

HKT LIMITED (“HKT” or the “Company”)
(incorporated in the Cayman Islands with limited liability)
(together with the HKT Trust (Stock Code: 6823))

REGULATORY COMPLIANCE COMMITTEE

TERMS OF REFERENCE

Revised and Approved by the Board of Directors of the Company on 27 February 2012

Constitution

1. The Board of the Company (the “Board”) resolved on 11 October 2011 to establish a committee of the Board known as the Regulatory Compliance Committee (the “Committee”) with effect from the listing date of the HKT Trust and the Company.

[Note for clarification: With effect from the listing date of the HKT Trust and the Company in November 2011, this Committee took over the work of the PCCW Regulatory Compliance Committee (which was originally established on 13 October 2000) with respect to telecommunications matters.]

Objective and Role

2. The primary objectives of the Committee are to:
 - (a) ensure that all dealings of the HKT Group with the Hutchison Whampoa Group, the Cheung Kong Group and the Hong Kong Economic Journal Company Limited (“HKEJ”) are on arm’s-length terms;
 - (b) monitor HKT’s relationship with Hutchison Whampoa Limited (“HWL”) and Cheung Kong (Holdings) Limited (“CKHL”), the relationship between HKT and Metro Broadcast Corporation Limited (“Metro”), the relationship between HKT and TOM Group Limited (formerly known as TOM.COM Limited) (“TOM”), and the relationship between HKT and HKEJ in order to ensure that each of HKT, HWL, CKHL, Metro, TOM and HKEJ and their respective associates are not engaged in any anti-competitive conduct, being conduct that in the reasonable opinion of the Broadcasting Authority has the purpose or effect of preventing, distorting or substantially restricting competition in a television program service market as provided in section 13 of the Broadcasting Ordinance; and
 - (c) ensure the Company’s general compliance with regulatory obligations.

Membership

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

Attendance at Meetings

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

Frequency of Meetings

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

Authority

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

Duties

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

Meeting Procedures

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

Reporting Procedures

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

Frequency of Review

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