

PCCW LIMITED (“PCCW” OR THE “COMPANY”)
(Incorporated in Hong Kong with limited liability)
(Stock Code: 0008)

REGULATORY COMPLIANCE COMMITTEE

TERMS OF REFERENCE

Revised and approved by the Board of Directors of the Company on 5 February 2021

Constitution

1. The Board of the Company (the “Board”) resolved on 3 May 2012 to re-constitute a committee of the Board to be known as the Regulatory Compliance Committee (the “Committee”). The Committee was originally established on 13 October 2000.

[Note for clarification: With effect from the listing date of the HKT Trust and HKT Limited in November 2011, the Regulatory Compliance Committee of HKT Limited took over the work of this Committee with respect to telecommunications matters.]

Objective and Role

2. The primary objectives of the Committee are to:
 - (a) ensure that all dealings of the PCCW Group with the CK Hutchison Group and the CK Asset Group are on arm’s-length terms;
 - (b) monitor PCCW’s relationship with CK Hutchison Holdings Limited (“CK Hutchison”) and CK Asset Holdings Limited (“CK Asset”), the relationship between PCCW Media Limited (“PCCW Media”) and Metro Broadcast Corporation Limited (“Metro”) and the relationship between PCCW Media and TOM Group Limited (“TOM”), in order to ensure that each of PCCW, PCCW Media, CK Hutchison, CK Asset, Metro and TOM and their respective associates are not engaged in any anti-competitive conduct, being conduct that in the reasonable opinion of the competition authority(ies) has the object or effect of preventing, distorting or restricting competition in Hong Kong as provided for in the Competition Ordinance; and
 - (c) ensure the Company’s general compliance with regulatory obligations.

Membership

3. The members of the Committee shall be appointed by the Board and shall consist of at least two members from amongst the executive and non-executive directors of the Company, but excluding Mr Richard Li; and including at least one independent director of the Company.
4. The Chairman of the Committee shall be appointed by the Board.
5. The Committee shall be supported by the Company Secretary of the Company.

Attendance at Meetings

6. The Committee may invite any director, member of senior management or other individual to attend meetings of the Committee as it considers appropriate.
7. The Company Secretary of the Company or his or her nominee shall be the Secretary of the Committee.

Frequency of Meetings

8. Meetings shall be held at such times as the Committee determines is appropriate to carry out its responsibilities.

Authority

9. The Committee is authorized to seek any information it requires from any employee in order to perform its duties.
10. In connection with its duties, the Committee is authorized to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference if it considers necessary.

Duties

11. In addition to any other responsibilities which may be assigned from time to time by the Board, the duties of the Committee shall be:
 - (a) to review and monitor all dealings of the Company and its associates and affiliates with the CK Hutchison Group and the CK Asset Group, including to monitor the relationship of PCCW with CK Hutchison and CK Asset, the relationship between PCCW Media and Metro and the relationship between PCCW Media and TOM, including to oversee and monitor the procedures on the relevant reporting and monitoring system; and
 - (b) to review and monitor the Company's general compliance with regulatory obligations.

Meeting Procedures

12. The meetings and proceedings of the Committee shall be governed by the provisions of the Company's articles of association for regulating the meetings and proceedings of the Board, except for otherwise determined by the Board from time to time.
13. The quorum for meetings shall be two members of the Committee.

Reporting Procedures

14. The Committee shall report to the Board concerning its activities, either orally or in writing, at regular meetings of the Board or at other times or occasions where necessary.
15. The Secretary of the Committee shall arrange to distribute the minutes of meetings / written resolutions of the Committee to the Board members.

Frequency of Review

16. These Terms of Reference shall be reviewed when necessary, and can be revised by the Board from time to time.