



SINGAPORE TELECOMMUNICATIONS LIMITED

(Incorporated in the Republic of Singapore)

Company Registration Number: 199201624D

Letter to Shareholders

Directors:

Lee Theng Kiat (*Non-executive Chairman*)
Yuen Kuan Moon (*Group CEO*)
Gautam Banerjee (*Independent Director*)
Venkataraman (Venky) Ganesan (*Independent Director*)
Bradley Horowitz (*Independent Director*)
Gail Kelly (*Independent Director*)
Lim Swee Say (*Independent Director*)
Low Check Kian (*Lead Independent Director*)
Christina Ong (*Independent Director*)
Rajeev Suri (*Independent Director*)
Teo Swee Lian (*Independent Director*)
Wee Siew Kim (*Independent Director*)

Registered Office:

31 Exeter Road
Comcentre
Singapore 239732

7 July 2021

To: The Shareholders of
Singapore Telecommunications Limited (the "**Company**")

Dear Sir/Madam

1. INTRODUCTION

1.1 **Notice of AGM.** We refer to:

- (a) the Notice of Annual General Meeting of the Company dated 7 July 2021 (the "**Notice**") convening the 29th Annual General Meeting of the Company to be held on 30 July 2021 (the "**2021 AGM**");
- (b) Resolution 14, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below); and
- (c) Resolution 15, being the Ordinary Resolution relating to the proposed extension of, and alterations to, the SingTel Performance Share Plan 2012 (the "**Singtel PSP 2012**"),

as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company ("**Shareholders**") with information relating to Resolutions 14 and 15 proposed in the Notice (collectively, the "**Proposals**").

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Legal Adviser.** Allen & Gledhill LLP is the legal adviser to the Company in relation to the Proposals.

1.5 **Advice to Shareholders.** If a Shareholder is in any doubt as to the course of action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 **Background.** At the Annual General Meeting of the Company held on 30 July 2020 (the “**2020 AGM**”), Shareholders had approved, *inter alia*, the renewal of the mandate (the “**Share Purchase Mandate**”) to enable the Company to purchase or otherwise acquire its issued ordinary shares (“**Shares**”).

The rationale for, the authority and limits on, and the financial effects of, the Share Purchase Mandate were set out in the Letter to Shareholders dated 1 July 2020 (the “**2020 Letter**”) and Resolution 10 set out in the Notice of the 2020 AGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Resolution 10 at the 2020 AGM and will expire on the date of the forthcoming 2021 AGM. Accordingly, the Directors propose that the Share Purchase Mandate be renewed at the 2021 AGM.

2.2 **Rationale for the Share Purchase Mandate.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Company and its subsidiaries (the “**Group**”), management strives to increase Shareholders’ value by improving, *inter alia*, the return on equity of the Group. Share purchases are one of the ways through which the return on equity of the Group may be enhanced.
- (b) The Share Purchase Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash which is in excess of the financial and possible investment needs of the Group to Shareholders.
- (c) In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company’s share capital structure and its dividend policy.
- (d) Repurchased Shares which are held in treasury may be transferred for the purposes of or pursuant to employees’ share schemes implemented by the Company.

The approval of the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake Share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 5% limit described in paragraph 2.3.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 5% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial condition of the Company.

2.3 **Authority and Limits on the Share Purchase Mandate.** The authority and limits placed on purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if renewed at the 2021 AGM, are substantially the same as were previously approved by Shareholders at the 2020 AGM, and are summarised below for the benefit of Shareholders:

2.3.1 **Maximum Number of Shares**

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 5% of the total number of issued Shares of the Company as at the date of the 2021 AGM. Treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST (the “**Listing Manual**”)⁽¹⁾) will be disregarded for purposes of computing the 5% limit.

⁽¹⁾ “Subsidiary holdings” is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

Letter to Shareholders

As at 30 April 2021 (the “**Latest Practicable Date**”), the Company had 672,151 treasury shares and no subsidiary holdings. The maximum number of Shares which can be purchased or acquired by the Company, being 5% of the total number of issued Shares (disregarding treasury shares and subsidiary holdings), based on this and certain other assumptions, is illustrated in paragraph 2.7.1 below.

2.3.2 **Duration of Authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2021 AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

2.3.3 **Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares may be made by way of:

- (a) an on-market purchase of Shares by the Company (“**Market Purchase**”) effected on the SGX-ST, or on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) an off-market purchase of Shares by the Company (“**Off-Market Purchase**”) effected otherwise than on a stock exchange, in accordance with an equal access scheme pursuant to Section 76C of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”).

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual, the listing rules of any other stock exchange on which the Shares may for the time being be listed and quoted, and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

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If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (1) terms and conditions of the offer;
- (2) period and procedures for acceptances;
- (3) reasons for the proposed Share purchases;
- (4) consequences, if any, of Share purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers (the **"Take-over Code"**) or other applicable take-over rules;
- (5) whether the Share purchases, if made, could affect the listing of the Shares on the SGX-ST;
- (6) details of any Share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. The maximum price to be paid for the Shares as determined by the Directors must not exceed, in the case of both a Market Purchase and an Off-Market Purchase, 105% of the Average Closing Price of the Shares, excluding related expenses of the purchase or acquisition (the **"Maximum Price"**).

For the above purposes:

"Average Closing Price" means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, such other stock exchange on which the Shares are listed and quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 2.4 **Source of Funds.** Under the Companies Act, the Company may purchase or acquire its Shares out of its distributable profits, as well as out of capital.

The Company intends to use internal and external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the financial condition of the Company would be materially adversely affected.

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2.5 **Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

2.6 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.6.1 **Maximum Holdings**

The number of Shares held as treasury shares⁽²⁾ cannot at any time exceed 10% of the total number of issued Shares.

2.6.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.6.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Take-over Code):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

⁽²⁾ For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act, Chapter 50 of Singapore.

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2.7 **Financial Effects.** The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2021, are based on the assumptions set out below.

2.7.1 **Number of Shares Purchased or Acquired**

Purely for illustrative purposes, on the basis of 16,514,634,755 Shares in issue as at the Latest Practicable Date and disregarding the 672,151 Shares held in treasury as at the Latest Practicable Date, and assuming that on or prior to the 2021 AGM (i) no further Shares are issued, (ii) no further Shares are purchased or acquired by the Company, or held as treasury shares, and (iii) no Shares are held as subsidiary holdings, the purchase or acquisition by the Company of 5% of its issued Shares will result in the purchase or acquisition of 825,698,130 Shares.

2.7.2 **Maximum Price Paid for Shares Purchased or Acquired**

In the case of both Market Purchases and Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 825,698,130 Shares at the maximum price of S\$2.6586 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 825,698,130 Shares is S\$2,195,201,048.42.

2.7.3 **Illustrative Financial Effects**

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7.1 and 2.7.2 above, and further assuming that the purchase or acquisition of the 825,698,130 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases or Off-Market Purchases is made as to half out of profits and as to half out of capital and cancelled or held in treasury, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 March 2021 are set out below.

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Scenario A

Market Purchases or Off-Market Purchases of up to 5% made as to 2.5% out of profits and as to 2.5% out of capital and cancelled

	Group		Company	
	Before Market Purchase S\$million	After Market Purchase S\$million	Before Market Purchase S\$million	After Market Purchase S\$million
As at 31 March 2021				
Shareholders' Funds	26,505.7	24,310.5	20,290.5	18,095.3
Treasury Shares Held by Trust	(18.3)	(18.3)	–	–
Treasury Shares Held/Purchased by the Company	(1.6)	(1.6)	(1.6)	(1.6)
Total Shareholders' Funds	26,485.8	24,290.6	20,288.9	18,093.7
Current Assets	6,532.2	6,406.0	2,326.5	2,200.3
Current Liabilities	9,136.8	9,136.8	2,611.5	2,611.5
Total Borrowings	12,859.5	14,928.5	1,384.0	3,453.0
Cash and Cash Equivalents	754.7	628.5	126.2	–
Number of Shares ('000)	16,507,471.2	15,681,773.0	16,513,962.6	15,688,264.5
Financial Ratios				
Net Assets per Share (S\$)	1.60	1.55	1.23	1.15
Gearing* (%)	48.55	61.46	6.82	19.08
Current Ratio (times)	0.71	0.70	0.89	0.84

Scenario B

Market Purchases or Off-Market Purchases of up to 5% made as to 2.5% out of profits and as to 2.5% out of capital and held in treasury

	Group		Company	
	Before Market Purchase S\$million	After Market Purchase S\$million	Before Market Purchase S\$million	After Market Purchase S\$million
As at 31 March 2021				
Shareholders' Funds	26,505.7	26,505.7	20,290.5	20,290.5
Treasury Shares Held by Trust	(18.3)	(18.3)	–	–
Treasury Shares Held/Purchased by the Company	(1.6)	(2,196.8)	(1.6)	(2,196.8)
Total Shareholders' Funds	26,485.8	24,290.6	20,288.9	18,093.7
Current Assets	6,532.2	6,406.0	2,326.5	2,200.3
Current Liabilities	9,136.8	9,136.8	2,611.5	2,611.5
Total Borrowings	12,859.5	14,928.5	1,384.0	3,453.0
Cash and Cash Equivalents	754.7	628.5	126.2	–
Number of Shares ('000)	16,507,471.2	15,681,773.0	16,513,962.6	15,688,264.5
Financial Ratios				
Net Assets per Share (S\$)	1.60	1.55	1.23	1.15
Gearing* (%)	48.55	61.46	6.82	19.08
Current Ratio (times)	0.71	0.70	0.89	0.84

* "Gearing" means total borrowings divided by total shareholders' funds.

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SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATION PURPOSES ONLY (BASED ON THE ABOVEMENTIONED ASSUMPTIONS). Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 5% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

- 2.8 **Reporting Requirements.** Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares, and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.
- 2.9 **No Purchases During Price or Trade Sensitive Developments.** While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced. The Company will continue to comply with the best practices on dealings in securities set out in Rule 1207(19)(c) of the Listing Manual.
- 2.10 **Listing Status of the Shares.** The Listing Manual requires a listed company to ensure that at least 10% of equity securities (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, Temasek Holdings (Private) Limited had an interest (both direct and deemed) in 8,605,266,533 Shares representing approximately 52.1% of the issued Shares (excluding Shares held in treasury) as at that date. Approximately 47.9% of the issued Shares (excluding Shares held in treasury) were held by public Shareholders as at that date. Assuming the Company had purchased or acquired Shares from the public up to the full 5% limit pursuant to the proposed Share Purchase Mandate on the Latest Practicable Date, approximately 45.1% of the issued Shares (excluding Shares held in treasury) would have been held by public Shareholders as at that date.

The Company will ensure that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 5% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

- 2.11 **Shareholding Limits.** The Constitution of the Company prescribes a limit of 15% of the issued Shares (excluding treasury shares) in which any person or related group of persons (other than a person or persons approved by the Directors) may have an interest, whether directly or indirectly (the “**Individual Shareholding Limit**”). The Constitution also empowers the Directors to require the sale of Shares, if it shall come to their notice that the Individual Shareholding Limit is exceeded.

The Company holds various broadcasting and telecommunications licences, and is regulated under the Broadcasting Act, Chapter 28 of Singapore (the “**Broadcasting Act**”) and the Telecommunications Act, Chapter 323 of Singapore (the “**Telecommunications Act**”).

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The Broadcasting Act provides that no person may become:

- (a) a substantial shareholder (as defined under the Companies Act);
- (b) a 12% controller (as defined under the Broadcasting Act); or
- (c) an indirect controller (as defined under the Broadcasting Act),

of a broadcasting company (as defined under the Broadcasting Act) without first obtaining the approval of the Minister for Communications and Information (the “**Minister**”).

In addition, under the Broadcasting Act, the Company shall not, unless the Minister otherwise approves, be granted or hold a relevant licence (as defined under the Broadcasting Act) if the Minister is satisfied that any foreign source (as defined under the Broadcasting Act), alone or together with one or more other foreign sources, holds not less than 49% of the Shares, or is in a position to control voting power of not less than 49%, in the Company or its holding company (as defined under the Companies Act).

The Telecommunications Act provides that:

- (a) no person shall, whether through a series of transactions over a period of time or otherwise, become a 12% controller (as defined under the Telecommunications Act) or a 30% controller (as defined under the Telecommunications Act) of a designated telecommunication licensee (as defined under the Telecommunications Act); and
- (b) no person shall obtain effective control (as defined under the Telecommunications Act) over a designated telecommunication licensee,

without obtaining the prior written approval of the Info-communications Media Development Authority of Singapore (the “**IMDA**”).

The Code of Practice for Competition in the Provision of Telecommunication Services 2012 (the “**Telecom Competition Code**”) provides that:

- (a) for the purposes of the Telecommunications Act:
 - (i) every Acquiring Party (as defined under the Telecom Competition Code) and the Designated Telecommunication Licensee (as defined under the Telecom Competition Code) must seek the IMDA’s approval in connection with such Acquiring Party acquiring Voting Shares (as defined under the Telecom Competition Code) or Voting Power (as defined under the Telecom Competition Code) in the Designated Telecommunication Licensee that would result in such Acquiring Party becoming a 12% Controller (as defined under the Telecom Competition Code) of the Designated Telecommunication Licensee; and
 - (ii) every Acquiring Party and the Designated Telecommunication Licensee must seek the IMDA’s approval in connection with such Acquiring Party acquiring Voting Shares or Voting Power in the Designated Telecommunication Licensee that would result in such Acquiring Party becoming a 30% Controller (as defined under the Telecom Competition Code) of the Designated Telecommunication Licensee or entering into any other transaction that constitutes a Consolidation (as defined under the Telecom Competition Code) with the Designated Telecommunication Licensee;

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- (b) the term “Consolidation” includes any transaction that results in a person:
 - (i) becoming a 30% Controller of a Designated Telecommunication Licensee; or
 - (ii) obtaining Effective Control (as defined under the Telecom Competition Code) over a Designated Telecommunication Licensee; and
- (c) every Acquiring Party and the Designated Telecommunication Licensee must *jointly* file a Consolidation Application (as defined under the Telecom Competition Code) in respect of such Acquiring Party becoming a 30% Controller of the Designated Telecommunication Licensee or otherwise entering into a Consolidation with the Designated Telecommunication Licensee.

If the Minister and/or the applicable regulatory authority, as the case may be, is satisfied that a person and/or his associates (as the case may be) have reached or exceeded the limits applicable in relation to the holding of or having an interest in Shares, or the controlling of voting power in the Company, in each case as defined in and as prescribed by the Broadcasting Act, the Telecommunications Act and/or any other legislation to which the Company is subject from time to time and/or any regulations, directives, guidelines, notices and/or codes of practice promulgated or issued thereunder from time to time, as the case may be (the “**Prescribed Limits**”), or in other specified circumstances, the Minister and/or the applicable regulatory authority, as the case may be, may make certain directions, including but not limited to requiring such person and/or his associates to transfer or dispose of all or part of the Shares which it may have acquired in the Company, or restricting the voting rights or dividend rights that such person and/or his associates has obtained through the acquisition of such Shares.

As a result of a purchase or acquisition of Shares by the Company, the shareholding percentage of a holder of Shares (whose Shares were not the subject of a share purchase or acquisition by the Company) in the issued Shares of the Company immediately following any purchase or acquisition of Shares by the Company may increase correspondingly.

The Company wishes to draw the attention of Shareholders to the following consequences of a purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, if the renewal of the Share Purchase Mandate is approved by Shareholders:

A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY MAY INADVERTENTLY CAUSE ANY PERSON TO REACH OR EXCEED THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE (IN PARTICULAR, A PERSON WHO IS CURRENTLY CLOSE TO ANY OF THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE).

IN RELATION TO THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, THE DIRECTORS ARE EMPOWERED TO SERVE NOTICE ON SUCH PERSON REQUIRING A DISPOSAL OF THE INTEREST IN THE AFFECTED SHARES WITHIN 21 DAYS OF THE GIVING OF SUCH NOTICE OR SUCH SHORTER OR LONGER PERIOD AS THE DIRECTORS CONSIDER REASONABLE TO A PERSON QUALIFIED TO HAVE AN INTEREST IN THE AFFECTED SHARES. IF SUCH NOTICE IS NOT COMPLIED WITH TO THE SATISFACTION OF THE DIRECTORS, THE DIRECTORS MAY ARRANGE FOR THE COMPANY TO SELL THE AFFECTED SHARES.

IN RELATION TO THE PRESCRIBED LIMITS, PERSONS WHO (AT ANY TIME DURING THE PERIOD WHEN THE SHARE PURCHASE MANDATE IS IN FORCE) ARE CLOSE TO AND MAY REACH OR EXCEED ANY OF THE PRESCRIBED LIMITS BY REASON OF A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY, ARE ADVISED TO NOTIFY THE COMPANY AND TO CONSIDER SEEKING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY) TO REACH OR EXCEED THE PRESCRIBED LIMITS, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), AS A CONSEQUENCE OF SUCH PURCHASE OR ACQUISITION.

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THE COMPANY WILL, TO THE EXTENT REQUIRED, PRIOR TO A PURCHASE OR ACQUISITION OF SHARES PURSUANT TO THE SHARE PURCHASE MANDATE, CALCULATE THE INTERESTS OF EACH SHAREHOLDER TO DETERMINE WHETHER SUCH INTERESTS MAY, FOLLOWING SUCH PURCHASE OR ACQUISITION, REACH OR EXCEED THE PRESCRIBED LIMITS. IF, FOLLOWING SUCH CALCULATION, THE COMPANY BELIEVES THAT THE SHAREHOLDER MAY, FOLLOWING SUCH PURCHASE OR ACQUISITION, REACH OR EXCEED ANY OF THE PRESCRIBED LIMITS REQUIRING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), THE COMPANY WILL NOTIFY SUCH SHAREHOLDER AND SUCH SHAREHOLDER MAY BE ADVISED TO EITHER (1) ESTABLISH TO THE COMPANY'S SATISFACTION THAT SUCH SHAREHOLDER WILL NOT REACH OR EXCEED SUCH PRESCRIBED LIMITS, OR (2) SUBMIT AN APPLICATION FOR APPROVAL (TOGETHER WITH THE COMPANY, IF SO REQUIRED) TO THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), TO REACH OR EXCEED THE PRESCRIBED LIMITS, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), AS A CONSEQUENCE OF SUCH PURCHASE OR ACQUISITION.

2.12 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.12.1 *Obligation to make a Take-over Offer*

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

2.12.2 *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the companies referred to above for the purchase of voting rights; and

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- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.12.3 *Effect of Rule 14 and Appendix 2*

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on the interests of substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date as set out in paragraph 4.2 below, the substantial Shareholder would not become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 5% of its issued Shares (excluding treasury shares) as at the Latest Practicable Date.

SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

- 2.13 **Previous Purchases.** The following are details of purchases or acquisitions of Shares made by the Company via Market Purchases during the period from 30 July 2020, being the date of the 2020 AGM, to 31 May 2021:

Date of purchase or acquisition	Number of Shares purchased or acquired	Highest price paid per Share	Lowest price paid per Share	Total consideration paid
16 Feb 2021	672,151	S\$2.42	S\$2.42	S\$1,627,823.75
27 May 2021	523,456	S\$2.42	S\$2.40	S\$1,262,840.54
28 May 2021	333,839	S\$2.45	S\$2.41	S\$811,502.29
31 May 2021	333,000	S\$2.43	S\$2.41	S\$805,463.84

As at 31 May 2021, the Company had not purchased or acquired any of its Shares by way of Off-Market Purchases pursuant to the Share Purchase Mandate approved by Shareholders at the 2020 AGM.

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3. THE PROPOSED EXTENSION OF, AND ALTERATIONS TO, THE SINGTEL PERFORMANCE SHARE PLAN 2012

3.1 **Background.** The Singtel PSP 2012 was approved and adopted at an extraordinary general meeting of the Company held on 27 July 2012. Shareholders also approved alterations to the Singtel PSP 2012 at an extraordinary general meeting of the Company held on 25 July 2014 to enable non-executive directors of the Group to participate in the Singtel PSP 2012.

The initial duration of the Singtel PSP 2012 is 10 years commencing from the date of adoption, provided that it can be continued beyond that period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may be required. As the Singtel PSP 2012 is due to expire on 26 July 2022, Shareholders' approval is being sought for an extension of the duration of the plan for a further period of 10 years from 27 July 2022 up to 26 July 2032 (both dates inclusive).

3.2 **Rationale.** The Singtel PSP 2012, under which awards ("**Awards**") are granted to participants by which they may receive fully-paid Shares, their equivalent cash value or combinations thereof, free of charge, provided any prescribed performance condition(s) are met and/or upon expiry of any prescribed vesting period(s), is an integral part of the Company's compensation programme. The Singtel PSP 2012 provides participants with an opportunity to have a personal equity interest in the Company and helps to achieve the following positive objectives:

- (a) the motivation of employees to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) the retention of key executives and executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;
- (c) to instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for Shareholders; and
- (e) to align the interests of employees and non-executive directors with the interests of Shareholders.

As the Singtel PSP 2012 remains a key part of the Group's compensation arrangements, the Directors propose that the duration of the plan be extended for a further period of 10 years up to (and including) 26 July 2032. The Committee administering the Singtel PSP 2012 (the "**Committee**") has approved the proposed extension.

3.3 **Maximum Limit.** There will be no change to the maximum limit of new Shares which may be issued under the Singtel PSP 2012 following the extension of its duration to 26 July 2032. The aggregate number of new Shares which may be issued pursuant to the Singtel PSP 2012 cannot exceed 5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

In addition, Resolution 15 will provide that the total number of new Shares under Awards which may be granted pursuant to the Singtel PSP 2012 from the 2021 AGM to the next Annual General Meeting of the Company shall not exceed 0.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

3.4 **Proposed Alterations.** The Directors are taking this opportunity to update the Rules of the Singtel PSP 2012 to take into account the amendments to the Companies Act and Listing Manual which have been effected since the Singtel PSP 2012 was first adopted, and to streamline and rationalise certain provisions. The Amended and Restated Rules of the Singtel PSP 2012, incorporating the proposed alterations, are set out in the Appendix to this Letter, and the proposed alterations are blacklined for ease of reference. The following is a summary of the principal proposed alterations:

Letter to Shareholders

3.4.1 **Companies Act**

The respective references in Rules 2 and 7.4 to the “memorandum and articles of association” of the Company are proposed to be replaced with references to the “constitution” of the Company, following the merging of the “memorandum and articles of association” of a company into one document called the “constitution” pursuant to the relevant provisions of the Companies (Amendment) Act 2014 which took effect on 3 January 2016.

3.4.2 **Listing Manual**

Rule 7A.1 currently provides that the total number of new Shares which may be issued pursuant to Awards on any date shall not exceed 5% of the total number of issued Shares (excluding treasury shares) on the day preceding that date. In line with the amendments to Rule 845(1) of the Listing Manual which took effect on 31 March 2017, Rule 7A.1 (to be renumbered as Rule 8.1) is proposed to be altered to specifically exclude subsidiary holdings (in addition to treasury shares) in the denominator when calculating the size limit of the Singtel PSP 2012.

Rules 8.1 and 8.3 (to be renumbered as Rules 9.1 and 9.3, respectively), which relate to adjustments to Awards and the auditors’ confirmation on such adjustments, are proposed to be altered to replace the respective references to “capitalisation of profits or reserves” and “capitalisation issue” as an adjustment event with references to “bonus” and “bonus issue”, in line with the amendments to Rules 850(1) and (4) of the Listing Manual which took effect on 7 February 2020. Rule 8.1 (to be renumbered as Rule 9.1) is also proposed to be altered to make it clear that if a variation in the issued ordinary share capital takes place or if the Company makes a capital distribution or a declaration of a special dividend, the Committee has absolute discretion to determine whether outstanding Awards shall be adjusted and if so, the manner in which such adjustments should be made.

3.4.3 **Collection, Use and Disclosure of Personal Data**

A new Rule 22 is proposed to be inserted to regulate the collection, use and disclosure of participants’ personal data by the Company for purposes of implementing and administering the Singtel PSP 2012.

3.4.4 **Other Alterations**

The alterations which are being proposed to streamline and rationalise certain provisions of the Rules of the Singtel PSP 2012 include⁽³⁾:

- (a) expanding on the definition of “Participant” in Rule 2 to also include, where applicable, the executor or personal representative of a Group Executive or Non-Executive Director who has been granted an Award;
- (b) specifically providing in Rule 6.2 that the Committee can determine whether to preserve all or part of any Award until the end of the “Performance Period” (if any) in any of the events described in Rule 6.2 (Rule 6.2 already provides that the Committee can in these circumstances determine whether to preserve all or part of any Award until the end of each “Vesting Period”); and
- (c) specifically providing in Rule 6.3 that the Committee, in determining the number of Shares to be Vested in respect of an Award which it decides to Release in any of the events described in Rule 6.3, will have regard, in the case of a Performance-related Award, the extent to which the “Performance Condition(s)” has (have) been satisfied (Rule 6.3 already provides that the Committee will in these circumstances have regard to the proportion of the “Vesting Period(s)” which has (have) elapsed).

Other alterations which are being proposed under this category are blacklined in the Appendix to this Letter.

⁽³⁾ Defined terms used in paragraphs 3.4.4(a) to (c) and which are not separately defined in this Letter have the meanings ascribed to them respectively in the Rules of the Singtel PSP 2012.

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3.5 **Particulars of Awards.** As at the Latest Practicable Date, Awards in respect of 117,555,431 Shares have been granted under the Singtel PSP 2012 to approximately 719 participants since its adoption on 27 July 2012, of which as at the Latest Practicable Date:

- (a) no new Shares have been issued to participants pursuant to Awards;
- (b) 38,969,009 existing Shares have been transferred to participants pursuant to Awards;
- (c) 36,443,783 Shares are comprised in outstanding Awards; and
- (d) 42,142,639 Shares are comprised in Awards which have lapsed pursuant to the Singtel PSP 2012.

Awards vest upon satisfaction of the performance and/or time-based conditions (if any) prescribed on the date of grant, and subject to the Rules of the Singtel PSP 2012. Save as disclosed in this Letter and as provided in the Rules of the Singtel PSP 2012 and save for the prescribed performance and/or time-based conditions, the Awards outstanding as at the Latest Practicable Date are not subject to any material conditions.

No Awards have been granted to controlling shareholders of the Company or associates of such controlling shareholders, under the Singtel PSP 2012.

Other than Mr Yuen Kuan Moon, none of the Directors held any outstanding Awards as at the Latest Practicable Date.

Particulars of outstanding Awards held by Mr Yuen Kuan Moon as at the Latest Practicable Date are as follows:

Director	Award Date	Number of Shares Delivered	Number of Shares comprised in Awards which have lapsed	Number of Shares comprised in outstanding Awards
Mr Yuen Kuan Moon	19.06.18	154,055	–	400,626
	20.06.19	–	–	637,812
	23.06.20	–	–	674,645

As at the Latest Practicable Date:

- (a) 606,905 Shares have been delivered to Mr Yuen Kuan Moon and S\$279,045 has been paid to him in cash in lieu of Shares, pursuant to Awards which were granted to him in his capacity as an employee of the Group under the Singtel PSP 2012;
- (b) 857,820 Shares have been delivered to Mr Yuen Kuan Moon and S\$718,466 has been paid to him in cash in lieu of Shares, pursuant to awards which were granted to him in his capacity as an employee of the Group under the SingTel Executives' Performance Share Plan⁽⁴⁾ and the SingTel Performance Share Plan⁽⁵⁾; and
- (c) 328,000 Shares have been delivered to Mr Yuen Kuan Moon pursuant to the exercise of options which were granted to him in his capacity as an employee of the Group under the Singapore Telecom Executives' Share Option Scheme⁽⁶⁾ and the Singapore Telecom Share Option Scheme 1999⁽⁷⁾.

⁽⁴⁾ The SingTel Executives' Performance Share Plan was implemented in June 2003 and suspended in August 2003. There are no longer any awards outstanding under this plan.

⁽⁵⁾ The SingTel Performance Share Plan was adopted at an extraordinary general meeting of the Company held on 29 August 2003 and terminated at an extraordinary general meeting of the Company held on 27 July 2012 following the adoption of the Singtel PSP 2012. There are no longer any awards outstanding under this plan.

⁽⁶⁾ The Singapore Telecom Executives' Share Option Scheme was implemented in September 1994 and expired in September 2004. There are no longer any options outstanding under this scheme.

⁽⁷⁾ The Singapore Telecom Share Option Scheme 1999 was adopted at an extraordinary general meeting of the Company held on 29 September 1999 and suspended on 21 March 2003. This scheme expired on 28 September 2009 and there are no longer any options outstanding under this scheme.

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3.6 **SGX-ST.** The SGX-ST has granted in-principle approval for the listing and quotation of the new Shares to be issued pursuant to the Singtel PSP 2012, as proposed to be extended and altered, subject to, *inter alia*, compliance with the SGX-ST's listing requirements and guidelines and independent Shareholders' approval being obtained for the proposed extension of, and alterations to, the Singtel PSP 2012. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Singtel PSP 2012 (as proposed to be extended and altered), the new Shares, the Company and/or its subsidiaries.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

4.1 **Directors' Interests.** The interests of the Directors in Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

	Number of Shares				Number of Shares comprised in outstanding Awards granted by the Company
	Direct Interest	Deemed Interest	Total Interest	Total Percentage Interest ⁽¹⁾	
Ordinary Shares					
Lee Theng Kiat	–	–	–	–	–
Yuen Kuan Moon	1,188,137	6,360 ⁽²⁾	1,194,497	nm ⁽⁷⁾	1,713,083 ⁽³⁾
Gautam Banerjee	–	–	–	–	–
Bradley Horowitz	–	–	–	–	–
Gail Kelly	–	–	–	–	–
Low Check Kian	1,490	–	1,490	nm ⁽⁷⁾	–
Christina Ong	–	–	–	–	–
Rajeev Suri	–	–	–	–	–
Teo Swee Lian	1,550	–	1,550	nm ⁽⁷⁾	–
Wee Siew Kim	501,838 ⁽⁴⁾	190 ⁽⁵⁾	502,028	nm ⁽⁷⁾	–
American Depositary Shares					
Venky Ganesan	3,341.45 ⁽⁶⁾	–	3,341.45	nm ⁽⁷⁾	–

Notes:

⁽¹⁾ Based on the total number of issued Shares as at the Latest Practicable Date, less Shares held in treasury.

⁽²⁾ Held by spouse of Mr Yuen Kuan Moon.

⁽³⁾ Mr Yuen Kuan Moon has been granted Awards in respect of 1,713,083 Shares pursuant to the Singtel PSP 2012, subject to certain performance criteria being met and other terms and conditions. Depending on the extent of the satisfaction of the relevant performance criteria, up to an aggregate of 2,387,008 Shares may be released pursuant to the conditional Awards granted.

⁽⁴⁾ 228,278 Shares held in the name of UBS AG and 272,500 Shares held in the name of Bank of Singapore.

⁽⁵⁾ Held by spouse of Mr Wee Siew Kim.

⁽⁶⁾ 1 American Depositary Share represents 10 Shares.

⁽⁷⁾ "nm" means not meaningful.

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- 4.2 **Substantial Shareholders' Interests.** The interests of the substantial Shareholder in Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Number of Shares		Total Percentage Interest ⁽¹⁾
	Direct Interest	Deemed Interest	
Temasek Holdings (Private) Limited	8,304,071,181	301,195,352 ⁽²⁾	52.11

Notes:

⁽¹⁾ Based on the total number of issued Shares as at the Latest Practicable Date, less Shares held in treasury.

⁽²⁾ Deemed through interests of subsidiaries and associated companies.

5. DIRECTORS' RECOMMENDATIONS

- 5.1 **Proposed Renewal of the Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 14, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2021 AGM.
- 5.2 **Proposed Extension of, and Alterations to, the Singtel PSP 2012.** All the Directors are eligible to participate in the Singtel PSP 2012. Accordingly, they have refrained from making any voting recommendation to Shareholders in respect of Resolution 15, being the Ordinary Resolution relating to the proposed extension of, and alterations to, the Singtel PSP 2012 to be proposed at the 2021 AGM.

6. ABSTENTIONS FROM VOTING

Any Shareholder who is eligible to participate in the Singtel PSP 2012 must abstain from voting his Shares on Resolution 15, being the Ordinary Resolution relating to the proposed extension of, and alterations to, the Singtel PSP 2012 to be proposed at the 2021 AGM, and the Company will disregard any votes cast by such Shareholder in respect of his Shares on Resolution 15. The Chairman of the 2021 AGM will accept appointment as proxy for any other Shareholder to vote in respect of Resolution 15, where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of Resolution 15.

7. INSPECTION OF DOCUMENTS

The following documents may be accessed at the URL <https://www.singtel.com/about-us/investor-relations/annual-reports>:

- (a) the Annual Report of the Company for the financial year ended 31 March 2021; and
- (b) the 2020 Letter.

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8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposals, and the Company and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

Yours faithfully
for and on behalf of
the Board of Directors of
SINGAPORE TELECOMMUNICATIONS LIMITED

LEE THENG KIAT
Chairman

Letter to Shareholders

The Appendix

AMENDED AND RESTATED **RULES OF THE SINGTEL PERFORMANCE SHARE PLAN 2012** **(Incorporating amendments up to 30 July 2021)**

RULES OF THE SINGTEL PERFORMANCE SHARE PLAN 2012

1. NAME OF THE PLAN

The Plan shall be called the “SingTel Performance Share Plan 2012”.

2. DEFINITIONS

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Act”	The Companies Act, Chapter 50 of Singapore.
“Articles”	The Articles of Association of the Company, as amended from time to time.
“Auditors”	The auditors of the Company for the time being.
“Award”	An contingent award of Shares granted under Rule 5.
“Award Date”	In relation to an Award, the date on which the Award is granted pursuant to Rule 5.
“Award Letter”	A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee.
“CDP”	The Central Depository (Pte) Limited.
“Commencement Date”	The date on which the Plan is adopted by the Company in general meeting.
“Committee”	A committee comprising Directors duly authorised and appointed by the Board of Directors to administer the Plan.
“Communication”	The meaning ascribed to the term in Rule 11 0.4.
“Company”	Singapore Telecommunications Limited, a company incorporated in the Republic of Singapore.
“Constitution”	<u>The Constitution of the Company, as amended from time to time.</u>
“Depository Agent”	<u>Has the meaning given to it in the Securities and Futures Act, Chapter 289 of Singapore.</u>
“Group”	The Company and its subsidiaries.
“Group Executive”	Any employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Plan in accordance with Rule 4.

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“Group Executive Director”	A director of the Company and/or its subsidiaries, as the case may be, who performs an executive function.
“Listing Manual”	The Listing Manual of the Singapore Exchange.
“Market Value”	In relation to a Share, on any day: (a) the last dealt price of a Share on the Singapore Exchange over the five (5) immediately preceding Trading Days; or (b) if the Committee is of the opinion that the Market Value as determined in accordance with (a) above is not representative of the value of a Share, such price as the Committee may determine, such determination to be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
“Non-Executive Director”	A director of the Company and/or its subsidiaries, other than a Group Executive Director.
“Participant”	A Group Executive or Non-Executive Director who has been granted an Award <u>(including where applicable, the executor or personal representative of such Group Executive or Non-Executive Director)</u> .
“Performance-related Award”	An Award in relation to which a Performance Condition is specified.
“Performance Condition”	In relation to a Performance-related Award, the condition specified on the Award Date in relation to that Award.
“Performance Period”	In relation to a Performance-related Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied.
“Plan”	The Singtel Performance Share Plan 2012, as the same may be modified or altered from time to time.
<u>“Record Date”</u>	<u>The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to, or rights of, holders of Shares.</u>
“Release”	In relation to an Award, the <u>release of all or some of the Shares to which the Award relates in accordance with the Plan and, to the extent that any Shares which are the subject of the Award are not released pursuant to the Plan, the Award in relation to those Shares shall lapse accordingly at the end of each Vesting Period, of the Shares to be released on such date</u> and “Released” shall be construed accordingly.
“Release Schedule”	In relation to an Award, a schedule <u>(if any)</u> in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released <u>at the end of each Vesting Period.</u>
“Released Award”	An Award which has been released <u>in full or in part</u> in accordance with Rule 7.
“Retention Period”	In relation to an Award, such period commencing on the Vesting Date in relation to that Award as may be determined by the Committee on the Award Date.

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“Security Device”	Any smartcard, digital certificate, digital signature, encryption device, electronic key, logon identifier, password, personal identification number, and/or other code or any access procedure incorporating any one or more of the foregoing, designated by the Company for use in conjunction with these Rules.
“Shares”	Ordinary shares in the capital of the Company.
“Singapore Exchange”	The Singapore Exchange Securities Trading Limited.
“Trading Day”	A day on which the Shares are traded on the Singapore Exchange.
“Vesting”	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly.
“Vesting Date”	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7.
“Vesting Period”	In relation to an Award, <u>each a period (if any) or periods, the duration of which is to be determined by the Committee on the Award Date, after the expiry of which the relevant number of Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to Rule 7.</u>
“year”	<u>Calendar year, unless otherwise stated.</u>
“\$”	Singapore dollar.

2.2 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.

2.3 Any reference to a time of a day in the Plan is a reference to Singapore time.

2.4 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in the Plan and used in the Plan shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

3. OBJECTIVES OF THE PLAN

The Plan is a share incentive scheme. The Plan is proposed on the basis that it is important to retain staff whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding executives and executive directors of the Group who have contributed to the growth of the Group. The Plan will also enable grants of fully paid Shares to be made to non-executive directors of the Group as part of their remuneration in respect of their office as such in lieu of cash or, where the Committee deems appropriate, to give recognition to the contributions made or to be made by such non-executive directors to the success of the Group. The Plan will give Participants an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

- (a) the motivation of employees to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;
- (b) the retention of key executives and executive directors of the Group whose contributions are essential to the long-term growth and profitability of the Group;

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- (c) to instil loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for the shareholders of the Company; and
- (e) to align the interests of employees and non-executive directors with the interests of the shareholders of the Company.

4. ELIGIBILITY OF PARTICIPANTS

The following persons, unless they are also controlling shareholders (as defined in the Listing Manual) of the Company or associates (as defined in the Listing Manual) of such controlling shareholders, shall be eligible to participate in the Plan, at the absolute discretion of the Committee:

- (a) employees of the Company and its subsidiaries (including any Group Executive Directors) who have attained the age of twenty-one (21) years;
- (b) employees who qualify under paragraph (a) above and are seconded to any associated company of the Company or any other company in which the Company holds shares; and
- (c) Non-Executive Directors.

5. GRANT OF AWARDS

5.1 Subject as provided in Rule 87A, the Committee may grant Awards to Group Executives and/or Non-Executive Directors, in each case, as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force.

5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account such criteria as it considers fit, including (but not limited to), in the case of a Group Executive, his rank, job performance, year(s) of service and potential for future development, his contribution to the success and development of the Group and (in the case of a Performance-related Award) the difficulty with which the Performance Condition(s) may be achieved within the Performance Period and, in the case of a Non-Executive Director, his board and board committee appointments and attendance, and his contribution to the success and development of the Group. No Performance-related Awards may be granted to Non-Executive Directors under the Plan.

5.3 The Committee, in its absolute discretion, shall decide in relation to an Award:

- (a) the Participant;
- (b) the Award Date;
- (c) the number of Shares which are the subject of the Award;
- (d) in the case of a Performance-related Award:
 - (i) the Performance Period;
 - (ii) the Performance Condition(s); and
 - (iii) the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;

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- (e) the Vesting Period(s), if any;
- (f) the Release Schedule, if any;
- (g) the Retention Period in relation to any or all of the Shares comprised in the Award, if any; and
- (h) any other condition which the Committee may determine in relation to that Award.

5.4 The Committee may amend or waive the Vesting Period(s), the Release Schedule, the Retention Period and/or any condition applicable to an Award and, in the case of a Performance-related Award, the Performance Period and/or the Performance Condition(s) and/or the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period in respect of that Award:

- (a) in the event of a take-over offer being made for the Shares or if, under the Act, a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies is approved by shareholders of the Company and/or sanctioned by the court or in the event of an order being made or a resolution passed for the winding-up of the Company (other than as provided in Rule 6.1(d) or for reconstruction or amalgamation) or in the event of a proposal to sell all or substantially all of the assets of the Company;
- (b) in the case of a Performance-related Award, if anything happens which causes the Committee to conclude that:
 - (i) a changed Performance Condition would be a fairer measure of performance, and would be no less difficult to satisfy; or
 - (ii) a Performance Condition should be waived,

and shall notify the Participants of such change or waiver.

5.5 As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) in the case of a Performance-related Award:
 - (i) the Performance Period;
 - (ii) the Performance Condition(s); and
 - (iii) the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;
- (d) the Vesting Period(s), if any;
- (e) the Release Schedule, if any;
- (f) the Retention Period in relation to any or all of the Shares comprised in the Award, if any; and
- (g) any other condition which the Committee may determine in relation to that Award.

Letter to Shareholders

5.6 Participants are not required to pay for the grant of Awards.

5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer of the Shares to which the Released Award relates, shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.

6. EVENTS PRIOR TO THE VESTING DATE

6.1 An Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company and/or the Group:

- (a) subject to Rule 6.2(a), where the Participant is a Group Executive, upon the Participant ceasing to be in the employment of the Group, for any reason whatsoever;
- (b) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (c) in the event of misconduct on the part of the Participant as determined by the Committee in its absolute discretion; or
- (d) in the event that an order is made, or a resolution is passed, for the winding-up of the Company on the basis of, or by reason of, of its insolvency.

For the purpose of Rule 6.1(a), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

6.2 In any of the following events, namely:

- (a) where the Participant, being a Group Executive, ceases at any time to be in the employment of any company within the Group by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or
 - (vi) any other event approved by the Committee;
- (b) where thea Participant, being a Non-Executive Director, ceases to be a director of the Company or the relevant subsidiary of the Company, for any reason whatsoever;
- (c) the death of thea Participant; or

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- (d) any other event approved by the Committee,

then the Committee may, in its absolute discretion but shall not be obliged to, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period (if any) and/or each Vesting Period (if any) and subject to the provisions of the Plan.

6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies is approved by shareholders of the Company and/or sanctioned by the court under the Act; or
- (c) an order is made or a resolution passed for the winding-up of the Company (other than as provided in Rule 6.1(d) or for amalgamation or reconstruction),

the Committee will consider, at its discretion, whether or not to Release any Award. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will (if applicable) have regard to the proportion of the Vesting Period(s) which has (have) elapsed and, in the case of a Performance-related Award, the extent to which the Performance Condition(s) has (have) been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7. If the Committee so determines, the Release of Awards may be satisfied in cash as provided in Rule 7.

7. RELEASE OF AWARDS

7.1 Review of Performance Condition(s); in relation to Performance-related Awards

- 7.1.1** In relation to each Performance-related Award, as soon as reasonably practicable after the end of the relevant Performance Period, the Committee shall review the Performance Condition(s) specified in respect of that Award and determine whether it (they) has (have) been satisfied and, if so, the extent to which it (they) has (have) been satisfied, and also determine the number of Shares (if any) comprised in such Award to be Released to the relevant Participant.
- 7.1.2** If the Committee determines in its sole discretion that the Performance Condition(s) has (have) not been satisfied (whether fully or partially) or (subject to Rule 6) if the relevant Participant has not continued to be a Group Executive from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 7.2 to 7.6 shall be of no effect.
- 7.1.3** The Committee shall have the discretion to determine whether the Performance Condition(s) has (have) been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make computational adjustments to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events.

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7.2 Vesting of Award

7.2.1 Subject, in relation to a Performance-related Award, to the Committee having determined that the Performance Condition(s) has (have) been satisfied and provided, in relation to all Awards, that the relevant Participant has continued to be a Group Executive or a Non-Executive Director, as the case may be, from the Award Date up to the end of the relevant Vesting Period (if any) and provided further that, in the opinion of the Committee, the job performance of the relevant Participant has been satisfactory, upon the expiry of each Vesting Period in relation to an Award (if any), the Company shall Release to the relevant Participant the relevant number of Shares to which his Award relates in accordance with the Release Schedule (if any) specified in respect of his Award on the relevant Vesting Date(s).

7.2.2 Shares which are the subject of a Released Award shall be Vested to a Participant on the relevant Vesting Date(s), which shall be:

- (a) in the case of an Award which is subject to a Vesting Period or Vesting Periods, a Trading Day falling as soon as practicable after the last day of the relevant Vesting Period;
- (b) in the case of a Performance-related Award which is not subject to any Vesting Period, a Trading Day falling as soon as practicable after the last day of the relevant Performance Period; and
- (c) in the case of an Award (other than a Performance-related Award) which is not subject to any Vesting Period, a Trading Day falling as soon as practicable after ~~the last day of~~ the relevant Award Date,

and, on the relevant Vesting Date(s), the Committee will procure the allotment or transfer to each Participant of the number of Shares (which may, in the case of a transfer of Shares and to the extent permitted by law, include Shares held by the Company as treasury shares) so determined.

7.2.3 Where new Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the Singapore Exchange (and any other stock exchange on which the Shares are quoted or listed) for permission to deal in and for quotation of such Shares.

7.3 Release of Award

Shares which are to be allotted or transferred on the Release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of either:

- (a) the securities account of that Participant maintained with CDP;
- (b) the securities sub-account of that Participant maintained with a Depository Agent;
- (c) the CPF investment account of that Participant maintained with a CPF agent bank; or
- (d) the securities account of such other person (to be held or represented by interests held under such other employee share scheme or arrangement of the Group) specified by the Company,

in each case, as designated by that Participant. Until such issue or transfer of such Shares has been effected, that Participant shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

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7.4 Ranking of Shares

New Shares allotted and issued, and existing Shares procured by the Company for transfer on the Release of an Award shall:

- (a) be subject to all the provisions of the ConstitutionArticles and the Memorandum of Association of the Company; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

“**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

7.5 Cash Awards

The Committee, in its absolute discretion, may determine to make a Release of an Award (other than an Award granted to a Non-Executive Director as part of his directors’ remuneration in lieu of cash), wholly or partly, in the form of cash rather than Shares, in which event the Participant shall receive on the Vesting Date, in lieu of all or part of the Shares which would otherwise have been allotted or transferred to him on Release of his Award, the aggregate Market Value of such Shares on the Vesting Date.

7.6 Moratorium

Shares which are allotted and issued or transferred on the Release of an Award to a Participant shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during the Retention Period or such further period as may be required if the Shares are held (with the agreement of the Participant) under another employee share scheme or arrangement of the Company as mentioned in Rule 7.3, except to the extent set out in the Award Letter or with the prior approval of the Committee. The Company may take any steps that it considers necessary or appropriate to enforce or give effect to this disposal restriction, including specifying in the Award Letter the conditions which are to be attached to an Award for the purpose of enforcing this disposal restriction.

8.7A LIMITATION ON THE SIZE OF THE PLAN

87A.1 The total number of new Shares which may be issued pursuant to Awards granted under the Plan on any date shall not exceed five (5) per cent. of the total number of issued Shares (excluding Shares held by the Company in treasury and subsidiary holdings (as defined in the Listing Manual)) on the day preceding that date.

87A.2 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

98. ADJUSTMENT EVENTS

98.1 If a variation in the issued ordinary share capital of the Company (whether by way of a bonusecapitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place or if the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Committee may, in its absolute discretion, determine whether:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or

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(b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,

shall be adjusted ~~and if so, the manner in which such adjustments should be made~~ in such manner as the Committee may, in its absolute discretion, ~~determine to be appropriate~~ provided that the rights of a Participant will be changed to the extent necessary to comply with the rules of any stock exchange on which the Company is listed that apply at the time of the event, including the rules that apply to a reorganisation of capital at that time.

98.2 Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the Singapore Exchange or any other stock exchange on which the Shares are quoted or listed during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

98.3 Notwithstanding the provisions of Rule 98.1:

(a) any adjustment (except in relation to a ~~bonus~~ capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and

(b) the adjustment must be made in such a way that a Participant will not receive a benefit that a holder of the Shares does not receive.

98.4 Upon any adjustment required to be made pursuant to this Rule 98, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares which are the subject of the adjusted thereafter to be transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given or on such date as may be specified in such written notification.

109. ADMINISTRATION OF THE PLAN

109.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board of Directors of the Company, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards to be granted to him or held by him.

109.2 The Committee, in its absolute discretion, shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as ~~it~~ they may, in ~~its~~ their absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.

109.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with:

(a) the lapsing of any Awards pursuant to any provision of the Plan;

(b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or

(c) any decision or determination of the Committee made pursuant to any provision of the Plan.

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109.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including, for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure hereunder or as to any rights under the Plan). The Committee shall not be required to furnish any reasons for any decision or determination made by it.

110. NOTICES AND COMMUNICATIONS

110.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

110.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.

110.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 110.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

110.4 An offer, grant and/or acceptance of an Award, including without any limitation, an Award Letter and/or any correspondence in relation thereto (individually and collectively, "**Communication**") may be communicated electronically through the use of the Security Device, or through an electronic page, site, or environment designated by the Company which is accessible only through the use of the Security Device, and such communication shall thereby be deemed to have been sent by the designated holder of such Security Device.

110.5 The Company may accept and act upon any Communication issued and/or transmitted through the use of the Participant's Security Device pursuant to Rule 110.4 (whether actually authorised by the Participant or not) as his authentic and duly authorised Communication and the Company shall be under no obligation to investigate the authenticity or authority of persons effecting the Communication or to verify the accuracy and completeness of the Communication and the Company may treat the Communication as valid and binding on the Participant, notwithstanding any error, fraud, forgery, lack of clarity or misunderstanding in the terms of such Communication.

110.6 All Communications issued and/or transmitted through the use of the Participant's Security Device pursuant to Rule 110.4 (whether authorised by the Participant or not) are irrevocable and binding on the Participant upon transmission to the Company and the Company shall be entitled to effect, perform or process such Communications without the Participant's further consent and without any further reference or notice to the Participant.

110.7 It shall be the Participant's sole responsibility to ensure that all information contained in a Communication is complete, accurate, current, true and correct.

110.8 The Participant shall ensure (and shall take all necessary precautions to ensure) that:

- (a) he complies with the Company's procedural and/or operational guidelines relating to Security Devices;
- (b) all Security Devices of the Participant are kept completely confidential and secure; and
- (c) there is no unauthorised use or abuse of any of the Participant's Security Devices.

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119.9 The Participant shall notify and/or contact the Company immediately ("**Security Notification**") if he becomes aware, has reason to believe, or suspects that:

- (a) the security or integrity of any Security Device may have been compromised;
- (b) such Security Device has become known or been revealed to any other person;
- (c) there has been unauthorised use of the Security Device; and/or
- (d) such Security Device is lost, damaged, defective or stolen,

("Compromised Security Device") and the Participant shall immediately cease to use such Compromised Security Device until further notice from the Company. The Participant shall be bound by all Communications and transactions resulting from any Communications made which are referable to any Compromised Security Device until such time as the Company has received the Security Notification from the Participant.

119.10 The Company's records of the Communications, and its record of any transactions maintained by any relevant person authorised by the Company relating to or connected with the Plan, whether stored in electronic or printed form, shall be binding and conclusive on the Participant and shall be conclusive evidence of such Communications and/or transactions. All such records shall be admissible in evidence and the Participant shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Participant waives any of his rights (if any) to so object.

119.11 Any provision in these Rules or any regulation of the Committee requiring a Communication to be signed by a Participant may be satisfied in the case of an electronic Communication, by the execution of any on-line act, procedure or routine designated by the Company to signify the Participant's intention to be bound by such Communication.

121. MODIFICATIONS TO THE PLAN

121.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, in its absolute discretion, except that:

- (a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them upon the expiry of all the Vesting Periods (if any) applicable to their Awards, would become entitled to not less than three-quarters in number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the expiry of all the Vesting Periods applicable to all such outstanding Awards;
- (b) the definitions of "Committee", "Group", "Group Executive", "Group Executive Director", "Non-Executive Director", "Participant", "Performance Period" and "Vesting Period" and the provisions of Rules 4, 5, 6, 7, ~~7A~~, 8, 9, 10 and this Rule 121 shall not be altered to the advantage of Participants except with the prior approval of the Company's shareholders in general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the Singapore Exchange, or any other stock exchange on which the Shares are quoted or listed (where the approval of such other stock exchange is required), and such other regulatory authorities as may be necessary.

For the purposes of Rule 121.1(a), the opinion of the Committee as to whether any modification or alteration would adversely alter the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Rule 121.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

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121.2 Notwithstanding anything to the contrary contained in Rule 121.1, the Committee, in its absolute discretion, may at any time by resolution (and without other formality, save for the prior approval of the Singapore Exchange or any other stock exchange on which the Shares are quoted or listed (where the approval of such other stock exchange is required)) amend or alter the Plan in any way to the extent necessary to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including any amendment or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the Singapore Exchange or any other stock exchange on which the Shares are quoted or listed).

121.3 Written notice of any modification or alteration made in accordance with this Rule 121 shall be given to all Participants.

132. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant (being a Group Executive) shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

143. DURATION OF THE PLAN

143.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Commencement Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

143.2 The Plan may be terminated at any time by the Committee in its absolute discretion or, at the discretion of the Committee, by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.

143.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

154. TAXES

All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

165. COSTS AND EXPENSES OF THE PLAN

165.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the ~~issue and~~ allotment and issue or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a CDP Depository Agent or CPF investment account with a CPF agent bank.

165.2 Save for the taxes referred to in Rule 154 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue or transfer of Shares pursuant to the Release of any Award shall be borne by the Company.

176. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Company and the Company's directors and employees shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on the Singapore Exchange in accordance with Rule 7.2.3 (and any other stock exchange on which the Shares are quoted or listed).

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186A. DISCLOSURE IN ANNUAL REPORTS

The following disclosures or appropriate negative statements (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation and for so long as such disclosures are required to be made by the rules of any stock exchange on which the Company is listed or any other applicable laws:

- (a) the names of the members of the Committee administering the Plan;
 - (b) in respect of the following Participants of the Plan:
 - (i) Directors of the Company; and
 - (ii) Participants (other than those in paragraph (i) above) who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent five (5) per cent. or more of the aggregate of:
 - (1) the total number of new Shares available under the Plan; and
 - (2) the total number of existing Shares delivered pursuant to the Release of Awards under the Plan,
- the following information:
- (aa) the name of the Participant; and
 - (bb) the following particulars relating to Awards Released under the Plan:
 - (i) the number of new Shares issued to such Participant during the financial year under review; and
 - (ii) the number of existing Shares transferred to such Participant during the financial year under review; and
 - (c) in relation to the Plan, the following particulars:
 - (i) the aggregate number of Shares comprised in Awards granted under the Plan since the commencement of the Plan to the end of the financial year under review;
 - (ii) the aggregate number of Shares comprised in Awards which have Vested under the Plan during the financial year under review and in respect thereof, the proportion of:
 - (1) new Shares issued; and
 - (2) existing Shares transferred and, where existing Shares were purchased for delivery, the range of prices at which such Shares have been purchased,
- upon the Release of the Vested Awards granted under the Plan; and
- (iii) the aggregate number of Shares comprised in Awards granted under the Plan which have not been Released, as at the end of the financial year under review.

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197. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

2018. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting grants of Awards in accordance with the Plan, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

2119. EXCLUSION OF THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by virtue of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

22. COLLECTION, USE AND DISCLOSURE OF PERSONAL DATA

For the purposes of implementing and administering the Plan, and in order to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines, the Company will collect, use and disclose the personal data of the Participants, as contained in each Award Letter and/or any other notice or communication given or received pursuant to the Plan, and/or which is otherwise collected from the Participants (or their authorised representatives). By participating in the Plan, each Participant consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company and/or third parties who provide services to the Company (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Participant also warrants that where he discloses the personal data of third parties to the Company in connection with this Plan, he has obtained the prior consent of such third parties for the Company to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Participant shall indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Participant's breach of this warranty.