerant gases	1,040	1,775	1,290
Total Scope 1	1,356	2,103	1,688
Scope 2			
Purchased electricity ¹¹	54,619	53,335	59,062
Total Scope 1 + 2	55,975	55,438	60,750
Scope 3			
Fuel and energy related emissions (not already covered by Scope 1 and 2)	8,475	8,130	8,541
Employee Business Travel - Air ¹²	0	8	112
Employee Commute ¹³	200	372	983
Electricity consumption by Exclusive Partners	108	148	201
Downstream Leased Assets - SHDC@Loyang	4,212	0	0
Total Scope 3	12,995	8,658	9,836

GHG Emissions Intensity¹⁴ within Organisation
(tonnes CO₂e per \$million revenue)

⁸ All GHG emissions are calculated in accordance with the GHG Protocol. The CO₂ equivalent emissions include CH₄, HFCs, PFCs, SF₆, and NF₃. The CO₂ equivalent emissions for fossil fuel, refrigerant sources and employee commute are calculated based on the United Kingdom Greenhouse Gas Inventory that is compiled according to the Intergovernmental Panel on Climate Change (2006) Guidelines. Emissions for electricity purchased is calculated based on the 2020 emissions factor published in the Singapore Energy Statistics 2021 by the Energy Market Authority. Emissions for air travel is reported based on estimations by ICAO. Operational control has been selected as the reporting boundary

⁹ Stationary combustion refers to the combustion of diesel fuel for generation of electricity

¹⁰ Mobile combustion refers to the combustion of petrol and diesel fuels for company fleet vehicles

¹¹ Scope 2 emissions are reported using the market-based reporting method, taking into account our purchase of RECs. The location-based Scope 2 emissions for 2021 was 58,249 tonnes CO₂e

¹² No emissions for business travel in 2021 due to COVID-19 travel restrictions

¹³ Employee commute emissions are estimated based on the valid results of 343 respondents from a survey conducted in 2021, of their official work schedules and the year-end headcount, taking into account 11 days of public holidays and 18 days of annual leave taken per employee. The reduction in employee commute emissions in 2021 is due to the longer period of work-from-home arrangement

¹⁴ Based on Scope 1 and 2 GHG emissions only

SUSTAINABILITY REPORT

Getting Ahead of the Curve with TCFD

StarHub embarked on our TCFD reporting journey in 2021, ahead of mandatory compliance requirements. The assessment of climate-related risks and opportunities under the TCFD framework will help us to anticipate and prepare for future climate events better. The disclosures provide stakeholders with forward-looking, useful information regarding our approach to managing climate risks. We view this as a proactive step to cement StarHub's position as a sustainability leader.

In 2021, using our Climate Risk Framework, we have identified initial key climate risks over the medium and long term, allowing us to put in place appropriate control measures to mitigate our physical and transitional risks. We have identified the following initial key climate risks and have begun to assess their potential financial impact.

From 2022, we are committed to conducting a more comprehensive climate risk assessment of transitional and physical risks over selected timeframes and scenarios. We will continue to improve our processes for identifying and mitigating climate-related risks and opportunities, and enhance our alignment to TCFD as we progress in our journey.

Climate-Related Risks and Opportunities under the TCFD Framework

Key Risks	Potential Impact
<p>Increased costs due to an expected rise in carbon tax rates</p> <p>Long-term transition risk</p>	<p>Our preliminary scenario analysis examined the increase in carbon tax from the current \$5 per tonne to \$25 per tonne in 2024 and \$50-\$80 per tonne in 2030. This could directly increase the energy costs across our seven technical centre locations and negatively impact our gross revenue by close to \$1 million by 2024, rising between \$2 million and \$4 million a year by 2030.</p>
<p>Rising temperatures increase the energy needed for cooling StarHub's technical centres</p> <p>Medium-term physical risk</p>	<p>Rising mean temperatures in Singapore could impact the operations of our seven technical centres island-wide, resulting in an increase in the demand on energy for cooling requirements.</p> <p>Based on our preliminary scenario analysis, we could potentially see an increase in costs by as much as \$560,000 to \$1,100,000 a year for a 2 to 4 °C increase in temperature.</p>
<p>Damage to physical assets caused by effects of climate change, for example, flood and water damage</p> <p>Medium- to long-term physical risk</p>	<p>Potential damage from extreme weather events include fibre network destruction and loss of network connection.</p>
Key Opportunities	Potential Impact
<p>Sustainable financing could provide financial returns</p>	<p>Improved access to capital, gaining rebates when the sustainability performance targets are met.</p>
<p>Energy efficiency</p>	<p>Improving in our energy efficiency will reduce operating costs through efficiency gains.</p>
<p>Product and Services</p>	<p>Improved reputational stability and access to new markets by meeting the expectations of our investors and consumers, helping them mitigate their environmental impact and improving their resilience to climate change.</p>

Management Strategy

Energy efficiency is our primary approach to mitigating both potential carbon tax costs and increased energy needs due to rising temperatures.

StarHub has implemented energy efficiency measures to improve PUE ratio at our technical centres. This will help reduce direct operating cost as well as our exposure to regulatory changes aimed at decreasing carbon emissions.

We periodically review PUB's list of flood-prone areas to verify that our critical facility sites are not within these locations.

An independent infrastructure audit conducted in 2020 found no significant issues with the resilience of our network, operations, and facilities. The audit will be carried out every two to four years.

Management Strategy

We took out our first sustainability-linked loan in 2020 and are keen to explore new sustainable financing opportunities. Our current sustainability-linked loan incentivises the improvement of our ESG performance.

To address the ever-increasing demands of our customers, it is important for us to control our energy usage by improving energy efficiency across our operationally-controlled facilities. We have adopted the use of smart BTS Energy system and are actively optimising the PUE of our technical centres by implementing various energy reduction initiatives.

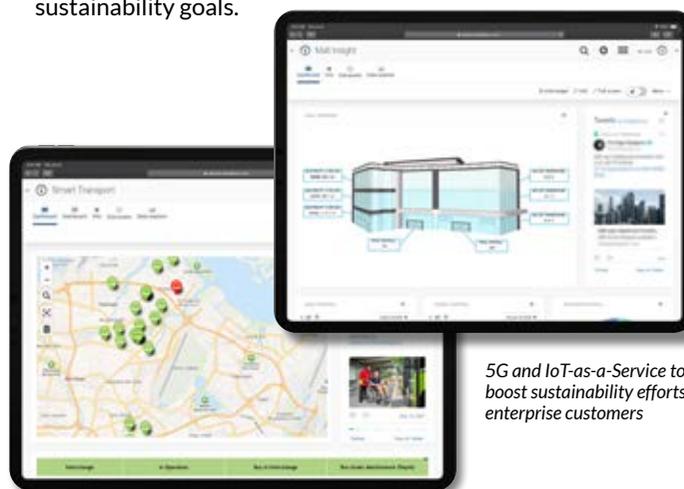
We provide low-emissions services by setting targets to increase the proportion of our renewable energy use and to reduce our GHG emissions. We actively explore the developments of innovative climate-related products and services, bringing to market solutions that have a positive environmental and social impact.

In 2020, we took out our first sustainability-linked loan and have met our sustainability performance target for 2021. Based on our CDP Climate Change Score in 2021, we are eligible to receive a rebate against the loan interest.

With more companies around the world embracing sustainability, and taking into account Singapore's launch of the Green Plan 2030 to guide the nation in building a more resilient and sustainable future, we seized the opportunity to support this initiative by using our skills and technology.

With our 5G network in operation, we pushed out StarHub 5G IoT Platform Service and 5G MEC as solutions for seamless integration of smart technologies as well as to achieve increased efficiency in transmitting and processing data.

In addition, we launched 5G Digital Workplace to help enterprises adopt 5G and lease accompanying devices with peace-of-mind as they navigate the myriad adjustments amid the digitalisation push and challenging business climate. Through our service and product offerings, we enable our enterprise customers to enjoy greater convenience, flexibility and cost efficiencies, while optimising their operations and reducing wastage in line with their sustainability goals.



5G and IoT-as-a-Service to boost sustainability efforts of enterprise customers

SUSTAINABILITY REPORT

WASTE

StarHub handles and disposes of equipment and devices daily as part of our services to customers. Our award-winning flagship e-waste recycling programme, RENEW (Recycling the Nation's Electronic Waste), gracefully concluded in June 2021. Since its launch in 2012, we have cumulatively collected more than 780 tonnes of e-waste from the community for recycling. As a retailer of regulated electronic products, StarHub supports the National Environment Agency's (NEA) Extended Producer Responsibility (EPR) System, which came into effect in July 2021. Under this new system, producers bear the responsibility for the collection and treatment of their used products. Through these two avenues, we collected a total of 75 tonnes of our consumers' e-waste in 2021 for recycling.

In support of EPR, e-waste recycling bins will continue to be available at StarHub Shops in Plaza Singapura and Tampines Mall. Consumers can deposit their old devices, including mobile phones, tablets, computers, modems, routers and household batteries.

Additionally, StarHub offers a one-for-one take-back service for our customers. During the product delivery process, customers can choose to dispose of their old devices of the same class or type and quantity through us. For example, after receiving a new StarHub Smart WiFi Pro router, the customer can pass an unwanted WiFi router to our Hub Trooper for safe disposal, at no extra charge. These used devices will then be collected by NEA for recycling under the EPR programme.

StarHub also offers rental of set-top boxes, business routers and Optical Network Terminal units to our customers. Used products are repaired and refurbished

for redeployment until they reach the end of their life cycle, whereby they will be recycled through licensed e-waste collectors.

In 2021, StarHub launched a fully-managed Device Lifecycle Management service, which enables enterprises to upgrade their mobile workforce to 5G through a device leasing period of 24 or 36 months. At the end of the contract term, the used devices will be collected through StarHub's buy-back partners and traded in with the device manufacturers.

Other notable waste reduction initiatives which we undertook in 2021 include the following:

Going Paperless

- All our customers receive electronic bills by default. A monthly fee of \$2.68 per billing account will apply if a customer opts to receive paper bills (with the exception of those aged 60 and above). Fees collected for paper bills are channelled to support our sustainability efforts.
- StarHub has also transitioned to electronic forms of vouchers, sales agreements and work orders, thereby decreasing paper use in our daily operations.



Reducing Paper Bags

- To reduce packaging waste, we implemented the 'Skip the Bag' initiative and a paper bag charge across our shops. This resulted in an 80% reduction in bag usage from 2020 to 2021.

Since 2020, we have transitioned from non-woven bags to FSC MIX-certified biodegradable brown paper bags at our stores. The certification ensures that apart from recycled materials, the virgin materials used for making the paper, come from a forest and supply chain that are being managed in a way that preserves the natural ecosystem and benefits the lives of the local people and workers.



E-poster displayed at our StarHub retail stores



Uniform Donation

- StarHub removed the logos from over 800 pieces of our old staff uniforms and donated them to the Salvation Army for resale, avoiding approximately 2-3 tonnes of carbon dioxide emissions in the production of new polo T-shirts.

In 2021, our total general waste disposed through waste-to-energy incineration plants and the amount of paper waste recycled have decreased by 59% and 28%,

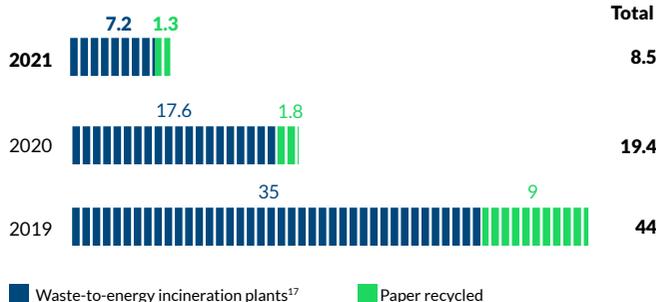
respectively, mainly due to employees spending less time working in the office during the COVID-19 pandemic, hence generating less waste. Our electronic

waste recycled increased by 49% due to the phasing-out of our Cable TV set-top boxes. The following charts below set out our waste streams generated.

Hazardous E-Waste Generated and Recycled (tonnes)



Non-Hazardous Waste Generated (tonnes)



WATER USE

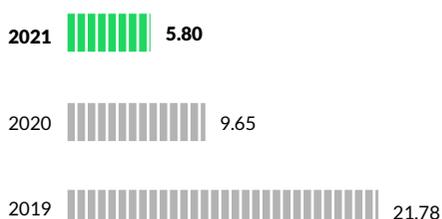
Water efficiency is a key priority for Singapore as it has limited land resources to collect and store rainwater. StarHub does our part to use water responsibly by reducing the water consumption in our operations and improving water efficiency.

Through our Employee Code of Conduct and Ethics (Employee Code), employees

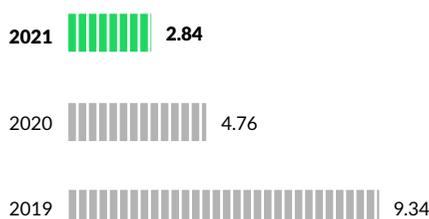
are required to make prudent and effective use of the Group's resources. Where possible, water-efficient fittings are used to reduce our water consumption, which is monitored on a monthly basis to detect leaks and prevent wastage. Any significant increase in water consumption will trigger an investigation. The charts below set out our water withdrawal.

Our water consumption has been steadily declining after significant repair works were performed at one of our older facilities. Out of the 40% reduction in our water consumption, 24% can be attributed to work-from-home arrangement, 14% to leak repair works and the remaining 2% to the consolidation of our facilities.

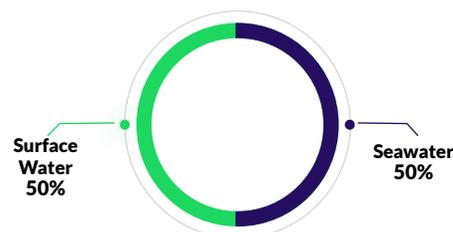
Water Use (megalitres)



Water Intensity (cubic metres per \$million revenue)



Third-Party Water Withdrawal by Source¹⁸



¹⁶ The increase in our electronic waste is due to the phasing out of legacy Cable TV set-top boxes, and the upgrade to new StarHub TV+ boxes with advanced features for customers

¹⁷ The amount of non-hazardous waste reported only includes general waste from our office at StarHub Green where the quantities of waste disposed through waste-to-energy incineration plants are the most substantial

¹⁸ The breakdown of third-party water withdrawal sources is based on information published on PUB's Singapore Water Story website



EMBEDDING RESPONSIBLE BUSINESS PRACTICES

2021 Performance & New Targets



1 Business Conduct & Ethics

Maintained

Zero

incidents of non-compliance pertaining to fraud, corruption, and unethical actions

Target:

To ensure strict compliance with local legal and regulatory requirements pertaining to fraud, corruption and unethical actions



2 Product Quality & Responsible Selling

Maintained

Zero

incidents of non-compliance in marketing communications

Target:

To maintain strict compliance with regulations and/or voluntary codes concerning marketing communications



3 Supply Chain Management

Completed Supplier Self-Assessment Questionnaires with all suppliers with an annual spend of at least \$1 million and new suppliers onboarded in 2021

Target:

To secure confirmation from at least 70% of our suppliers that they adhere to our Supplier Code of Conduct



BUSINESS CONDUCT & ETHICS

As a public company listed on the Mainboard of the SGX-ST, StarHub is accountable to a wide range of stakeholders. Maintaining high standards of business conduct and ethics are paramount to our long-term success.

We do not tolerate ethical or legal violations, including corruption. We adhere to the listing requirements, as well as the revised Code of Corporate Governance issued by the Monetary Authority of Singapore on 6 August 2018 and comply with all applicable laws in Singapore. We have in place an Employee Code, which sets out the standards of behaviour and business conduct that address safety, harassment and corruption issues. Our Employee Code is supplemented by other policies which reinforce certain aspects of business conduct and procedures when dealing with customers, business associates and other stakeholders. These include the Corporate Gift and Hospitality Policy, the Insider Trading Policy and the Supplier and Vendor Policy. All our policies are communicated

to our employees upon hiring and can be readily accessed through our intranet.

Our Whistle Blowing Policy provides employees and external parties with accessible channels to raise concerns in good faith and in confidence on any possible improprieties in our business activities, without the risk of reprisals. These channels include a dedicated whistle blowing channel to the Audit Committee Chairman and the General Counsel.

Employees found in breach of our Employee Code or other applicable policies will face appropriate disciplinary

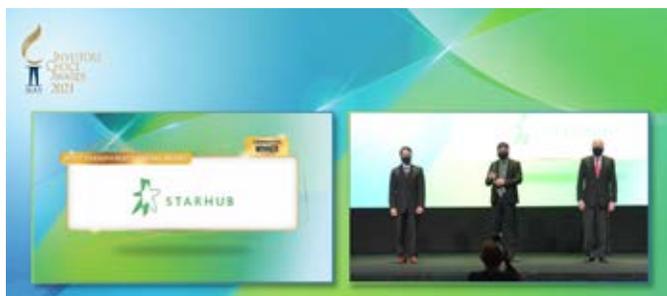
and legal actions, including dismissal where required.

We also respect and comply with relevant legislation, licence obligations and codes of practice relating to anti-competitive behaviour for our business. We adhere to IMDA's Net Neutrality policy, which ensures all content providers on the Web are treated equally by internet service providers. Network management is only used to allocate access to the finite network resources and bandwidth according to our customers' subscription plans, to ensure fair use of network resources.

In 2021, as in prior years, StarHub had:



There were no incidents of significant fines¹⁹ and non-monetary sanctions meted out to StarHub for non-compliance with laws and regulations.



StarHub Chief Financial Officer Dennis Chia (middle), receiving the Investors' Choice Awards for the Most Transparent Company (Communications category) by SIAS

PRODUCT QUALITY & RESPONSIBLE SELLING

As in prior years, StarHub had zero incidents of non-compliance with regulations or voluntary codes concerning product and service information and labelling in 2021.

Product Quality

A reliable network is the cornerstone of communications in the new normal of COVID-19. StarHub is dedicated to providing reliable connectivity solutions to enable our customers to flourish in daily professional and personal lives. In 2021, we have implemented additional measures to minimise instances of service disruption. Based on the Quality of Service Reports submitted to IMDA, we achieved more than 99.99% in network availability for broadband service.

We are constantly improving customer experience through our "insights-to-action" approach. By collecting real-time customer feedback through surveys and across Consumer and Enterprise touchpoints, we strive to make changes that improve customer experience.

We also use the Net Promoter Score to determine the long-term value of our brand. In the CSISG 2021 study by the ISE at SMU, StarHub was rated the highest in customer satisfaction scores for Mobile and Broadband services in the info-communications sector. We have also outperformed our competitors by a greater margin this year.

¹⁹ Only significant fines above \$10,000 are reported

SUSTAINABILITY REPORT

Responsible Selling

To maintain the loyalty of our customers and attract new customers, it is important for us to market and advertise our products and services responsibly, as well as to ensure clarity in our pricing and billing.

In this respect, we comply with all applicable local regulations and guidelines, such as the Television and Radio Advertising and Sponsorship Code. Our DPO oversees compliance with our Do-Not-Call (DNC) Policy, which guides and ensures that we comply with the PDPA and DNC Registry provisions. Targeted marketing messages will only be sent to mobile numbers in Singapore where consent has been obtained and any message sent will have an appropriate tag prefixed to ensure the clear intent of our communications. Our Customer Communication Guidelines supplement our DNC Policy and serve as further guidance on customer communication.

When we launch new products and services, our Sales and Customer Service teams are trained to communicate our pricing structure and contractual terms clearly and transparently to our customers.

We continue to accelerate our strategy to simplify and improve our services with no hidden fees. Other than achieving the high customer satisfaction scores in the CSISG 2021 study, StarHub was also recognised as the Best Pay TV Service Provider at the 2021 HWM+Hardwarezone.com Tech Awards and for providing the fastest 4G median throughput speed by IMDA. Please refer to pages 32-33 for the full list of our awards and achievements.

SUPPLY CHAIN MANAGEMENT

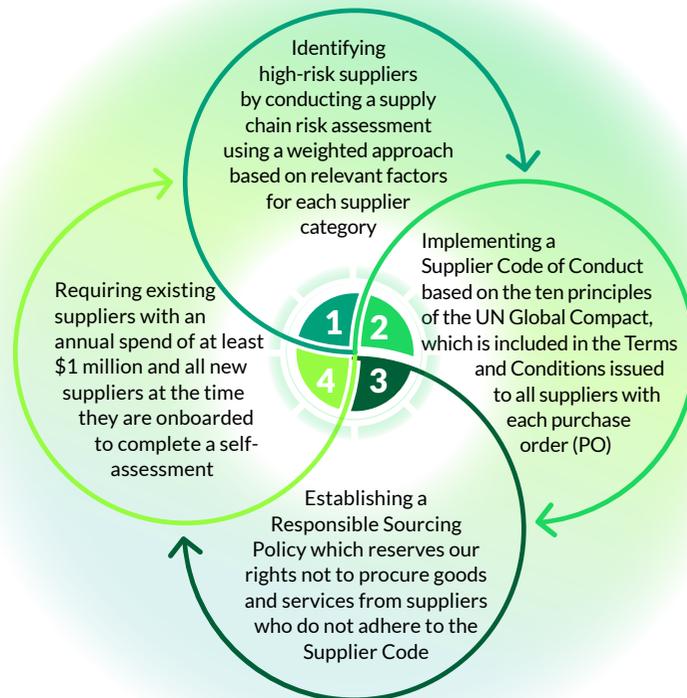
We recognise that being a responsible business requires the integration of sustainability practices into our procurement and supply chain management processes. StarHub has an extensive and complex supply chain which spans geographies and sectors. Due to the nature of our global supply chain, our business is exposed to additional risks which have to be managed in order to build resilience, reduce disruption, enhance efficiencies, and safeguard our reputation.

Our main suppliers include major handset and hardware manufacturers as well

as software and infrastructure solution providers. Local suppliers made up 94% of our total procurement spend²⁰ of \$1.5 billion in 2021, while 87% of our total supplier base of 1,898 suppliers were local.

We recognise the importance of ensuring that our suppliers are continuously aligned with our values. We approach this by the process depicted in the diagram below.

Any potential concerns flagged out during this process will be addressed with the relevant suppliers to better understand the issues and assess mitigation measures which can be put in place by the suppliers, before the ultimate decision is made on the continuance of our supplier relationship.



²⁰ Procurement spend excludes those related to content acquisition. Suppliers are classified as local if the purchase is made from an entity located in Singapore, as they contribute to Singapore's economy



CARING FOR OUR PEOPLE & COMMUNITIES

2021 Performance & New Targets



1 Employee Health & Safety

Maintained **Zero** work-related fatalities
Target:
To maintain zero work-related fatalities



2 Public Health & Safety

Achieved **100%** compliance with relevant RF radiation safety standards set by local regulators
Target:
100% compliance



3 Workplace Equality, Diversity & Inclusion

Maintained **Zero** reported incidents of discrimination
Target:
To maintain zero reported incidents of discrimination



4 Talent Management

Achieved target of putting in place, individual development plans for **100%** of identified high-potential talent

Achieved learning reach of **99%** of our employees

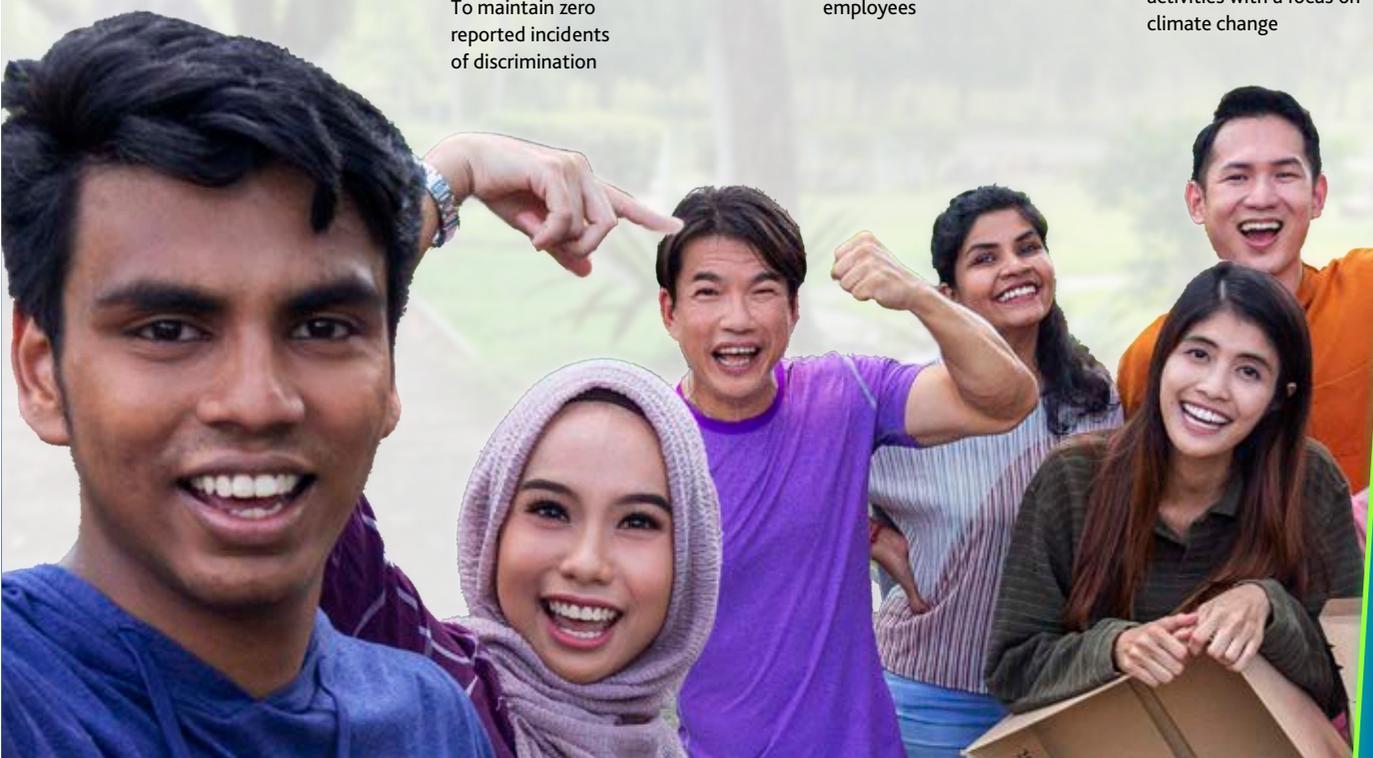
Target:
To ensure 100% of identified high-potential talent are assigned development sponsors, to champion and support their development plans; and to promote learning and development activities to reach at least 90% of our employees



5 Investment in Communities

Invested a total of **\$882,200** reaching more than **4,800** beneficiaries

Estimated potential reduction of **250 tonnes** of carbon emissions via sequestration through staff tree-planting activity
Target:
To support CSR activities with a focus on climate change



SUSTAINABILITY REPORT

HEALTH & SAFETY Employee Health & Safety

Amid the ongoing COVID-19 pandemic, taking care of our employees with a core focus on their physical and psychological wellness is an imperative for StarHub. As the company continues to serve customers notwithstanding the public health situation, we continue to strike an adroit balance between employee satisfaction and business needs.

Employee care initiatives include:



COVID-19 health and safety response: Proactive enforcement of safe work practices at the workplace, split-team operations and remote working arrangements



Regular open and transparent updates through email **staff advisories**: Employees were kept informed about Management's plans to ensure business continuity while protecting employees' health and safety



Townhalls: Management hosted bi-monthly **#HubberHangout** sessions to provide open

and transparent updates and answer questions about business and people matters as well as how the company was handling COVID-19 pandemic



Regular two-way communication: Team leaders were empowered to conduct regular well-being checks. To facilitate greater connection with family, friends and colleagues, all staff were given unlimited mobile talk-time.



Flexible benefit scheme extended to support work from home (WFH): A flexible benefit programme (**#HubbaFlex**) was launched in late 2019 to support employees' needs, suiting different life stages. During the pandemic, it was extended to provide support for employees who may need WFH equipment.



HubbaWellness: Wellness talks and fitness classes were organised to provide employees with structured time-out as they navigated blurred boundaries between work and home as a result of prolonged remote working.

#BoostYourMojo Hacks:

Introduced **#NoMeetingThuPMs** as a response to help employees manage online fatigue caused by virtual meetings.

ThoughtFull app sign-up page sent to all employees via email and also available on our intranet

Keep Calm and Be ThoughtFull:

Partnered ThoughtFull to launch a company-wide mental wellness programme to provide on-demand mental wellness resources, webinars, and the ThoughtFull Chat app where employees can reach out to a counsellor for personalised one-on-one support. We also continually work to support our managers in building their leadership capabilities to provide psychological first-aid to team members.

#BringYourMojo:

To connect with staff and lift their spirits, a series of **#BringYourMojo** weekly challenges and contests, and two seasons of **#BYM** video series featuring our Management and Behind the Scenes heroes were introduced.

Quarterly early release: Introduced **"Eat with Your Family Day"** by letting employees leave work early four times a year so that they can enjoy dinner with their families. Research studies have shown that connecting as a family over a meal can improve physical and mental health.

Institutionalised regular **one-on-one employee engagements**: Employee survey results indicated that regular one-on-one engagements are correlated with higher eNPS (Employee Net Promoter Score). A manager toolkit was developed to support managers in conducting effective one-on-one employee engagement.

The health and safety of our employees is a key priority. Under our Occupational Health and Safety Management system, StarHub's Workplace Safety and Health (WSH) Committee, represented by Management and employees, periodically reviews policies, procedures and practices relating to occupational health and safety.

Our trained Risk Assessment Leaders and Managers within the WSH Committee work with our nominated employees' representatives across the organisation to identify and eliminate or minimise the WSH hazards of every work activity in the workplace. We require contractors undertaking work at our sites to comply with the provisions of the Workplace Safety and Health Act. We also require contractors to submit a risk assessment report for approval prior to carrying out any work on-site.

Internal communication channels have been set up for employees to report unsafe work practices. Our external partners may also report any

WSH-related issues through our whistle blowing channel to the Audit Committee Chairman and the General Counsel or they can also escalate the issue directly to the Ministry of Manpower (MOM). As an organisation, we report WSH-related incidents to MOM. The employees of our contractors are not included in the reporting of our safety performance as this will be carried out by their direct employers.

For employees in job roles that require WSH domain knowledge, StarHub provides company-sponsored training to enhance their skills and capabilities to deal with WSH-related issues. Examples of training support include first aid, work-at-height, and incident management processes to respond to emergencies.

As of December 2021, 39 StarHub employees had completed the bizSAFE Level 2 Risk Management Champion training and two employees have undergone the bizSAFE Level 4 WSH Management System Champion training.

StarHub continues to be a certified bizSAFE Level 3 organisation, which is awarded by the Workplace Safety and Health Council Singapore following an independent audit. The table below sets out our Workplace Health and Safety Performance.

Public Health & Safety

StarHub recognises the need to address concerns from customers, regulators and the general public on the perceived health risks associated with RF emissions from mobile devices and base stations.

The use of RF spectrum in Singapore is regulated by IMDA and NEA. We comply strictly with RF emissions and safety standards implemented by the regulators. RF emissions from StarHub's equipment are well within the guidelines developed by the International Commission on Non-Ionizing Radiation Protection and adopted by the World Health Organization. Where required, StarHub works closely with NEA and other mobile network operators to verify that the mobile equipment we install comply with public health and safety standards in Singapore.

In 2021, as in prior years, StarHub had no incidents of non-compliance regarding the health and safety impact of our products and services.

Employee Workplace Health and Safety Performance ²¹			
	2021	2020	2019
Number of Workplace Fatalities	0	0	0
Number of Occupational Disease Cases	0	0	0
Number of High-Consequence Work-Related Injuries ²² (excluding fatalities)	0	0	0
Number of Recordable Work-Related Injuries ²³	0	2	3
Workplace Injury Incidence Rate (per 100,000 employees)	0	112	144
Workplace Injury Frequency Rate (per million hours worked)	0	0.6	0.7
Workplace Injury Severity Rate ²⁴ (per million hours worked)	0	1.7	12.8
Absenteeism Rate %	1.3	1.2	1.8
Number of Hours Worked	3,257,192	3,602,457	4,127,681

²¹ Workplace health and safety performance metrics are reported based on the International Labour Organization definitions

²² High-consequence work-related injuries refer to injuries from which the worker cannot recover or be expected to recover fully to pre-injury health status within six months

²³ Recordable work-related injuries refer to injuries due to work exposure, resulting in outpatient/hospitalisation leave, light duty, death or occupational disease, all of which are reportable to MOM under the Singapore Workplace Safety and Health Act

²⁴ Severity rate = Days lost due to case of occupational injury / Hours worked by workers in the reference group x 1,000,000

SUSTAINABILITY REPORT

EQUALITY, DIVERSITY & INCLUSION

A diverse and inclusive workforce is important in order to provide the organisation with different perspectives and skills. We aim to promote this and foster a culture where all employees are treated fairly and with respect.

Management regularly reviews Human Resource (HR) policies and practices related to hiring, diversity and inclusion, equal opportunity, anti-harassment, training as well as performance management. We adhere to fair employment practices, strive to provide a safe and non-discriminatory work environment, and continually strengthen our workplace policies to provide a level playing field for all our employees. Fair

remuneration is a component of our HR policies, which include merit-based hiring, reward for performance, diversity, and equal opportunity. StarHub actively promotes meritocratic employment, development, recognition, and reward.

As a signatory to the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP), a national initiative to promote the adoption of fair employment practices, StarHub abides by local labour laws, implements fair employment practices, and prohibits any kind of discrimination in employment or transactions. In 2021, no incidents of discrimination were reported directly to StarHub or through TAFEP.

Under our anti-harassment policy, employees can report any incidents

of harassment to their immediate supervisor or the HR department without the risk of reprisals. The company will promptly investigate any complaints of harassment and take prompt remedial action. In 2021, no incidents of discrimination were reported.

In accordance with MOM guidelines, StarHub employees are entitled to maternity, paternity and shared parental leave. Eligible working fathers are entitled to two weeks of paid paternity leave and up to four weeks of shared parental leave. To facilitate parents returning to work, StarHub provides paid childcare leave, nursing rooms and childcare facilities at our headquarters in StarHub Green.

Embracing Neurodiversity in the Workplace

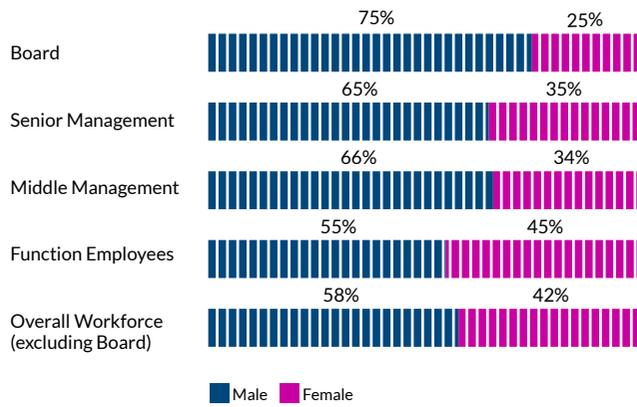
Our subsidiary Ensign partnered the Autism Resource Centre (Singapore) and launched a pilot workforce programme in November 2021, onboarding a group of neurodiverse individuals. Ensign aims to help increase employment opportunities for differently-enabled staff in order to build a more diverse and inclusive workplace. StarHub will be working with Ensign to support the scaling up of this initiative.



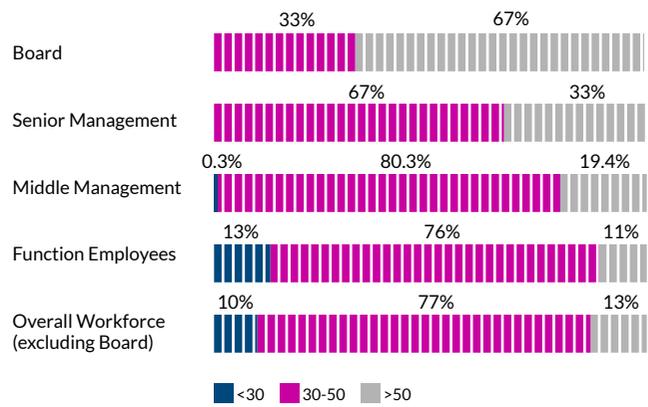
Building a more diversified workforce at Ensign

The following statistics demonstrate the diversity of our workforce and leadership.

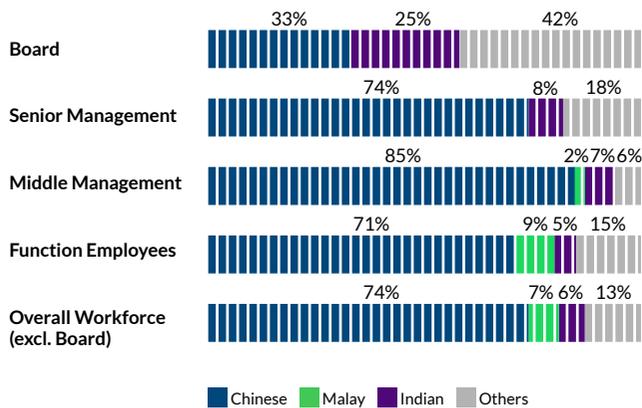
Gender Diversity by Employee Category



Age Diversity by Employee Category



Ethnic Diversity by Employee Category

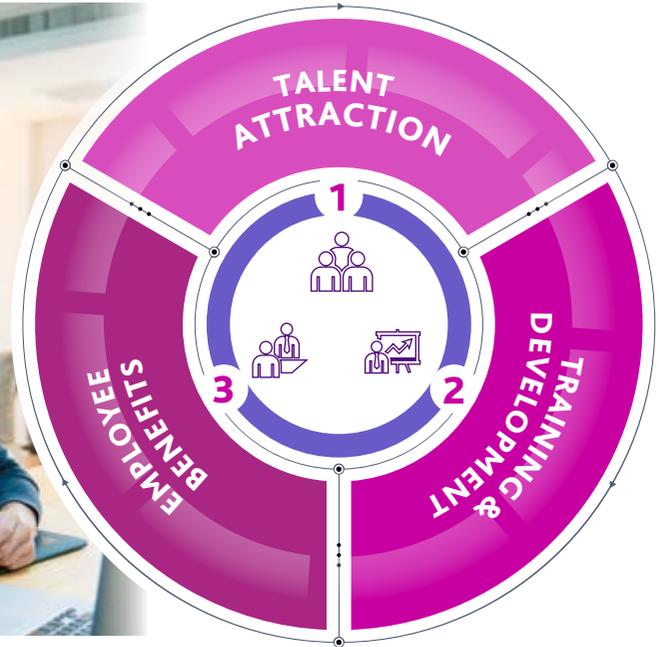


Ratio of Base Salary and Remuneration



SUSTAINABILITY REPORT

TALENT MANAGEMENT



Talent Attraction

Our industry is undergoing rapid transformation, which requires us to constantly assess the skills that are critical for our business. Pivoting to new ways of working in the current environment requires new skill sets and a digital and agile workforce.

Last year, we launched the Leadership Accelerator Programme (LEAP), a 12-month leadership development journey designed to accelerate the development of 30 senior key talents and build T-shaped leaders for StarHub. The journey is designed to have the right mix of Experience, Exposure and Education to maximise their learning outcomes. This year, we launched LEAP 2, a six-month leadership accelerator journey for 70 individuals identified as key talents. With a focus on self-leadership and innovation, each participant has access to unlimited coaching sessions for the duration of the programme through a digital coaching platform.

We also use alternative recruitment channels, such as hackathons, and partner with local universities on the Integrated Work Study Programme to tap into a larger talent pool, especially for tech-based roles.

In 2021, StarHub received the “Best Leadership Development” and “Best People-Centric Culture” awards from EngageRocket, an HR analytics solution provider offering products for employee engagement and performance enhancement. We are proud and honoured to be the only company in the region to secure double awards at the inaugural EngageRocket awards ceremony.

Employee Benefits

We offer our employees competitive remuneration packages commensurate with their job responsibilities, level of experience and performance.

Full-time employees are entitled to:

- Leave benefits including annual leave, medical leave, birthday leave, childcare leave and eldercare leave
- HubbaFlex benefits including outpatient medical, dental, hospital, and personal accidents
- Employee mobile, entertainment and broadband benefits

Training & Development

StarHub is committed to the development of all talents within the organisation. We co-design individual development plans with identified high-potential employees. For all other employees, we continue to create and ensure employees have access to programmes for their professional development in terms of technical skills and personal effectiveness.

Building our employees' skills and capabilities is essential for employee retention and helps them stay up-to-date on the latest industry developments. We continue to invest in upskilling in the areas of 5G, network virtualisation, cybersecurity and data analytics to build critical skills as StarHub advances its DARE+ strategy. For some divisions, we practise portfolio rotation to enable our

staff to develop new skills, build new network connections and to diversify our workforce. In addition, we launched a quarterly Learning Week to encourage employees to #LearnEveryDay and to build a culture of continuous learning within StarHub. The Learning Week agenda includes talks by both external and internal industry leaders, and courses on LinkedIn Learning. We continue to offer all employees open access to digital learning platforms (such as LinkedIn Learning), classroom training, leadership development workshops, professional certifications and on-the-job training.

To maximise learning opportunities for our employees, we have also established partnerships with multiple government agencies, such as SkillsFuture Singapore and IMDA.

The intent of all these initiatives is to encourage all employees to build and develop skills for their personal development and growth, while increasing the overall human capital within StarHub.

We invested \$917,568 in training in 2021 and received \$35,932 in training subsidies from various government agencies. These include IMDA's Company-Led Training funding. In total, we provided 22,789 hours of training for our employees. Through our learning and development programmes, we reached 99% of our workforce. We have allocated \$1.4 million in training investments for 2022, and the areas of training include 5G and digital technologies, to develop a future-ready, agile and digital workforce.

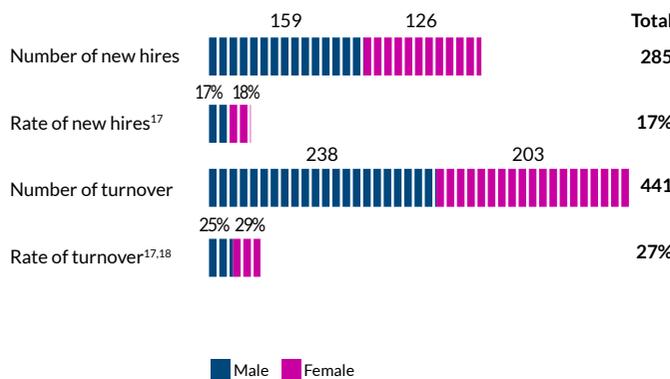


Various forms of activities and programmes to keep our employees actively engaged

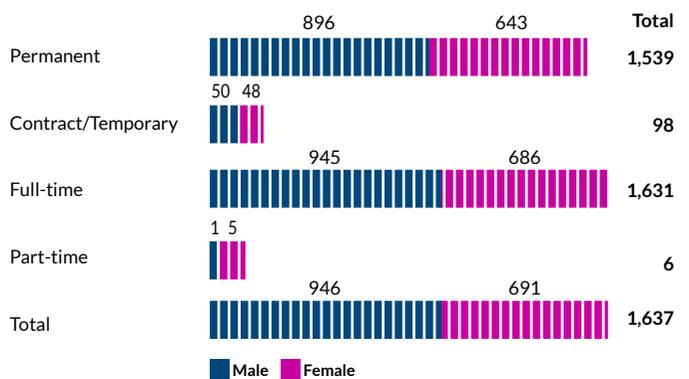
SUSTAINABILITY REPORT

Our employees receive regular performance and career development reviews as part of StarHub's performance management system. Personal targets are set by supervisors and employees under five categories: Financial, Business, Customer, Process and People.

New Employee Hires and Turnover by Gender



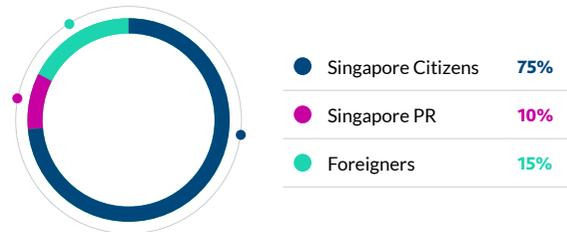
Number of Employees²⁵ by Employment Contract by Gender



New Employee Hires and Turnover by Age Group



Proportion of Local Employees



Average Training Hours Per Employee Category by Gender



Parental Leave



56 Paternity Leave
51 Maternity Leave

Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work

42 Male **38 Female**

Return to Work Rate

98% **100%**
55 Male **51 Female**

Retention Rate (after 12 months)

79% **75%**
Male **Female**

²⁵ The numbers of employees, new hires and turnover are reported based on year-end headcount. Turnover includes both voluntary and involuntary turnover during the reporting year

INVESTMENT IN COMMUNITIES

In an era where accessibility to technology is becoming increasingly vital, StarHub is committed to playing a key role in lending a helping hand and enabling digital connection in our communities. In 2021, StarHub contributed a total of \$882,200 to our communities, of which \$187,200 came from the StarHub Cares COVID-19 Fund, helping over 4,800 beneficiaries. In recognition of our contributions, we were presented with the Charity Platinum Award at the annual Community Chest Awards.

StarHub's Community Investment Contributions in 2021

\$187,200	The Food Pantry 2.0, The Food Bank Singapore
\$150,000	Central Singapore CDC, Junior Stars (Nurture) programme
\$100,000	Metta Welfare Association
\$60,000	Singapore Anglican Community Services
\$50,000	Care Corner Youth Services, Online Engagement Initiative
\$20,000	SHINE Children and Youth Services
\$15,000	Garden City Fund, Plant-A-Tree
\$300,000	WWF Earth Hour (in-kind donation of TV airtime)



Charity Platinum Award from the Community Chest

Bridging the Digital Divide

StarHub believes that everyone has the right to enjoy digital connectivity, especially in light of the COVID-19 pandemic. We rolled out the following initiatives to bridge the digital divide, particularly among the elderly and less privileged.

StarHub launched a digital inclusion project to refurbish 40 used laptops for donation to underprivileged youths through the Care Corner. Each laptop was thoroughly cleaned, upgraded for faster speeds, installed with the latest operating system, and equipped with a power cord, a mouse and a laptop bag.

StarHub remains a firm supporter of IMDA's Senior Go Digital initiative. As more information and services have moved online, digital inclusion brings quality of life to the elderly, allowing them to enjoy the convenience of accessing instant information and performing everyday tasks such as shopping, travelling, and banking. Lower-income seniors can sign up for affordable StarHub SIM Only mobile data plans and purchase basic smartphones from \$20 onwards. We also offer mobile plans bundled with a smartphone. There will be no excess data charges in the event should the seniors exceed their data access limits.



Bottom middle picture: : Donating refurbished laptops to Care Corner – StarHub Chief Information Officer Kee Yaw Yee (middle right), StarHub Head of Cybersecurity Tan Beng Soon (far right), Care Corner Head of Corporate Partnership Daniel Ong (left), and Care Corner Head of IT and Digitalisation Thomas Tan (middle left)

SUSTAINABILITY REPORT

Awareness, Education & Empowerment

StarHub supports education and self-development in our workforce and communities, striving to promote awareness of the key issues in society.

WWF Earth Hour

Environmental stewardship is one of our highest priorities. StarHub has been a supporter of the WWF Earth Hour since 2013 and an official media partner since 2016, providing free TV airtime, e-posters at our shops, internal communication, and social media coverage to help WWF Singapore raise awareness about Earth Hour. We also partnered WWF through their corporate engagement services, to provide interactive educational activities during our team building sessions to raise awareness among employees.



Educate, inspire and empower employees to take sustainable actions through a virtual escape room and terrarium workshop during team building, to learn about the illegal wildlife trade and a self-sustaining plant ecosystem

Junior Stars (Nurture) programme

Since 2011, we have been partnering Central Singapore CDC to provide vulnerable children with greater access and exposure to learning opportunities. The programme aims to complement the standard educational framework in Singapore, by providing equal learning opportunities for vulnerable children in the Central Singapore district, exposing them to future-ready skill sets and setting them up for a better future to narrow the social gap. The programme also targets the cultivation of values that inspire giving back to the community.



StarHub Chief Executive Officer Nikhil Eapen and Chief Corporate and Sustainability Officer Veronica Lai (right), receiving the Community Partnership Excellence Award and gifts from Mayor Denise Phua during her visit to StarHub's office

To ensure that the children continue to be engaged meaningfully amid the COVID-19 pandemic, the lessons were conducted both physically and online depending on the prevailing safe management measures. Turning social distancing restrictions into an opportunity, an all-new suite of workshops under Junior Stars Enrichment Series was conducted in 2021 to reach out to a wider group of vulnerable children in the community, providing them with equal access to learning opportunities.

The workshops were specially selected to focus on topics including communications, problem-solving, creativity and content creation.

Positive Impact of Junior Stars



Reached **784** beneficiaries



Partnering **9** Primary Schools



Delivered **19** enrichment workshop sessions in 2021



Success Story # 1
Caerleon
Aged 10

Caerleon had serious behavioural issues prior to joining Junior Stars. After the weekly lessons, his Lead Teacher observed an improvement in his attitude as he started to take ownership of his own learning and be more punctual for lessons. He also started to participate more actively and work more positively with his team members.

Caerleon's school principal acknowledged that he had shown a marked improvement in both his behaviour in class and attitude towards learning during the academic year.



Success Story # 2 and #3
Amelia & Istiqamah
Aged 9

Amelia and Istiqamah were very reserved when they first joined the programme. After much encouragement from the Lead Teacher urging them to speak up, the girls have now grown to become more expressive and confident in sharing their thoughts and ideas.

At times, the girls would stay back after lessons to share their feedback of the lessons with the Lead Teacher and volunteers. Their feedback was taken seriously and the team promptly addressed the background noise issue raised by them. This not only made the lessons more effective and enjoyable but also helped reinforce the girls' behaviour to articulate their thoughts without fear.

Block-based coding

In CoSpaces, these colourful blocks are instructions!

Children attending coding and application development workshops provided by Junior Stars

SUSTAINABILITY REPORT

SEC-StarHub School Green Awards

StarHub has been partnering the Singapore Environment Council since 2014 to invest in our youths through the School Green Awards (SGA). This is a platform for students to develop and showcase their innovative environmental efforts, and to create a real and positive impact in raising awareness among the community. This year, the programme achieved an impressive outreach of 870,000 people in the community through the environmental projects undertaken by the students, raising awareness in a wide array of environmental topics including urban farming, food waste composting, water and energy conservation, waste recycling and upcycling and carbon footprint reduction. We received acknowledgement for our efforts from the Minister for Education, Mr Chan Chun Sing, in his Facebook post.



Minister for Education, Mr Chan Chun Sing, interacting with student representatives at the SGA Prize Presentation Ceremony



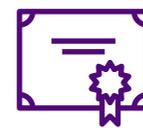
StarHub Chief Corporate and Sustainability Officer Veronica Lai presenting the top prize to the winning school of the E-waste Challenge at the SGA Prize Presentation Ceremony



Achieved an estimated total outreach of **870,000**



375 schools participated in the programme



319 schools received awards for their participation



Positive Feedback from Schools on the SGA Programme

The SGA also seeks to create lasting environmental impact through the continued efforts of the participating schools. Many schools have built upon their projects, developing longer term programmes, allowing them to achieve continual improvements in their sustainability performance. Below are some quotes received from participating schools.

PCF Sparkletots Preschool @ Punggol Coast Blk 326

"It's served as a recognition for the participating school and teachers of efforts in CONSERVATION. A good platform to showcase."

Chung Cheng High School (Yishun)

"It is like a benchmark for schools to aim for when looking at all aspects of caring for the environment, especially in caring for nature and the outdoors, as well as looking at the aesthetics and cleanliness aspects. Taking photos and collecting data are quite enjoyable."

Ai Tong School

"I like that it served as a tool for the school for external validation of our green efforts. We use the checklist to see what areas we can actually improve on."



Various sustainable initiatives and green projects led by students from participating schools of all education levels

StarHub Small Business Day

We launched the inaugural StarHub Small Business Day on 10 August 2021, an annual initiative to rally Singapore to support underrated small businesses with fewer than 20 employees, that are keen to market their products or services digitally, and which may not be familiar with how to get started or the support measures available to them. Shining the spotlight on small businesses, we will be providing over \$6 million worth of marketing support free-of-charge for over a year, to help business owners drive sales and advertise their services to a wider, stay-at-home audience.

Employee Engagement Webinars

We raise awareness of sustainability issues through employee engagement webinars. Through the sharing of insights in managing climate change, applying low-carbon technologies, and selecting responsible procurement options, we equip employees with the knowledge and skills to accelerate sustainability initiatives



Sharing our digital platform to help small businesses better connect, building a support system for everyone to thrive and grow together

SUSTAINABILITY REPORT

Giving Back to the Community

Each year, we support a number of community causes, investing towards a stronger and more resilient community. To encourage our employees to participate in community volunteering, we organised several volunteering activities for employees to utilise their two days of paid volunteering leave. With a total of six activities organised this year, 110 StarHubbers (7% of our workforce) collectively volunteered 518 hours of their time. Other than the aforementioned community support, we have also supported the following causes.



Since 2017, StarHub has been partnering with Care Corner Youth Services, which reaches out to at-risk youths who lack meaningful engagement at home and in school, with the aim of creating a safe and encouraging environment to help empower them. In 2020, due to COVID-19 restrictions, we pivoted to support them to create an online platform, providing an effective avenue of outreach to the youths through cyberspace. This online engagement initiative provides youths with access to support and one-to-one intervention in the absence of physical interactions.

Impact of the Care Corner Online Engagement Initiative (August 2020 – July 2021)



Spread awareness about mental depression issues in youths to over **60,000** people



Generated **111** posts and **441** stories, receiving over **100,000** views and close to **3,500** responses on Instagram.



Provided intervention support to **128** youths



Care Corner partnered popular social media influencer, Ian Jeevan, to share a topic on bullying issues among the adolescents

Community Chest

StarHub has a long-term partnership with the Community Chest since 2003. Our contribution has been used to support the Metta Welfare Association which provides vocational training for special needs individuals, Singapore Anglican Community Services which improves the employability of people with mental health conditions, the SHINE Children and Youth Services which helps youths-at-risk, Care Corner Singapore and The Food Bank Singapore. We also support their annual Heartstrings Walk to raise awareness among our employees on the causes that we support.



StarHub Chief Customer Officer, Chris Lipman (fourth person from left), leading his team in supporting the Community Chest Heartstring Walk 2021's Walk@MarinaBay

Food Security

StarHub also encourages our employees to volunteer for meaningful causes. StarHubbers lent a helping hand at The Food Bank Singapore warehouse, sorting and packing carton boxes of food donations. Since January 2021, StarHub has worked with The Food Bank Singapore to dispense 24x7 food aid consisting of 129,828 meals to over 2,900 beneficiaries through food vending machines.



StarHub volunteers at The Food Bank warehouse and topping up vending machines

#BYOBclean

StarHub supported Temasek Foundation through employee voluntarism in their 'bring your own bottle' campaign, a Stay Prepared initiative in response to the COVID-19 pandemic. 14 StarHub employees assisted the public to fill up their bottles with hand sanitiser at the collection points.



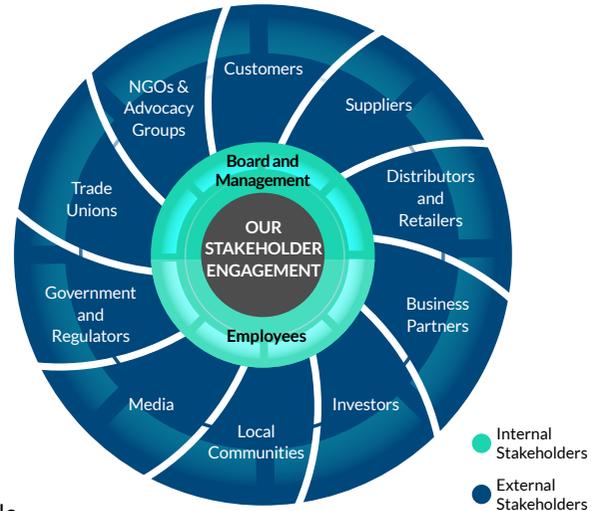
StarHub Chief Human Resource Officer, Catherine Chia (nearest to machine) and teammates volunteering for the #BYOBclean campaign

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

Our interaction and engagement with our stakeholders are essential in ensuring we continue to create value for them and achieve our long-term success as a business. Through a stakeholder mapping exercise and annual review, we have identified our main stakeholders based on the potential for StarHub to impact their part of the value chain as well as their potential to impact our business.

We seek stakeholder feedback using both formal and informal channels. Ongoing stakeholder feedback allows us to offer the right products and services that meet our customers' needs and expectations, create a fulfilling workplace for employees, and to serve the community.



A summary of our key engagement efforts is presented in the following table.

SUMMARY OF STAKEHOLDER ENGAGEMENT EFFORTS

Stakeholder Group	Engagement Method & Frequency	Stakeholders' Expectations	StarHub's Response
Customers 	<ul style="list-style-type: none"> Customer surveys Company website and social media WhatsApp chat and Facebook Messenger chatbot channel GreenR Community online forum Customer Service touchpoints Sustainability Report 	<ul style="list-style-type: none"> OG Seamless, high-quality network coverage OG Simplicity and clarity of StarHub's fees and contracts R Cybersecurity and data protection OG Enhanced support for customers in light of COVID-19 challenges A 	<ul style="list-style-type: none"> Ongoing investments in infrastructural upgrades Active and ongoing monitoring of cybersecurity trends to stay updated on latest developments Offered promotions and enhanced services to extend additional support to our customers Redesigned My StarHub app to manage StarHub services more conveniently Use of Intelligent Virtual Assistant on WhatsApp and Facebook Page to address queries to shorten response time for routine customer support
Employees 	<ul style="list-style-type: none"> Intranet Emails Workshops HubberHangout virtual staff communication session Employee feedback surveys Performance review Employee engagement activities, such as webinars and volunteering activities Annual Report and Sustainability Report 	<ul style="list-style-type: none"> OG Career and talent development R Salaries and benefits R Work-life balance BM Access to communication channels TY R A R A 	<ul style="list-style-type: none"> Refined an annual Talent and Succession Planning framework and process Flexi-benefit scheme since 2019 Proactive encouragement of safe work practices at the office and remote working arrangements Introduced HubberHangout Broadcast to stay connected during the COVID-19 WFH arrangement

Stakeholder Group	Engagement Method & Frequency	Stakeholders' Expectations	StarHub's Response
Suppliers 	<ul style="list-style-type: none"> Company website Face-to-face meetings Emails Teleconference Sustainability Report 	<ul style="list-style-type: none"> OG R R R A 	<ul style="list-style-type: none"> Procurement process Compliance with terms and conditions of purchasing policies, including StarHub's Supplier Code <ul style="list-style-type: none"> Making our Supplier Code and Responsible Sourcing Policy available online Implemented a Supplier Self-Assessment Questionnaire to guide compliance
Distributors & Retailers 	<ul style="list-style-type: none"> Teleconference Face-to-face meetings Shop visits Emails 	<ul style="list-style-type: none"> R AR AR R 	<ul style="list-style-type: none"> Timely delivery Quality assurance Strong dealer collaboration, driving good customer experience After-sales support Offer attractive sales promotions <ul style="list-style-type: none"> Supporting partners with simplified processes and systems (including training) Provided digital sales tools Enhanced service offerings and promotions
Business Partners 	<ul style="list-style-type: none"> Teleconference Sustainability Report 	<ul style="list-style-type: none"> R A 	<ul style="list-style-type: none"> Business opportunities partnership <ul style="list-style-type: none"> Explored partnerships to seek mutually beneficial business opportunities
Investors 	<ul style="list-style-type: none"> Financial reports and disclosures Annual Report Announcements via SGXNet Annual General Meeting Combined analyst and media briefing for Full Year results announcements, with webcast available for public participation Combined analyst and media results update call Investor conferences Investor meetings and non-deal roadshows Sustainability Report IR contact – email address and phone number listed on IR website 	<ul style="list-style-type: none"> R A T A A Q R R A 	<ul style="list-style-type: none"> Transparency, timely information on business performance, strategy, views on operating landscape and business outlook Timely response to queries <ul style="list-style-type: none"> Actively engage the investment community, through investor meetings, prompt response to email and phone queries Conduct regular update meetings with research analysts Provided timely and comprehensive information and remained committed to best corporate governance and disclosure practices
Local Communities 	<ul style="list-style-type: none"> Community outreach programmes Sponsorships Sustainability Report 	<ul style="list-style-type: none"> OG OG A 	<ul style="list-style-type: none"> Addressing social needs, including digital inclusion and employability Providing support during COVID-19 <ul style="list-style-type: none"> Regularly reviewing community needs Partnering with Voluntary Welfare Organisations Investing in community projects to support underprivileged youths and families Organised ground-up initiatives to help vulnerable groups affected by COVID-19

SUSTAINABILITY REPORT

Stakeholder Group	Engagement Method & Frequency	Stakeholders' Expectations	StarHub's Response
Media 	<ul style="list-style-type: none"> • Media events / briefings • Media releases • Media responses • Annual Report • Corporate Governance Report • Sustainability Report • Media contact - email address listed on corporate website 	<ul style="list-style-type: none"> • Exposure and access to company developments and news as well as breaking stories on products, services, entertainment, and related content 	<ul style="list-style-type: none"> • Provided dedicated media contacts • Offering timely and accurate information on company affairs of public interest
Government & Regulators 	<ul style="list-style-type: none"> • Virtual and face-to-face meetings • Consultation sessions • Calls for Proposals • Sustainability Report 	<ul style="list-style-type: none"> • Compliance with regulations, including providing a resilient service for our customers • Support in digital readiness, online safety, narrowing digital divide 	<ul style="list-style-type: none"> • Complied with regulatory requirements, including relevant audits on our infrastructure
Trade Unions 	<ul style="list-style-type: none"> • Informal/formal consultations • Annual Report and Sustainability Report 	<ul style="list-style-type: none"> • Access to employees for promoting membership • Open and honest dialogue with Management • Knowledge sharing and capacity building 	<ul style="list-style-type: none"> • MOU with Singapore Industrial and Services Employees' Union • MOU with the National Trade Union Congress (NTUC), offering Union members exclusive mobile and broadband deals as well as entry-level mobile plans for lower-income members and Family Membership deals
Non-Governmental Organisations (NGOs) & Advocacy Groups 	<ul style="list-style-type: none"> • Meetings • Conferences • Sustainability Report 	<ul style="list-style-type: none"> • Responsible business practices • Reducing environmental impact • Disclosing information about our sustainability performance 	<ul style="list-style-type: none"> • Committed to the Ten Principles of the UN Global Compact • Developed plans to lower carbon emissions • Embarked on disclosure in alignment with the TCFD recommendations

Stakeholder Group	Engagement Method & Frequency	Stakeholders' Expectations	StarHub's Response
The Board & Management 	<ul style="list-style-type: none"> Board and Board Committee meetings StarHub Board Portal Quarterly reports Business reports and updates Emails and telephone calls Annual General Meeting and the Extraordinary General Meeting 	<ul style="list-style-type: none"> Access to relevant information and up-to-date policies Receive complete, adequate, and timely information, including ESG risks Develop sound strategies 	<ul style="list-style-type: none"> Conducted orientation programme for newly appointed Directors Provided continual training and development Conducted network and technology briefing

MEMBERSHIPS AND ASSOCIATIONS IN 2021

- American Chamber of Commerce in Singapore
- Asia Pacific Network Information Centre
- Asia Video Industry Association
- Association of Certified Fraud Examiners
- Association of Chartered Certified Accountants
- British Chamber of Commerce, Singapore
- Chartered Institute of Management Accountants
- Chartered Secretaries Institute of Singapore
- Cloud Security Alliance
- Contact Centre Association of Singapore
- CPA Australia
- Disaster Recovery Institute International
- Global Compact Network Singapore
- GSMA
- IMDA's 5G Workforce Transformation Committee
- Income Tax Board of Review
- Information Systems Audit and Control Association
- Institute of Service Excellence at SMU
- Institute of Singapore Chartered Accountants
- Intelligent Transportation Society Singapore
- International Council of E-Commerce Consultants
- International Information System Security Certification Consortium
- National Sustainable Procurement Roundtable
- Promax Asia
- Project Management Institute
- Singapore Academy of Law
- Singapore Accountancy Commission
- Singapore Advanced Research & Education Network
- Singapore Association of the Institute of Chartered Secretaries and Administrators
- Singapore Business Federation
- Singapore Chinese Chamber of Commerce & Industry
- Singapore Computer Society
- Singapore Corporate Counsel Association
- Singapore Hotel Association
- Singapore Institute of Directors
- Singapore International Chamber of Commerce
- Singapore National Employers' Federation
- Wireless Broadband Alliance

SUSTAINABILITY REPORT

APPENDIX

StarHub Value Creation Scorecard

	FY2021	FY2020	FY2019
Environmental			
CO ₂ e emissions for Scope 1+2 (tonnes)	55,975	55,438	60,750
Carbon emission intensity per \$million revenue (tonnes CO ₂ e)	27.4	27.3	26.1
Electricity used within organisation (million kWh)	143	137	144
Energy consumption within organisation (gigajoules)	518,466	497,759	523,698
Energy intensity per \$million revenue within organisation (gigajoules)	254	245	225
Water consumption (megalitres)	5.80	9.65	21.78
General waste (non-hazardous) (tonnes)	7.2	17.6	35
Internal e-waste recycled (tonnes)	73	49	387
Paper recycled (tonnes)	1.3	1.8	8.9
Social			
Employees			
Permanent employees	1,539	1,686	2,016
Local employees (% of Singapore citizens)	75	74	70
New hires	285	213	450
Female employees (%)	42	43	42
Female managers (% of Senior level)	38	35	36
Female managers (% of Middle level)	34	36	35
Female Heads of Department (% of HODs)	20	20	20 ²⁶
Average training hours per employee	14	9.4	14
Training expenditure per employee (\$)	561	238	421
Employee turnover rate (%)	27	29	24
Number of reported work injuries	0	2	3
Fatal accidents	0	0	0
Community			
Employee volunteerism participation (%)	7	4	7
Community investment and donations to charities (\$million)	0.7	1.7	1.0
Governance			
Revenue (\$million)	2,043	2,029	2,331
Net profit (\$million)	149	158	179
Dividends paid to shareholders (\$million)	87	82	186
Share of local suppliers as percentage of total procurement spend (%)	94	95	93
Proportion of local suppliers	87	90	88

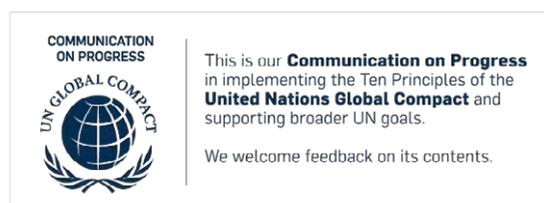
²⁶ Restated using the same basis as 2020 and 2021

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

StarHub reaffirms our support of the Ten Principles of the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption. StarHub has been a signatory member of the UNGC since 2012. Progressively, we have taken appropriate actions to incorporate the ten principles in the way we conduct business.

Our sustainability report serves as our annual communication on progress, describing our actions to continually improve the integration of the UNGC and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Best regards,
Nikhil Eapen, CEO



Please refer to the table below for our actions and outcomes in 2021:

Human Rights	Ensure workers are provided safe, suitable and sanitary work facilities	Pages 142-143
	Protect workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats	Page 144
	Take measures to eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during manufacturing, usage or disposal of products	Page 143
Labour	Ensure that the company does not participate in any form of forced or bonded labour	Page 140
	Comply with minimum wage standards	StarHub fully complies with all local laws. Page 144
	Ensure that employment-related decisions are based on relevant and objective criteria	Page 144
Environment	Avoid environmental damage via regular maintenance of production processes and environmental protection system (air pollution control, waste, water treatment systems, etc.)	Pages 129, 137
	Ensure emergency procedures to prevent and address accidents affecting the environment and human health	Page 143
	Minimise the use and ensure safe handling and storage of chemical and other dangerous substances	Page 140
Anti-Corruption	Assess the risk of corruption when doing business	Page 140
	Mention "anti-corruption" and/or "ethical behaviour" in contracts with business partners	Page 140
	Ensure that internal procedures support the company's anti-corruption commitment	Page 139

SUSTAINABILITY REPORT

DESCRIPTION AND BOUNDARY OF STARHUB'S MATERIAL SUSTAINABILITY TOPICS

Topic	Description	Suppliers	Infrastructure	Operations	Products	Customers
Enabling a Digital Society						
Innovation & Technology	Embracing new technologies and fostering innovation throughout our value chain. Expanding our knowledge, expertise, and resources through partnerships to deliver better products and develop new markets.	X	X	X	X	X
Cybersecurity	Ensuring adequate systems and processes are put in place in order to prevent cyber breaches and leaks, respecting the rights to data privacy of our employees and customers.	X	X	X	X	X
Online Safety	Creating awareness and implementing measures to protect the safety of our online users, especially vulnerable groups such as children.					X
Advancing Environmental Sustainability & Resilience						
Climate Change	Building our business and infrastructure resilience against the impact of climate change, including physical and regulatory risks. Improving energy efficiency within our operations, increasing the use of renewable energy and reducing our GHG emissions.	X	X	X	X	
Waste	Enabling the reduction, reuse and recycling of waste, especially e-waste, within our operations and the community.	X	X	X	X	X
Water Use	Reducing the amount of water consumed in our operations and improving water efficiency.		X	X		

Topic	Description	Suppliers	Infrastructure	Operations	Products	Customers
Embedding Responsible Business Practices						
Business Conduct & Ethics	Conducting our business activities responsibly, upholding the highest standards of ethics and integrity.	X		X		X
Product Quality & Responsible Selling	Maintaining the highest level of product and service quality, and responsible marketing and advertising to establish trust and enhance customer experience.	X		X	X	X
Supply Chain Management	Implementing responsible procurement practices and managing our supply chain impact through supplier engagement and collaboration.	X				

Caring for Our People & Communities						
Health & Safety	Adhering to best-practice safety standards and regulations, while staying up-to-date with the latest research and findings on RF emissions risks. Creating a work environment that promotes the health of our employees and ensures their safety.	X	X	X	X	X
Equality, Diversity & Inclusion	Promoting a culture of diversity and equal opportunity, free from discrimination on the basis of age, race, gender identity, sexual orientation, disability, religion, family or marital status.			X		
Talent Management	Attracting highly-skilled individuals, engaging our employees and providing training and development opportunities to build a high-performing organisation.			X		
Investment in Communities	Investing in the communities in which we operate, particularly in supporting disadvantaged groups in the areas of digital inclusion and employability.			X		X

SUSTAINABILITY REPORT

TCFD INDEX

TCFD Pillar	TCFD recommendation	2021 Disclosure
Governance	Describe the Board's oversight of climate-related risks and opportunities.	Please refer to Sustainability Governance, page 118
	Describe Management's role in assessing and managing climate-related risks and opportunities.	
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Please refer to Climate Change, pages 132-135
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks.	Please refer to Climate Change, pages 132-135
	Describe the organisation's processes for managing climate-related risks.	
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics & Targets	Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.	Please refer to Performance & New Key Targets, page 122
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks	
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	

GRI CONTENT INDEX

This report has been prepared in accordance with the GRI Standards: Core option. The table below presents our GRI content index, which specifies each of the GRI Standards used in this report with references to where the information can be found. Where we were not able to meet the GRI Standards reporting requirements, we have included our reasons for the omission in the table below:

GRI STANDARD DISCLOSURE	GRI INDICATOR		REFERENCES
GENERAL DISCLOSURES			
GRI 102: General Disclosures	102-1	Name of the organisation	StarHub Ltd
	102-2	Activities, brands, products, and services	18-19
	102-3	Location of headquarters	Singapore
	102-4	Location of operations	309
	102-5	Ownership and legal form	278-279, 309
	102-6	Markets served	18-19
	102-7	Scale of the organisation	148
	102-8	Information on employees and other workers	148
	102-9	Supply chain	140
	102-10	Significant changes to the organisation and its supply chain	No significant changes
	102-11	Precautionary Principle or approach	104
	102-12	External initiatives	161
	102-13	Membership of associations	159
	102-14	Statement from senior decision-maker	114
	102-16	Values, principles, standards, and norms of behaviour	139-140, 144
	102-18	Governance structure	118
	102-40	List of stakeholder groups	156
	102-41	Collective bargaining agreements	34% of our workforce are members of SISEU
	102-42	Identifying and selecting stakeholders	156
	102-43	Approach to stakeholder engagement	156
	102-44	Key topics and concerns raised	119, 156-159
102-45	Entities included in the consolidated financial statements	186	
102-46	Defining report content and topic Boundaries	115, 162-163	
102-47	List of material topics	119	
102-48	Restatements of information	132, 160	
102-49	Changes in reporting	No changes in reporting	
102-50	Reporting period	115	
102-51	Date of most recent report	StarHub Sustainability Report 2020 published 8 April 2021	

SUSTAINABILITY REPORT

GRI STANDARD DISCLOSURE	GRI INDICATOR		REFERENCES
	102-52	Reporting cycle	115
	102-53	Contact point for questions regarding the report	115
	102-54	Claims of reporting in accordance with the GRI Standards	115
	102-55	GRI content index	165-168
	102-56	External assurance	171-174
TOPIC SPECIFIC DISCLOSURES			
ENABLING A DIGITAL SOCIETY			
Innovation & Technology			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	124
	103-2	The management approach and its components	124-125
	103-3	Evaluation of the management approach	125-126
Cybersecurity			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	127
	103-2	The management approach and its components	127
	103-3	Evaluation of the management approach	127
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	127
Online Safety			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	128
	103-2	The management approach and its components	128
	103-3	Evaluation of the management approach	128
ADVANCING ENVIRONMENTAL SUSTAINABILITY & RESILIENCE			
Climate Change			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	130
	103-2	The management approach and its components	130, 134-135
	103-3	Evaluation of the management approach	132
GRI 302: Energy	302-1	Energy consumption within the organisation	132
	302-2	Energy consumption outside of the organisation	132
	302-3	Energy intensity	132
	302-4	Reduction of energy consumption	132
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	133
	305-2	Energy indirect (Scope 2) GHG emissions	133
	305-3	Other indirect (Scope 3) GHG emission	133
	305-4	GHG emissions intensity	133

GRI STANDARD DISCLOSURE	GRI INDICATOR		REFERENCES
Waste			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	136
	103-2	The management approach and its components	136
	103-3	Evaluation of the management approach	137
GRI 305: Waste	306-3	Waste generated	137
Water Use			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	137
	103-2	The management approach and its components	137
	103-3	Evaluation of the management approach	137
GRI 303: Water and Effluents	303-3	Water withdrawal	137
EMBEDDING RESPONSIBLE BUSINESS PRACTICES			
Business Conduct & Ethics			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	139
	103-2	The management approach and its components	139
	103-3	Evaluation of the management approach	139
GRI 205: Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	139
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	139
Product Quality & Responsible Selling			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	139, 140
	103-2	The management approach and its components	139, 140
	103-3	Evaluation of the management approach	139, 140
GRI: 417: Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labelling	139
Supply Chain Management			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	140
	103-2	The management approach and its components	140
	103-3	Evaluation of the management approach	140
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	140

SUSTAINABILITY REPORT

GRI STANDARD DISCLOSURE	GRI INDICATOR		REFERENCES
CARING FOR OUR PEOPLE & COMMUNITIES			
Health & Safety			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	142,143
	103-2	The management approach and its components	143
	103-3	Evaluation of the management approach	143
GRI 403: Occupational Health and Safety	403-9	Work-related injuries	143
GRI 416: Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	143
Equality, Diversity & Inclusion			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	144
	103-2	The management approach and its components	144
	103-3	Evaluation of the management approach	145
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	145
	405-2	Ratio of the basic salary and remuneration of women to men	145
GRI 406: Nondiscrimination	406-1	Incidents of discrimination and corrective actions taken	144
Talent Management			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	146, 147
	103-2	The management approach and its components	146, 147
	103-3	Evaluation of the management approach	146, 148
GRI 401: Employment	401-1	New employee hires and employee turnover	148
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	146
	401-3	Parental leave	148
GRI 404: Training and Education	404-1	Average hours of training per year per employee	148, 160
Investment in Communities			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	149
	103-2	The management approach and its components	149
	103-3	Evaluation of the management approach	150-155
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	100% of operations (i.e., Singapore) implemented community engagement in 2021. Please refer to 150-155

SASB DISCLOSURE INDEX

CODE	METRIC DESCRIPTION	2021	PAGE REFERENCE
Activity Metric			
TC-TL-000.A	Number of wireless subscribers	2.0M	18
TC-TL-000.B	Number of wireline subscribers	279K	-
TC-TL-000.C	Number of broadband subscribers	484K	18
TC-TL-000.D	Network traffic (Petrabytes)	3,330	-
Environmental Footprint of Operations			
TC-TL-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	518,466 gigajoules Grid: 93% Renewable: 6%	132
Data Privacy			
TC-TL-220a.1	Description of policies and practices relating to behavioural advertising and customer privacy	Refer to report	139 - 140
TC-TL-220a.2	Number of customers whose information is used for secondary purposes	0	-
TC-TL-220a.3	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	0	-
TC-TL-220a.4	(1) Number of law enforcement requests for customer information, (2) Number of customers whose information was requested, (3) Percentage resulting in disclosure	-	Not able to provide due to confidentiality obligations.
Data Security			
TC-TL-230a.1	(1) Number of data breaches, (2) Percentage involving personally identifiable information (PII), (3) Number of customers affected	(1) One incident of data breach related to customer data from before 2007 (2) 100% involved personally identifiable information (3) 57,191 customers were affected.	127
TC-TL-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Refer to report	127
Product End-of-life Management			
TC-TL-440a.1	(1) Materials recovered through take back programs, percentage of recovered materials that were (2) reused, (3) recycled, and (4) landfilled	Internal e-waste: 73 tonnes External e-waste: 75 tonnes Reuse: 0% Recycled: 100% Landfilled: 0%	136, 137

SUSTAINABILITY REPORT

CODE	METRIC DESCRIPTION	2021	PAGE REFERENCE
Competitive Behaviour & Open Internet			
TC-TL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	Refer to report	139
TC-TL-520a.2	Average actual sustained download speed of (1) owned and commercially-associated content and (2) non-associated content	The speeds are non-specific to our owned content or other non-associated content.	-
TC-TL-520a.3	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices	Refer to report	139
Managing Systemic Risks from Technology Disruptions			
TC-TL-550a.1	(1) System average interruption frequency and (2) customer average interruption duration	1) An independent infrastructure audit conducted in 2020 confirmed that overall service availability of mobile services was higher than 99.95%.	-
		2) StarHub's Quality of Service reports to IMDA showed that the network availability of StarHub's broadband service was higher than 99.99%.	139
TC-TL-550a.2	Discussion of systems to provide unimpeded service during service interruptions	Refer to report	134-135, 139

INDEPENDENT LIMITED ASSURANCE REPORT

To the Directors of StarHub Ltd

We were engaged by the Board of Directors of StarHub Ltd (the Company) to provide limited assurance on the accompanying StarHub Sustainability Report 2021 for the year ended 31 December 2021 (the Report), as set on pages 112 to 163, and the selected Global Reporting Initiative Sustainability Reporting Standards disclosures (Selected GRI Disclosures) as identified below.

Conclusion

Based on the evidence we obtained from the procedures performed as described in the Auditors' Responsibilities section of our report, nothing has come to our attention that causes us to believe that:

- (a) the Report has not described the sustainability practices on a comply-or-explain basis with reference to the following components as listed under Rule 711B of the Singapore Exchange's (SGX) Listing Manual;
 - Material environmental, social and governance factors;
 - Policies, practices and performance;
 - Targets;
 - Sustainability reporting framework; and
 - Board statement;
- (b) the Selected GRI Disclosures as identified in the table below, are not presented, in all material respects, in accordance with the relevant topic-specific disclosures requirements in the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards); and
- (c) the Selected GRI Disclosures as identified in the table below, are not calculated, in all material respects, in accordance with the relevant topic-specific disclosures requirements in the GRI Standards.

Material Topic	GRI Standards	Topic-specific Disclosure	Selected GRI Disclosures
Energy	GRI 302-1	Energy consumption within the organisation	518,466 gigajoules (GJ)
	GRI 302-2	Energy consumption outside of the organisation	38,121 gigajoules (GJ)
	GRI 302-3	Energy intensity	254 GJ per \$million revenue (for energy consumption within organisation)
	GRI 302-4	Reduction of energy consumption	Increased by 4%
Water Use	GRI 303-3	Water withdrawal	5.80 megalitres
Emissions	GRI 305-1	Direct (Scope 1) GHG emissions	1,356 tonnes CO ₂ e
	GRI 305-2	Energy indirect (Scope 2) GHG emissions (location-based)	58,249 tonnes CO ₂ e
	GRI 305-2	Energy indirect (Scope 2) GHG emissions (market-based)	54,619 tonnes CO ₂ e
	GRI 305-3	Other indirect (Scope 3) GHG emissions	12,995 tonnes CO ₂ e
	GRI 305-4	GHG emissions intensity	27.4 tonnes CO ₂ e per \$million revenue (within organisation)
Waste	GRI 306-3	Waste generated	Internal e-waste recycled: 72.6 tonnes Paper recycled: 1.3 tonnes Non-hazardous general waste disposed: 7.2 tonnes

SUSTAINABILITY REPORT

Material Topic	GRI Standards	Topic-specific Disclosure	Selected GRI Disclosures					
Employment	GRI 401-1	New employee hires and employee turnover	Gender		Male	Female	Total	
			Number of new hires	159	126	285		
			Rate of new hires	17%	18%	17%		
			Number of turnovers	238	203	441		
			Rate of turnover	25%	29%	27%		
			Age Group		< 30	30-50	> 50	Total
			Number of new hires	80	191	14	285	
			Rate of new hires	49%	15%	6%	17%	
			Number of turnovers	85	315	41	441	
			Rate of turnover	52%	25%	19%	27%	
Talent Management	GRI 404-1	Average hours of training per year per employee			Male	Female		
			Senior Management	13.21	21.07			
			Middle Management	23.59	23.03			
			Function Employees	12.41	9.53			
			Overall	15.19	12.19			
Equality, Diversity and Inclusion	GRI 405-1	Diversity of governance bodies and employees	Gender		Male	Female		
			Board	75%	25%			
			Senior Management	65%	35%			
			Middle Management	66%	34%			
			Function Employees	55%	45%			
			Overall Workforce (excl. Board)	58%	42%			
			Age Group		< 30	30-50	> 50	
			Board	0%	33%	67%		
			Senior Management	0%	67%	33%		
			Middle Management	0.3%	80.3%	19.4%		
			Function Employees	13%	76%	11%		
			Overall Workforce (excl. Board)	10%	77%	13%		
			Ethnic Group		Chinese	Malay	Indian	Others
			Board	33%	0%	25%	42%	
			Senior Management	74%	0%	8%	18%	
			Middle Management	85%	2%	7%	6%	
			Function Employees	71%	9%	5%	15%	
Overall Workforce (excl. Board)	74%	7%	6%	13%				

Material Topic	GRI Standards	Topic-specific Disclosure	Selected GRI Disclosures					
Equality, Diversity and Inclusion	GRI 405-2	Ratio of the basic salary and remuneration of women to men	Ratio of Base Salary	Female	Male			
			Senior Management	1.00	1.27			
			Middle Management	1.00	1.00			
			Function Employees	1.00	1.01			
	Overall	1.00	1.15					
	GRI 406-1	Incidents of discrimination and corrective actions taken	Incidents of discrimination and corrective actions taken: 0 cases					
Workplace Health and Safety	GRI 403-9	Work-related injuries	Workplace Injury Frequency Rate		2021			
			Number of Workplace Accidents		0			
			Workplace Injury Frequency Rate		0			
			Workplace Injury Severity Rate		2021			
			Number of Man Days Lost		0			
			Workplace Injury Severity Rate		0			
			Workplace Injury Incidence Rate		2021			
			Number of Workplace Injuries		0			
			Workplace Injury Incidence Rate		0			
			Workplace Fatalities		2021			
			Number of Workplace Fatalities		0			
			Occupational Disease		2021			
			Number of Occupational Disease Incidences		0			
			Procurement practices	GRI 204-1	Proportion of spending on local suppliers	Share of local suppliers as a percentage of total supplier payments: 93.5%		
						Proportion of local suppliers as a percentage of total suppliers: 87.2%		

Basis for Conclusion

We conducted our limited assurance engagement in accordance with Singapore Standard on Assurance Engagement 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information (SSAE 3000). Our responsibilities are further described in the Auditors' Responsibilities section of our report.

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Singapore Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

SUSTAINABILITY REPORT

Responsibilities of Management

Management is responsible for:

- preparing and presenting the Report in accordance with the GRI Standards and Rule 711B of the SGX Listing Manual, and the information and assertions contained within it;
- determining StarHub's objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues;
- establishing and maintaining appropriate internal control systems that enable the preparation and presentation of the Report and the selected GRI disclosures that are free from material misstatement, whether due to fraud or error;
- preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities; and
- ensuring that staff involved with the preparation and presentation of the Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant reporting units.

The directors' responsibilities include overseeing the Company's sustainability reporting process.

Auditors' Responsibilities

Our responsibility is to carry out a limited assurance engagement in accordance with SSAE 3000 and to express a conclusion based on the work performed. SSAE 3000 requires that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement. The extent of our work performed depends on our professional judgement and our assessment of the engagement risk.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

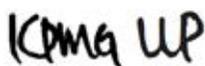
- Inquiries of management to gain an understanding of StarHub's processes for determining the material issues for StarHub's key stakeholder groups;
- Interviews with relevant staff at group level and selected business unit level concerning sustainability strategy and policies for material issues, and the implementation of these across the business;
- Interviews with relevant staff at the corporate and business unit level responsible for providing the information in the Report;
- Inquiries about the design and implementation of the systems and methods used to collect and report on the GRI Disclosures, including the aggregation of the reported information;
- Comparison of the GRI Disclosures presented in the Report to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been appropriately included in the GRI Disclosures; and
- Reading of the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Restriction on use

This report has been prepared for the Directors of StarHub Ltd for the purpose of providing an assurance conclusion on the Report and Selected GRI Disclosures and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of StarHub Ltd, or for any other purpose than that for which it was prepared.



KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
22 March 2022

The background of the page is a vibrant, futuristic cityscape at night. The skyline is composed of numerous skyscrapers, many of which are illuminated with bright blue and white lights. The buildings are set against a dark sky, and the foreground shows a body of water reflecting the city lights. Overlaid on the entire scene is a complex digital grid of glowing blue lines and dots, creating a sense of depth and connectivity. The overall aesthetic is high-tech and modern.

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Proxy Form

DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2021.

In our opinion:

- (a) the financial statements set out on pages 190 to 275 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance and the cash flows of the Group, and changes in equity of the Group and of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors in office at the date of this statement are as follows:

Steven Terrell Clontz	(Chairman)
Nikhil Oommen Jacob Eapen	(Appointed on 11 August 2021)
Ma Kah Woh	
Stephen Geoffrey Miller	
Nihal Vijaya Devadas Kaviratne CBE	
Michelle Lee Guthrie	
Nayantara Bali	
Ng Shin Ein	
Lionel Yeo Hung Tong	
Lim Tse Ghow Olivier	(Appointed on 12 February 2022)
Teo Ek Tor	
Naoki Wakai	
Ahmad Abdulaziz A A Al-Neama	(Appointed on 11 August 2021)

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967, particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants, share options and share awards in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Names of director and corporation in which interests are held	Holdings at beginning of the year/date of appointment	Holdings at end of the year
The Company		
<i>Ordinary shares</i>		
Steven Terrell Clontz	250,400	300,100

DIRECTORS' INTERESTS (CONTINUED)

Names of director and corporation in which interests are held	Holdings at beginning of the year/date of appointment	Holdings at end of the year
The Company		
<i>Ordinary shares</i>		
Nikhil Oommen Jacob Eapen	-	730,000 ⁽¹⁾
Ma Kah Woh	175,780	106,480
Stephen Geoffrey Miller	83,700	116,000
Nihal Vijaya Devadas Kaviratne CBE	87,500	123,400
Michelle Lee Guthrie	58,800	82,900
Nayantara Bali	30,400	55,400
Ng Shin Ein	29,000	56,500
Lionel Yeo Hung Tong	19,000	39,400
Teo Ek Tor	257,238	285,138
Related Corporations		
CapitaLand Limited		
<i>Ordinary Shares</i>		
Ma Kah Woh	7,539	-
Datameer, Inc.		
<i>Share Options</i>		
Stephen Geoffrey Miller	1,146,953 ⁽²⁾	1,146,953 ⁽²⁾
Olam International Limited		
<i>Ordinary Shares</i>		
Nihal Vijaya Devadas Kaviratne CBE	23,842	59,388
Singapore Technologies Telemedia Pte Ltd		
<i>Debentures</i>		
Stephen Geoffrey Miller	S\$250,000 ⁽³⁾	S\$250,000 ⁽³⁾
Singapore Telecommunications Limited		
<i>Ordinary Shares</i>		
Ma Kah Woh	380	380
Lionel Yeo Hung Tong	750	750

DIRECTORS' STATEMENT

(continued)

DIRECTORS' INTERESTS (CONTINUED)

Names of director and corporation in which interests are held	Holdings at beginning of the year/date of appointment	Holdings at end of the year
Related Corporations		
TeleChoice International Limited		
<i>Ordinary Shares</i>		
Stephen Geoffrey Miller	251,000	251,000
The Company		
<i>Conditional awards of shares under StarHub Performance Share Plan</i>		
Nikhil Oommen Jacob Eapen	-	622,000 ⁽⁴⁾
<i>Conditional awards of shares under StarHub Restricted Stock Plan</i>		
Nikhil Oommen Jacob Eapen	309,000 ⁽⁵⁾	309,000 ⁽⁵⁾

(1) Held by a nominee.

(2) Share Option under Datameer, Inc. 2009 Stock Plan held in trust for STT inTech Pte. Ltd. The share option is exercisable at US\$1.56 per share and expires on 15 November 2027.

(3) 5% Subordinated Perpetual Securities under Singapore Technologies Telemedia Pte Ltd's S\$2,000,000,000 Multicurrency Debt Issuance Programme.

(4) A conditional award was granted in August 2021. The performance period is from 2021 to 2023. No shares will be delivered if the threshold performance targets are not achieved, while up to 1.5 times the number of shares that are the subject of the award will be delivered if the performance targets are met or exceeded.

(5) A conditional award was granted in March 2021. The performance period was over the one year of 2021. No shares will be delivered if the threshold performance targets are not achieved, while up to the number of shares that are the subject of the award will be delivered if the performance targets are met or exceeded.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants, share options or share awards of the Company, or of its related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

There were no changes in the above-mentioned directors' interests in the Company between the end of the financial year and 21 January 2022.

Except as disclosed under the "Share-based Payments" section of this statement, neither at the end of nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE-BASED PAYMENTS

The Company has in place the StarHub Performance Share Plan 2014 and the StarHub Restricted Stock Plan 2014 (collectively, "StarHub Share Plans 2014", and each, "StarHub PSP 2014" and "StarHub RSP 2014" respectively). The StarHub Share Plans 2014 were approved and adopted at the Extraordinary General Meeting of the Company held on 14 April 2014.

The StarHub Share Plans 2014 are administered by the Company's Executive Resource and Compensation Committee ("ERCC") comprising three directors, namely Michelle Lee Guthrie, Stephen Geoffrey Miller and Lionel Yeo Hung Tong.

The Company designates Singapore Technologies Telemedia Pte Ltd as its parent company ("Parent Company") for purposes of the Plans.

SHARE-BASED PAYMENTS (CONTINUED)

StarHub Share Plans 2014

- (i) The StarHub Share Plans 2014 were implemented with the objectives of motivating key executives to strive for superior performance and sustaining long-term growth for the Group.
- (ii) The following persons were/shall be eligible to participate in the StarHub Share Plans, respectively at the absolute discretion of the ERCC:
 - (1) employees (including executive directors) and non-executive directors of the Group;
 - (2) employees (including executive directors) and non-executive directors of the Parent Group who meet the relevant age and rank criteria and whose services have been seconded to a company within the Group and who shall be regarded as an employee of the Group for the purposes of the StarHub Share Plans; and
 - (3) employees and non-executive directors of the Company's associated companies, who in the opinion of the ERCC, have contributed or will contribute to the success of the Group.
- (iii) Under the StarHub PSP 2014, awards of shares are granted on an annual basis, conditional on targets set for a performance period, currently prescribed to be a three-year period. Awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon the participant achieving prescribed performance targets set based on medium-term corporate objectives.

Awards are released once the ERCC is satisfied that the prescribed performance targets have been achieved. The actual number of shares given will depend on the level of achievement of the prescribed performance targets over the performance period.

Since the commencement of the StarHub PSP 2014 to the financial year ended 31 December 2021, conditional awards aggregating 7,224,500 shares have been granted under the aforesaid plan. For share awards granted prior to and during the financial year ended 31 December 2016, no shares will be delivered if the threshold performance targets are not achieved, while up to 1.825 times the number of shares that are the subject of the award will be delivered if the stretch performance targets are met or exceeded. The performance targets benchmark (a) the performance of the Company's Total Shareholders' Return ("TSR") measured against the MSCI Asia-Pacific Telecommunications Index (including Japan) over the performance period, and (b) the Wealth Added which measures investment performance in terms of the Company's TSR against shareholders' expected returns using cost of equity as a benchmark.

For share awards granted during and from the financial year ended 31 December 2017 to financial year ended 31 December 2018, no shares will be delivered if the threshold performance targets are not achieved, while up to 1.5 times the number of shares that are the subject of the award will be delivered if the stretch performance targets are met or exceeded. The performance targets benchmark (a) Returns on Invested Capital ("ROIC"), and (b) the Wealth Added which measures investment performance in terms of the Company's TSR against shareholders' expected returns using cost of equity as a benchmark.

For share awards granted during and after the financial year ended 31 December 2019, no share awards will be delivered if the performance targets are not achieved, while up to 1.5 times the number of shares that are the subject of the award will be delivered if the stretch performance targets are met or exceeded. The performance targets benchmark (a) Absolute TSR against Cost of Equity hurdles (i.e. measure of Wealth added), and (b) the Relative TSR against selected peers from the MSCI Asia Pacific Telecommunications Index, and (c) Transformation Key Performance Indicators reflective of the strategic growth objectives of StarHub.

DIRECTORS' STATEMENT (continued)

SHARE-BASED PAYMENTS (CONTINUED)

StarHub Share Plans 2014 (continued)

Details of share awards granted under the StarHub PSP 2014 are as follows:

Participants	Share awards granted during the financial year	Aggregate share awards granted since commencement of the StarHub PSP 2014 to 31 December 2021	Share awards vested during the financial year	Aggregate share awards outstanding as at 31 December 2021
StarHub PSP 2014				
Key executives	1,726,000	7,224,500	109,257	3,454,000

- (iv) Under the StarHub RSP 2014, awards granted vest only after the satisfactory completion of time-based service conditions (time-based restricted awards) or where the award is performance-related, after a further period of service beyond the performance period (performance-based restricted awards).

No minimum vesting periods are prescribed under the StarHub RSP 2014 and the length of the vesting period in respect of each award will be determined on a case-by-case basis. Performance-based restricted awards differ from awards granted under the StarHub PSP 2014 in that an extended vesting period is imposed beyond the performance period.

The performance-based restricted awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon the participant achieving prescribed performance targets. The actual number of shares to be released depends on the level of attainment of the performance targets over the performance period.

For performance-based restricted awards granted prior to and during financial year ended 31 December 2016, the performance targets used were measured against the ROIC and the Earnings Before Interest, Taxation, Depreciation and Amortisation ("EBITDA").

For performance-based restricted awards granted during and from financial year ended 31 December 2017 to financial year ended 31 December 2018, the performance targets used were aligned to the overall strategic financial and operational goals of the Group.

For performance-based restricted awards granted during and from financial year ended 31 December 2019 onwards, the performance targets used are measured against the ROIC.

Since the commencement of the StarHub RSP 2014 to the financial year ended 31 December 2021:

- (1) performance-based restricted awards aggregating 18,963,650 shares have been granted under the aforesaid plan. For share awards granted prior to and during the financial year ended 31 December 2016, no shares will be delivered if the threshold performance targets are not achieved, while up to 1.5 times the number of shares that are the subject of the award, will be delivered if the stretch performance targets are met or exceeded. For share awards granted during and after the financial year ended 31 December 2017, no shares will be delivered if the threshold performance target are not achieved, while up to the number of shares that are the subject of the award will be delivered if the stretch performance targets are met or exceeded;

SHARE-BASED PAYMENTS (CONTINUED)

StarHub Share Plans 2014 (continued)

- (2) restricted awards aggregating 1,582,600 shares have been granted to non-executive directors of the Company as part of their directors' remuneration, and were vested immediately upon grant;
- (3) a time-based restricted award of 32,500 shares has been granted on 8 July 2015. The shares under this award were vested in two equal tranches over a 2-year period from 8 July 2015 to 7 July 2017 according to a specified vesting schedule;
- (4) a time-based restricted award of 240,000 shares has been granted on 20 May 2016. The shares under this award were vested in two equal tranches over a period from 20 May 2016 to 7 July 2017 according to a specified vesting schedule;
- (5) a time-based restricted award of 592,590 shares has been granted on 15 March 2017. The shares under this award were vested in two equal tranches over a period from 15 March 2017 to 15 January 2018;
- (6) a time-based restricted award of 400,000 shares has been granted on 6 April 2017. The shares under this award were vested in three tranches over a 3-year period from 13 April 2018 to 15 April 2020; and
- (7) a time-based restricted award of 118,700 shares has been granted on 7 September 2018. The shares under this award were vested in one tranche on 9 July 2019.

Details of share awards granted under the StarHub RSP 2014 are as follows:

Participants	Share awards granted during the financial year	Aggregate share awards granted since commencement of the StarHub RSP 2014 to 31 December 2021	Share awards vested during the financial year	Aggregate share awards outstanding as at 31 December 2021
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StarHub RSP 2014

Non-executive directors:

Steven Terrell Clontz	49,700	260,000	49,700	-
Ma Kah Woh	30,700	127,900	30,700	-
Stephen Geoffrey Miller	32,300	116,000	32,300	-
Nihal Vijaya Devadas Kaviratne CBE	35,900	200,300	35,900	-
Michelle Lee Guthrie	24,100	82,900	24,100	-
Nayantara Bali	25,000	55,400	25,000	-
Ng Shin Ein	27,500	56,500	27,500	-
Lionel Yeo Hung Tong	20,400	39,400	20,400	-
Teo Ek Tor	27,900	154,500	27,900	-
Lim Ming Seong*	31,700	170,400	31,700	-
Nasser Marafih*	16,300	114,600	16,300	-

Key employees	3,554,200	20,347,440	1,838,988	5,380,144
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* Nasser Marafih and Lim Ming Seong retired as Directors on 30 April 2021 and 13 August 2021 respectively.

During the financial year, a total of 2,269,745 treasury shares were transferred pursuant to the StarHub Share Plans 2014.

DIRECTORS' STATEMENT

(continued)

SHARE-BASED PAYMENTS (CONTINUED)

StarHub Share Plans 2014 (continued)

As at 31 December 2021, no participant has been granted and/or received shares pursuant to the release of awards granted under the StarHub Share Plans 2014, which, in aggregate, represents 5% or more of the aggregate of:

- (a) the total number of new shares available under the StarHub Share Plans 2014 collectively; and
- (b) the total number of existing shares delivered pursuant to awards released under the StarHub Share Plans 2014 collectively.

AUDIT COMMITTEE

The members of the Audit Committee as at the date of this statement are as follows:

Ma Kah Woh, independent non-executive director (Chairman)
Nihal Vijaya Devadas Kaviratne CBE, lead independent non-executive director
Ng Shin Ein, independent non-executive director
Teo Ek Tor, non-executive director

The Audit Committee has held four meetings since the last directors' statement. In performing its functions in accordance with Section 201B of the Companies Act 1967, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Group's internal accounting control system.

The Audit Committee has also reviewed the following:

- (1) assistance provided by the Company's officers to the internal and external auditors;
- (2) financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- (3) interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited) of the Company and its subsidiaries and the Company's compliance with the review procedures of such transactions.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

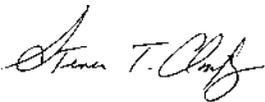
The Audit Committee has undertaken a review of all non-audit services provided by the external auditors, and is satisfied that the independence, objectivity and effectiveness of the external auditors are not compromised as a result thereof and has recommended to the Board of Directors that KPMG LLP be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

AUDITORS

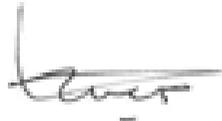
The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

These directors' statement and financial statements were authorised for issuance on 15 March 2022 in accordance with a resolution of the Board of Directors of StarHub Ltd.

On behalf of the Board of Directors



Steven Terrell Clontz
Director



Ma Kah Woh
Director

Singapore
15 March 2022

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY STARHUB LTD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of StarHub Ltd (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement of the Group, and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 190 to 275.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition (\$2,042.6 million)*(Refer to Note 3.9 'Significant accounting policies' and Note 25 'Revenue')*

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group derives its key revenue mainly from the provision of Mobile, Entertainment, Broadband, Enterprise Fixed services and sales of equipment.</p> <p>The Group uses data captured in network switches and source systems (such as customer record, point of sales), which are interfaced with billing and management IT reporting systems, to recognise revenue. Management relies on a combination of system automated controls and manual controls to ensure that revenue recognition is appropriate.</p> <p>Processes in place to capture revenue for financial reporting require regular changes to cater for business and product developments. There is inherently a lag in identifying and implementing the necessary changes.</p> <p>In addition, due to limitations with current system configuration, certain manual reconciliations are necessary to quantify the revenue amounts to be recognised in accordance with SFRS(I) 15 requirements.</p> <p>Owing to the varieties of products and services, different pricing models as well as numerous forms of rebate and discount offerings, together with complexities in telecommunication systems and related configurations, there is a risk that revenue may not be accurately recorded.</p> <p>Given the complexity of systems, significant volume of data processed, and introduction of new products or discounts, the determination of basis of allocation of fair values to each performance obligation, and hence determination of the amount and timing of revenue to be recognised is a highly judgemental process.</p>	<p>We obtained an understanding of the nature of various revenue streams and the related revenue recording processes, systems and controls.</p> <p>Our audit approach included both controls testing and substantive procedures.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> • Assessing the appropriateness of revenue recognition policies for products and services offered by the Group by reviewing samples of customer contracts, which included assessing the appropriateness of performance obligations identified by management and basis of allocation of the transaction price to the respective performance obligations identified within the contract. • Testing the design and implementation, and operating effectiveness of controls over the capture and recording of revenue. We also tested the relevant automated controls, including interface controls between different key IT application systems. • Reviewing the basis of percentage of completion for selected projects and checked the accuracy of revenue recognised for these projects. • Testing key manual reconciliation controls over revenue recognition used by management for certain revenue streams. • Testing manual journal entries recorded in the general ledger relating to revenue recognition.
<p>Findings</p> <p>We found that there are processes in place to capture revenue for financial reporting.</p>	

INDEPENDENT AUDITORS' REPORT (continued)

MEMBERS OF THE COMPANY STARHUB LTD

Impairment assessment of goodwill (\$405.2 million) and investment in subsidiaries (\$3,288.9 million) (Refer to Note 3.7(ii) 'Significant accounting policies', Note 5 'Intangible assets' and Note 7 'Subsidiaries')

The key audit matter	How the matter was addressed in our audit
<p>Goodwill is subject to an annual impairment test or more frequently if there are indications of impairment. Investment in subsidiaries is subject to impairment test when there are indicators of impairment.</p> <p>At 31 December 2021, the Group's statement of financial position includes goodwill predominately allocated to four cash-generating units ("CGUs") - fixed, mobile, cable and broadband operations ("Telco") CGU, D'Crypt Pte Ltd ("DPL") CGU, Ensign InfoSecurity Pte. Ltd. ("Ensign") CGU and Strateq Sdn Bhd ("Strateq") CGU.</p> <p>The Group and the Company performed an impairment assessment for each of the CGUs by estimating its recoverable amounts. The recoverable amount of each CGU was derived using its discounted cash flow forecast. As the recoverable amount for each of the CGUs was determined to be in excess of its respective carrying amounts, no impairment was determined.</p> <p>A CGU is the smallest unit of assets that generate cash inflows that are largely independent of the cash inflow from other group of assets. The identification of a CGU involves judgement.</p> <p>Forecasting future cash flow is a highly judgemental process which involves making assumptions on revenue growth rates, margins, operating expense and discount rates.</p>	<p>We evaluated the appropriateness of CGU identified by management based on our understanding of the current business of the Group and the Company.</p> <p>We assessed management's process of setting budgets on which the cash flow forecasts are based.</p> <p>We assessed key assumptions used in the cash flow projections by comparing them against historical performance, future business plans and external market reports, and whether these were appropriately reflected in the cash flow forecasts used.</p> <p>We independently derived applicable discount rates from comparable companies and compared these with those used by management.</p> <p>We performed sensitivity analyses, focusing on plausible changes in the key assumptions or discount rates, and analysed the impact to the carrying amount.</p> <p>We considered the appropriateness of the disclosures in the financial statements.</p>
<p>Findings</p> <p>We found the identification of CGUs to be based on reasonable basis.</p> <p>We found that the assumptions and resulting estimates used in the determining recoverable amounts to be within acceptable range.</p> <p>We found the Group's disclosure in notes to the financial statements to be appropriate.</p>	

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. Other than the Directors' Statement, which we have obtained prior to the date of this auditors' report, the other sections included in the annual report ("the Reports") are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT (continued)

MEMBERS OF THE COMPANY STARHUB LTD

Auditors' responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

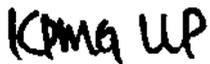
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Siew Yilin.

A handwritten signature in black ink that reads "KPMG LLP". The letters are bold and slightly slanted, with a casual, professional appearance.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
15 March 2022

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	Group		Company	
		2021 \$m	2020 \$m	2021 \$m	2020 \$m
Non-current assets					
Property, plant and equipment	4	694.7	755.0	365.8	392.1
Intangible assets	5	712.0	719.5	69.8	91.6
Right-of-use assets	6	121.5	150.1	87.0	99.7
Subsidiaries	7	-	-	3,288.9	3,272.8
Associate	8	26.3	22.9	27.8	27.8
Joint venture	8	10.1	1.9	-	-
Other investments	9	5.8	17.1	5.8	17.1
Contract assets	11	66.3	71.1	1.1	0.9
Contract costs	11	2.5	2.5	0.4	0.4
Prepayments	14	0.8	30.8	0.8	2.9
Deferred tax assets	20	-	0.8	-	-
		1,640.0	1,771.7	3,847.4	3,905.3
Current assets					
Inventories	12	50.0	79.9	4.3	5.0
Contract assets	11	289.9	317.4	22.0	24.1
Contract costs	11	27.1	36.3	1.0	1.2
Trade receivables	13	192.2	192.8	139.4	146.4
Other receivables, deposits and prepayments	14	195.9	98.5	36.0	41.3
Amounts due from related parties	10	15.0	19.3	114.2	13.9
Cash and cash equivalents	15	832.8	415.4	699.4	328.4
		1,602.9	1,159.6	1,016.3	560.3
Current liabilities					
Contract liabilities	11	(63.1)	(64.4)	(19.9)	(21.2)
Trade and other payables	16	(694.4)	(555.1)	(368.4)	(283.3)
Amounts due to related parties	10	(23.6)	(34.3)	(202.1)	(177.4)
Borrowings	17	(226.2)	(8.7)	(220.0)	-
Lease liabilities	18	(29.2)	(27.7)	(15.6)	(15.9)
Provision for taxation		(57.4)	(82.7)	(22.9)	(31.8)
		(1,093.9)	(772.9)	(848.9)	(529.6)
Net current assets		509.0	386.7	167.4	30.7
Non-current liabilities					
Contract liabilities	11	(38.6)	(31.6)	(38.6)	(31.6)
Trade and other payables	16	(81.2)	(95.4)	(25.5)	(10.8)
Borrowings	17	(1,138.5)	(1,163.7)	(1,054.4)	(1,077.5)
Lease liabilities	18	(102.8)	(129.9)	(75.5)	(85.9)
Deferred tax liabilities	20	(91.7)	(111.3)	(54.4)	(63.3)
		(1,452.8)	(1,531.9)	(1,248.4)	(1,269.1)
Net assets		696.2	626.5	2,766.4	2,666.9
Equity					
Share capital	21	299.7	299.7	299.7	299.7
Reserves	22	89.9	38.7	2,266.8	2,167.3
Perpetual capital securities	23	199.9	199.9	199.9	199.9
Equity attributable to owners and perpetual capital securities holders		589.5	538.3	2,766.4	2,666.9
Non-controlling interests	24	106.7	88.2	-	-
Total equity		696.2	626.5	2,766.4	2,666.9

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$m	Group 2020 \$m
Revenue	25	2,042.6	2,028.8
Operating expenses	26	(1,825.0)	(1,838.9)
Other income	27	14.2	41.4
Profit from operations		231.8	231.3
Finance income	28	4.1	1.8
Finance expense	28	(49.1)	(40.8)
Net finance costs		(45.0)	(39.0)
Non-operating income		1.3	-
Non-operating expense		(3.0)	-
Share of profit of associate, net of tax	8	3.4	0.6
Share of profit/(loss) of joint venture, net of tax	8	1.7	(0.1)
		3.4	0.5
Profit before taxation		190.2	192.8
Taxation	29	(40.1)	(32.7)
Profit for the year		150.1	160.1
Profit attributable to:			
Owners of the Company		149.3	157.9
Non-controlling interests		0.8	2.2
Profit for the year		150.1	160.1
Earnings per share (in cents)			
- Basic	30	8.2	8.7
- Diluted	30	8.1	8.6
EBITDA	31	510.8	537.8

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2021

	Group	
	2021 \$m	2020 \$m
Profit for the year	150.1	160.1
Other comprehensive income		
<i>Items that will not be reclassified to profit or loss:</i>		
Gain on disposal of rights issues of equity investment at fair value through other comprehensive income ("FVOCI")	1.2	-
Change in fair value of equity investments at FVOCI, net of taxation	(11.3)	(17.1)
	(10.1)	(17.1)
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Share of other comprehensive income of associate	-	0.2
Foreign currency translation differences	0.8	(0.6)
Translation reserve reclassified to income statement on liquidation of a subsidiary	(1.3)	-
Effective portion of changes in fair value of cash flow hedges, net of taxation	2.1	(0.1)
	1.6	(0.5)
Other comprehensive income for the year, net of taxation	(8.5)	(17.6)
Total comprehensive income for the year	141.6	142.5
Total comprehensive income attributable to:		
Owners of the Company	140.7	140.3
Non-controlling interests	0.9	2.2
Total comprehensive income for the year	141.6	142.5

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2021

Group	Share capital \$m	Treasury shares \$m	Capital reserve \$m	Goodwill written off \$m	Share-based payments reserve \$m	Fair value reserve \$m	Hedging reserve \$m	Translation reserve \$m	Retained profits \$m	Total reserves \$m	Perpetual capital securities \$m	Non-controlling interests \$m	Total equity \$m
At 1 January 2021	299.7	(1.9)	(10.0)	(276.3)	8.0	(24.7)	(2.1)	0.8	344.9	38.7	199.9	88.2	626.5
Total comprehensive income for the year													
Profit for the year	-	-	-	-	-	-	-	-	149.3	149.3	-	0.8	150.1
<i>Other comprehensive income</i>													
Gain on disposal of rights issues of equity investment at FVOCI	-	-	-	-	-	1.2	-	-	-	1.2	-	-	1.2
Change in fair value of equity investments at FVOCI, net of taxation	-	-	-	-	-	(11.3)	-	-	-	(11.3)	-	-	(11.3)
Foreign currency translation differences	-	-	-	-	-	-	-	0.7	-	0.7	-	0.1	0.8
Translation reserve reclassified to income statement on liquidation of a subsidiary	-	-	-	-	-	-	-	(1.3)	-	(1.3)	-	-	(1.3)
Effective portion of changes in fair value of cash flow hedges, net of taxation	-	-	-	-	-	-	2.1	-	-	2.1	-	-	2.1
Total comprehensive income for the year	-	-	-	-	-	(10.1)	2.1	(0.6)	149.3	140.7	-	0.9	141.6
Transactions with equity holders of the Company, recognised directly in equity													
Accrued perpetual capital securities distribution	-	-	-	-	-	-	-	-	(7.9)	(7.9)	7.9	-	-
Perpetual capital securities distribution paid	-	-	-	-	-	-	-	-	1.3	1.3	(7.9)	-	(6.6)
Purchase of treasury shares	-	(2.9)	-	-	-	-	-	-	-	(2.9)	-	-	(2.9)
Issue of shares pursuant to share plans	-	2.9	-	-	(2.9)	-	-	-	-	-	-	-	-
Share-based payment expenses	-	-	-	-	3.4	-	-	-	-	3.4	-	-	3.4
Dividends paid (Note 33)	-	-	-	-	-	-	-	-	(86.5)	(86.5)	-	-	(86.5)
Changes in ownership interests without a change of control (Note 24)	-	-	3.1	-	-	-	-	-	-	3.1	-	17.6	20.7
Total transactions with equity holders of the Company	-	-	3.1	-	0.5	-	-	-	(93.1)	(89.5)	-	17.6	(71.9)
At 31 December 2021	299.7	(1.9)	(6.9)	(276.3)	8.5	(34.8)	-	0.2	401.1	89.9	199.9	106.7	696.2

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY (continued)

YEAR ENDED 31 DECEMBER 2021

Group	Share capital \$m	Treasury shares \$m	Capital reserve \$m	Goodwill written off \$m	Share-based payments reserve \$m	Fair value reserve \$m	Hedging reserve \$m	Translation reserve \$m	Retained profits \$m	Total reserves \$m	Perpetual capital securities \$m	Non-controlling interests \$m	Total equity \$m
At 1 January 2020	299.7	(0.1)	19.4	(276.3)	8.1	(7.6)	(2.2)	1.4	275.8	18.5	199.9	62.0	580.1
Total comprehensive income for the year													
Profit for the year	-	-	-	-	-	-	-	-	157.9	157.9	-	2.2	160.1
<i>Other comprehensive income</i>													
Net change in fair value of equity investments at FVOCI, net of taxation	-	-	-	-	-	(17.1)	-	-	-	(17.1)	-	-	(17.1)
Share of other comprehensive loss of associate	-	-	-	-	-	-	0.2	-	-	0.2	-	-	0.2
Foreign currency translation differences	-	-	-	-	-	-	-	(0.6)	-	(0.6)	-	-	(0.6)
Effective portion of changes in fair value of cash flow hedges, net of taxation	-	-	-	-	-	-	(0.1)	-	-	(0.1)	-	-	(0.1)
Total comprehensive income for the year	-	-	-	-	-	(17.1)	0.1	(0.6)	157.9	140.3	-	2.2	142.5
Transactions with equity holders of the Company, recognised directly in equity													
Accrued perpetual capital securities distribution	-	-	-	-	-	-	-	-	(7.9)	(7.9)	7.9	-	-
Perpetual capital securities distribution paid	-	-	-	-	-	-	-	-	1.3	1.3	(7.9)	-	(6.6)
Purchase of treasury shares	-	(5.1)	-	-	-	-	-	-	-	(5.1)	-	-	(5.1)
Issue of shares pursuant to share plans	-	3.3	-	-	(3.3)	-	-	-	-	-	-	-	-
Share-based payment expenses	-	-	-	-	3.2	-	-	-	-	3.2	-	-	3.2
Dividends paid (Note 33)	-	-	-	-	-	-	-	-	(82.2)	(82.2)	-	-	(82.2)
Net effect from business combinations (Note 35)	-	-	(32.7)	-	-	-	-	-	-	(32.7)	-	5.4	(27.3)
Changes in ownership interests without a change of control (Note 24)	-	-	3.3	-	-	-	-	-	-	3.3	-	18.6	21.9
Total transactions with equity holders of the Company	-	(1.8)	(29.4)	-	(0.1)	-	-	-	(88.8)	(120.1)	-	24.0	(96.1)
At 31 December 2020	299.7	(1.9)	(10.0)	(276.3)	8.0	(24.7)	(2.1)	0.8	344.9	38.7	199.9	88.2	626.5

The accompanying notes form an integral part of these financial statements.

Company	Share capital \$m	Treasury shares \$m	Share-based payments reserve \$m	Fair value reserve \$m	Retained profits \$m	Total reserves \$m	Perpetual capital securities \$m	Total equity \$m
At 1 January 2021	299.7	(1.9)	8.0	(24.7)	2,185.9	2,167.3	199.9	2,666.9
Total comprehensive income for the year								
Profit for the year	-	-	-	-	202.2	202.2	-	202.2
<i>Other comprehensive income</i>								
Gain on disposal of rights issues of equity investment at FVOCI	-	-	-	1.2	-	1.2	-	1.2
Change in fair value of equity investments at FVOCI, net of taxation	-	-	-	(11.3)	-	(11.3)	-	(11.3)
Total comprehensive income for the year	-	-	-	(10.1)	202.2	192.1	-	192.1
Transactions with equity holders of the Company, recognised directly in equity								
Accrued perpetual securities distribution	-	-	-	-	(7.9)	(7.9)	7.9	-
Perpetual securities distribution paid	-	-	-	-	1.3	1.3	(7.9)	(6.6)
Purchase of treasury shares	-	(2.9)	-	-	-	(2.9)	-	(2.9)
Issue of shares pursuant to share plans	-	2.9	(2.9)	-	-	-	-	-
Share-based payment expenses	-	-	3.4	-	-	3.4	-	3.4
Dividends paid (Note 33)	-	-	-	-	(86.5)	(86.5)	-	(86.5)
Total transactions with equity holders of the Company	-	-	0.5	-	(93.1)	(92.6)	-	(92.6)
At 31 December 2021	299.7	(1.9)	8.5	(34.8)	2,295.0	2,266.8	199.9	2,766.4

STATEMENTS OF CHANGES IN EQUITY (continued)

YEAR ENDED 31 DECEMBER 2021

Company	Share capital \$m	Treasury shares \$m	Share-based payments reserve \$m	Fair value reserve \$m	Retained profits \$m	Total reserves \$m	Perpetual capital securities \$m	Total equity \$m
At 1 January 2020	299.7	(0.1)	8.1	(7.6)	2,044.4	2,044.8	199.9	2,544.4
Total comprehensive income for the year								
Profit for the year	-	-	-	-	230.3	230.3	-	230.3
<i>Other comprehensive income</i>								
Net change in fair value of equity investments at FVOCI, net of taxation	-	-	-	(17.1)	-	(17.1)	-	(17.1)
Total comprehensive income for the year	-	-	-	(17.1)	230.3	213.2	-	213.2
Transactions with equity holders of the Company, recognised directly in equity								
Accrued perpetual securities distribution	-	-	-	-	(7.9)	(7.9)	7.9	-
Perpetual securities distribution paid	-	-	-	-	1.3	1.3	(7.9)	(6.6)
Purchase of treasury shares	-	(5.1)	-	-	-	(5.1)	-	(5.1)
Issue of shares pursuant to share plans	-	3.3	(3.3)	-	-	-	-	-
Share-based payment expenses	-	-	3.2	-	-	3.2	-	3.2
Dividends paid (Note 33)	-	-	-	-	(82.2)	(82.2)	-	(82.2)
Total transactions with equity holders of the Company	-	(1.8)	(0.1)	-	(88.8)	(90.7)	-	(90.7)
At 31 December 2020	299.7	(1.9)	8.0	(24.7)	2,185.9	2,167.3	199.9	2,666.9

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2021

	2021 \$m	2020 \$m
Cash flow from operating activities		
Profit before taxation	190.2	192.8
Adjustments for:		
Depreciation and amortisation	279.0	306.5
Share-based payments	3.4	3.2
Net finance costs	45.0	39.0
Loss on disposal of plant and equipment and intangible assets	1.2	0.8
Non-operating income	(1.3)	-
Non-operating expense	3.0	-
Share of profit of associate, net of tax	(3.4)	(0.6)
Share of (profit)/loss of joint venture, net of tax	(1.7)	0.1
	515.4	541.8
Changes in:		
Inventories	29.9	18.9
Contract assets	32.4	28.9
Contract costs	9.2	1.3
Trade receivables	0.6	75.0
Other receivables, deposits and prepayments	9.5	(5.4)
Contract liabilities	5.7	(9.6)
Trade and other payables	143.7	(8.6)
Amounts due from related parties	4.3	2.5
Amounts due to related parties	(10.7)	(6.8)
Cash generated from operations	740.0	638.0
Income tax paid	(82.9)	(59.1)
Net cash from operating activities	657.1	578.9
Cash flow from investing activities		
Interest received	1.6	2.7
Proceeds from disposal of property, plant and equipment	0.5	0.3
Purchase of property, plant and equipment and intangible assets	(172.5)	(191.2)
Repayment of loan by an associate	-	7.5
Loan to an external party	(105.0)	-
Investment in joint venture	(6.5)	(2.0)
Proceeds from disposal of share rights issued by equity investment	1.2	-
Payment of deferred consideration	(6.2)	-
Acquisition of subsidiary, net of cash acquired	-	(74.0)
Net cash used in investing activities	(286.9)	(256.7)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT (continued)

YEAR ENDED 31 DECEMBER 2021

	2021 \$m	2020 \$m
Cash flow from financing activities		
Payment of lease liabilities	(31.4)	(30.8)
Proceeds from borrowings	200.0	344.6
Repayment of borrowings	(1.6)	(237.9)
Dividend paid to owners of the Company	(86.5)	(82.2)
Purchase of treasury shares	(2.9)	(5.1)
Perpetual capital securities distribution paid	(7.9)	(7.9)
Interest and financing charges paid	(42.6)	(38.0)
Capital contribution from a non-controlling interest shareholder	20.7	21.9
Net cash from/(used in) financing activities	47.8	(35.4)
Net change in cash and cash equivalents	418.0	286.8
Cash and cash equivalents at beginning of year	403.7	116.9
Effect of exchange rate fluctuations	(0.2)	-
Cash and cash equivalents at end of year (Note 15)	821.5	403.7

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issuance on 15 March 2022 in accordance with a resolution of the Board of Directors of StarHub Ltd.

1 DOMICILE AND ACTIVITIES

StarHub Ltd (“StarHub” or the “Company”) is incorporated in the Republic of Singapore and has its registered office at 67 Ubi Avenue 1, #05-01 StarHub Green, Singapore 408942.

The principal activities of the Company are those relating to the operation and provision of telecommunications services and other businesses relating to the info-communications industry. The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

The consolidated financial statements relate to the Company and its subsidiaries (together the “Group” and individually as “Group entities”), and the Group’s interest in its equity-accounted investee.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)"). The changes to significant accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements are prepared on a historical cost basis, except as otherwise described in the notes below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Group’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest million, unless otherwise stated.

2.4 Significant accounting estimates and judgements

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements in the application of accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported income and expenses during the financial year. These estimates are based on management’s best knowledge and judgement of current events and environment. Actual results may ultimately differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the application of the Group’s accounting policies, which are described in Note 3, management is of the opinion that there is no instance of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations described below.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2 BASIS OF PREPARATION (CONTINUED)

2.4 Significant accounting estimates and judgements (continued)

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Measurement of recoverable amounts relating to goodwill impairment

The carrying value of the Group's goodwill is assessed for impairment annually or more frequently if there are indications that the goodwill might be impaired. The impairment assessment requires an estimation of the value-in-use of the cash generating unit ("CGU") to which the goodwill is allocated.

Assessing the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU and applying an appropriate discount rate in order to calculate the present value of those cash flows. Actual cash flows will differ from these estimates as a result of differences between assumptions used and actual operations (see Note 5).

- Measurement of impairment losses on investments in subsidiaries

The carrying values of investments in subsidiaries are reviewed for impairment whenever there is any indication that the investment is impaired. This determination requires significant judgement. The Group's fixed, mobile, cable and broadband operations are integrated and considered as one CGU. The impairment assessment is performed on the same CGU determined for purposes of assessing impairment of goodwill (see Note 5).

- Revenue recognition – Determining the performance obligations, stand-alone selling price ("SSP") and the amounts allocated to performance obligations

Judgement is required to determine whether products and services qualify as separate performance obligations. Transaction price is allocated in proportion to the estimated SSP for each performance obligation at the inception of the contract. Therefore, management estimates the SSP of each performance obligation, especially those goods or services that are not regularly offered separately to customers. The Group establishes SSP using observable price or in the case observable price is not available, using estimation techniques. The SSP of material right depends on the probability of exercise, which considers historical exercise patterns. Change or absence of SSP of a performance obligation affects the amount of consideration allocated to each performance obligation. Variable considerations are allocated solely to the service component of the contract since they relate specifically to the effort to satisfy the service performance obligation.

- Acquisition through business combinations (see Note 35)
 - determination of fair value of the assets acquired and liabilities assumed;
 - determination of fair value of consideration transferred, including contingent consideration; and
 - determination of fair value of the forward liability to purchase non-controlling interests ("NCI").

Management has engaged external firms of specialists to perform the purchase price allocation, including valuation of the identified assets and liabilities. There is judgement and inherent uncertainty involved in the identification and valuation of these assets and liabilities.

The determination of the contingent consideration and forward liability to purchase NCI associated with the acquisition of subsidiaries requires significant management judgement and assumptions. The contingent consideration and forward liability are based on estimates from the associated probability of achieving performance targets by the investee and the expected payment amount.

2 BASIS OF PREPARATION (CONTINUED)

2.5 New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2021:

- *Interest Rate Benchmark Reform – Phase 2 (Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16)*
- *Covid-19 Related Rent Concessions (Amendments to SFRS (I) 16)*

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in accounting policies.

The accounting policies have been applied consistently by Group entities.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in the income statement.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition date at fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (continued)

(i) Business combinations (continued)

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in the income statement. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(ii) Acquisition from entities under common control

Acquisitions of subsidiaries from related corporations controlled by the ultimate holding company, Temasek Holdings (Private) Limited ("Temasek"), are accounted for using the acquisition method in accordance with SFRS(I) 3 *Business Combinations* as at the date of acquisition.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in the income statement. Any interest retained in the former subsidiary is measured at fair value on the date that control is lost.

(v) Investment in associate and joint venture (equity-accounted investees)

Associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to substantially all the economic benefits to its assets and obligations for its liabilities. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing the control.

The investments in associate and joint venture are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the income statement and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (continued)

(vi) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) *Subsidiaries, associate and joint venture in the separate financial statements*

Investments in subsidiaries, associate and joint venture are stated in the Company's statement of financial position at cost less accumulated impairment losses.

(viii) *Written put option or forward purchase agreements with non-controlling interest*

When an entity within the Group writes a put option or enters into a forward purchase agreement with the non-controlling shareholders as part of the acquisition of a subsidiary for settlement in cash or in another financial asset, a liability is recognised for the present value of the exercise price of the put option or forward price. This creates an obligation or potential obligation for the entity to purchase its subsidiary's equity instruments (constitutes the Group's own equity in the consolidated financial statements) for cash or another financial asset.

When the non-controlling shareholders still have present access to the returns associated with the underlying ownership interests, the Group has chosen an accounting policy in which the non-controlling shareholders continue to be recognised. Therefore, the present value of the liability is recognised in equity. Subsequent to initial recognition of the financial liability, changes in the carrying amount of the financial liability is recognised within equity (put option) and in the income statement (forward purchase agreement).

If the put option expires unexercised or is cancelled, then the charge to equity will be reversed and the financial liability will be derecognised. If the put option is exercised, then the charge to equity will be reversed and the financial liability will be derecognised and acquisition accounting will be applied.

3.2 Foreign currencies

(i) *Foreign currencies transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in the income statement, except for the differences arising on the translation of qualifying cash flow hedges to the extent the hedges are effective, which are recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Foreign currencies (continued)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at the dates of the transactions.

Foreign currency translation differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign subsidiary is disposed of such that control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign subsidiary is transferred to the income statement as an adjustment to profit or loss arising on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

3.3 Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for their intended use, and when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the assets and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate item (major components) of property, plant and equipment.

Gains or losses arising from the retirement or disposal of property, plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal.

(ii) Subsequent costs

Subsequent expenditure relating to existing property, plant and equipment is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of the asset, that component is depreciated separately.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Property, plant and equipment (continued)

(iii) Depreciation (continued)

Depreciation is recognised as an expense in the income statement on a straight-line basis over the estimated useful lives (or lease term, if shorter) of each part of an item of property, plant and equipment as follows:

Buildings	-	30 years to 57 years
Leasehold improvements	-	Shorter of lease term or 5 years
Network equipment and infrastructure	-	2 years to 15 years
Office equipment, computers and furniture and fittings	-	2 years to 10 years
Motor vehicles	-	5 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at the end of each reporting date.

No depreciation is provided on freehold property or in respect of property, plant and equipment under construction.

3.4 Intangible assets

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets.

Goodwill at the acquisition date represents the excess of:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in the income statement.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment on an annual basis as described in Note 3.7(ii).

Goodwill that has previously been taken to the reserves is not taken to the income statement when the business is disposed of or the goodwill is impaired. Similarly, negative goodwill that has previously been taken to reserves is not taken to the income statement when the business is disposed.

In respect of associate and joint venture, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associate and joint venture.

(ii) Telecommunications and spectrum licences

Telecommunications and spectrum licences costs incurred are measured at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the income statement using the straight-line method over the period of the licence, being 10 years to 21 years, commencing from the effective date of the licence.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Intangible assets (continued)

(iii) Computer software

Computer software comprises software purchased from third parties, and also the cost of internally developed software. Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the income statement using the straight-line method over their estimated useful lives of 2 years to 5 years.

Subsequent expenditure on capitalised intangible assets is added to the carrying value only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the income statement as incurred.

Computer software integral to a related item of equipment is accounted for as property, plant and equipment.

(iv) Deferred development costs

Deferred development activities involve a plan or design for the production of new or substantially improved products and processes. Deferred development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in the income statement as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised over 5 to 6 years.

(v) Customer contracts and relationships

Customer contracts and relationships are acquired in business combinations and carried at fair value at the date of acquisition, and amortised to the income statement using either the straight-line method over the estimated useful lives of 1 to 15 years, or when there is a high correlation with the revenue and margin to be generated, based on units of production method.

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of goods held for resale is determined on the weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Allowance for obsolescence is made for all deteriorated, damaged, obsolete and slow-moving inventories.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments

(i) *Recognition and initial measurement*

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables (including amounts due from related parties), cash and cash equivalents, trade and other payables (including amounts due to related parties), lease liabilities and borrowings.

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) *Classification and subsequent measurement*

Non-derivative financial assets

On initial recognition, a financial asset is classified as subsequently measured at amortised cost, equity investments at FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

The determination of classification at initial recognition and subsequent measurement into each of the measurement categories are as described below.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Non-derivative financial assets (continued)

(a) Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by loss allowances. Interest income, foreign exchange gains and losses and loss allowances are recognised in the income statement. Any gain or loss on derecognition is recognised in the income statement.

(b) Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

These assets are subsequently measured at fair value. Dividends are recognised as income in the income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the income statement. On de-recognition, cumulative gains and losses recognised in other comprehensive income are transferred to retained profits.

Non-derivative financial liabilities

Trade and other payables (including amounts due to related parties, excluding deferred income, marked-to-market financial instruments, forward and put liabilities to acquire non-controlling interests, net GST payable, employee benefits and forward exchange contracts) and borrowings are carried at amortised cost using the effective interest method.

(iii) Derecognition

Financial assets are derecognised when the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of ownership of the asset. On disposal of a financial asset, the difference between the sale proceeds and the carrying amount is recognised in the income statement. Any amount in the fair value reserve relating to that asset is reclassified to the income statement.

Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the income statement.

(iv) Offset

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments (continued)

(v) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, deposits with financial institutions with maturities of three months or less, and bank overdrafts. For the purpose of presentation in the consolidated cash flow statement, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

(vi) *Derivative financial instruments and hedge accounting*

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in the income statement as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the income statement.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the income statement.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to the income statement in the same period or periods as the hedged expected future cash flows affect the income statement.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to the income statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments (continued)

(vii) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(viii) *Perpetual capital securities*

The Group's perpetual securities do not have a maturity date, and the Company is able to elect to defer making a distribution subject to the terms and conditions of the securities issue. Accordingly, the Company is not considered to have a contractual obligation to make principal repayments or distributions in respect of its perpetual capital securities issue. The perpetual securities are presented within equity. Discretionary dividends thereon are recognised as equity distributions on approval by the Company's shareholders. Costs directly attributable to the issue of the perpetual capital securities are deducted against the proceeds from the issue.

(ix) *Financial guarantee*

Financial guarantee contracts are accounted for as insurance contracts and treated as contingent liabilities until such time as they become probable that the Company will be required to make payment under the guarantee. A provision is recognised based on the Company's estimate of the ultimate cost of settling all claims incurred but unpaid at the reporting date. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

3.7 Impairment

(i) *Non-derivative financial assets and contract assets*

The Group recognises loss allowances for ECL on financial assets measured at amortised cost, and contract assets.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract assets.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Impairment (continued)

(i) *Non-derivative financial assets and contract assets (continued)*

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held) or the financial asset is more than 360 days past due.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs in the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates or credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Impairment (continued)

(i) *Non-derivative financial assets and contract assets (continued)*

Credit-impaired financial assets (continued)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount.

The recoverable amount of an asset or its CGU is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. For the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level within the Group at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses recognised in the income statement in respect of CGU are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of units) and then, to reduce the carrying amount of other assets in the CGU (group of units) on a *pro rata* basis.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Impairment (continued)

(ii) *Non-financial assets (continued)*

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. All reversals of impairment are recognised in the income statement.

An impairment loss in respect of an associate or joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment may be impaired.

(iii) *Share-based payment*

Performance Share Plans and Restricted Stock Plans

The Performance Share Plans and the Restricted Stock Plans are accounted as equity-settled share-based payments. Equity-settled share-based payments are measured at fair value at the date of grant. The share-based expense is amortised and recognised in the income statement on a straight line basis over the vesting period. At each reporting date, the Company revises its estimates of the number of shares that the participating employees and directors are expected to receive based on non-market vesting conditions. The difference is charged or credited to the income statement, with a corresponding adjustment to equity.

3.8 Employee benefits

(i) *Defined contribution plans*

Contributions to defined contribution plans are recognised as an expense in the income statement in the periods during which related service are rendered by employees.

(ii) *Other short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(iii) *Other long-term benefits*

Long-term employee benefit obligations are measured on performance conditions over a period of three years. The Group adopts an incentive compensation plan, which is tied to the creation of Economic Value Added ("EVA") for its management personnel executives. An EVA bank is used to hold incentive compensation credited in any year. Typically, one-third of the accumulated EVA-based bonus, comprising the EVA declared in the financial year and the balance of such bonus brought forward from preceding years is paid out in cash each year, with the balance being carried forward to the following year. The balances of the EVA bank in future will be adjusted by the yearly EVA performance of the Group and the payouts made from the EVA bank.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Revenue recognition

Revenue comprises fees earned from telecommunications services, managed services, system integration and solution projects, broadband access, Pay TV, related advertising space and sales of equipment. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligations.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer.

Revenue is recognised in the income statement as follows:

- Revenue from bundled products and services is recognised either at a point in time or over time based on the SSP allocated to the individual elements of the bundled products at contract inception. Invoices are issued on a monthly basis and are payable within 14 days.
- Revenue from telecommunications, broadband and cable television services and advertising space is recognised over time when such services are rendered. Revenue billed in advance of the rendering of services is deferred and presented in the statement of financial position as contract liability. Invoices for telecommunications, broadband and cable television services are issued on a monthly basis and are payable within 14 days. Invoices for advertising space are issued when services have been performed and are payable within 30 days.
- Revenue from sales of pre-paid phone cards for which services have not been rendered is deferred and presented in the statement of financial position as contract liability. Revenue is recognised over time upon usage of the pre-paid phone cards and upon expiry, any unutilised value of the cards is taken to the income statement. Payment is due when the cards are delivered to customers.
- Revenue from sales of equipment is recognised at a point in time when control of the equipment has been transferred, being at the point of delivery and acceptance of the equipment sold. Delivery occurs when the goods have been shipped to the customer's specified location. When the customer initially purchases the goods online, the transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customer. Payment is due when the equipment is delivered to customers.
- Revenue from managed services, system integration and solution projects are recognised based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, multiplied by the total estimated contract revenue. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under SFRS(I) 15. The Group becomes entitled to invoice customers based on achieving a series of performance-related milestones. When a particular milestone is reached, the customer is sent a relevant statement of work and an invoice for the related milestone payment which is due within 14 to 30 days. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date, then the Group recognises a contract liability for the difference. This is not considered to be a significant financing component in construction contracts with customers as the period between the recognition of revenue and the milestone payment is always less than one year.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Revenue recognition (continued)

Any difference between the revenue recognised in relation to the satisfied performance obligation and the amount of consideration received or receivable is presented either as contract asset or contract liability. Contract asset represents the Group's right to consideration, excluding any amount presented as trade receivable, in exchange for the goods or services transferred to customers. Contract liability, on the other hand represents the Group's obligation to transfer goods and services to a customer for which the Group has received consideration from the customer.

Variable consideration

Certain contracts with customers include variable considerations like right of return, trade discounts or rebates. Currently, the Group recognises revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowance, trade discounts and certain rebates. Under SFRS(I) 15, such provisions will be estimated at contract inception and at every reporting period, adjusted against revenue.

Material right

Under SFRS(I) 15, options to acquire additional goods or services represent separate performance obligations if they provide the customer a material right that the customer would not otherwise receive. In these cases, revenue from the contract is deferred and recognised when future goods and services are transferred or when the option expires. The transaction price is allocated to performance obligations (including the option) based on relative SSP.

Contract modification

Changes in scope or price (or both) of a contract that is approved by parties to the contract are contract modifications. SFRS(I) 15 prescribes the treatments of contract modifications depending on the attributes of the modification and the remaining goods and/or services.

Contract cost

SFRS(I) 15 requires the incremental costs of obtaining or fulfilling a contract to be recognised as an asset if the entity expects to recover those costs. Those incremental costs are limited to the costs that the entity would not have incurred if the contract had not been successfully obtained. The Group has applied the practical expedient, where the incremental costs of obtaining a contract is expensed if the associated amortisation period is 12 months or less.

3.10 Finance income and costs

Finance income comprises interest income, which is recognised using the effective interest method.

Finance costs comprise interest expense and similar charges. They are recognised in the income statement using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to prepare for its intended use or sale.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Government grants

Government grants received, which are designated for the purchase of property, plant and equipment, are accreted to the income statement on a straight-line basis over the estimated useful lives of the related assets, so as to match the related depreciation expense.

Government grants received, which are designated for operating expenditure, are recognised on a systematic basis in the income statement over the periods necessary to match the related cost which they are intended to compensate.

Other government grants are recognised in the income statement when there is reasonable assurance that the Group has complied with the attached conditions and the amount will be received.

3.12 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group capitalises only the consideration attributable to lease components.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if the Group changes its assessment of whether it will exercise an extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Leases (continued)

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.13 Income taxes

Income taxes comprise current tax and deferred tax. Income taxes are recognised in the income statement except to the extent that it relates to a business combination, or items recognised directly in equity, or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS (I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences at the balance sheet date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences relating to investments in subsidiaries and associate to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences on the initial recognition of goodwill

Deferred tax is provided based on the expected realisation or settlement of the temporary differences, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Dividends

Interim dividends to the Company's shareholders are recognised in the financial year in which they are declared payable. Final dividends to the Company's shareholders are recognised in the financial year in which the dividends are approved by the shareholders.

3.15 Segment reporting

Segment information is presented based on the information reviewed by chief operating decision maker ("CODM") for performance assessment and resource allocation.

The Group operates primarily in Singapore and delivers its Mobile, Entertainment, Broadband, Enterprise Fixed revenue and equipment sales on an operationally integrated network and is also involved in the provision of Regional Information Communication Technology ("Regional ICT") and cybersecurity services.

Based on the financial information regularly reviewed by the CODM, the Group has four operating and two reporting segments. Where there are changes to the reportable segments, segment information for the comparative period is restated.

3.16 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

The following new SFRS(I)s, interpretations and amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position:

- *SFRS(I) 17 Insurance Contracts and amendments to SFRS (I) 17*
- *Classification of Liabilities as Current or Non-current (Amendments to SFRS(I) 1-1)*
- *Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to SFRS(I) 16)*
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to SFRS(I) 10 and SFRS(I) 1-28)*
- *Reference to the Conceptual Framework (Amendments to SFRS(I) 3)*
- *Property, Plant and Equipment – Proceeds before Intended Use (Amendments to SFRS(I)1- 16)*
- *Onerous Contracts – Costs of Fulfilling a Contract (Amendments to SFRS(I) 1-37)*
- *Annual Improvements to SFRS(I)s 2018 – 2020*
- *Disclosure of Accounting Policies (Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2)*
- *Definition of Accounting Estimates (Amendments to SFRS(I) 1-8)*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to SFRS(I) 1-12)*

4 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold property \$m	Buildings \$m	Leasehold improvements \$m	Network equipment and infrastructure \$m	Office equipment, computers and furniture and fittings \$m	Motor vehicles \$m	Construction in progress \$m	Total \$m
Cost								
At 1 January 2020	1.7	45.9	50.2	3,105.7	222.8	8.3	95.4	3,530.0
Additions	-	-	0.6	0.7	10.2	0.3	112.2	124.0
Transfers	-	-	0.5	82.3	0.2	-	(83.0)	-
Acquisition through business combination (Note 35)	-	-	1.0	-	4.9	-	-	5.9
Disposals/Write-offs	-	-	(5.4)	(48.7)	(24.7)	(2.3)	(0.1)	(81.2)
Reclassified to intangible assets and other assets	-	-	-	-	(0.6)	(0.1)	-	(0.7)
At 31 December 2020	1.7	45.9	46.9	3,140.0	212.8	6.2	124.5	3,578.0
At 1 January 2021	1.7	45.9	46.9	3,140.0	212.8	6.2	124.5	3,578.0
Additions	-	-	1.0	1.4	10.6	0.1	101.0	114.1
Transfers	-	-	0.3	81.5	0.1	-	(81.9)	-
Disposals/Write-offs	-	-	(7.5)	(646.4)	(11.5)	(1.2)	(0.9)	(667.5)
Reclassified from/(to) intangible assets and other assets	-	-	(0.1)	-	0.2	-	-	0.1
At 31 December 2021	1.7	45.9	40.6	2,576.5	212.2	5.1	142.7	3,024.7
Accumulated depreciation and impairment losses								
At 1 January 2020	-	5.0	37.6	2,470.9	190.6	5.6	-	2,709.7
Charge for the year	-	1.3	2.8	169.0	20.4	0.9	-	194.4
Disposals/Write-offs	-	-	(5.3)	(48.6)	(24.5)	(2.2)	-	(80.6)
Reclassified to intangible assets and other assets	-	-	-	-	(0.4)	(0.1)	-	(0.5)
At 31 December 2020	-	6.3	35.1	2,591.3	186.1	4.2	-	2,823.0
At 1 January 2021	-	6.3	35.1	2,591.3	186.1	4.2	-	2,823.0
Charge for the year	-	1.3	3.0	148.8	19.2	0.8	-	173.1
Disposals/Write-offs	-	-	(7.2)	(646.3)	(11.5)	(1.2)	-	(666.2)
Reclassified from/(to) intangible assets and other assets	-	-	(0.1)	-	0.2	-	-	0.1
At 31 December 2021	-	7.6	30.8	2,093.8	194.0	3.8	-	2,330.0
Carrying amount								
At 1 January 2020	1.7	40.9	12.6	634.8	32.2	2.7	95.4	820.3
At 31 December 2020	1.7	39.6	11.8	548.7	26.7	2.0	124.5	755.0
At 31 December 2021	1.7	38.3	9.8	482.7	18.2	1.3	142.7	694.7

Staff costs capitalised in construction in progress for the Group during the year amounted to \$2.5 million (2020: \$2.8 million).

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Buildings \$m	Leasehold improvements \$m	Network equipment and infrastructure \$m	Office equipment, computers and furniture and fittings \$m	Motor vehicles \$m	Construction in progress \$m	Total \$m
Cost							
At 1 January 2020	41.7	38.8	1,512.2	138.6	3.0	22.5	1,756.8
Additions	-	-	-	4.7	0.1	48.8	53.6
Transfers	-	0.7	43.7	-	-	(44.4)	-
Disposals/Write-offs	-	(1.8)	(26.2)	(1.0)	(0.7)	-	(29.7)
At 31 December 2020	41.7	37.7	1,529.7	142.3	2.4	26.9	1,780.7
At 1 January 2021	41.7	37.7	1,529.7	142.3	2.4	26.9	1,780.7
Additions	-	-	1.4	6.5	0.3	42.9	51.1
Transfers	-	0.2	43.0	-	-	(43.2)	-
Disposals/Write-offs	-	(7.3)	(328.5)	(8.3)	(0.4)	(0.9)	(345.4)
At 31 December 2021	41.7	30.6	1,245.6	140.5	2.3	25.7	1,486.4
Accumulated depreciation and impairment losses							
At 1 January 2020	4.8	34.9	1,161.3	133.0	1.8	-	1,335.8
Charge for the year	1.2	1.3	71.3	8.3	0.3	-	82.4
Disposals/Write-offs	-	(1.8)	(26.1)	(1.0)	(0.7)	-	(29.6)
At 31 December 2020	6.0	34.4	1,206.5	140.3	1.4	-	1,388.6
At 1 January 2021	6.0	34.4	1,206.5	140.3	1.4	-	1,388.6
Charge for the year	1.3	1.2	67.7	5.4	0.5	-	76.1
Disposals/Write-offs	-	(7.0)	(328.5)	(8.2)	(0.4)	-	(344.1)
At 31 December 2021	7.3	28.6	945.7	137.5	1.5	-	1,120.6
Carrying amount							
At 1 January 2020	36.9	3.9	350.9	5.6	1.2	22.5	421.0
At 31 December 2020	35.7	3.3	323.2	2.0	1.0	26.9	392.1
At 31 December 2021	34.4	2.0	299.9	3.0	0.8	25.7	365.8

5 INTANGIBLE ASSETS

Group	Telecommunications and spectrum licences \$m	Computer software, deferred development and development expenditure \$m	Software in development \$m	Goodwill \$m	Customer contracts and relationships \$m	Total \$m
Cost						
At 1 January 2020	305.4	680.4	27.4	346.9	45.3	1,405.4
Additions	-	0.8	30.5	-	-	31.3
Transfers	-	44.2	(44.2)	-	-	-
Acquisition through business combination (Note 35)	-	22.0	-	58.9	14.7	95.6
Disposals/Write-offs	-	(0.5)	(0.5)	-	-	(1.0)
Translation	-	-	-	0.5	0.1	0.6
Reclassified to plant and equipment	-	(0.3)	-	-	-	(0.3)
At 31 December 2020	305.4	746.6	13.2	406.3	60.1	1,531.6
At 1 January 2021	305.4	746.6	13.2	406.3	60.1	1,531.6
Additions	-	1.5	66.2	-	-	67.7
Transfers	27.5	14.7	(42.2)	-	-	-
Disposals/Write-offs	-	(262.1)	(0.2)	-	-	(262.3)
Translation	-	(0.4)	-	(1.1)	(0.2)	(1.7)
At 31 December 2021	332.9	500.3	37.0	405.2	59.9	1,335.3
Accumulated amortisation						
At 1 January 2020	142.6	576.4	-	-	14.1	733.1
Charge for the year	19.4	52.7	-	-	7.7	79.8
Disposals/Write-offs	-	(0.5)	-	-	-	(0.5)
Reclassified to plant and equipment	-	(0.3)	-	-	-	(0.3)
At 31 December 2020	162.0	628.3	-	-	21.8	812.1
At 1 January 2021	162.0	628.3	-	-	21.8	812.1
Charge for the year	21.3	42.6	-	-	8.7	72.6
Disposals/Write-offs	-	(261.4)	-	-	-	(261.4)
At 31 December 2021	183.3	409.5	-	-	30.5	623.3
Carrying amount						
At 1 January 2020	162.8	104.0	27.4	346.9	31.2	672.3
At 31 December 2020	143.4	118.3	13.2	406.3	38.3	719.5
At 31 December 2021	149.6	90.8	37.0	405.2	29.4	712.0

Staff costs and other operating expenses capitalised in software in development for the Group during the year amounted to \$0.8 million (2020: \$0.9 million).

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 INTANGIBLE ASSETS (CONTINUED)

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the following CGUs, which represents the lowest level within the Group at which goodwill is monitored:

- **Telco:** The Group, through its “Hubbing” strategy, operates and delivers its Mobile, Entertainment, Broadband and Enterprise Fixed services on an operationally integrated network, customer service, sales, marketing and administration support. Accordingly, the Group’s integrated fixed, mobile, cable and broadband operations is considered one CGU (“Telco”);
- **Ensign:** Ensign InfoSecurity Pte. Ltd. (“Ensign”) which operates a cyber-security business under the Cybersecurity operating segment;
- **D’Crypt:** D’Crypt Pte Ltd (“DPL”) which designs and develops high security assurance products and is a separate CGU under the high security assurance product operating segment; and
- **Strateq:** Strateq Sdn Bhd (“Strateq”) which undertakes Information Communication Technology (“ICT”) projects and is a separate CGU under the ICT operating segment.

The carrying amount of the Group’s goodwill as at 31 December 2021 was assessed for impairment during the financial year and attributed to the respective CGUs.

Group	2021 \$m	2020 \$m
Telco	220.3	220.3
DPL	25.8	25.8
Ensign	100.8	100.8
Strateq	58.3	59.4
	405.2	406.3

The recoverable amounts of the CGUs are determined based on value-in-use calculations. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management. The cash flow projections of 5 years are based on management’s assessment of future trends and actual operating results. The cash flow projections greater than 5 years used in the impairment assessment of a CGU at the reporting date reflect the long-term future performance of the CGU as it reaches a steady state of operations.

Key assumptions used in the estimation of value-in-use are as follows:

	Pre-tax discount rate		Terminal growth rates	
	2021	2020	2021	2020
Telco	6.0%	5.4%	-	-
DPL	10.4%	12.8%	2.5%	2.5%
Ensign	9.0%	9.8%	2.5%	2.5%
Strateq	16.0%	16.4%	-	-

- The discount rates applied to the cash flow projections are based on Weighted Average Cost of Capital (“WACC”) calculated using the Capital Asset Pricing Model (“CAPM”).
- Growth rates and EBITDA margins take into consideration competitive pressures in the industry and effects from the prolonged COVID-19 pandemic.

5 INTANGIBLE ASSETS (CONTINUED)

Impairment testing for CGUs containing goodwill (continued)

As at 31 December 2020 and 2021, no impairment charge was required for the carrying amount of goodwill as the recoverable amounts were in excess of their carrying amounts. For the CGUs containing goodwill, a reasonable change to the key assumptions applied is not likely to cause the recoverable amounts to be below their carrying amounts.

Company	Telecommunications licences \$m	Computer software \$m	Software in development \$m	Total \$m
Cost				
At 1 January 2020	0.3	584.1	24.8	609.2
Additions	-	-	26.9	26.9
Transfers	-	40.4	(40.4)	-
Write-offs	-	(0.2)	(0.6)	(0.8)
At 31 December 2020	0.3	624.3	10.7	635.3
At 1 January 2021	0.3	624.3	10.7	635.3
Additions	-	-	10.3	10.3
Transfers	-	11.1	(11.1)	-
Write-offs	-	(245.2)	(0.1)	(245.3)
At 31 December 2021	0.3	390.2	9.8	400.3
Accumulated amortisation				
At 1 January 2020	0.1	500.3	-	500.4
Charge for the year	0.1	43.4	-	43.5
Write-offs	-	(0.2)	-	(0.2)
At 31 December 2020	0.2	543.5	-	543.7
At 1 January 2021	0.2	543.5	-	543.7
Charge for the year	-	31.6	-	31.6
Write-offs	-	(244.8)	-	(244.8)
At 31 December 2021	0.2	330.3	-	330.5
Carrying amount				
At 1 January 2020	0.2	83.8	24.8	108.8
At 31 December 2020	0.1	80.8	10.7	91.6
At 31 December 2021	0.1	59.9	9.8	69.8

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 RIGHT-OF-USE ASSETS

Leases as lessee

The Group leases land and buildings, base transceiver stations and other network equipment, computers and infrastructure. The leases typically run for a period of more than 1 to 36 years, with an option to renew the lease after that date. Lease payments are renegotiated at the end of the lease term to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

Information about leases for which the Group is a lessee is presented below.

Group	Note	Land and buildings \$m	Base transceiver stations \$m	Network equipment, computers and infrastructure \$m	Total \$m
Cost					
At 1 January 2020		159.0	26.9	10.3	196.2
Additions and modifications to right-of-use assets		10.4	3.0	1.7	15.1
Acquisition through business combination	35	20.2	-	0.2	20.4
Terminations		(3.8)	(1.2)	(8.0)	(13.0)
Translation		0.2	-	-	0.2
At 31 December 2020		186.0	28.7	4.2	218.9
Additions and modifications to right-of-use assets		7.2	(2.1)	0.7	5.8
Terminations		(1.7)	-	-	(1.7)
Translation		(0.3)	-	-	(0.3)
At 31 December 2021		191.2	26.6	4.9	222.7
Accumulated depreciation					
At 1 January 2020		25.9	13.8	6.5	46.2
Depreciation		27.2	3.4	2.1	32.7
Terminations		(2.6)	(0.3)	(7.2)	(10.1)
At 31 December 2020		50.5	16.9	1.4	68.8
Depreciation		27.7	4.0	1.7	33.4
Terminations		(1.1)	-	-	(1.1)
Translation		0.1	-	-	0.1
At 31 December 2021		77.2	20.9	3.1	101.2
Carrying amount					
At 31 December 2020		135.5	11.8	2.8	150.1
At 31 December 2021		114.0	5.7	1.8	121.5

6 RIGHT-OF-USE ASSETS (CONTINUED)

Leases as lessee (continued)

Company	Land and buildings \$m	Other network equipment and infrastructure \$m	Total \$m
Cost			
At 1 January 2020	133.7	9.1	142.8
Additions and modifications to right-of-use assets	3.9	0.2	4.1
Terminations	(1.6)	(7.0)	(8.6)
At 31 December 2020	136.0	2.3	138.3
Additions and modifications to right-of-use assets	6.6	-	6.6
Terminations	(1.1)	-	(1.1)
At 31 December 2021	141.5	2.3	143.8
Accumulated depreciation			
At 1 January 2020	20.0	6.1	26.1
Depreciation	19.3	1.8	21.1
Terminations	(1.6)	(7.0)	(8.6)
At 31 December 2020	37.7	0.9	38.6
Depreciation	18.9	0.4	19.3
Terminations	(1.1)	-	(1.1)
At 31 December 2021	55.5	1.3	56.8
Carrying amount			
At 31 December 2020	98.3	1.4	99.7
At 31 December 2021	86.0	1.0	87.0

7 SUBSIDIARIES

	Company	
	2021 \$m	2020 \$m
Investments in subsidiaries, at cost or deemed cost	3,288.9	3,272.8

As at 31 December 2021 and 2020, no impairment charge was required for the carrying amounts of the Company's cost of investment in subsidiaries as the recoverable amounts were in excess of their carrying amounts. The recoverable amounts were based on the respective value-in-use (refer to Note 5 for details).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 SUBSIDIARIES (CONTINUED)

Details of subsidiaries

The subsidiaries directly held by the Company are as follows:

Name of company	Principal activities	Country of incorporation/ Principal place of business	Effective equity interest held by the Group	
			2021 %	2020 %
StarHub Cable Vision Ltd. ⁽¹⁾	Provision of subscription television and television broadcasting services	Singapore	100	100
StarHub Mobile Pte Ltd ⁽¹⁾	Provision of mobile telecommunications services	Singapore	100	100
StarHub Online Pte Ltd ⁽¹⁾	Provision of broadband access services	Singapore	100	100
Nucleus Connect Pte. Ltd. ⁽¹⁾	Provision of high speed wholesale broadband services	Singapore	100	100
StarHub (Mauritius) Ltd ⁽⁴⁾	Liquidated during the year	Mauritius	–	100
StarHub (Hong Kong) Limited ⁽³⁾	Provision of telecommunication services	Hong Kong	100	100
StarHub Shop Pte Ltd ⁽⁴⁾	Dormant	Singapore	100	100
StarHub, Inc. ⁽⁴⁾	Dormant	United States	100	100
Ensign InfoSecurity Pte. Ltd. ("Ensign") ⁽³⁾	Provision of computer systems integration activities, other professional, scientific and technical activities	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Malaren International Sdn Bhd ("Malaren") ⁽²⁾	Investment holding	Malaysia	100	100

7 SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)

The significant subsidiaries held by the Company's subsidiary companies are as follows:

Name of company	Principal activities	Country of incorporation/ Principal place of business	Effective equity interest held by the Group	
			2021 %	2020 %
Subsidiaries of Ensign				
Ensign InfoSecurity (Cybersecurity) Pte. Ltd. ("EIC") ⁽³⁾	Investment holding	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Ensign InfoSecurity (Systems) Pte. Ltd. ("EIS") ⁽³⁾	Information security systems integrator	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Keele Investments Pte. Ltd. ("Keele") ⁽³⁾	Investment holding	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Subsidiaries of Keele				
D'Crypt Pte Ltd ("DPL") ⁽³⁾	Development and supply of data security products and components	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Subsidiaries of EIC				
Ensign InfoSecurity (Asia Pacific) Pte. Ltd. ("EIS Asia Pacific") ⁽³⁾	Provision of information security and network security surveillance services	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Ensign InfoSecurity (SmartTech) Pte. Ltd. ⁽³⁾	Sales of information technology security related products	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Ensign InfoSecurity (Networks) Pte. Ltd. ⁽³⁾	Provision of security consultancy services	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Subsidiaries of EIS Asia Pacific				
Ensign InfoSecurity (Malaysia) Sdn Bhd ⁽³⁾	Provision of information security and network security surveillance services	Malaysia	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Ensign InfoSecurity (East Asia) Limited ⁽³⁾	Provision of information security and network security surveillance services	People's Republic of China	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Ensign InfoSecurity (Singapore) Pte. Ltd. ⁽³⁾	Provision of information security and network security surveillance services	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
Vectra Information Security Pte. Ltd. ⁽³⁾	Provision of security consultancy services	Singapore	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾
e-Cop Technology Beijing Co., Ltd ⁽⁴⁾	Dormant	People's Republic of China	56.86 ⁽⁶⁾	58.38 ⁽⁶⁾

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)

Name of company	Principal activities	Country of incorporation/ Principal place of business	Effective equity interest held by the Group	
			2021 %	2020 %
Subsidiary of Malaren Nettilling Sdn. Bhd. ("Nettilling") ⁽²⁾	Investment holding	Malaysia	88.28	88.28
Subsidiary of Nettilling Taman Kenyir Holdings Sdn. Bhd. ("Taman Kenyir") ⁽²⁾	Investment holding	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Subsidiary of Taman Kenyir Strateq Sdn. Bhd. ⁽²⁾	Implementation of Information Communication Technology projects.	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Subsidiaries of Strateq Sdn. Bhd. Strateq Systems Sdn. Bhd. ⁽²⁾	System integration, supply and implementation of hardware and software solutions and provision of maintenance services	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq (Singapore) Pte Ltd ⁽³⁾	Provision of petrol station retail solutions and fuel logistics management solutions and data centre and business continuity services	Singapore	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq Oil & Gas Sdn Bhd. ⁽²⁾	Provision of petrol station retail solutions and fuel logistics management solutions	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq Health Sdn Bhd. ⁽²⁾	Provision of hospital information systems solutions	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq Global Services Sdn. Bhd. ⁽²⁾	Development and provision of software as a service application	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq Business Solutions Sdn. Bhd. ⁽²⁾	Provision of business application solutions and related services	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq Sentry Sdn. Bhd. ⁽²⁾	Provision of architecting ICT solutions and project management services into building complexes and infrastructure related projects	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq Capital Sdn. Bhd. ⁽²⁾	Investment holding and provision of management services	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾

7 SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)

Name of company	Principal activities	Country of incorporation/ Principal place of business	Effective equity interest held by the Group	
			2021 %	2020 %
Subsidiaries of Strateq Systems Sdn. Bhd.				
Strateq Data Centre Sdn. Bhd. ⁽²⁾	Provision of data centre and business continuity services	Malaysia	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Strateq Systems (Thailand) Co. Ltd ⁽³⁾	Provision of petrol station retail solutions and fuel logistics management solutions	Thailand	43.26 ⁽⁵⁾	43.26 ⁽⁵⁾
Subsidiary of Strateq Capital Sdn. Bhd.				
Strateq Health B.V. ⁽⁴⁾	Provision of healthcare information technology products and services globally	Netherlands	42.54 ⁽⁵⁾	42.54 ⁽⁵⁾
Subsidiary of Strateq Health B.V				
Strateq Health Inc ⁽⁴⁾	Provision of healthcare information technology software, research and development services and support services	United States	42.54 ⁽⁵⁾	42.54 ⁽⁵⁾

(1) Audited by KPMG LLP Singapore

(2) Audited by member firms of KPMG International

(3) Audited by another firm

(4) Not required to be audited by laws of the country of incorporation

(5) Although the Group owns less than half of the voting rights, the Group controls these companies as it has the power to appoint the majority of the board of directors and is able to exercise control over their financial and operating policies. See Note 35 for further details.

(6) The Group controls these companies as 20% of the rights, benefits and interests in Ensign have been assigned to the Company by the non-controlling interest shareholder at the date of acquisition. During the year, the Group's interest decreased from 58.38% to 56.86% (see Note 24).

8 ASSOCIATE AND JOINT VENTURE

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Interests in associate				
Unquoted equity investments	27.8	27.8	27.8	27.8
Share of post-acquisition reserves	(1.5)	(4.9)	-	-
	26.3	22.9	27.8	27.8
Interests in joint venture				
Unquoted equity investments	8.5	2.0	-	-
Share of post-acquisition reserves	1.6	(0.1)	-	-
	10.1	1.9	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 ASSOCIATE AND JOINT VENTURE (CONTINUED)

Associate

Details of the associate are as follows:

Name of associate	Principal activities	Country of incorporation/ Principal place of business	Effective equity interest held by the Group	
			2021 %	2020 %
Shine Systems Assets Pte. Ltd. ⁽¹⁾	Investment in, ownership or lease of infrastructure assets and provision of data centre services	Singapore	30	30

(1) Audited by KPMG LLP Singapore

The following summarises the financial information of the associate, based on its financial statements prepared in accordance with SFRS(I), amended for fair value adjustments on acquisition:

	2021 \$m	2020 \$m
Revenue	51.7	30.3
Profit from continuing operations	10.7	2.1
Other comprehensive income	-	0.4
Total comprehensive income	10.7	2.5
Non-current assets	275.8	255.3
Current assets	31.3	17.5
Non-current liabilities	(208.6)	(186.1)
Current liabilities	(11.0)	(10.6)
Net assets	87.5	76.1
Group's interest in net assets of associate at beginning of the year	22.9	22.1
Group's share of:		
- Profit from continuing operations	3.4	0.6
- Other comprehensive income	-	0.2
Total comprehensive income	3.4	0.8
Carrying amount of interest in associate at end of the year	26.3	22.9

8 ASSOCIATE AND JOINT VENTURE (CONTINUED)

Joint Venture

On 3 September 2020, StarHub Mobile Pte Ltd (a wholly-owned subsidiary of the Company), and M1 Limited, jointly incorporated a joint venture company, Antina Pte. Ltd., to develop, deploy and operate a 5G mobile network in Singapore.

Details of the joint venture are as follows:

Name of joint venture	Principal activities	Country of incorporation/ Principal place of business	Effective equity interest held by the Group	
			2021 %	2020 %
Antina Pte. Ltd. ⁽¹⁾	Provision of mobile telecommunication services	Singapore	50	50

(1) Audited by another firm

The following summarises the financial information of the joint venture, based on its financial statements prepared in accordance with SFRS(I):

	2021 \$m	2020 \$m
Profit/(Loss) from continuing operations	3.4	(0.2)
Total comprehensive income	3.4	(0.2)

The Group has funding commitments to the joint venture of approximately \$2 million (2020: \$8.5 million) over a period of 4 years (2020: 5 years). These have not been recognised in the Group's consolidated financial statements.

9 OTHER INVESTMENT

	Group and Company	
	2021 \$m	2020 \$m
Equity investment – at FVOCI	5.8	17.1

The Group designated the investment as equity investment at FVOCI because the equity investment represents investment that the Group intends to hold long-term for strategic purposes.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10 BALANCES WITH RELATED PARTIES

The immediate and ultimate holding companies are Asia Mobile Holdings Pte. Ltd. and Temasek Holdings (Private) Limited, respectively. These companies are incorporated in the Republic of Singapore.

10.1 Amounts due from related parties

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Current				
Amounts due from (trade):				
- Subsidiaries	-	-	696.9	518.1
- Related corporations	15.0	19.3	7.5	12.4
	15.0	19.3	704.4	530.5
Less: Loss allowance	-	-	(590.2)	(516.6)
	15.0	19.3	114.2	13.9

Included in current amounts due from subsidiaries are amounts of \$542.5 million (2020: \$473.8 million) from certain subsidiaries which are unsecured, bear interest of 7.75% (2020: 7.75%) per annum and are repayable on demand.

All other amounts are unsecured, interest-free and repayable on demand.

Movements in loss allowance during the year are as follows:

	Company	
	2021 \$m	2020 \$m
At beginning of year	516.6	422.9
Loss allowances recognised	73.6	93.7
	590.2	516.6

During the year, the Company impaired additional balances owing by certain subsidiaries amounting to \$73.6 million (2020: \$93.7 million). Other than the above, there is no loss allowance arising from the remaining outstanding balances with subsidiaries and related corporations as the ECL is not material.

10.2 Amounts due to related parties

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Current				
Amounts due to (trade):				
- Subsidiaries	-	-	191.0	162.9
- Associate	0.6	2.2	0.6	2.2
- Related corporations	23.0	32.1	10.5	12.3
	23.6	34.3	202.1	177.4

10 BALANCES WITH RELATED PARTIES (CONTINUED)

10.2 Amounts due to related parties (continued)

The current amounts due to subsidiaries comprise:

- (i) Amounts of \$155.5 million (2020: \$130.7 million) which are unsecured, interest-free and repayable on demand.
- (ii) Amounts of \$35.5 million (2020: \$32.2 million) placed by certain subsidiaries with the Company under a cash pooling arrangement (see Note 15).

Amounts due to related corporations and associate are unsecured, interest-free and repayable on demand.

- 10.3** The Company's balances with subsidiaries included amounts netted under agreed master netting arrangements. The amounts, after impairment, before netting are as follows:

Company	Gross amounts \$m	Gross amounts offset \$m	Net amounts \$m
2021			
Current			
Amounts due from subsidiaries	297.5	(190.8)	106.7
Amounts due to subsidiaries	381.8	(190.8)	191.0
2020			
Current			
Amounts due from subsidiaries	30.8	(29.3)	1.5
Amounts due to subsidiaries	192.2	(29.3)	162.9

11 CONTRACT BALANCES

The following section provides information about contract assets, contract liabilities and contract cost from contracts with customers.

11.1 Contract assets

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Contract assets	362.3	394.9	23.1	25.0
Loss allowance	(6.1)	(6.4)	-	-
	356.2	388.5	23.1	25.0
Analysed as:				
Third parties	354.6	386.8	22.4	24.4
Related parties	1.6	1.7	0.7	0.6
	356.2	388.5	23.1	25.0

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 CONTRACT BALANCES (CONTINUED)

11.1 Contract assets (continued)

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Current	289.9	317.4	22.0	24.1
Non-current	66.3	71.1	1.1	0.9
	356.2	388.5	23.1	25.0

The contract assets primarily relate to the Group's rights to consideration for goods and services provided but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customers.

Movements in the contract asset balances during the year are as follows:

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
At beginning of year	394.9	419.1	25.0	28.1
Prior year contract assets reclassified to trade receivables	(280.0)	(340.7)	(16.6)	(21.3)
Contract assets recognised, net of reclassification to trade receivables	247.5	315.0	14.8	18.2
Acquisition through business combination	-	5.9	-	-
Contract asset written off	(0.1)	(4.4)	(0.1)	-
	362.3	394.9	23.1	25.0
Less: Loss allowance	(6.1)	(6.4)	-	-
	356.2	388.5	23.1	25.0

The Group uses an allowance matrix to measure the ECL of contract assets. In determining the ECL, the Group has taken into account the historical termination write-off experience of the corporate and consumer customer bases, adjusted for factors based on the Group's view of economic conditions over the remaining lifetime of future performance obligations.

The following table details the risk profile of contract assets based on the Group's provision matrix.

	Weighted average loss rate	Group		
		2021 Gross carrying amount \$m	Loss allowance \$m	2020 Gross carrying amount \$m
Current	1.69%	362.3	6.1	394.9
				6.4

11 CONTRACT BALANCES (CONTINUED)

11.1 Contract assets (continued)

Movements in loss allowance (lifetime ECL) during the year are as follows:

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
At beginning of year	6.4	7.4	-	-
Loss allowances recognised	11.7	12.1	-	-
Allowance utilised	(12.0)	(13.1)	-	-
	6.1	6.4	-	-

Based on the Company's credit assessment, management believes that credit exposure is low and the expected credit loss is negligible.

11.2 Contract liabilities

Contract liabilities primarily relate to amounts billed in advance for telecommunications, broadband and pay TV services, advance consideration received from customers for prepaid mobile services and excess of progress payments over the revenue recognised for managed services.

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Managed services contracts	15.9	20.2	6.2	6.7
Amounts billed in advance for telecommunications, broadband and pay TV services	61.2	53.4	52.3	46.1
Amounts received in advance for prepaid mobile services	24.6	22.4	-	-
	101.7	96.0	58.5	52.8
Analysed as:				
Third parties	93.7	87.4	50.5	44.2
Related parties	8.0	8.6	8.0	8.6
	101.7	96.0	58.5	52.8
Current	63.1	64.4	19.9	21.2
Non-current	38.6	31.6	38.6	31.6
	101.7	96.0	58.5	52.8

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 CONTRACT BALANCES (CONTINUED)

11.2 Contract liabilities (continued)

Movements in the contract liabilities balances during the year are as follows:

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
At beginning of year	96.0	105.6	52.8	54.3
Revenue recognised that was included in the contract liability balance at the beginning of the year	(54.8)	(66.5)	(14.2)	(16.1)
Cash received, excluding amounts recognised as revenue during the year	0.6	6.0	0.6	6.0
Billings in advance, excluding amounts recognised as revenue during the year	59.9	50.8	19.3	8.6
Acquisition through business combination	-	0.1	-	-
	101.7	96.0	58.5	52.8

11.3 Contract costs

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Costs to obtain contracts	7.8	11.0	1.4	1.6
Costs to fulfil contracts	21.8	27.8	-	-
	29.6	38.8	1.4	1.6
Current	27.1	36.3	1.0	1.2
Non-current	2.5	2.5	0.4	0.4
	29.6	38.8	1.4	1.6

Costs to obtain contracts relate to commission fees paid to dealers as a result of obtaining mobile, pay TV and broadband service contracts. Costs to fulfil contracts relate to costs of materials which generate or enhance resources that will be used in satisfying future performance obligations.

These costs are amortised on a straight-line basis over the contract period. In 2021, amortisation amounting to \$22.2 million (2020: \$28.5 million) and \$161.4 million (2020: \$128.5 million) was recognised as marketing and promotion expenses and cost of services, respectively, in the income statement. There was no loss allowance in relation to the costs capitalised.

12 INVENTORIES

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Equipment held for resale	40.5	62.4	-	0.5
Maintenance and project inventories	9.5	17.5	4.3	4.5
Inventories, net of allowance	50.0	79.9	4.3	5.0
Allowance (written back)/made during the year, net	(1.7)	2.3	-	0.1

13 TRADE RECEIVABLES

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Trade receivables	235.7	248.0	178.8	195.3
Loss allowances	(43.5)	(55.2)	(39.4)	(48.9)
	192.2	192.8	139.4	146.4

The trade receivables of the Company include amounts billed under a combined billing arrangement to customers for services provided by certain subsidiaries.

The Group uses an allowance matrix to measure the ECL of trade receivables. In the assessment of ECL, the Group applies the simplified approach to estimate the loss allowance based on aging buckets of the trade receivables, adjusted for certain external indices to different groups between consumer and corporate customers, where applicable.

The following table details the risk profile of trade receivables from contracts with customers based on the Group's allowance matrix.

	Weighted average loss rate	2021		Weighted average loss rate	2020		Credit impaired?
		Gross carrying amount \$m	Loss allowance \$m		Gross carrying amount \$m	Loss allowance \$m	
Group							
Current	3.99%	104.8	4.2	1.78%	84.4	1.5	No
Past due 1 - 15 days	10.04%	19.6	2.0	8.37%	20.3	1.7	Yes
Past due above 15 days	33.51%	111.3	37.3	36.29%	143.3	52.0	Yes
		235.7	43.5		248.0	55.2	
Company							
Current	5.50%	74.9	4.1	2.21%	63.4	1.4	No
Past due 1 - 15 days	12.77%	15.2	1.9	9.14%	17.5	1.6	Yes
Past due above 15 days	37.61%	88.7	33.4	40.1%	114.4	45.9	Yes
		178.8	39.4		195.3	48.9	

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 TRADE RECEIVABLES (CONTINUED)

Movements in lifetime ECL balances during the year are as follows:

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
At beginning of year	55.2	52.8	48.9	49.3
Loss allowances recognised/(written back)	3.0	13.6	(1.4)	1.6
Recharged to subsidiaries	-	-	6.5	10.9
Allowance utilised	(14.7)	(11.2)	(14.6)	(12.9)
	43.5	55.2	39.4	48.9

14 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Current				
Grant receivables	6.7	5.4	-	2.6
Deposits	6.4	6.3	1.0	1.1
Prepayments	67.7	70.6	32.1	34.5
Other receivables	10.0	16.2	2.8	3.1
Loan receivable	105.0	-	-	-
Forward exchange contracts	0.1	-	0.1	-
	195.9	98.5	36.0	41.3
Non-current				
Prepayments	0.8	30.8	0.8	2.9

On 22 September 2021, the Company announced that StarHub Online Pte Ltd ("SHOL") had entered into a share purchase agreement with MyRepublic Group Limited ("MR GroupCo") and MyRepublic Holdings Ltd ("MR HoldCo") to acquire a majority interest in MR HoldCo's broadband business in Singapore ("the Acquisition"). The Acquisition has not been completed as at the reporting date.

Concurrent with the entry of the share purchase agreement, SHOL extended a \$105.0 million loan to MR HoldCo for the repayment of MR HoldCo's existing debts. The loan being interest bearing, secured over certain assets of MR GroupCo and repayable within one year, is considered to be of low credit risk.

15 CASH AND CASH EQUIVALENTS

	Note	Group		Company	
		2021 \$m	2020 \$m	2021 \$m	2020 \$m
Fixed deposits		577.8	206.3	568.0	195.2
Cash at bank and in hand		255.0	209.1	131.4	133.2
Cash and cash equivalents in the statement of financial position		832.8	415.4	699.4	328.4
Restricted cash and fixed deposits		(10.7)	(10.4)	-	-
Bank overdraft	17	(0.6)	(1.3)	-	-
Cash and cash equivalents in the cash flow statement		821.5	403.7	699.4	328.4

Fixed deposits relate to deposits with financial institutions with maturities of three months or less with effective interest rates ranging from 0.28% to 3.15% (2020: 0.35% to 3.35%) per annum.

At the reporting date, cash and cash equivalents held by the Company included \$35.5 million (2020: \$32.2 million) cash pooled together from certain subsidiaries and managed centrally by the Company as part of the Group's cash management and treasury activities.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties. The amount of allowance on cash and cash equivalents was negligible.

Restricted cash and fixed deposits were set aside for performance bonds with customers.

16 TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2021 \$m	2020 \$m	2021 \$m	2020 \$m
Current					
Trade payables		214.3	121.3	156.1	84.5
Accruals		439.0	412.5	203.9	183.4
Deferred grant income	19	-	6.2	-	4.1
Other deferred income		1.1	3.1	-	-
Deposits from customers		9.0	9.5	8.4	8.8
Contingent consideration		31.0	-	-	-
Forward exchange contracts		-	2.5	-	2.5
		694.4	555.1	368.4	283.3

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 TRADE AND OTHER PAYABLES (CONTINUED)

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Non-current				
Accruals	33.3	18.4	25.5	10.8
Other deferred income	2.6	1.5	-	-
Deferred consideration	-	6.2	-	-
Contingent consideration	8.0	34.8	-	-
Forward liability to acquire non-controlling interests	37.3	34.5	-	-
	81.2	95.4	25.5	10.8

Included in trade payables are bills payable with a vendor of \$56.8 million (2020: Nil), which are unsecured, payable within 31-60 days, and bear an extension fee ranging from 1.43%-1.44% per annum.

The Group also participates in a supply chain finance programme ("SCF") under which its suppliers may elect to receive early payment of their invoice from a bank by factoring their receivable from the Group. Under the arrangement, a bank agrees to pay amounts to a participating supplier in respect of invoices owed by the Group and receives settlement from the Group at a later date. As at 31 December 2021, trade payables under the SCF programme is \$0.9 million (2020: \$1.2 million).

The Group does not derecognise the original liabilities to which these arrangements apply. These arrangements do not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating. The Group discloses these amounts within trade payables because the nature and function of the financial liabilities remained the same. The payments to the bank and vendor are included within operating cashflows because they continue to be part of the normal operating cycle of the Group and their principal nature remains operating.

17 BORROWINGS

	Note	Group		Company	
		2021 \$m	2020 \$m	2021 \$m	2020 \$m
Current					
Bank loans	17.1	5.6	7.4	-	-
Medium term notes	17.2	220.0	-	220.0	-
Bank overdraft	15	0.6	1.3	-	-
		226.2	8.7	220.0	-
Non-current					
Bank loans	17.1	638.7	643.7	554.6	557.5
Medium term notes	17.2	499.8	520.0	499.8	520.0
		1,138.5	1,163.7	1,054.4	1,077.5

17 BORROWINGS (CONTINUED)

Reconciliation of movements of borrowings to cash flows arising from financing activities:

	Note	2021 \$m	Group 2020 \$m
At 1 January		1,172.4	1,048.4
Changes from financing cash flows			
Proceeds from borrowings		200.0	344.6
Repayment of borrowings		(1.6)	(237.9)
Interest paid		(36.7)	(32.4)
Total changes from financing cash flows		161.7	74.3
Total liability-related other changes		32.3	32.3
Acquisition through business combination	35	-	16.4
Effects of foreign exchange rate		(1.7)	1.0
At 31 December		1,364.7	1,172.4

17.1 Bank loans

At 31 December 2021, bank loans of \$5.8 million (2020: \$9.5 million) are secured over fixed deposit and bear interest rates ranging from 2.17% to 7.95% (2020: 2.17% to 7.95%) per annum. The remaining unsecured bank loans bear interest at rates ranging from 1.30% to 2.78% (2020: 1.30% to 3.45%) per annum.

As at 31 December 2021, the fair value of bank loans are \$638.5 million (2020: \$667.1 million).

At the reporting date, the Company has provided a financial guarantee for a loan of \$83.5 million (2020: \$85.4 million) drawn down under a loan facility entered by a subsidiary. The guarantee is accounted for in accordance to SFRS(I) 4 *Insurance Contracts*.

17.2 Medium term notes

The Company had established in September 2011 a multicurrency medium term note programme with a maximum aggregate principal amount of \$1,000.0 million. In September 2012, the Company issued a \$220.0 million 10-year medium term note which bears interest rate of 3.08% per annum and is repayable in September 2022.

In June 2016, the Company issued a \$300.0 million 10-year medium term note which bears interest of 3.55% per annum and is repayable in June 2026.

On 29 May 2017, the Company updated and amended its \$1,000.0 million multicurrency medium term note programme to a \$2,000.0 million multicurrency debt issuance programme with the inclusion of the mechanism for the issuance of, and the terms and conditions of, perpetual securities. The amendments do not affect the validity of the existing term notes issued by the Company under the original programme.

In January 2021, the Company issued a \$200.0 million 10-year medium term note which bears interest of 2.48% per annum and is repayable in January 2031.

As at 31 December 2021, the fair value of the medium term notes are \$736.7 million (2020: \$540.2 million).

NOTES TO THE FINANCIAL STATEMENTS (continued)

18 LEASE LIABILITIES

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Current	29.2	27.7	15.6	15.9
Non-current	102.8	129.9	75.5	85.9
	132.0	157.6	91.1	101.8

Reconciliation of movements of lease liabilities to cash flows arising from financing activities:

	Note	Group	
		2021 \$m	2020 \$m
At 1 January		157.6	155.5
Changes from financing cash flows			
Payment of lease liabilities		(31.4)	(30.8)
Interest paid		(5.9)	(5.6)
Total changes from financing cash flows		(37.3)	(36.4)
Other changes			
New leases and modifications		5.8	11.4
Interest expense		5.9	5.6
Acquisition through business combination	35	-	21.5
Total other changes		11.7	38.5
At 31 December		132.0	157.6

19 DEFERRED GRANT INCOME

	Note	Group		Company	
		2021 \$m	2020 \$m	2021 \$m	2020 \$m
Deferred grants					
At 1 January		6.2	0.5	4.1	0.3
Grants (refunded)/received		(0.3)	40.1	(0.5)	23.7
Asset grant accreted to the income statement	26.1	(0.1)	(0.4)	(0.1)	(0.4)
Income grant accreted to the income statement	27	(5.8)	(34.0)	(3.5)	(19.5)
At 31 December		-	6.2	-	4.1
Current	16	-	6.2	-	4.1

Deferred grant income refers to government grants received. Assets related grants are recognised over the estimated useful lives of the related assets. Income related grants include Jobs Support Scheme ("JSS") grants received and are recognised on a systematic basis over the periods to match the related costs.

20 DEFERRED TAX ASSETS AND LIABILITIES

Movements in deferred tax assets/(liabilities) during the year are as follows:

Group	At 1 January \$m	Recognised in income statement (Note 29) \$m	Recognised in other comprehen- sive income \$m	Recognised in equity \$m	Acquired in business combination (Note 35) \$m	At 31 December \$m
2021						
Deferred tax assets						
Other payables and accruals	0.1	(0.1)	-	-	-	-
Unutilised tax losses	0.7	(0.7)	-	-	-	-
	0.8	(0.8)	-	-	-	-
Deferred tax liabilities						
Property, plant and equipment and intangible assets	(119.9)	18.9	-	-	-	(101.0)
Right-of-use assets	1.8	0.2	-	-	-	2.0
Other payables and accruals	8.2	0.3	-	-	-	8.5
Contract assets	1.1	(0.1)	-	-	-	1.0
Contract costs	(3.2)	0.7	-	-	-	(2.5)
Derivatives	0.4	-	(0.4)	-	-	-
Share-based payment transactions	0.3	-	-	-	-	0.3
	(111.3)	20.0	(0.4)	-	-	(91.7)
2020						
Deferred tax assets						
Other payables and accruals	-	0.1	-	-	-	0.1
Unutilised tax losses	-	0.7	-	-	-	0.7
	-	0.8	-	-	-	0.8
Deferred tax liabilities						
Property, plant and equipment and intangible assets	(127.3)	13.7	-	-	(6.3)	(119.9)
Right-of-use assets	1.3	0.3	-	-	0.2	1.8
Other payables and accruals	8.0	(0.4)	-	-	0.6	8.2
Contract assets	1.1	-	-	-	-	1.1
Contract costs	(4.9)	1.7	-	-	-	(3.2)
Derivatives	0.4	-	-	-	-	0.4
Share-based payment transactions	-	0.4	-	(0.1)	-	0.3
	(121.4)	15.7	-	(0.1)	(5.5)	(111.3)

Unrecognised deferred tax assets

Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

Unrecognised deferred tax assets (continued)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2021 \$m	2020 \$m
Tax losses	30.1	26.5

The Group has not recognised deferred tax assets in respect of the above tax losses as the Group does not expect to recover these potential deferred tax assets in the foreseeable future. The Group reassesses the recovery of these potential deferred tax assets annually.

The tax losses include \$4.1 million (2020: \$8.3 million) which can be carried forward up to the financial years 2025 to 2028 subject to different jurisdiction requirements by those companies with unrecognised tax losses in their respective country of incorporation.

Company	At	Recognised	Recognised	At
	1 January \$m	in income statement \$m	in equity 31 December \$m	31 December \$m
2021				
Deferred tax (liabilities)/assets				
Property, plant and equipment and intangible assets	(69.3)	7.8	-	(61.5)
Right-of-use assets	1.0	0.3	-	1.3
Other payables and accruals	5.0	0.8	-	5.8
Contract cost	(0.3)	-	-	(0.3)
Share-based payment transactions	0.3	-	-	0.3
	(63.3)	8.9	-	(54.4)
2020				
Deferred tax (liabilities)/assets				
Property, plant and equipment and intangible assets	(75.3)	6.0	-	(69.3)
Right-of-use assets	1.0	-	-	1.0
Other payables and accruals	4.0	1.0	-	5.0
Contract cost	(0.3)	-	-	(0.3)
Share-based payment transactions	-	0.4	(0.1)	0.3
	(70.6)	7.4	(0.1)	(63.3)

21 SHARE CAPITAL

Group and Company	2021		2020	
	Number of shares '000	\$m	Number of shares '000	\$m
Issued and fully paid ordinary shares:				
At beginning and end of year	1,731,651	299.7	1,731,651	299.7

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares (excluding treasury shares) rank equally with regard to the Company's residual assets.

22 RESERVES

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Treasury shares	(1.9)	(1.9)	(1.9)	(1.9)
Capital reserve	(6.9)	(10.0)	-	-
Fair value reserve	(34.8)	(24.7)	(34.8)	(24.7)
Goodwill written off	(276.3)	(276.3)	-	-
Share-based payments reserve	8.5	8.0	8.5	8.0
Hedging reserve	-	(2.1)	-	-
Translation reserve	0.2	0.8	-	-
Retained profits	401.1	344.9	2,295.0	2,185.9
	89.9	38.7	2,266.8	2,167.3

Treasury shares

Treasury shares comprise the cost of the Company's shares held by the Company. As at year-end, 1,481,178 (2020: 1,497,923) treasury shares were held by the Company. During the year, 2,269,745 (2020: 2,130,830) treasury shares were transferred to share-based payments reserve.

Capital reserve

The capital reserve comprises:

- acquisitions and disposals of interests with non-controlling interests that did not result in a change in control; and
- present value of a forward contract issued to a non-controlling interest shareholder.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22 RESERVES (CONTINUED)

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity investments designated at FVOCI.

Goodwill written off

The goodwill written off represents the excess of consideration paid on the acquisition of subsidiaries prior to 1 January 2001 over the Group's share of the fair value of net assets acquired.

Share-based payments reserve

The share-based payments reserve comprises the cumulative value of services received from employees and directors recorded in respect of the grant of share options and share awards.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions.

Translation reserve

The translation reserve comprises all foreign currency translation differences arising from the translation of the financial statements of foreign operations.

23 PERPETUAL CAPITAL SECURITIES

On 16 June 2017, the Company issued subordinated perpetual securities (the "perpetual securities") with an aggregate principal amount of \$200.0 million. Incremental costs incurred amounting to \$0.4 million was recognised in equity as a deduction from the proceeds. Such perpetual securities bear distributions at a rate of 3.95% per annum, payable semi-annually. Subject to the relevant terms and conditions in the offering memorandum, the Company may elect to defer making distributions on the perpetual securities and is not subject to any limits as to the number of times a distribution can be deferred. As a result, the perpetual securities do not meet the definition for classification as a financial liability under SFRS(I) 1-32 *Financial Instruments: Presentation*. The whole instrument is presented within equity, and distributions are treated as dividends.

During the year, distributions amounting to \$7.9 million (2020: \$7.9 million) were accrued and paid to perpetual security holders.

24 NON-CONTROLLING INTERESTS

The following subsidiary has non-controlling interest that is material to the Group.

Name of company	Principal activities	Country of incorporation/ Principal place of business	Effective equity interest held by the Group	
			2021 %	2020 %
Ensign InfoSecurity Pte. Ltd. ("Ensign")	Provision of computer systems integration activities, other professional, scientific and technical activities	Singapore	43.14 ⁽¹⁾	41.62 ⁽¹⁾

(1) At the date of acquisition, the non-controlling interest shareholder has assigned to the Company 20% of its rights, benefits and interests in Ensign.

The following summarised financial information for the non-controlling interest of Ensign are prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition.

	2021 \$m	2020 \$m
Revenue	270.9	226.7
Profit from continuing operations	3.0	5.1
Total comprehensive income	3.0	5.1
Attributable to NCI:		
Profit from continuing operations	1.3	2.1
Total comprehensive income	1.3	2.1
Non-current assets	129.1	144.5
Current assets	246.9	186.6
Borrowings	(0.7)	(0.8)
Non-current liabilities	(13.8)	(33.2)
Current liabilities	(125.9)	(98.3)
Net assets	235.6	198.8
Net assets attributable to NCI	101.6	82.7
Cash flows from operating activities	29.2	(7.1)
Cash flows from investing activities	(3.9)	(4.3)
Cash flows from financing activities	29.5	33.5
Net increase in cash and cash equivalents	54.8	22.1

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. NON-CONTROLLING INTERESTS (CONTINUED)

Dilution of equity interest in Ensign Group

During the year, the non-controlling interest shareholder increased its capital contribution in Ensign, decreasing the Group's ownership from 58.38% to 56.86%. (2020: 60% to 58.38%). The following summarises the effect of change in Group's ownership interest on the equity attributable to owners of the Company.

	2021 \$m	2020 \$m
Capital contribution from non-controlling interest shareholder	20.7	21.9
Net increase in non-controlling interests	(17.6)	(18.6)
Net increase in capital reserve attributable to owners of the Company	3.1	3.3

25. REVENUE

	Group	
	2021 \$m	2020 \$m
<i>Disaggregation of revenue from contracts with customers</i>		
Mobile revenue	530.7	579.7
Entertainment revenue	180.0	187.9
Broadband revenue	194.4	176.1
Enterprise Fixed services revenue	706.1	645.5
Total service and contract revenue	1,611.2	1,589.2
Sales of equipment	431.4	439.6
	2,042.6	2,028.8

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that have not been fulfilled at the reporting date:

Group	2022 \$m	2023 \$m	2024 \$m	2025 \$m	2026 onwards \$m	Total \$m
2021						
Mobile revenue	141.8	44.5	0.9	–	0.6	187.8
Entertainment revenue	42.7	12.6	–	–	–	55.3
Broadband revenue	87.5	26.5	–	–	–	114.0
Enterprise Fixed service revenue	350.6	183.1	31.1	15.9	29.2	609.9
Total	622.6	266.7	32.0	15.9	29.8	967.0

25 REVENUE (CONTINUED)

Transaction price allocated to the remaining performance obligations (continued)

Group	2022 \$m	2023 \$m	2024 \$m	2025 \$m	2026 onwards \$m	Total \$m
2020						
Mobile revenue	141.6	58.9	0.9	-	-	201.4
Entertainment revenue	58.6	14.9	-	-	-	73.5
Broadband revenue	84.4	30.2	-	-	-	114.6
Enterprise Fixed service revenue	418.9	184.4	23.0	7.7	24.6	658.6
Total	703.5	288.4	23.9	7.7	24.6	1,048.1

Variable consideration that is constrained and therefore not included in the transaction price is excluded in the amounts presented above.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if the performance obligations is part of a contract that has an original expected duration of one year or less. In addition, amounts that are not contractually committed are excluded.

26 OPERATING EXPENSES

	Group	
	2021 \$m	2020 \$m
Cost of equipment sold	401.3	396.4
Cost of services	504.2	500.6
Traffic expenses	42.6	54.8
Customer acquisition costs	23.4	35.2
Depreciation and amortisation	279.0	306.5
Loss allowances of:		
- Contract assets	11.7	12.1
- Trade receivables	3.0	13.6
Marketing and promotions	22.0	24.3
Staff costs	276.5	263.0
Repairs and maintenance	90.2	108.7
Short-term lease expenses	8.4	11.4
Other expenses	162.7	112.3
Total	1,825.0	1,838.9

NOTES TO THE FINANCIAL STATEMENTS (continued)

26 OPERATING EXPENSES (CONTINUED)

26.1 Depreciation and amortisation

Depreciation and amortisation expenses comprise the following:

	Note	2021 \$m	Group 2020 \$m
Depreciation of property, plant and equipment		173.1	194.4
Accretion of asset grants to the income statement	19	(0.1)	(0.4)
		173.0	194.0
Amortisation of intangible assets		72.6	79.8
Depreciation of right-of-use assets		33.4	32.7
		279.0	306.5

26.2 Staff costs

The following are included in staff costs:

	2021 \$m	Group 2020 \$m
Defined contribution plans	25.1	26.8
Share-based payments	3.4	3.2
Government grants – Wage Credit Scheme	(1.2)	(1.7)

26.2.1 Key management personnel compensation

	2021 \$m	Group 2020 \$m
Directors' fees	1.7	1.4
Short-term employee benefits	10.4	9.8
Share-based payments	2.1	2.5
	14.2	13.7

Key management personnel also participate in the StarHub Performance Share Plans and the StarHub Restricted Stock Plans. The short-term benefits include the Group balanced scorecard incentive programme to reward employees for achieving or exceeding performance targets.

During the year, conditional awards of shares of 1,726,000 (2020: 564,000 shares) under the StarHub Performance Share Plans and conditional awards of shares of 1,344,000 (2020: 1,377,250 shares) under the StarHub Restricted Stock Plans were granted to the key management personnel of the Group during the year. These represent the number of shares to be delivered when performance targets at “on-target” level are achieved, or as the case may be when the time-based service conditions are completed.

26 OPERATING EXPENSES (CONTINUED)

26.2 Staff costs (continued)

26.2.1 Key management personnel compensation (continued)

During the year, awards of 321,500 shares (2020: 319,300 shares) under the StarHub Restricted Stock Plans were vested and delivered to certain non-executive directors of the Group as part of their non-executive directors' remuneration, without performance or vesting conditions attached.

Based on the actual level of achievement of the pre-determined performance targets over the 2018 performance period, final awards comprising 80,250 (2020: 80,250) shares were delivered to key management personnel of the Group during the year under the 2018 conditional awards granted to the key management personnel of the Group in March 2018 pursuant to the StarHub Restricted Stock Plans.

Based on the actual level of achievement of the pre-determined performance targets over the 2019 performance period, final awards comprising 236,070 (2020: 345,070 shares) were delivered to key management personnel of the Group during the year under the 2019 conditional awards granted to the key management personnel of the Group in July 2019 pursuant to the StarHub Restricted Stock Plans.

Based on the actual level of achievement of the pre-determined performance targets over the 2020 performance period, final awards comprising 342,090 shares were delivered to key management personnel of the Group during the year under the 2020 conditional awards granted to the key management personnel of the Group in March 2020 pursuant to the StarHub Restricted Stock Plans.

All conditional share awards (except for the time-based restricted share awards) granted to the key management personnel of the Group were on the same terms and conditions as those offered to other employees of the Group. As at 31 December 2021, 3,454,000 (2020: 2,165,133) of the conditional awards of shares under the StarHub Performance Share Plans, and 2,212,554 (2020: 1,580,630) of the conditional awards of shares under the StarHub Restricted Stock Plans granted to the key management personnel were outstanding.

26.2.2 Share-based Payments

StarHub Performance Share Plans

Under the StarHub PSP 2014 ("StarHub Performance Share Plans"), conditional awards of shares are granted. Awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon the participant achieving prescribed performance targets set based on medium-term corporate objectives. Awards are released once the Company's Executive Resource and Compensation Committee is satisfied that the prescribed performance targets have been achieved. There are no vesting periods beyond the performance achievement periods.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26 OPERATING EXPENSES (CONTINUED)

26.2 Staff costs (continued)

26.2.2 Share-based Payments (continued)

StarHub Performance Share Plans (continued)

The movements of the number of shares under the StarHub Performance Share Plans, the fair values of the grant at measurement date and the assumptions of the fair value model for the grants of the Company are as follows:

Company	Balance outstanding at 1 January '000	Number of performance shares granted '000	Number of performance shares vested '000	Number of performance shares forfeited '000	Balance outstanding at 31 December '000
2021					
Date of grant					
28 March 2018	395	-	(109)	(286)	-
1 October 2019	1,206	-	-	-	1,206
28 December 2020	564	-	-	(42)	522
16 August 2021	-	1,726	-	-	1,726
Total	2,165	1,726	(109)	(328)	3,454
2020					
Date of grant					
6 April 2017	689	-	(107)	(582)	-
28 March 2018	395	-	-	-	395
1 October 2019	2,030	-	-	(824)	1,206
28 December 2020	-	564	-	-	564
Total	3,114	564	(107)	(1,406)	2,165

The fair value of the shares is estimated using a Monte-Carlo simulation methodology at the measurement dates, which are grant dates of the share awards. The assumptions under the model used for the grants in 2021 and 2020 are as follows:

	Year of grant	
	2021	2020
Fair value	\$0.98	\$0.88
Share price	\$1.25	\$1.30
Expected volatility of the Company's shares	20.12%	25.81%
Expected dividend yield	5.54%	5.29%
Risk-free interest rates	0.44%	0.32%

26 OPERATING EXPENSES (CONTINUED)

26.2 Staff costs (continued)

26.2.2 Share-based Payments (continued)

StarHub Restricted Stock Plans

Under the StarHub RSP Plan 2014 ("StarHub Restricted Stock Plans"), awards granted vest only after the satisfactory completion of time-based service conditions (time-based restricted awards) or where the award is performance-related after a further period of service beyond the performance targets completion date (performance-based restricted awards).

During the year, conditional grants of 3,554,200 (2020: 3,335,450) shares under the StarHub Restricted Stock Plans were made to key employees of the Group. These represent the number of shares to be delivered when performance targets at "on-target" level are achieved, or as the case may be when the time-based service conditions are completed.

The movements of the number of shares under the StarHub Restricted Stock Plans, the fair values of the grant at measurement date and the assumptions of the fair value model for the grants of the Company are as follows:

Date of grant	Balance outstanding at 1 January '000	Number of restricted shares granted '000	Number of restricted shares vested '000	Number of restricted shares forfeited '000	Balance outstanding at 31 December '000
2021					
28 March 2018	332	-	(325)	(7)	-
3 July 2019	1,018	-	(502)	(43)	473
1 October 2019	377	-	(178)	(31)	168
26 March 2020	2,646	-	(834)	(325)	1,487
31 March 2021	-	3,554	-	(302)	3,252
Total	4,373	3,554	(1,839)	(708)	5,380

Date of grant	Balance outstanding at 1 January '000	Number of restricted shares granted '000	Number of restricted shares vested '000	Number of restricted shares forfeited '000	Balance outstanding at 31 December '000
2020					
6 April 2017	435	-	(420)	(15)	-
28 March 2018	812	-	(382)	(98)	332
3 July 2019	2,271	-	(711)	(542)	1,018
1 October 2019	607	-	(190)	(40)	377
26 March 2020	-	3,335	-	(689)	2,646
Total	4,125	3,335	(1,703)	(1,384)	4,373

NOTES TO THE FINANCIAL STATEMENTS (continued)

26 OPERATING EXPENSES (CONTINUED)

26.2 Staff costs (continued)

26.2.2 Share-based Payments (continued)

StarHub Restricted Stock Plans (continued)

The fair value of the share awards is estimated using a Monte-Carlo simulation methodology at the measurement dates, which are grant dates of the share awards.

The assumptions under the model used for the grants in 2021 and 2020 are as follows:

	Year of grant	
	2021	2020
Fair value	\$1.11 – \$1.22	\$0.88 – \$1.19
Share price	\$1.28	\$1.32
Expected volatility of the Company's shares	24.51%	24.12%
Expected dividend yield	5.27%	6.42%
Risk-free interest rates	0.45%-0.66%	0.82%-0.98%

26.3 Other expenses

Included in other expenses are the following:

	Group	
	2021 \$m	2020 \$m
Audit fees paid to:		
- Auditors of the Company	0.6	0.6
- Member firms of auditors of the Company	0.2	-
- Other auditors of the Group	0.3	0.5
Non-audit fees paid to:		
- Auditors of the Company	0.2	0.2
- Other auditors of the Group	-	0.4
Foreign currency exchange loss, net	0.4	4.5

27 OTHER INCOME

	Note	Group	
		2021 \$m	2020 \$m
Rental income		0.1	0.1
Special project related income		2.3	2.6
Income related grants		6.0	4.7
Deferred grants accreted to the income statement	19	5.8	34.0
		14.2	41.4

28 NET FINANCE COSTS

	2021 \$m	Group 2020 \$m
Interest income:		
- Bank deposits	3.0	1.5
- Loan to an external party	1.1	-
- Loan to associate	-	0.3
Finance income	4.1	1.8
Interest expense:		
- Bank loans	17.3	15.2
- Medium term notes	22.3	17.5
Interest on borrowings	39.6	32.7
Interest on lease liabilities	5.9	5.6
Other financing charges	3.6	2.5
Finance expenses	49.1	40.8

29 TAXATION

	2021 \$m	Group 2020 \$m
Current tax		
Current income tax	58.4	49.6
Under/(Over) provision in prior year	0.9	(0.4)
	59.3	49.2
Deferred tax		
Reversal and origination of temporary differences	(19.3)	(17.0)
Underprovision in prior year	0.1	0.5
	(19.2)	(16.5)
Total income tax in the income statement	40.1	32.7

NOTES TO THE FINANCIAL STATEMENTS (continued)

29 TAXATION (CONTINUED)

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December is as follows:

	Group	
	2021	2020
	\$m	\$m
Profit before taxation	190.2	192.8
Income tax using Singapore tax rate of 17%	32.3	32.7
Income not subject to tax	(0.9)	(4.8)
Non-deductible expenses	8.7	6.3
Tax incentives	(0.1)	(0.2)
Effect of tax rates in foreign jurisdiction	0.1	0.1
Recognition of previously unrecognised deferred tax assets	(1.2)	(1.2)
Under provision in prior year, net	1.0	0.1
Others	0.2	(0.3)
Total income tax in the income statement	40.1	32.7

Income tax recognised in other comprehensive income for the years ended 31 December are as follows:

	Group	
	2021	2020
	\$m	\$m
Cash flow hedge, before taxation	2.5	(0.1)
Taxation	(0.4)	-
Effective portion of changes in fair value of cash flow hedge	2.1	(0.1)

30 EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the adjusted profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding (excluding treasury shares), for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees under the StarHub share plans.

	Group	
	2021	2020
	\$m	\$m
Profit attributable to owners of the Company	149.3	157.9
Less: Perpetual capital securities distribution	(7.9)	(7.9)
Adjusted profit attributable to owners of the Company	141.4	150.0

30 EARNINGS PER SHARE (EPS) (CONTINUED)

	Number of shares	
	2021 '000	2020 '000
Weighted average number of ordinary shares (basic) during the year#	1,730,945	1,731,327
Adjustment for dilutive effect of share plans	7,415	7,895
Weighted average number of ordinary shares (diluted) during the year	1,738,360	1,739,222

Excludes treasury shares.

31 EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION

The earnings before interest, taxation, depreciation and amortisation ("EBITDA") is a supplementary indicator of performance used by the Group. The measurement of EBITDA is not governed by SFRS(I).

The Group defines EBITDA as follows:

	Group	
	2021 \$m	2020 \$m
Profit before taxation	190.2	192.8
Adjustments for:		
Depreciation and amortisation	279.0	306.5
Finance income	(4.1)	(1.8)
Finance expense	49.1	40.8
Non-operating income	1.3	-
Non-operating expense	(3.0)	-
Share of profit of associate (net of tax)	(3.4)	(0.6)
Share of (profit)/loss of joint venture (net of tax)	(1.7)	0.1
EBITDA	510.8	537.8

32 RELATED PARTY TRANSACTIONS

The Company has entered into contractual agreements on behalf of its subsidiaries, and recharges its subsidiaries based on terms agreed between the parties involved.

In the normal course of business, the Group purchases and sells info-communications services to related companies. The related party transactions are carried out on terms negotiated between the parties which are intended to reflect competitive terms.

NOTES TO THE FINANCIAL STATEMENTS (continued)

32 RELATED PARTY TRANSACTIONS (CONTINUED)

Other than disclosed above and elsewhere in the financial statements, significant transactions of the Group with related parties during the financial year were as follows:

	Group	
	2021 \$m	2020 \$m
Ultimate holding company		
Sales	0.1	0.1
Associate		
Purchase of property, plant and equipment	0.1	0.1
Leases of premises	2.8	2.8
Purchase of services	15.5	14.2
Related corporations		
Sales	44.7	45.2
Purchase of property, plant and equipment	6.0	7.1
Leases of infrastructure and equipment	5.1	9.5
Purchase of services	29.9	40.0
Purchase of inventories	4.3	14.0

33 DIVIDENDS

	Group and Company	
	2021 \$m	2020 \$m
Final dividend of \$0.025 (2020: \$0.0225) per share (1-tier tax exempt) paid in respect of the previous financial year	43.3	39.0
Interim dividends of \$0.025 (2020: \$0.025) per share (1-tier tax exempt) paid in respect of the current financial year	43.2	43.2
	86.5	82.2

34 SEGMENT REPORTING

Segment information is presented based on the information reviewed by the chief operating decision makers ("CODM") for performance assessment and resource allocation. The CODM assesses the Group's financial performance using performance indicators which include revenue, EBITDA (see Note 31), capital expenditure and cash flow of the Group.

The Group has four operating segments, namely the telecommunications, Cybersecurity, high security assurance product, and the Regional Information Communication Technology ("Regional ICT") segment.

The Group delivers its Mobile, Entertainment, Broadband, Enterprise Fixed services and equipment sales ("Telecommunications") on a fully integrated network, and has a centralised customer service, sales, marketing and administration support. The other segments that the Group operates in are the Cybersecurity and high security assurance product segment.

34 SEGMENT REPORTING (CONTINUED)

The CODM determined that the Regional ICT segment exhibits similar economic characteristics to the Telecommunications segment. In making this judgement, management has considered its enterprise digital services and products offering and the customer base. As the Regional ICT segment does not meet any of the quantitative thresholds for determining a reportable segment, it is aggregated with the Telecommunications segment as a reportable segment. The other reportable segment that the Group operates in is the Cybersecurity segment. This reportable segment was formed by aggregating the high security assurance product segment, which was determined by the CODM to exhibit similar economic characteristics, to the cybersecurity segment.

The Group operates primarily in Singapore and has a large and diversified customer base consisting of individuals and corporations. There was no single customer that contributed to 10% or more of the Group's revenue.

The Group's reportable segment information is as follows:

	Telecommuni- cations 2021 \$m	Cybersecurity 2021 \$m	Elimination of intersegment transactions 2021 \$m	Group 2021 \$m
Mobile revenue	531.1	-	(0.4)	530.7
Entertainment revenue	180.0	-	-	180.0
Broadband revenue	194.4	-	-	194.4
Enterprise Fixed revenue	438.3	270.9	(3.1)	706.1
Sales of equipment	431.4	-	-	431.4
Total revenue	1,775.2	270.9	(3.5)	2,042.6
EBITDA	484.0	26.8	-	510.8
Depreciation and amortisation	(257.0)	(22.0)	-	(279.0)
Finance income	4.0	0.1	-	4.1
Finance expense	(48.0)	(1.1)	-	(49.1)
Non-operating income	1.3	-	-	1.3
Non-operating expense	(3.0)	-	-	(3.0)
Share of profit of associate (net of tax)	3.4	-	-	3.4
Share of profit of joint venture (net of tax)	1.7	-	-	1.7
Profit before taxation	186.4	3.8	-	190.2
Taxation	(39.3)	(0.8)	-	(40.1)
Profit for the year	147.1	3.0	-	150.1
Assets and liabilities				
Segment assets	2,788.9	420.6	(3.0)	3,206.5
Equity-accounted investees	36.4	-	-	36.4
Total assets	2,825.3	420.6	(3.0)	3,242.9
Segment liabilities	1,045.2	139.8	(3.0)	1,182.0
Borrowings	1,364.0	0.7	-	1,364.7
Total liabilities	2,409.2	140.5	(3.0)	2,546.7
Other information				
Capital expenditure	178.1	3.7	-	181.8

NOTES TO THE FINANCIAL STATEMENTS (continued)

34 SEGMENT REPORTING (CONTINUED)

	Telecommuni- cations 2020 \$m	Cybersecurity 2020 \$m	Elimination of intersegment transactions 2020 \$m	Group 2020 \$m
Mobile revenue	580.0	-	(0.3)	579.7
Entertainment revenue	187.9	-	-	187.9
Broadband revenue	176.1	-	-	176.1
Enterprise Fixed revenue	425.5	226.7	(6.7)	645.5
Sales of equipment	439.6	-	-	439.6
Total revenue	1,809.1	226.7	(7.0)	2,028.8
EBITDA	508.6	29.2	-	537.8
Depreciation and amortisation	(286.2)	(20.3)	-	(306.5)
Finance income	1.8	-	-	1.8
Finance expense	(39.0)	(1.8)	-	(40.8)
Share of profit of associate (net of tax)	0.6	-	-	0.6
Share of loss of joint venture (net of tax)	(0.1)	-	-	(0.1)
Profit before taxation	185.7	7.1	-	192.8
Taxation	(30.7)	(2.0)	-	(32.7)
Profit for the year	155.0	5.1	-	160.1
Assets and liabilities				
Segment assets	2,531.3	378.1	(2.9)	2,906.5
Equity-accounted investees	24.8	-	-	24.8
Total assets	2,556.1	378.1	(2.9)	2,931.3
Segment liabilities	1,003.8	131.5	(2.9)	1,132.4
Borrowings	1,171.6	0.8	-	1,172.4
Total liabilities	2,175.4	132.3	(2.9)	2,304.8
Other information				
Capital expenditure	151.2	4.1	-	155.3

35 BUSINESS COMBINATION

Strateq Sdn. Bhd. (“Strateq”)

In the prior year, through an indirect subsidiary, the Group completed the acquisition of Strateq Sdn. Bhd. for a total consideration of \$99.6 million.

In connection with the acquisition, the Group holds redeemable convertible preference shares (“RCPS”) and has majority representation on the board of directors that together grant the Group the ability to direct and declare profits from Strateq as discretionary dividends. Through the RCPS held by the Group and together with certain collateralised arrangements extended by the Group to the NCI, the Group has rights to substantially all the variable returns of Strateq. Accordingly, the Group’s economic interest in Strateq is 88.28%.

The Group also entered into an arrangement with the non-controlling interest shareholder of Nettilling to acquire the remaining 11.72% equity over a period of 4 years from 2025 for a consideration based on Strateq’s average financial performance over the same period (“NCI Arrangement”). The undiscounted consideration for the NCI Arrangement was discounted at a risk-adjusted discount rate of 3.45%. Accordingly, the NCI Arrangement resulted in a forward liability of \$32.7 million being recorded at the date of acquisition.

Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred:

	2020 \$m
Total purchase consideration	99.6
Contingent consideration	(18.4)
Less: Cash and cash equivalents in subsidiary acquired (net of bank overdraft)	(7.2)
Net cash outflow on acquisition	74.0

The contingent consideration to be paid was derived based on a formula that is dependent on the aggregate revenue to be earned by Strateq from certain contracts in 2021. The Group had included \$18.4 million, as contingent consideration related to the additional consideration, which represents its fair value at the date of acquisition, using a risk-adjusted discount rate of 3.45%.

NOTES TO THE FINANCIAL STATEMENTS (continued)

35 BUSINESS COMBINATION (CONTINUED)

Strateq Sdn. Bhd. ("Strateq") (continued)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

	2020 \$m
Property, plant and equipment	5.9
Intangible assets – Computer software and development expenditure	22.0
Intangible assets – Customer contracts and relationships	14.7
Right-of-use assets	20.4
Net current assets (excluding cash and cash equivalents)	19.5
Cash and cash equivalents	8.5
Provision for taxation	(1.5)
Borrowings	(16.4)
Lease liabilities	(21.5)
Deferred tax liabilities	(5.5)
Total identifiable net assets	46.1

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation techniques
Intangible assets (development expenditure)	<p><i>Relief from royalty method:</i> The relief from royalty method estimates the value of an intangible asset by calculating the present value of the royalty payments saved through owning the asset, as compared with licensing the asset from a third party.</p> <p><i>Reproduction cost method:</i> The reproduction cost estimates the value of an intangible asset by the cost that would be incurred to construct or purchase an exact replica of the subject asset.</p>
Intangible assets (customer contracts and relationships)	<p><i>Multi-period excess earnings method:</i> The multi-period excess earnings method estimates the value of an intangible asset as the present value of the excess cash flows attributable to the intangible asset.</p>

35 BUSINESS COMBINATION (CONTINUED)

Strateq Sdn. Bhd. ("Strateq") (continued)

Goodwill

Goodwill arising from the acquisition had been recognised as follows:

	2020 \$m
Total consideration transferred	99.6
NCI, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	5.4
Fair value of identifiable net assets	(46.1)
Provisional goodwill	58.9

The fair values of intangible assets had been determined provisionally pending completion of an independent valuation. During the year, the purchase price allocation was finalised and did not result in any material adjustments to the provisional values.

36 FINANCIAL RISK MANAGEMENT

Overview

Exposure to credit, liquidity, interest risk, foreign exchange and market risks arises in the normal course of the Group's business.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk and Sustainability Committee, which in turn is assisted by the Management Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The Management Risk Committee reports to the Risk and Sustainability Committee on a regular basis. The Risk and Sustainability Committee reports to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group from both an operational and execution basis. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to promote a culture of risk management which entails awareness, accountability and ownership in all employees.

Derivative financial instruments are used to reduce exposure to fluctuations in foreign exchange rates, where appropriate. While these are subject to the risk of market rates changing subsequent to acquisition, such changes are generally offset by opposite effects on the items being hedged.

NOTES TO THE FINANCIAL STATEMENTS (continued)

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

Risk management framework (continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Periodic review of credit policy and counterparty credit limits are also practised.

The Group has no significant concentration of credit risk from trade receivables due to its large diversified customer base. Credit evaluations are performed on corporate customers requiring credit. Identification documents are obtained from retail customers. Deposits are obtained for certain categories of higher risk customers.

Counterparty risk arising from cash and cash equivalents and treasury transactions is managed by dealing mainly with high credit quality counterparties, which have a minimum rating of A/A1 based on Standard & Poor or Moody's ratings.

The maximum credit risk exposure is represented by the carrying value of each financial asset in the statement of financial position less collaterals held. Collaterals in the form of cash or bank guarantees are obtained from counterparties where appropriate.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group actively monitors its liquidity risk and manages its operating cash flows, debt maturity profile, availability of funding, and reviews compliance with loan covenants. The Group maintains sufficient level of cash and cash equivalents, expects to generate sufficient cash flows from its operation, and has available funding through diverse sources of committed and uncommitted credit facilities from banks and the capital market through its multicurrency debt issuance programme to ensure that there are adequate credit facilities which may be utilised when the need arises to meet its working capital requirements.

Management assessed that with these available facilities and positive cash flows from the Group's operations, the Group will be able to pay its liabilities as and when they are due.

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

The following are the remaining contractual undiscounted cash outflows (including interest payments) of financial liabilities:

	Carrying amount \$m	Contractual cash flows			
		Total \$m	Within 1 year \$m	After 1 year but within 5 years \$m	After 5 years \$m
Group					
2021					
Non-derivative financial liabilities					
Borrowings	(1,364.7)	(1,521.6)	(263.6)	(964.6)	(293.4)
Trade and other payables ^	(665.2)	(678.2)	(620.1)	(29.9)	(28.2)
Amounts due to related parties	(23.6)	(23.6)	(23.6)	-	-
Lease liabilities	(132.0)	(183.0)	(37.2)	(70.9)	(74.9)
	(2,185.5)	(2,406.4)	(944.5)	(1,065.4)	(396.5)
2020					
Non-derivative financial liabilities					
Borrowings	(1,172.4)	(1,314.9)	(41.2)	(895.9)	(377.8)
Trade and other payables ^	(523.5)	(540.1)	(454.3)	(57.6)	(28.2)
Amounts due to related parties	(34.3)	(34.3)	(34.3)	-	-
Lease liabilities	(157.6)	(193.9)	(34.9)	(93.6)	(65.4)
	(1,887.8)	(2,083.2)	(564.7)	(1,047.1)	(471.4)
Derivative financial liabilities					
Forward exchange contracts used for hedging (gross-settled)	(2.5)				
- Outflow		(81.8)	(81.8)	-	-
- Inflow		79.3	79.3	-	-
	(2.5)	(2.5)	(2.5)	-	-
Company					
2021					
Non-derivative financial liabilities					
Borrowings	(1,274.4)	(1,417.5)	(254.4)	(870.1)	(293.0)
Trade and other payables ^	(309.4)	(309.4)	(309.4)	-	-
Amounts due to related parties	(202.1)	(202.1)	(202.1)	-	-
Lease liabilities	(91.1)	(117.3)	(18.9)	(44.8)	(53.6)
	(1,877.0)	(2,046.3)	(784.8)	(914.9)	(346.6)

NOTES TO THE FINANCIAL STATEMENTS (continued)

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

	Carrying amount \$m	Contractual cash flows			
		Total \$m	Within 1 year \$m	After 1 year but within 5 years \$m	After 5 years \$m
Company					
2020					
Non-derivative financial liabilities					
Borrowings	(1,077.5)	(1,205.2)	(29.5)	(798.4)	(377.3)
Trade and other payables [^]	(195.8)	(195.8)	(195.8)	-	-
Amounts due to related parties	(177.4)	(177.4)	(177.4)	-	-
Lease liabilities	(101.8)	(129.6)	(21.6)	(53.8)	(54.2)
	(1,552.5)	(1,708.0)	(424.3)	(852.2)	(431.5)
Derivative financial liabilities					
Forward exchange contracts used for hedging (gross-settled)	(2.5)				
- Outflow		(81.8)	(81.8)	-	-
- Inflow		79.3	79.3	-	-
	(2.5)	(2.5)	(2.5)	-	-

[^] The carrying amount of trade and other payables disclosed in the table excludes deferred income, forward exchange contracts, net GST payable and employee benefits.

The maturity analysis shows the contractual undiscounted cash flows of the Group and the Company's derivative financial instruments on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed relate to those instruments held for risk management purposes and which are usually not closed out prior to contractual maturity.

It is not expected that the cash flows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. Generally, the Group seeks to apply hedge accounting in order to manage volatility in profit or loss.

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

(i) Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations. The Group adopts a policy of ensuring that at least 50 percent of its exposure to changes in interest rates on long-term borrowings is on a fixed rate basis.

Exposure to interest rate risk

At the reporting date, the interest rate profile of interest-bearing financial instruments, as reported to management, was as follows:

	Group		Company	
	2021	2020	2021	2020
	\$m	\$m	\$m	\$m
Fixed rate instruments				
Fixed deposits	577.8	206.3	568.0	195.2
Borrowings	1,357.9	1,163.7	1,274.4	1,077.5
Variable rate instrument				
Borrowings	6.8	8.7	-	-

Sensitivity analysis for variable rate instruments

The Group's and the Company's borrowings are denominated primarily in Singapore dollars ("SGD"). An increase/decrease in the floating interest rates by 100 basis points (2020: 100 basis points), with all other variables remaining constant would have decreased/increased (profit or loss by \$0.1 million and \$Nil million (2020: \$0.1 million and \$Nil million) for the Group and Company, respectively.

(ii) Foreign currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings, that are denominated in a currency other than the respective functional currencies of the Group entities. The currency giving rise to this risk is primarily the United States Dollar ("USD").

In respect of other monetary liabilities held in foreign currencies, the Group ensures that the net exposure is kept to an acceptable level by buying foreign currencies at spot rates where necessary to address any shortfalls.

NOTES TO THE FINANCIAL STATEMENTS (continued)

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Foreign currency risk (continued)

The Group's and the Company's exposures to United States Dollar are as follows:

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Contract assets	3.4	2.9	1.9	1.6
Trade and other receivables	20.1	24.0	13.7	13.3
Cash and cash equivalents	45.4	34.6	21.4	26.3
Trade and other payables	(122.6)	(63.6)	(101.0)	(42.8)
	(53.7)	(2.1)	(64.0)	(1.6)

For operations with significant expenditure denominated in foreign currencies, forward exchange contracts are entered into to hedge the foreign currency risk exposure on committed payment obligations. At 31 December 2021, the Group and the Company have outstanding forward exchange contracts with notional principal amounts of approximately \$20.2 million (2020: \$81.8 million). Certain forward exchange contracts are entered into by the Company on behalf of a subsidiary.

Sensitivity analysis

The Group and Company had assessed that a reasonable change in the exchange rate would not result in a material impact on the Group's and Company's results.

(iii) Equity price risk

The Group has investments in quoted equity shares. The market value of these investments will fluctuate with market conditions.

Sensitivity analysis

The Group and Company had assessed that a reasonable change in the share price would not result in a material impact on the Group's and Company's equity.

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Hedge accounting

Cash flow hedges

The Group held the following instruments to hedge exposures to changes in foreign currency.

	Maturity	
	1-6 months	6-12 months
2021		
Forward exchange contracts		
Net exposure (in millions of SGD)	-	0.1
Average SGD: USD forward contract rate	-	1.3494
2020		
Forward exchange contracts		
Net exposure (in millions of SGD)	1.9	0.6
Average SGD: USD forward contract rate	1.3847	1.3410

The amounts at the reporting date relating to items designated as hedged items are as follows:

Group	Change in value used for calculating hedge ineffective hedge ineffectiveness \$m	Cash flow hedge reserve \$m	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied \$m
2021			
Foreign currency risk			
Other receivables	-	0.1	-
2020			
Foreign currency risk			
Trade and other payables	-	(2.5)	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Hedge accounting (continued)

Cash flow hedges (continued)

The amounts relating to items designated as hedging instruments are as follows:

Group	2021			Line item in the statement of financial position where the hedging instrument is included	During the year – 2021
	Nominal amount \$m	Carrying amount – assets \$m	Carrying amount – liabilities \$m		Changes in the value of the hedging instrument recognised in OCI \$m
Foreign currency risk					
Forward exchange contracts – other receivables	20.2	0.1	-	Other receivables, deposits and prepayments	2.6

Group	2020			Line item in the statement of financial position where the hedging instrument is included	During the year – 2020
	Nominal amount \$m	Carrying amount – assets \$m	Carrying amount – liabilities \$m		Changes in the value of the hedging instrument recognised in OCI \$m
Foreign currency risk					
Forward exchange contracts – trade payables	81.8	-	(2.5)	Trade and other payables	(0.1)

Master netting or similar agreements

The Group enters into derivative transactions under International Swaps and Derivatives Association (“ISDA”) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances – e.g. when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Group enters into forward exchange contracts to hedge the foreign currency risk on committed payment obligations.

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Hedge accounting (continued)

Master netting or similar agreements (continued)

At the reporting date, there were no financial instruments which meet the criteria for offsetting in the statement of financial position.

Accounting classification of financial instruments

The carrying amounts of financial instruments are as follows.

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Financial assets at amortised cost				
Cash and cash equivalents	832.8	415.4	699.4	328.4
Trade receivables	192.2	192.8	139.4	146.4
Other receivables [#]	128.1	28.7	3.8	6.8
Amounts due from related parties	15.0	19.3	114.2	13.9
	1,168.1	656.2	956.8	495.5
Financial assets at fair value				
Forward exchange contracts used for hedging (derivative asset)	0.1	-	0.1	-
Financial assets at FVOCI				
Quoted equity securities	5.8	17.1	5.8	17.1
Financial liabilities at amortised cost				
Trade and other payables [^]	(665.2)	(523.5)	(309.4)	(182.8)
Amounts due to related parties	(23.6)	(34.3)	(202.1)	(177.4)
Borrowings	(1,364.7)	(1,172.4)	(1,274.4)	(1,077.5)
Lease liabilities	(132.0)	(157.6)	(91.1)	(101.8)
	(2,185.5)	(1,887.8)	(1,877.0)	(1,539.5)
Financial liabilities at fair value				
Forward liability to acquire non-controlling interests	(37.3)	(34.5)	-	-
Contingent consideration	(39.0)	(34.8)	-	-
Forward exchange contracts used for hedging (derivative liability)	-	(2.5)	-	(2.5)
	(76.3)	(71.8)	-	(2.5)

[#] Excludes prepayments and forward exchange contracts.

[^] Excludes deferred income, forward exchange contracts, forward liability to acquire non-controlling interests, contingent consideration, net GST payable and employee benefits.

NOTES TO THE FINANCIAL STATEMENTS (continued)

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

Measurement of fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and Company:

Derivatives

Marked-to-market valuations of the forward exchange contracts are provided by the banks. Those quotes are tested using pricing models or discounted cash flow techniques.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate for a similar instrument at the reporting date. Where other pricing models are used, inputs are based on market related data at the reporting date.

Borrowings

The fair values of fixed interest bearing borrowings which reprice within one year of reporting date were assumed to equate the carrying value. All other fixed interest bearing borrowings are calculated using discounted cash flow models based on the present value of future principal and interest cash flows, discounted at the market rate at the reporting date.

Contingent consideration and forward liability to acquire non-controlling interests

The fair values of contingent consideration and forward liability to acquire non-controlling interests are based on estimates from the associated probabilities of achieving performance targets by the investee and the expected payment amount.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values.

The fair value of non-current other financial assets and financial liabilities was calculated using the discounted cash flow model based on the present value of expected cashflow at the market rates at the reporting date. The carrying amounts approximate their fair values.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

*Fair value hierarchy (continued)***Estimation of fair values**

The following table represents the assets and liabilities measured at fair value, using the above valuation methods, at reporting date:

Group	Fair value level	2021 \$m	2020 \$m
Financial assets			
Other investments	1	5.8	17.1
Marked-to-market financial instrument			
- Forward exchange contracts	2	0.1	-
Financial liabilities			
Marked-to-market financial instrument			
- Forward exchange contracts	2	-	2.5
Forward liability to acquire non-controlling interests	3	37.3	34.5
Contingent consideration	3	39.0	34.8
Company			
Financial assets			
Other investments	1	5.8	17.1
Marked-to-market financial instrument			
- Forward exchange contracts	2	0.1	-
Financial liabilities			
Marked-to-market financial instrument			
- Forward exchange contracts	2	-	2.5

There were no transfers between levels 1 and 2 in 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS (continued)

36 FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value hierarchy (continued)

Estimation of fair values

The following table presents the reconciliation from the opening balances to the ending balances for fair values based on unobservable inputs (Level 3):

	Group			
	Forward liability to acquire non-controlling interests	Forward liability to acquire non-controlling interests	Contingent consideration	Contingent consideration
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
At 1 January	34.5	-	34.8	23.9
Arising from business combination	-	32.7	-	18.4
Total unrealised gains and losses recognised in income statement	3.4	1.5	4.5	1.4
Settlements during the year	-	-	-	(9.1)
Translation differences	(0.6)	0.3	(0.3)	0.2
At 31 December	37.3	34.5	39.0	34.8

The fair values of the forward liability and contingent consideration are estimated based on the present value of expected payments.

Changing the significant unobservable inputs used to reasonably estimate possible alternative assumptions would have no significant impact on the fair value of the contingent consideration.

The fair value of the forward liability will increase/(decrease) if the expected average financial performance of Strateq is higher/(lower).

37 CAPITAL MANAGEMENT

The Group regularly reviews its financial position, capital structure and use of capital, with the objective of achieving long-term capital efficiency, optimum shareholders' total returns, including the level of dividends, and appropriate strategic positioning.

From time to time, the Group may purchase its own shares on the market; the timing of these purchases depends on market prices. Such share purchases are intended to be used for issuing shares under the StarHub Performance Share Plan and StarHub Restricted Stock Plan programmes. Other than for such specific purposes, the Group does not have a defined share buy-back plan.

The Group manages the use of capital centrally and all borrowings to fund the operations of the subsidiaries are managed by the Company. The capital employed by the Company consists of equity attributable to shareholders, bank borrowings from financial institutions and medium term notes issued. There were no changes in the Group's approach to capital management during the year. The Group is not subject to any externally imposed capital requirement.

38 COMMITMENTS

	Group		Company	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Contracted and not provided for in the financial statements:				
- Capital expenditures	423.2	464.1	47.8	65.5
- Other operating expenditures	46.1	52.0	4.0	-
	469.3	516.1	51.8	65.5

As at 31 December 2021, the Group has capital expenditure and other financial commitments with related companies amounting to \$9.2 million (2020: \$12.8 million), which has been included above.

Included in the capital expenditures contracted by the Company is an amount of approximately \$0.1 million (2020: \$0.1 million) which has been entered into on behalf of certain of its subsidiaries.

39 SUBSEQUENT EVENTS

(i) Dividend declaration

The directors have proposed a final dividend of \$0.039 per share, tax exempt (one tier), totalling \$67.5 million in respect of the financial year ended 31 December 2021. This proposed final tax exempt dividend has not been recognised as at year end and will be submitted for shareholders' approval at the forthcoming Annual General Meeting of the Company in 2022.

(ii) Acquisition of HKBN JOS (Singapore) Pte. Ltd. ("JOS SG") and HKBN JOS (Malaysia) Sdn. Bhd. ("JOS MY"), (collectively the "JOS Entities")

On 10 November 2021, the Group announced its acquisition of a 60% majority stake in HKBN JOS (Singapore) Pte. Ltd. ("JOS SG") and HKBN JOS (Malaysia) Sdn. Bhd. ("JOS MY"). The Group has completed the acquisition of 60% equity interest in JOS Entities on 3 January 2022, for a total consideration of \$12.7 million.

The business of JOS Entities is the provision of end-user computing, IT maintenance and IT infrastructure support services. The acquisition will allow the Group to strengthen the Group's Information and Communication Technology ("ICT") capabilities, enterprise solution offerings and customer footprint across Singapore and Malaysia, further accelerating the execution of the Group's five-year DARE+ transformation strategy. In addition, the acquisition also allows the Group to harvest cost synergies in fixed operating costs and improved supply chain.

Consideration transferred

The consideration for the acquisition of JOS Entities comprises an initial consideration of \$3.6 million and deferred consideration of \$9.1 million, subject to the finalisation of certain balance sheet items at the completion date.

Acquisition related costs

At the reporting date, acquisition related costs is approximately \$0.5 million, which has been included in other expenses in the current year.

Identifiable assets acquired and liabilities assumed

As at the reporting date, the fair values of intangible and other assets acquired have not been determined as an independent valuation is still on-going.

INTERESTED PERSON TRANSACTIONS AND MATERIAL CONTRACTS

(PURSUANT TO SGX-ST LISTING MANUAL RULE 907 AND RULE 1207(8))

	Nature of relationship	Aggregate value of all interested person transactions conducted under a Shareholders' Mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than \$100,000)	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under a Shareholders' Mandate pursuant to Rule 920 of the SGX-ST Listing Manual)
		1 January 2021 to 31 December 2021 \$m	1 January 2021 to 31 December 2021 \$m
Transactions for the Sale of Goods & Services			
Capitaland Limited & its associates		0.8	-
SembCorp Industries Ltd & its associates	Associates of	0.9	-
Singapore Power Limited & its associates	StarHub Ltd's	0.5	-
Singapore Technologies Engineering Ltd & its associates	controlling	0.3	-
Singapore Technologies Telemedia Pte Ltd & its associates	shareholder	11.7	-
Singapore Telecommunications Limited & its associates		14.5	-
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	Controlling shareholder of StarHub Ltd and its associates	11.8	-
		40.4	-
Transactions for the Purchase of Goods & Services			
Capitaland Limited & its associates	Associates of	1.3	-
Singapore Technologies Engineering Ltd & its associates	StarHub Ltd's	0.6	-
Singapore Technologies Telemedia Pte Ltd & its associates	controlling	11.9	-
Singapore Telecommunications Limited & its associates	shareholder	16.1	-
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	Controlling shareholder of StarHub Ltd and its associates	7.0	-
		36.9	-

		Aggregate value of all interested person transactions conducted under a Shareholders' Mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than \$100,000)	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under a Shareholders' Mandate pursuant to Rule 920 of the SGX-ST Listing Manual)
	Nature of relationship	1 January 2021 to 31 December 2021 \$m	1 January 2021 to 31 December 2021 \$m
Capital call for capability funding and working capital			
Ensign Technologies Pte. Ltd. (f.k.a. Leone Investments Pte. Ltd.) and Ensign InfoSecurity Pte. Ltd.	Associates of StarHub Ltd's controlling shareholder	-	10.9
		-	10.9
Capital call for subscription of preference shares in the capital of Keele Investments Pte. Ltd.			
Ensign Technologies Pte. Ltd. (f.k.a. Leone Investments Pte. Ltd.) and Ensign InfoSecurity Pte. Ltd.	Associates of StarHub Ltd's controlling shareholder	-	6.7
		-	6.7

During the financial year ended 31 December 2021, there were no material contracts entered into by StarHub Ltd or any of its subsidiaries involving the interests of the Chief Executive, any Director or controlling shareholder.

Notes: Numbers in the above tables may not exactly add up due to rounding.

SHAREHOLDING INFORMATION

AS AT 7 MARCH 2022

Class of shares	: Ordinary share
Voting rights	: One vote per share
Total number of issued shares excluding treasury shares	: 1,729,368,223
Total number of treasury shares held	: 2,283,220
Percentage of treasury shares held against the total number of issued shares excluding treasury shares	: 0.13
Total number of subsidiary holdings (as defined in the SGX-ST Listing Manual)	: Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	% of shareholders	No. of shares	% of issued share capital
1 - 99	267	1.03	12,052	0.00
100 - 1,000	4,240	16.27	3,291,489	0.19
1,001 - 10,000	16,134	61.93	75,638,185	4.37
10,001 - 1,000,000	5,381	20.65	213,331,146	12.32
1,000,001 and above	32	0.12	1,439,378,571	83.12
Total	26,054	100.00	1,731,651,443	100.00

SUBSTANTIAL SHAREHOLDERS

Name	Number of shares		% of issued share capital ⁽⁵⁾
	Direct interest	Deemed interest	
Temasek Holdings (Private) Limited	-	973,178,775 ⁽¹⁾	56.27
Singapore Technologies Telemedia Pte Ltd	-	965,845,290 ⁽²⁾	55.85
STT Communications Ltd	-	965,845,290 ⁽²⁾	55.85
Asia Mobile Holding Company Pte. Ltd.	-	965,845,290 ⁽²⁾	55.85
Asia Mobile Holdings Pte. Ltd.	965,845,290	-	55.85
Ooredoo Q.P.S.C.	-	965,845,290 ⁽³⁾	55.85
OIH Investment LLC	-	965,845,290 ⁽³⁾	55.85
Nippon Telegraph and Telephone Corporation	-	171,490,520 ⁽⁴⁾	9.92
NTT Communications Corporation	171,490,520	-	9.92

Notes:

⁽¹⁾ Temasek Holdings (Private) Limited (Temasek) is deemed to have an interest in 973,178,775 shares of StarHub in which Singapore Technologies Telemedia Pte Ltd (ST Telemedia) group and other associated companies of Temasek have direct or deemed interests.

⁽²⁾ ST Telemedia is deemed to have an interest in 965,845,290 shares of StarHub held by Asia Mobile Holdings Pte. Ltd. (AMH), a subsidiary of Asia Mobile Holding Company Pte. Ltd. (AMHC), which is in turn a wholly-owned subsidiary of STT Communications Ltd, a wholly-owned subsidiary of ST Telemedia. AMHC holds approximately 75% of the total issued share capital of AMH.

⁽³⁾ OIH Investment LLC (OIH) and Ooredoo Q.P.S.C. (Ooredoo) are deemed to have an interest in 965,845,290 shares of StarHub held by AMH. OIH holds approximately 25% of the total issued share capital of AMH. OIH is a wholly-owned subsidiary of Ooredoo.

⁽⁴⁾ Nippon Telegraph and Telephone Corporation (NTT) is deemed to have an interest in 171,490,520 shares of StarHub held by NTT Communications Corporation, a wholly-owned subsidiary of NTT.

⁽⁵⁾ The shareholding percentage is based on the number of issued shares of StarHub excluding treasury shares.

TWENTY LARGEST SHAREHOLDERS

No.	Name of shareholder	Number of shares held	% of issued share capital ⁽¹⁾
1	Asia Mobile Holdings Pte. Ltd.	965,845,290	55.85
2	NTT Communications Corporation	171,490,520	9.92
3	Citibank Nominees Singapore Pte Ltd	75,686,739	4.38
4	DBS Nominees (Private) Limited	62,684,815	3.63
5	DBSN Services Pte Ltd	24,000,904	1.39
6	Raffles Nominees (Pte) Limited	22,159,866	1.28
7	HSBC (Singapore) Nominees Pte Ltd	15,205,008	0.88
8	Phillip Securities Pte Ltd	14,341,392	0.83
9	Oh Yung Hsing Andrew (Hu Rongxin Andrew)	10,653,000	0.62
10	United Overseas Bank Nominees (Private) Limited	9,686,205	0.56
11	OCBC Securities Private Limited	9,429,912	0.55
12	OCBC Nominees Singapore Private Limited	8,914,316	0.52
13	UOB Kay Hian Private Limited	8,698,590	0.50
14	Choo Piang Wong	4,680,000	0.27
15	Chen Chun Nan	3,850,000	0.22
16	Yeo Kok Pin	3,544,000	0.20
17	Maybank Securities Pte. Ltd.	3,516,938	0.20
18	Ifast Financial Pte Ltd	2,333,700	0.13
19	DBS Vickers Securities (Singapore) Pte Ltd	2,161,420	0.12
20	Wong Lian Soo	2,100,000	0.12
Total		1,420,982,615	82.17

⁽¹⁾ The shareholding percentage is based on the number of issued shares of StarHub excluding treasury shares.

SHAREHOLDING HELD IN HANDS OF THE PUBLIC

Based on the information available to StarHub as at 7 March 2022, approximately 33.53% of the total number of issued shares (excluding treasury shares) of StarHub is held by the public. Accordingly, Rule 723 of the SGX-ST Listing Manual is complied with.

NOTICE OF TWENTY-FOURTH ANNUAL GENERAL MEETING

STARHUB LTD

(Incorporated in the Republic of Singapore)

Co. Reg. No. 199802208C

NOTICE IS HEREBY GIVEN that the Twenty-Fourth Annual General Meeting of StarHub Ltd. (the “Company”) will be convened and held by way of electronic means on 26 April 2022 at 10.00 a.m. for the following purposes:

Ordinary Business

- | | | |
|---|---|----------------------|
| 1 | To receive and adopt the Directors’ Statement and the Audited Financial Statements for the financial year ended 31 December 2021 and the Auditors’ Report therein. | Resolution 1 |
| 2 | To re-elect the following Directors who will retire pursuant to Article 99 of the Company’s Constitution and who, being eligible, will offer themselves for re-election: | |
| | (a) Mr Nikhil Oommen Jacob Eapen; | Resolution 2 |
| | (b) Mr Ahmad Abdulaziz A A Al-Neama; and | Resolution 3 |
| | (c) Mr Lim Tse Ghow Olivier. | Resolution 4 |
| | <i>The profiles of Mr Eapen, Mr Al-Neama and Mr Lim can be found in the Board of Directors section of the StarHub Ltd Annual Report 2021 and the Additional Information on Directors Seeking Re-election attached hereto.</i> | |
| 3 | To re-elect the following Directors who will retire and who, being eligible, will offer themselves for re-election: | |
| | (a) Mr Ma Kah Woh (independent Chairman of the Audit Committee); | Resolution 5 |
| | (b) Ms Nayantara Bali; | Resolution 6 |
| | (c) Ms Ng Shin Ein (independent Member of the Audit Committee); and | Resolution 7 |
| | (d) Mr Lionel Yeo Hung Tong. | Resolution 8 |
| | <i>The profiles of Mr Ma, Ms Bali, Ms Ng and Mr Yeo can be found in the Board of Directors section of the StarHub Ltd Annual Report 2021 and the Additional Information on Directors Seeking Re-election attached hereto.</i> | |
| 4 | To approve the sum of S\$1,802,540 (FY2020: S\$1,375,875) as Directors’ Remuneration incurred in the financial year ended 31 December 2021 comprising: | Resolution 9 |
| | (a) S\$1,280,678 to be paid in cash (FY2020: S\$977,760); and | |
| | (b) S\$521,862 to be paid in the form of restricted share awards (FY2020: S\$398,115). | |
| 5 | To declare a final dividend of 3.9 cents per ordinary share for the financial year ended 31 December 2021. | Resolution 10 |
| 6 | To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. | Resolution 11 |

Special Business

To consider and if thought fit, to pass the following resolutions which will be proposed as Ordinary Resolutions:

7 That authority be and is hereby given to the Directors to:

Resolution 12

- (a) (i) issue shares of the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with subparagraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with subparagraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the purpose of determining the aggregate number of shares that may be issued under subparagraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings), at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

NOTICE OF TWENTY-FOURTH ANNUAL GENERAL MEETING

(continued)

- 8 That authority be and is hereby given to the Directors to: **Resolution 13**
- (a) offer and grant awards in accordance with the provisions of the StarHub Performance Share Plan 2014 (the “PSP 2014”) and/or the StarHub Restricted Stock Plan 2014 (the “RSP 2014”) (the PSP 2014 and the RSP 2014, together the “Share Plans”); and
 - (b) allot and issue from time to time such number of ordinary shares as may be required to be allotted and issued pursuant to the vesting of awards granted under the Share Plans,
- provided that the aggregate number of ordinary shares allotted and issued under the Share Plans shall not exceed the limits specified in the rules of the Share Plans.
- 9 To transact such other business as may be transacted at an Annual General Meeting of the Company.

By Order of the Board

Veronica Lai
Company Secretary

Singapore, 4 April 2022

Notes:

1. The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on SGXNet and the Company’s Investor Relations (“IR”) website at the URL <https://ir.starhub.com/AGM-EGM>.
2. Alternative arrangements relating to:
 - (a) attendance at the Annual General Meeting via electronic means (in particular, arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream);
 - (b) submission of questions to the Chairman of the Meeting in advance of, or live at, the Annual General Meeting, and addressing of substantial and relevant questions in advance of, or live at, the Annual General Meeting; and
 - (c) voting at the Annual General Meeting (i) live by the member or his/her/its duly appointed proxy/proxies (other than the Chairman of the Meeting) via electronic means; or (ii) by appointing the Chairman of the Meeting as proxy to vote on the member’s behalf at the Annual General Meeting,

are set out in the accompanying announcement by the Company dated 4 April 2022. This announcement may be accessed at the Company’s IR website at the URL <https://ir.starhub.com/AGM-EGM>, and will also be made available on SGXNet.

3. As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member who wishes to exercise his/her/its voting rights at the Annual General Meeting may:

- (a) (where the member is an individual) vote live via electronic means at the Annual General Meeting, or (whether the member is an individual or a corporate) appoint a proxy/proxies (other than the Chairman of the Meeting) to vote live via electronic means at the Annual General Meeting on his/her/its behalf; or
- (b) (whether the member is an individual or a corporate) appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the Annual General Meeting.

A member who wishes to submit an instrument appointing a proxy by post or via email can access the accompanying proxy form for the Annual General Meeting at the Company's IR website at the URL <https://ir.starhub.com/AGM-EGM>, and on SGXNet. A member may also appoint a proxy/proxies via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>.

4. CPF or SRS investors:

- (a) may vote live via electronic voting means at the Annual General Meeting if they are appointed as proxies by their respective Agent Banks or SRS Operators, and should contact their respective Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 13 April 2022.

5. A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

6. A proxy need not be a member of the Company.

7. The instrument appointing a proxy must be submitted to the Company in the following manner:

- (a) if submitted by post, be deposited at the office of the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902; or
- (b) if submitted electronically, be submitted: (i) via email to the Company's Share Registrar at gpd@mncsingapore.com; or (ii) via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>,

in either case, not less than **72 hours** before the time appointed for the Annual General Meeting.

NOTICE OF TWENTY-FOURTH ANNUAL GENERAL MEETING

(continued)

A member who wishes to submit an instrument appointing a proxy/proxies by post or via email must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. A member may also appoint a proxy/proxies via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>.

In view of the current COVID-19 situation in Singapore, members are strongly encouraged to submit completed proxy forms electronically via email or appoint a proxy/proxies via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>.

8. The Annual Report 2021 may be accessed at the Company's IR website at the URL <https://ir.starhub.com/AGM-EGM> and thereafter by clicking on the link for 'Annual Report 2021' and will be made available on SGXNet.
9. In the case of an equality of votes under any one of the Resolutions set out above, the Chairman of the Meeting will not exercise his entitlement to a casting vote at the Annual General Meeting of the Company notwithstanding Article 68 of the Constitution of the Company.

Explanatory Notes:

Resolution 9

Resolution 9 is to approve the payment of an aggregate sum of S\$1,802,540, as Directors' remuneration for the non-executive Directors of the Company for the financial year ended 31 December 2021. It includes (a) the aggregate sum of S\$123,700 being the Directors' Remuneration for Dr Nasser Marafih and Mr Lim Ming Seong who retired as non-executive Directors of the Company on 30 April 2021 and 13 August 2021 respectively and (b) the amount of S\$70,950 being the fees payable in arrears for the services rendered by the Board Executive Committee ("Board ExCo") for the period from 27 July 2020 to 31 December 2020. If approved, each of the non-executive Directors will receive 70% of his/her Directors' remuneration in cash and (with the exception of Mr Naoki Wakai) 30% of his/her Directors' remuneration in the form of a restricted share award. Mr Naoki Wakai has declined the restricted share award grant and will only receive the cash component of his remuneration. See the section on "3. Remuneration Matters" in the Corporate Governance section of the Annual Report 2021 for the rationale in relation to the share component of the non-executive Directors' remuneration. The number of shares to be awarded will be based on the volume weighted average price of a share in the Company listed on the SGX-ST over the 14 trading days commencing on the ex-dividend date that immediately follows the Annual General Meeting. The number of shares to be awarded will be rounded down to the nearest hundred, with cash to be paid in lieu of the remaining shares arising. The restricted share awards will consist of the grant of fully paid shares, without any performance or vesting conditions attached. However, in order to encourage alignment of the interests of the Directors with the interests of shareholders, non-executive Directors who received the aforesaid restricted share award are required to hold shares worth at least (a) the prevailing annual retainer fee, or (b) the aggregate of (i) the total number of shares awarded as part of their remuneration for the financial year ended 31 December 2011 and each subsequent financial year thereafter and (ii) 50% of the total number of shares awarded from the financial year ended 31 December 2007 to the financial year ended 31 December 2010, whichever is lower. Non-executive Directors can dispose of all their shares one year after ceasing to be a Director.

Resolution 12

Resolution 12 is to empower the Directors to issue shares and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding in total 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings), with a sub-limit of 15% (instead of 20% as permitted under the Listing Manual of the SGX-ST) for issues other than on a *pro rata* basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time that Resolution 12 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time that Resolution 12 is passed, and (b) any subsequent bonus issue, consolidation or subdivision of shares.

Resolution 13

Resolution 13 is to empower the Directors to offer and grant awards and to allot and issue ordinary shares pursuant to the Share Plans provided that the aggregate number of ordinary shares allotted and issued under the Share Plans shall not exceed the limits specified in the rules of the Share Plans. The rules of the Share Plans limit the aggregate number of ordinary shares that may be allotted and issued under the Share Plans to 8% (instead of 15% as permitted under the Listing Manual of the SGX-ST) of the total number of issued shares (excluding treasury shares and subsidiary holdings). Approval for the adoption of the Share Plans was given by shareholders at an Extraordinary General Meeting of the Company held on 14 April 2014. The grant of awards under the respective Share Plans will be made in accordance with their respective provisions.

NOTICE OF RECORD DATE AND FINAL DIVIDEND PAYMENT DATE

Notice is hereby given that, subject to the approval of the shareholders to the final dividend at the Twenty-Fourth Annual General Meeting, the Register of Members and the Transfer Books of the Company will be closed on 4 May 2022.

Duly completed registrable transfers received by the Company's share registrar, M & C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902 up to the close of business at 5.00 p.m. on 29 April 2022 will be registered to determine members' entitlements to the final dividend. Subject as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 29 April 2022 will be entitled to the final dividend.

The final dividend, if so approved by shareholders, will be paid on 19 May 2022.

Personal data privacy:

By submitting an instrument appointing a proxy to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy for the Purposes, and (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request.

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
Date of Appointment	11 August 2021	11 August 2021	12 February 2022
Date of last re-appointment (if applicable)	-	-	-
Age (in 2022)	50	42	58
Country of principal residence	Singapore	Qatar	Singapore
The Board's comments on this re-appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board of Directors has accepted the recommendation of the Nominating and Governance Committee of StarHub Ltd ("StarHub") which has reviewed Mr Nikhil Oommen Jacob Eapen's qualifications and experience and approved the re-appointment of Mr Eapen as an Executive Director and a Member of the Risk and Sustainability Committee ("RSC") of StarHub.</p> <p>Mr Eapen abstained from voting on the Board resolution relating to his re-appointment.</p>	<p>The Board of Directors has accepted the recommendation of the Nominating and Governance Committee of StarHub Ltd ("StarHub") which has reviewed Mr Ahmad Abdulaziz A A Al-Neama's qualifications and experience and approved the re-appointment of Mr Al-Neama as a Non-Executive Director of StarHub.</p> <p>Mr Al-Neama abstained from voting on the Board resolution relating to his re-appointment.</p>	<p>The Board of Directors has accepted the recommendation of the Nominating and Governance Committee of StarHub Ltd ("StarHub") which has reviewed Mr Lim Tse Ghow Olivier's qualifications and experience and approved the re-appointment of Mr Lim as an Independent Non-Executive Director and a Member of the Nominating and Governance Committee ("NGC") of StarHub.</p>
Whether appointment is executive, and if so, area of responsibility	Executive Director	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director, Chief Executive Officer and a Member of the RSC	Non-Executive Director	Independent Non-Executive Director and Member of the NGC
Professional qualifications	Bachelor of Science (Honours), University College London	Degree in Electrical and Electronics Engineering from the University of Colorado, Denver, USA	-
Any relationship (including immediate family relationships) with any existing director, existing executive officer, StarHub Ltd and/or substantial shareholder of StarHub Ltd or any of its principal subsidiaries	Nil	No except for directorship held in Asia Mobile Holdings Pte. Ltd., a substantial shareholder of StarHub.	No except for roles held as Chairman and Director of Certis CISCO Security Pte. Ltd., a subsidiary of StarHub's ultimate holding company, Temasek Holdings (Private) Limited.
Conflict of interests (including any competing business)	Nil	Nil	Nil

Ma Kah Woh	Nayantara Bali	Ng Shin Ein	Lionel Yeo Hung Tong
23 September 2015	6 August 2018	17 September 2018	10 January 2019
30 April 2019	30 April 2019	30 April 2019	30 April 2019
75	56	48	50
Singapore	Singapore	Singapore	Singapore
<p>The Board of Directors has accepted the recommendation of the Nominating and Governance Committee of StarHub Ltd ("StarHub") which has reviewed Mr Ma Kah Woh's qualifications and experience and approved the re-appointment of Mr Ma as an Independent Non-Executive Director, the Chairman of the Audit Committee ("AC") and a Member of the Risk and Sustainability Committee ("RSC") of StarHub.</p> <p>Mr Ma abstained from voting on the Board resolution relating to his re-appointment.</p>	<p>The Board of Directors has accepted the recommendation of the Nominating and Governance Committee of StarHub Ltd ("StarHub") which has reviewed Ms Nayantara Bali's qualifications and experience and approved the re-appointment of Ms Bali as an Independent Non-Executive Director and a Member of the Risk and Sustainability Committee ("RSC") of StarHub.</p> <p>Ms Bali abstained from voting on the Board resolution relating to her re-appointment.</p>	<p>The Board of Directors has accepted the recommendation of the Nominating and Governance Committee of StarHub Ltd ("StarHub") which has reviewed Ms Ng Shin Ein's qualifications and experience and approved the re-appointment of Ms Ng as an Independent Non-Executive Director and a Member of the Audit Committee ("AC") of StarHub.</p> <p>Ms Ng abstained from voting on the Board resolution relating to her re-appointment.</p>	<p>The Board of Directors has accepted the recommendation of the Nominating and Governance Committee ("NGC") of StarHub Ltd ("StarHub") which has reviewed Mr Lionel Yeo Hung Tong's qualifications and experience and approved the re-appointment of Mr Yeo as an Independent Non-Executive Director and a Member of the NGC and the Executive Resource and Compensation Committee ("ERCC") of StarHub.</p> <p>Mr Yeo abstained from voting on the NGC and Board resolutions relating to his re-appointment.</p>
Non-Executive	Non-Executive	Non-Executive	Non-Executive
Independent Non-Executive Director, Chairman of the AC and Member of the RSC	Independent Non-Executive Director and Member of the RSC	Independent Non-Executive Director and Member of the AC	Independent Non-Executive Director and a Member of the NGC and the ERCC
Fellow of the Institute of Chartered Accountants in England and Wales, and a Member of the Singapore Institute of Chartered Accountants	-	-	-
No except for his role held as Non-Executive Chairman of Mapletree North Asia Commercial Trust Management Ltd, a subsidiary of StarHub's ultimate holding company, Temasek Holdings (Private) Limited.	Nil	Nil	Nil
Nil	Nil	Nil	Nil

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
Working experience and occupation(s) during the past 10 years	<p>StarHub Ltd Chief Executive Officer January 2021 to present</p> <p>Singapore Technologies Telemedia Pte Ltd Deputy Chief Executive Officer August 2018 to December 2020</p> <p>Singapore Technologies Telemedia Pte Ltd Chief Strategy & Investment Officer May 2015 to August 2018</p> <p>Citigroup Inc. Managing Director July 1996 to February 2015</p>	<p>Ooredoo Group Group Regional CEO January 2022 to present</p> <p>PT Indosat Tbk (doing business as Indosat Ooredoo Hutchison) Commissioner January 2022 to present President Director & CEO 2019 to December 2021</p> <p>Ooredoo Group CTO 2017 to 2019 Chief Sales & Service Officer 2015 to 2017</p> <p>Technology BU Senior Director – Radio Networks 2013 to 2015</p> <p>Technology BU Director – Demand and Project Management 2012 to 2013</p> <p>Qatar Telecom Wireless Technology BU Senior Manager – Network Radio 2010 to 2012</p>	<p>Civil engineer by training (BEng.).</p> <p>13 years as a banker at Citibank in various roles including ultimate role as Head of the Real Estate unit in the Corporate Bank. Corporate banking and investment banking experience with credit risk officer approving authority.</p> <p>11 years at CapitaLand Limited in various roles, including Senior Vice President Corporate Finance, Group CFO, Group Chief Investment Officer and Deputy Group CEO, with experience in strategy/ business model development, risk management, treasury & capital management and global investor relations.</p> <p>Held a number of non-executive director/chairman roles over the years in various industries. Current focus and interest is guiding the organisational development of companies (synchronizing strategy, structure, talent & governance).</p>

Ma Kah Woh	Nayantara Bali	Ng Shin Ein	Lionel Yeo Hung Tong
<p>Mr Ma is the non-executive Chairman of Mapletree North Asia Commercial Trust Management Ltd. He is a member of the Advisory Board of The Asian Civilisations Museum. Mr Ma was a senior partner of KPMG Singapore, where he was in charge of the Audit & Risk Advisory Practice and Risk Management function, until his retirement in September 2003.</p> <p>Mr Ma has also held the following appointments during the past 10 years:</p> <ul style="list-style-type: none"> - SMRT Corporation Ltd (Independent Director & AC Chairman) - SMRT Buses Ltd (Independent Director) - SMRT Road Holdings Ltd (Independent Director) - SMRT Trains Ltd (Independent Director) - Hwa Hong Corporation Ltd (Independent Director & AC Chairman) - Nucleus Connect Pte Ltd (Independent Director) - National University of Singapore (Board Member & AC Chairman) - NRF Holdings Pte Ltd (Independent Director) - Keppel Infrastructure Fund Management Pte Ltd (Independent Director & AC Chairman) - Mapletree Logistics Trust Management Ltd (Director & Chairman) - National Heritage Board (Board Member) - PACC Offshore Services Holdings Ltd (Independent Director & AC Chairman) - Mapletree Investments Pte Ltd (Independent Director) 	<p>Director, ANV Consulting Pte. Ltd., Singapore May 2016 to present</p> <p>Vice-President, Asia, Procter & Gamble, Singapore Asia-Pacific Beauty Business Unit leadership September 2013 to March 2016</p> <p>Diversity & Inclusion, Asia July 2011 to March 2016</p> <p>Vice-President, Global Skin Care, Procter & Gamble, Singapore / Cincinnati Global Brand Franchise leadership – Olay August 2012 to September 2013</p> <p>Vice-President, Gillette, Procter & Gamble, Singapore Asia Business Unit leadership – Blades, Razors, Male Personal Care July 2009 to August 2012</p>	<p>Board member of various Companies listed in Singapore, the US and Australia</p> <p>Singapore's Non-Resident Ambassador to the Republic of Hungary</p>	<p>CEO and Director of SportsHub Pte. Ltd. 3 February 2020 to present</p> <p>CEO Advisor, Grab Taxi Holdings Pte Ltd September 2018 to December 2019</p> <p>Singapore Tourism Board Chief Executive June 2012 to May 2018</p> <p>Wildlife Reserves Singapore Pte Ltd Non-Executive Director June 2012 to May 2018</p> <p>Sentosa Development Corporation Non-Executive Director June 2012 to May 2018</p>

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
Undertaking (in the format set out in Appendix 7.7) pursuant to Rule 720(1) has been submitted to StarHub Ltd	Yes	Yes	Yes
Shareholding or interests in StarHub Ltd and its subsidiaries	Yes	Nil	Yes
Shareholding Details	<p>309,000 StarHub shares under a conditional share award granted on 31 March 2021 under the StarHub Restricted Stock Plan 2014 and 622,000 StarHub shares under a conditional share award granted on 16 August 2021 under the StarHub Performance Share Plan 2014. These conditional share awards are each subject to certain performance conditions being fulfilled within a pre-determined performance period.</p> <p>Deemed interest in 730,000 StarHub shares held in the name of DBS Nominees Pte Ltd as nominee for and on behalf of Mr Eapen and his spouse as joint beneficial owners.</p>	Nil	1,000,000 StarHub shares held by Mr Lim through his DBS account (DBS Nominees Pte Ltd).

Ma Kah Woh	Nayantara Bali	Ng Shin Ein	Lionel Yeo Hung Tong
Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes
106,480 StarHub shares	55,400 StarHub shares	56,500 StarHub shares	39,400 StarHub shares

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
Other Principal Commitments Including Directorships			
Past (for the last five years)	Grid Communications Pte. Ltd. (Chairman) STT inTech Pte. Ltd. (Director) Datameer, Inc. (Director) Moogsoft (Herd) Inc. (Director) Armor Defense Inc. (Director) Quantum Security Pte. Ltd. (Director) STT Connect Holdings Pte. Ltd. (Director) Cloud Comrade Sdn. Bhd (Director) PT Cloud Comrade Indonesia (Board of Commissioner) STT Sonic Pte. Ltd. (Director) 2 nd Watch Holding Company, Inc. (Director) Sky Cable Corporation (Advisory Committee Member) 2 nd Watch, Inc. (Director) ST Teleport Pte Ltd (Alternate Director) Greenwave Holdings Inc. (Director) 2W MergerSub, Inc. (Director) Instart Logic, Inc. (Director) STT Connect Pte. Ltd. (Director) Cloud Comrade Pte Ltd. (Director)	PT Indosat Tbk (President Director and CEO) Ooredoo Group (Group Chief Technology Officer) Ooredoo Qatar (Chief Sales & Service Officer)	Northlight School (Board of Governors/Director) Banyan Tree Holdings Limited (Director) Frasers Property Australia Pty Ltd (Director/Chairman) globalORE Pte Ltd (Director/Chairman) KWL Intelligence Pte. Ltd (Director)

Ma Kah Woh

Mapletree Investments Pte Ltd
(Director)
PACC Offshore Services
Holdings Ltd (Director)

Nayantara Bali

Procter & Gamble Gillette
India (Director)

Ng Shin Ein

Yanlord Land Group Limited
(Director)
First Resources Ltd (Director)
NTUC Fairprice Cooperative
Limited (Director)
Dreamscape Networks Limited
(Director)
Sabana Real Estate Investment
Management Ltd (Director)
Global Esports Games 2021
(Chairperson)

Lionel Yeo Hung Tong

Grab Taxi Holdings Pte Ltd
(CEO Advisor)
Singapore Tourism Board
(Chief Executive)
Wildlife Reserves Singapore
Pte Ltd (Director)
Sentosa Development
Corporation (Director)

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
Present	StarHub Ltd* (Director and Chief Executive Officer)	Ooredoo Group (Group Regional CEO)	DBS Group Holdings Ltd* (Lead Independent Director)
* Listed Companies	StarHub Cable Vision Ltd. (Director and Chief Executive Officer)	PT Indosat Tbk* (Commissioner)	Raffles Medical Group Ltd* (Director)
	StarHub Mobile Pte Ltd (Director)	Ooredoo Myanmar Ltd. (Chairman)	DBS Bank Ltd (Director)
	StarHub Online Pte Ltd (Director)	Asia Mobile Holdings Pte. Ltd. (Director)	DBS Foundation Ltd (Director)
	Malaren International Sdn. Bhd. (Director)	Ooredoo Tunisie (Chairman)	Certis CISCO Security Pte. Ltd. (Director/Chairman)
	Nettilling Sdn. Bhd. (Director)	Shenington Investments Pte Ltd (Director)	PropertyGuru Pte Ltd (Director/Chairman)
	Taman Kenyir Holdings Sdn. Bhd. (Director)	Ooredoo Algeria (Chairman)	Jurong Town Corporation (JTC) (Member of Board)
	HKBN JOS (Malaysia) Sdn. Bhd. (Director)		Singapore Management University (Member of Board of Trustees)
	HKBN JOS (Singapore) Pte. Ltd. (Director)		Lucid Investments Ltd (Director)
	JOS Applications (S) Pte. Ltd. (Director)		Frasers Property Limited (Advisor)
			Pacific Coast Assets Inc. (Advisor)
			Securities Industry Council (Member)
			Leedon Capital Group Pte Ltd (Advisor)

Ma Kah Woh	Nayantara Bali	Ng Shin Ein	Lionel Yeo Hung Tong
Mapletree North Asia Commercial Trust Management Ltd (Non-Executive Chairman)	Torrent Pharmaceuticals Ltd.* (Director) Inchcape plc* (Director) ANV Consulting Pte Ltd (Director)	Singapore's Non-Resident Ambassador to Hungary Avara Limited* (Director) Grab Holdings Inc.* (Director) CSE Global Limited* (Director) SingLand Properties Limited* (Director) Global Esports Federation (Board Member)	SportsHub Pte. Ltd. (CEO and Director) Ngee Ann Kongsi (Elected member, Committee of Management)

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
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Other Information

(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy laws of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgement against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

Ma Kah Woh

Nayantara Bali

Ng Shin Ein

Lionel Yeo Hung Tong

No

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part)?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No

Ma Kah Woh

No

Nayantara Bali

No

Ng Shin Ein

No

Lionel Yeo Hung Tong

No

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No Please refer to Note 1 below for details.
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No

Ma Kah Woh

Nayantara Bali

Ng Shin Ein

Lionel Yeo Hung Tong

No

ADDITIONAL INFORMATION FOR DIRECTORS SEEKING RE-ELECTION

(continued)

Name of Director	Nikhil Oommen Jacob Eapen	Ahmad Abdulaziz A A Al-Neama	Lim Tse Ghow Olivier
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Note 1:

Olivier Lim is a non-executive Director of DBS Group Holdings Ltd and DBS Bank Ltd, as well as Raffles Medical Group, Certis CISCO Pte Ltd and PropertyGuru Pte Ltd, and is a member of the board of other entities including SMU and JTC.

DBS is a financial institution regulated in multiple jurisdictions, and may from time to time be subject to various public or non-public regulatory actions which have different degrees of materiality. These can vary from regulatory requests for information as part of normal supervisory activity, to production orders by law enforcement, to formal regulatory investigations or penalties.

Similarly, the other companies mentioned above operate in multiple jurisdictions including Singapore, Malaysia, China, Vietnam, Australia, Thailand, Indonesia. These companies may be regulated by one or more agencies within each country (e.g. healthcare, manpower, security etc). From time to time, they may be subject to various public or non-public regulatory actions which have different degrees of materiality. These can vary from regulatory requests for information as part of normal supervisory activity, to production orders by law enforcement, to formal regulatory investigations or penalties.

To the best of Olivier Lim's knowledge and belief, none of these actions which occurred since he was appointed a Director in the organisations he is a director of are material.

Ma Kah Woh

No

Nyantara Bali

No

Ng Shin Ein

No

Lionel Yeo Hung Tong

No

STARHUB LTD

(Incorporated in the Republic of Singapore)

Co. Reg. No. 199802208C

PROXY FORM

Twenty-Fourth Annual General Meeting

IMPORTANT

- The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of the Twenty-Fourth Annual General Meeting will not be sent to members. Instead, the Notice of the Twenty-Fourth Annual General Meeting will be sent to members by electronic means via publication on SGXNet and the Company's Investor Relations ("IR") website at the URL <https://ir.starhub.com/AGM-EGM>.
- Alternative arrangements relating to:
 - attendance at the Annual General Meeting via electronic means (in particular, arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream);
 - submission of questions to the Chairman of the Meeting in advance of, or live at, the Annual General Meeting, and addressing of substantial and relevant questions in advance of, or live at, the Annual General Meeting; and
 - voting at the Annual General Meeting (i) live by the member or his/her/its duly appointed proxy/proxies (other than the Chairman of the Meeting) via electronic means; or (ii) by appointing the Chairman of the Meeting as proxy to vote on the member's behalf at the Annual General Meeting,are set out in the accompanying announcement by the Company dated 4 April 2022. This announcement may be accessed at the Company's IR website at the URL <https://ir.starhub.com/AGM-EGM>, and will also be made available on SGXNet.
- As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member who wishes to exercise his/her/its voting rights at the Annual General Meeting may:
 - (where the member is an individual) vote live via electronic means at the Annual General Meeting, or (whether the member is an individual or a corporate) appoint a proxy/proxies (other than the Chairman of the Meeting) to vote live via electronic means at the Annual General Meeting on his/her/its behalf; or
 - (whether the member is an individual or a corporate) appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the Annual General Meeting.
- CPF or SRS investors:
 - may vote live via electronic means at the Annual General Meeting if they are appointed as proxies by their respective Agent Banks or SRS Operators, and should contact their respective Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 13 April 2022.
- By submitting an instrument appointing a proxy/proxies, the member accepts and agrees to the personal data privacy terms set out in the Notice of the Twenty-Fourth Annual General Meeting dated 4 April 2022.
- Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy/proxies.

I/We, _____ NRIC/Passport/Co. Reg. No. _____

of _____ (Address)

being a member/members of StarHub Ltd (the "Company") hereby appoint:

Name	Address	Email Address*	NRIC/Passport Number	Proportion of Shareholdings	
				No. of Shares	%

and/or (delete as appropriate)

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* Appointed proxy/proxies will be prompted via email (within two business days after the Company's receipt of a validly completed and submitted proxy form) to pre-register at the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022> in order to access the live audio-visual webcast or live audio-only stream of the Annual General Meeting proceedings.

as my/our proxy/proxies to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting ("AGM") of the Company to be convened and held by way of electronic means on 26 April 2022 at 10.00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against, or to abstain from voting on, the Resolutions to be proposed at the AGM as indicated hereunder.

No.	Resolutions	For*	Against*	Abstain*
	Ordinary Business			
1	To receive and adopt the Directors' Statement and the Audited Financial Statements and the Auditors' Report therein			
2	To re-elect Mr Nikhil Oommen Jacob Eapen as a Director			
3	To re-elect Mr Ahmad Abdulaziz A A Al-Neema as a Director			
4	To re-elect Mr Lim Tse Ghov Olivier as a Director			
5	To re-elect Mr Ma Kah Woh as a Director			
6	To re-elect Ms Nayantara Bali as a Director			
7	To re-elect Ms Ng Shin Ein as a Director			
8	To re-elect Mr Lionel Yeo Hung Tong as a Director			
9	To approve the Directors' Remuneration			
10	To declare the Final Dividend			
11	To re-appoint KPMG LLP as Auditors and to authorise the Directors to fix their remuneration			
	Special Business			
12	To authorise Directors to allot and issue shares			
13	To authorise Directors to offer and grant awards and to allot and issue shares pursuant to, and subject to the limits specified in, the StarHub Performance Share Plan 2014 and/or the StarHub Restricted Stock Plan 2014			

* If you wish for a proxy/proxies to cast all your votes 'For' or 'Against' a Resolution, please tick (✓) in the 'For' or 'Against' box provided in respect of that Resolution. Alternatively, please indicate the number of votes 'For' or 'Against' in the 'For' or 'Against' box in respect of that Resolution. If you wish for your proxy/proxies to 'Abstain' from voting on a Resolution, please tick (✓) in the 'Abstain' box provided in respect of that Resolution. Alternatively, please indicate the number of Shares that your proxy/proxies is directed to abstain from voting in the 'Abstain' box in respect of that Resolution. In the absence of specific directions in respect of a Resolution, the proxy/proxies will vote or abstain from voting at his/her discretion.

* Voting will be conducted by poll.

Dated this _____ day of _____ 2022.

Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

Total Number of Shares Held

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Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you only have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy/proxies shall be deemed to relate to all the shares held by you.
2. **As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the Annual General Meeting in person. A member who wishes to exercise his/her/its voting rights at the Annual General Meeting may:**
 - (a) (where the member is an individual) vote live via electronic means at the Annual General Meeting, or (whether the member is an individual or corporate) appoint a proxy/proxies (other than the Chairman of the Meeting) to vote live via electronic means at the Annual General Meeting on his/her/its behalf; or
 - (b) (whether the member is an individual or a corporate) appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the Annual General Meeting.This proxy form may be accessed at the Company's IR website at the URL <https://ir.starhub.com/AGM-EGM>, and on SGXNet. A member may also appoint a proxy/proxies via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>.
3. A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.
4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy/proxies must be submitted to the Company in the following manner:
 - (a) if submitted by post, be deposited at the office of the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902; or
 - (b) if submitted electronically, be submitted (i) via email to the Company's Share Registrar at gpd@mncsingapore.com; or (ii) via online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>,in either case, not less than **72 hours** before the time appointed for the Annual General Meeting.
A member who wishes to submit an instrument appointing a proxy/proxies by post or via email must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. A member may also appoint a proxy/proxies via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>.
In view of the current COVID-19 situation in Singapore members are strongly encouraged to submit completed proxy forms electronically via email or appoint a proxy/proxies via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>.
6. The instrument appointing a proxy/proxies must, if submitted by post or electronically via email, be under the hand of the appointor or of his attorney duly authorised in writing or, if submitted electronically via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>, be authorised by the appointor via the online process through the website. Where the instrument appointing a proxy/proxies is executed by a corporation, it must, if submitted by post or electronically via email, be executed either under its seal or under the hand of an officer or attorney duly authorised or, if submitted electronically via the online process through the pre-registration website which is accessible from the URL <https://conveneagm.com/sg/StarHubAEGM2022>, be authorised via the online process through the website. Where an instrument appointing a proxy/proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument appointing a proxy/proxies is submitted by post, be lodged with the instrument appointing a proxy/proxies or, if the instrument appointing a proxy/proxies is submitted electronically via email, be emailed with the instrument appointing a proxy/proxies, failing which the instrument may be treated as invalid.
7. Completion and return of the instrument appointing a proxy/proxies does not preclude a member from attending, speaking and voting at the Annual General Meeting. A member who accesses the live webcast of the Annual General Meeting proceedings may revoke the appointment of a proxy/proxies at any time before voting commences and in such an event, the Company reserves the right to terminate the proxy's/proxies' access to the Annual General Meeting proceedings.
8. The Company shall be entitled to reject the instrument appointing a proxy/proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment) appointing a proxy/proxies. In addition, in the case of a member whose shares are entered against his name in the Depository Register, the Company may reject any instrument appointing a proxy/proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

Affix
Postage
Stamp

STARHUB LTD
112 Robinson Road #05-01
Singapore 068902
Attn: The Share Registrar

CORPORATE INFORMATION

BOARD OF DIRECTORS

Steven Terrell CLONTZ (Chairman)
Nikhil Oommen Jacob EAPEN
Paul MA Kah Woh
Stephen Geoffrey MILLER
Nihal Vijaya Devadas KAVIRATNE CBE
Michelle Lee GUTHRIE
Nayantara BALI
NG Shin Ein
Lionel YEO Hung Tong
Olivier LIM Tse Ghow
TEO Ek Tor
Naoki WAKAI
Ahmad Abdulaziz A A AL-NEAMA

AUDIT COMMITTEE

Paul MA Kah Woh (Chairman)
Nihal Vijaya Devadas KAVIRATNE CBE
NG Shin Ein
TEO Ek Tor

RISK AND SUSTAINABILITY COMMITTEE

Stephen Geoffrey MILLER (Chairman)
Nikhil Oommen Jacob EAPEN
Paul MA Kah Woh
Nayantara BALI
Peter KALIAROPOULOS

NOMINATING AND GOVERNANCE COMMITTEE

Nihal Vijaya Devadas KAVIRATNE CBE (Chairman)
Steven Terrell CLONTZ
Lionel YEO Hung Tong
Olivier LIM Tse Ghow

EXECUTIVE RESOURCE AND COMPENSATION COMMITTEE

Michelle Lee GUTHRIE (Chairman)
Stephen Geoffrey MILLER
Lionel YEO Hung Tong

COMPANY SECRETARIES

Veronica LAI Kwai-Yi
Audra BALASINGAM

REGISTRATION NUMBER

199802208C

REGISTERED ADDRESS

67 Ubi Avenue 1
#05-01 StarHub Green
Singapore 408942
Tel : (65) 6825 5000
Fax : (65) 6721 5000

SHARE REGISTRAR

M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

AUDITORS

KPMG LLP
Public Accountants and Chartered Accountants
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Partner-in-charge:
SIEW Yilin (appointed w.e.f. 1 January 2021)

SUBSIDIARIES

StarHub Mobile Pte Ltd
StarHub Cable Vision Ltd.
StarHub Online Pte Ltd and its subsidiary
StarHub Shop Pte Ltd
StarHub, Inc.
StarHub (Hong Kong) Limited
Nucleus Connect Pte. Ltd.
Ensign InfoSecurity Pte. Ltd. and its subsidiaries
Malaren International Sdn. Bhd. and its subsidiaries
HKBN JOS (Singapore) Pte. Ltd. and its subsidiary

ASSOCIATED COMPANIES

Shine Systems Assets Pte. Ltd.
Antina Pte. Ltd.
Vectra Corporation Limited

INVESTOR RELATIONS

For enquiries on the Group's business performance, contact the Investor Relations team at email: ir@starhub.com



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