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Anti-Bribery and Corruption Policy

Introduction

SmartSat is committed to conducting its business in a fair and ethical way, without using unlawful practices to obtain unfair advantages in our business dealings.

SmartSat operates in an economy in which business ethics play an increasingly important role. Bribery and corruption are unacceptable ways of conducting business. Bribes and corrupt practices are morally unacceptable, as they harm societies in which these acts are committed and prevent economic growth and development.

They are also illegal in most countries around the world. As a national organisation, we must ensure that we comply with the laws of Australia as well as the laws of all the countries in which we have staff members or representatives of SmartSat travel to. Any SmartSat director, officer or staff member, or any person performing services on behalf of SmartSat, who engages in bribery or corrupt practices risks severe consequences for both the Company and the individual, such as prosecution, fines, imprisonment and reputational damage.

The SmartSat Board of Directors ("the Board") considers compliance with Anti-Bribery & Corruption (ABC) laws to be not only a legal requirement, but a reflection of the Company's strong business ethics. The Board is committed to this ABC Policy which will be communicated to all SmartSat staff members and business associates working on our behalf. Any breach of the ABC Policy will be regarded as a serious matter and may result in disciplinary action, dismissal or termination of contract.

The ABC Policy is designed to help you to recognise potential bribery and corruption issues, to give you guidance on acceptable and unacceptable behaviour and to tell you where to go for further information.

1. References

This policy should be reviewed in conjunction with the following documents:

- Policy – Code of Conduct

2. Application

- This policy applies to SmartSat and its subsidiaries, its directors, officers and staff members ("staff members") and any sub-contractors or other third parties engaged to provide services on behalf of SmartSat.
- The ABC Policy is based on internationally accepted best practice guidelines and applies in all jurisdictions where SmartSat does business. The ABC Policy must be adhered to in all SmartSat business dealings and transactions in all countries in which SmartSat, our staff members and Business Associates travel to. It applies to all transactions with domestic or foreign government / public officials and transactions with private companies or persons.
- All of SmartSat's staff members are individually responsible for complying with the ABC

Policy and any breach may lead to disciplinary action, dismissal or termination of contract.

- The ABC Policy will be communicated to all staff members within SmartSat and its related stakeholders.
- This policy applies to everyone who works for SmartSat including permanent and temporary staff members, consultants and sub-contractors.

3. Expectations

- SmartSat will not engage in bribery or corruption in any form, whether it involves individuals or companies in the public or private sector.
- SmartSat will not directly or indirectly accept, request, agree to receive, promise, offer or give a bribe.
- SmartSat will comply with all applicable anti-bribery and corruption laws in Australia and all other jurisdictions in which it operates.
- SmartSat will not permit its sub-contractors or any other third parties to pay bribes on its behalf.

SmartSat prohibits any act of bribery or corruption and applies a "zero tolerance" approach to violations of the ABC Policy by staff members. Any breach will be treated seriously and may result in disciplinary action, dismissal or termination of contract.

All SmartSat business activities must be conducted in full compliance with the ABC Policy and all applicable anti-bribery and corruption laws including, but not limited to, the Commonwealth of Australia Criminal Code Act 1995.

To the extent that laws and regulations in any countries in which SmartSat works with are more rigorous or restrictive than this ABC Policy, those laws and regulations should be followed.

4. Definitions

Bribery is:

The offering, promising, giving, requesting or accepting;

- of a payment, inducement, or reward.
- for an act or omission which is illegal, unethical or a violation of internal policies.
- which is given with the intention of obtaining or retaining business, or an advantage in the course of business, or with the intention that the recipient act improperly in some way.

Bribes can be given in many forms and do not necessarily involve payments of cash. A bribe could be, for example but not limited to:

- Kickbacks - where a percentage from a contract is improperly returned to the person awarding that contract.
- Facilitation payments or "grease" payments - usually small, non-discretionary payments to government / public officials to speed up routine administrative processes.
- Inflated commissions - where higher than normal commissions are paid as a reward for

improper behaviour.

- Political or charitable donations - can be used as bribes, e.g. donating to a political party in exchange for their support for legislation that is favourable to SmartSat's business or to a charity which is used to funnel money to local government officials.
- Excessive or inappropriate entertainment - can be used to influence business contacts.
- Expensive gifts - can be given to influence the recipient.

It is an offence for companies or individuals to directly or indirectly bribe another person, receive a bribe or bribe a foreign government official.

To "indirectly bribe another person" involves offering or giving something of value to a third party acting on your behalf, knowing or intending that the third party will go on to bribe another.

It is unlawful to offer a bribe, regardless of whether the offer is accepted, or the benefit gained. Corruption is the misuse of public office or power for private gain.

5. Gifts, Prizes and Hospitality

SmartSat Code of Conduct permits SmartSat staff members to accept invitations to reasonable corporate events that will help encourage good working relationships between SmartSat and its stakeholders and to accept gifts which are of a nominal value and which are consistent with normal business practices and/or local customs.

However:

Staff members must never use gifts or hospitality to improperly influence the business decision-making process or cause others to perceive an improper influence.

Always follow the ABC Policy when giving or receiving a gift or hospitality. The policy explains what is prohibited and permitted and whether you need permission to give or accept gifts or hospitality.

You may only accept a gift or benefit as follows:

- Unsolicited gifts or benefits of an inconsequential or trivial nature (<\$100).
- Where refusal may offend (If the value of a gift accepted is estimated to be >\$100 then it must be brought to the attention of the CEO and recorded on the gift register as a Reportable Gift (Received)).

Any prizes won as a result of conducting official business must be reported to the CEO and become the property of the company.

Where invitations to local sporting, social and cultural functions are offered, care should be taken to ensure that your presence does not imply an inappropriate interpretation of your relationship with the host or preference in your dealing(s) with that person.

You may not accept a gift or benefit as follows:

- Gifts, benefits or hospitality during any period of contract negotiation or where it may give the appearance of undue influence.
- Any form of cash/cheques/vouchers (which may be cashed).

- Discounts or free services, goods, club memberships, travel and / or accommodation costs for yourself or family members, or subscriptions, unless prior approval has been given by the CEO.

You may only provide a gift or hospitality as follows:

- Gifts or hospitality may be given only where appropriate and where there is no risk of creating the perception of influencing the recipient in their decision.
- Gifts must be of minimal value and hospitality must not go beyond what is reasonable. Lavish or inappropriate gifts or hospitality are strictly prohibited.

All gifts or hospitality that is provided, where the value is estimated to be >\$100, must be brought to the attention of the CEO and recorded on the gift register as a Reportable Gift (Given).

The cost of any hospitality or gift must be kept within the limits set out above. Where a proposed gift or hospitality is above the limit, you must seek prior written approval from the CEO or the Chair of the Board. When seeking approval, you should provide details of the intended recipient(s), the purpose of the gift or hospitality and the total value of gifts and hospitality provided to that individual in the last year. The CEO or the Chair must retain a copy of the request and, if granted, their approval.

It is important to consider that a bribe could be made up of many small gifts or many occurrences of providing hospitality over a period.

You must not try to hide improper gifts and hospitality by giving or receiving them through a third party.

The occasional acceptance or offer of modest gifts and hospitality may be a legitimate contribution to good business relationships. There may also be times when refusing to accept gifts or hospitality or declining to provide them would be considered impolite, e.g. where it is local custom. Notwithstanding this, you must comply with the ABC Policy.

You should consider the following questions before accepting or offering a gift or hospitality:

- Could my acceptance or offer lead to an obligation on SmartSat, or imply such an obligation?
- Is this gift or hospitality event a 'reward' for the award or retention of business or a business advantage for SmartSat or its members?
- Does the gift or hospitality seem to be excessive or expensive in any way?
- Am I likely to breach any applicable laws?
- Would I or SmartSat be embarrassed if this gift or hospitality were to be reported in the press?

If the answer to any of these questions is 'yes', the gift or hospitality should not be offered or accepted. If you are in doubt, you should refuse to make or receive the gift or hospitality and/or seek advice from SmartSat's CEO or the Chair.

6. International Governments and Officials

Whenever SmartSat deals with any international governments, government agencies, government or other public officials or public international agencies, our staff members must apply the highest ethical standards and comply with all applicable laws.

- Improper or secret payments or improper transfers of any value made to government officials are prohibited.
- Improper payments or transfers of items of value made through intermediaries, or to a third party, while knowing that all or a portion of the payment will go directly or indirectly to a government official are prohibited.
- No one acting on behalf of SmartSat should exert, or attempt to exert, any improper or illegal influence on government officials.
- If asked to provide information in connection with a government or regulatory agency enquiry, you must always seek advice before responding and then ensure that all information provided is truthful and accurate.

You should take extra care when dealing with government officials. It is against the ABC Policy to bribe any government official anywhere in the world. Most countries in the world have made it an offence to bribe their own government officials; many have also made it an offence to bribe a foreign government official.

A “government official” is defined as:

- an officer or staff member of a government or any department, agency or instrumentality thereof, including anyone who holds a legislative, administrative or judicial position of any kind, whether elected or not, or who exercises a public function for or on behalf of a country or territory or for any public agency or public enterprise of a country or territory (e.g. civil servants, local government and the armed forces).
- an officer, agent or staff member of a “public international organisation”.
- any person acting in an official capacity for or on behalf of any government (or any department, agency or instrumentality thereof) or any public international organisation.
- a staff member of a company or other business entity in which a governmental body has an ownership interest and / or over which such governmental body may, directly or indirectly, exercise a dominant influence (e.g. state-owned commercial enterprises).
- a political party or a member of a political party or a candidate for political office.
- any person known or suspected to be a close family member or associate of any of the above, or companies who are controlled by close family members or associates of any of the above.

7. Red Flags

The following ‘red flags’ are some common indicators of bribery and corruption (note, this list is not exhaustive):

- A request for abnormal cash payments.
- Pressure exerted for payments to be made urgently or ahead of schedule.

- Requests for commission payments which do not match the level of services being provided by Business Associates.
- Payments being made through unrelated third parties / offshore countries / family members.
- Expensive gifts being given or received.
- Abuse of the decision-making process or delegated powers in specific cases.
- Invoices being agreed to in excess of contractual terms without reasonable cause.
- Missing documents or records regarding meetings or decisions.
- Internal procedures or guidelines not being followed.

8. Consequences

If you fail to follow the ABC Policy, you put yourself, your colleagues and SmartSat at risk, and your act or omission may result in disciplinary action, dismissal or termination of contract. In addition, you and SmartSat could be committing a serious criminal or civil offence, which may result in a large fine for SmartSat, confiscation of assets and imprisonment or a fine for you and anyone else involved.

Many businesses have faced sanctions in the past for offences such as found records and for misleading auditors. If a bribe is described as a "consultancy payment", this could constitute an offence, leading to significant fines for SmartSat.

9. Documentation and Record Keeping

SmartSat must maintain accurate books and records.

Accurate and complete records of all business transactions must be kept:

- In accordance with generally accepted accounting principles and practices.
- In accordance with SmartSat accounting and finance policies.
- In a manner that reasonably reflects the underlying transactions and events.

It is the responsibility of all staff members to ensure that all business transactions are recorded honestly and accurately and that any errors or falsification of documents are promptly reported to the appropriate member of the senior management team of the relevant SmartSat entity, and corrected.