



# Corporate Ethics Policy

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**Beam Communications Holdings Limited Policy No. 14**

**Date of Adoption: 28 May 2015,  
amended 22 November 2018 (company name change).**

# Beam Communications Holdings Limited

## Corporate Ethics Policy

### 1. Overview

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- (a) Beam Communications Holdings Limited (**Company**) is committed to the highest level of integrity and ethical standards in all business practices. Corruption and bribery in all forms are strictly prohibited by the Company. Employees must conduct themselves, at all times, in a manner consistent with Company policy, community expectations and in compliance with state, federal and international legislation.
- (b) This Corporate Ethics Policy (**Policy**) has been formally approved by the Board of Directors (**Board**) and outlines how the Company expects its employees to behave when conducting business both in Australia and internationally. Corruption and bribery in business practices are universally condemned and governments around the world have introduced strict laws and penalties in combating the issue.
- (c) The objective of this Policy is to:
  - (i) provide a universal expectation for business behaviour throughout the Company; and
  - (ii) support the business reputation and corporate image of the Company within the community; and
  - (iii) ensure that the legislative importance of complying with anti-corruption practices is understood; and
  - (iv) make directors and employees aware of the consequences if they breach the policy.
- (d) This Policy forms part of a broader business conduct strategy which includes such policies as the Code of Conduct and the Securities Trading Policy, and therefore should be read in conjunction with these measures.

### 2. Application

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This Policy applies to:

- (a) all directors and officers of the Company (including the chief executive officer (**CEO**));
- (b) all direct reports to the CEO (senior executives);
- (c) all employees, including temporary employees and contractors, of the Company and its subsidiaries (collectively, **Employees**); and
- (d) any customers, suppliers and related parties who are involved in any Company-related business activities in Australia and overseas.

Responsibility lies with every person covered by this Policy to conduct themselves in accordance with this Policy and the law when engaged in business-related activities and practices.

### 3. Bribery and corruption

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- (a) In Australia, bribery is prohibited in *The Criminal Code 1995 (Cth) (Code)* – specifically, Division 141, *Bribery*, and Division 70, *Bribery of foreign public officials*.
- (b) Generally, a person is guilty of giving a bribe if:
  - (i) the person dishonestly:
    - (A) provides a benefit to another person; or
    - (B) causes a benefit to be provided to another person; or
    - (C) offers to provide, or promises to provide, a benefit to another person; or
    - (D) causes an offer of the provision of a benefit, or a promise of the provision of a benefit, to be made to another person; and
  - (ii) the person does so with the intention of influencing a public official (who may be the other person) in the exercise of the official’s duties as a public official.

The above also applies to giving a *corrupting benefit* to a Commonwealth public official. A benefit is defined in the Code as *any advantage and is not limited to property*.

- (c) Division 70, *Bribery of a foreign official*, extends the same meaning to bribery, with the addition of a person being guilty if the benefit was:
  - (i) not legitimately due to the other person; and
  - (ii) the person extending the benefit did so with the intention of influencing the foreign public official (who may be the other person) in the exercise of the official’s duties as a foreign public official in order to:
    - (A) obtain or retain business; or
    - (B) obtain or retain a business advantage that is not legitimately due to the recipient, or intended recipient, of the business advantage.

### 4. International Obligations

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- (a) Internationally, anti-corruption and bribery legislation is and has been strictly enforced. The UK Bribery Act, US Foreign Corrupt Practices Act and legislation in many Asian countries have wide-ranging effects and penalties for any businesses which operate within their respective jurisdictions.
- (b) The UK Bribery Act, for example, has extended its corporate reach even further and extends to any company, irrespective of its place of incorporation, which carries on any business in any part of the United Kingdom or its territories.

The UK Bribery Act has far reaching consequences for Australian companies with any connection to the UK.

The Act may have serious implications for Australian companies that have any demonstrable business presence in the UK – including conducting business with a subsidiary of a UK incorporated company.

The offence of failing to prevent bribery by Australia companies that carry on “part” of their business in the UK will be caught by the Act.

- (c) The Company is committed to ensuring that all employees conduct business activities in compliance with this Policy and with the law in Australia and internationally.
- (d) The Company is committed to delivering responsible and sustainable business practices and all Employees must be aware of their obligations when conducting business activities.

#### **FACILITATION PAYMENTS**

Facilitation payments are classified as a defence (s 70.4 of the Code) to offences relating to the bribery of a foreign official in Division 70 of the Code. A facilitation payment is defined as an unofficial payment to a foreign official of which the value is very minor in nature. Usually, such payments are made to expedite or secure the performance of a routine government action, which again, is of a very minor nature, and for which the company or person is entitled to receive the action or service. A routine government action is an action of a foreign public official that:

(a) is ordinarily and commonly performed by the official; and

(b) is covered by any of the following subparagraphs:

- granting a permit, licence or other official document that qualifies a person to do business in a foreign country or in part of a foreign country;
- processing government papers such as a visa or work permit;
- providing police protection or mail collection or delivery;
- scheduling inspections associated with contract performance or related to the transit of goods;
- providing telecommunications services, power or water;
- loading and unloading cargo;
- protecting perishable products, or commodities, from deterioration; and
- any other action of a similar nature.

However, the above actions must not involve a decision or encourage a decision about:

- whether to award new business; or
- whether to continue existing business with a particular person; or
- the terms of a new or existing business

Facilitation payments must be recorded by the payer and the record must detail:

- the value of the benefit concerned; and
- the date on which the conduct occurred; and
- the identity of the foreign public official in relation to whom the conduct occurred; and
- particulars of the routine government action that was sought to be expedited or secured by the conduct; and
- the person's signature or some other means of verifying the person's identity.

This explanation of facilitation payments only extends to the law as it stands in Australia. International legislation would need to be consulted in order to understand the status of facilitation payments in individual jurisdictions. The UK Bribery Act, for example, contains no exception in relation to facilitation payments.

## **5. Facilitation payments**

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- (a) A facilitation payment is defined as an unofficial payment to a foreign official of which the value is very minor in nature. Usually, such payments are made to expedite or secure the performance of a routine government action, which again, is of a very minor nature, and for which the Company or person is entitled to receive the action or service.
- (b) Facilitation payments are discouraged, however, they may be allowable in a limited number of unavoidable circumstances. Such payments can only be made:
  - (i) with the authority of the Board; and
  - (ii) when made to expedite or secure the performance of a routine government action; and
  - (iii) if it does not involve or encourage the making of a decision in regards to the establishment, furtherance or terms of a new or existing business; and
  - (iv) it is in compliance with Australian and local laws; and
  - (v) if it is duly recorded as per section 70.4 (3) of the Code.

## **6. What to do if you suspect the Policy has been breached**

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### **6.1 Reporting channels**

- (a) You are encouraged to report to your manager any behaviour or situation which you believe breaches or potentially breaches this Policy, or the law.
- (b) Alternatively, you can report unacceptable behaviour through any of the following channels:
  - (i) Chair
  - (ii) Chief Executive Officer
  - (iii) Company Secretary.
- (c) Managers to whom potential breaches are reported should discuss the issue with the Company Secretary who will assess the appropriate action to be taken in response to the report.

### **6.2 Whistleblower protection**

- (a) The Company is committed to ensuring that you are not disadvantaged or discriminated against for reporting unacceptable behaviour in good faith.
- (b) For full details, please see the Company's Whistleblower's Policy.

### **6.3 Investigations**

- (a) Preliminary investigations of reported breaches are administered by the Company Secretary.
- (b) If a breach of the Policy is found to have occurred, a formal investigation process is administered by **the Company Secretary** in consultation with the supervisor or manager of the offending person.

- (c) In the investigation process, all employees are expected to cooperate with the directions of **the Company Secretary**.

## **7. Reporting Obligations**

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Within 30 days of the receipt:

- (a) by a person to whom this policy applies;
- (b) of any corporate entertainment, concession, gift or other gratuity reasonably estimated to be of a value greater than \$250, that is to be retained or enjoyed by that individual personally, that person is to provide details of that entertainment, gift or gratuity to the Company's CEO or CFO, or if the relevant recipient is the CEO or CFO then to the Company's Chairman.

## **8. Consequences of breaching the Code**

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- (a) Breaches of the Policy and relevant anti-corruption and bribery laws have serious consequences for both the person concerned and the Company.
- (b) Breaches of this Policy are regarded as serious and will be subject to appropriate sanctions.
- (c) Any person who is suspected of breaching this Policy may be suspended from attending the workplace on full pay pending the outcome of investigations into the alleged breach.
- (d) Any person who is proven to have breached this Policy could face disciplinary action (including suspension or termination of employment).
- (e) The Company reserves the right to inform the appropriate authorities where it is considered that there has been criminal activity or an apparent breach of the law.

## **9. Who to contact**

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- (a) Any Employee who has queries about this Policy should contact **the Company Secretary or the Chief Executive Officer**.
- (b) If you have any suggestions to improve the bribery prevention procedures and controls, please raise those suggestions with *your Manager or the Company Secretary* or use the Whistleblowing process.

## **10. Control**

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### **10.1 Amendments**

This Policy can only be amended by the Board.

### **10.2 Approval**

This Policy and any amendment to it must be approved by the Board.