



Remuneration Policy

Beam Communications Holdings Limited Policy No. 04

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

Beam Communications Holdings Limited

Remuneration Policy

1. Senior Executive Remuneration Policy

1.1 Elements and Purpose

- (a) Beam Communications Holdings Limited (**Company**) is committed to remunerating its senior executives in a manner that is market competitive and consistent with best practice as well as supporting the interests of shareholders. The Company aims to align the interests of its senior executives with those of shareholders by remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration.
- (b) Consequently, senior executives' remuneration consists of the following elements:
 - (i) fixed salary;
 - (ii) short-term incentive bonus based on performance;
 - (iii) long-term incentive share /option scheme; and
 - (iv) other benefits including superannuation.
- (c) Remuneration packages are reviewed annually.

1.2 Fixed Salary

The salary of senior executives is determined from a review of the market and reflects core performance requirements and expectations. In addition, the Company considers the following when determining an appropriate level of remuneration for a senior executive:

- (a) the scope of the individual's role;
- (b) the individual's level of skill and experience;
- (c) the Company's legal and industrial obligations;
- (d) labour market conditions; and
- (e) the size, performance and complexity of the Company's business.

1.3 Performance Bonus

- (a) The purpose of the performance bonus is to reward actual achievement by the individual of performance objectives and his or her contribution to materially improved Company performance.
- (b) Consequently, performance-based remuneration is paid where a clear contribution to successful outcomes for the Company is demonstrated and the individual attains and excels against pre-agreed key performance indicators during a performance cycle.

1.4 Long-Term Incentives

- (a) The Company has a share/option scheme that has been approved by shareholders in which senior executives may participate. The number of shares and options issued from time to time under the scheme is reasonable in relation to the existing capitalisation of the Company and all payments under the scheme are made in accordance with thresholds set in plans approved by the Board.
- (b) Options are granted annually to senior executives; however, at each vesting date of the options, the senior executive's performance is reviewed against their key performance indicators (**KPIs**) to ensure that his/her performance is such that it is appropriate that the options vest.

1.5 Other Benefits

Senior executives are entitled to statutory superannuation and some are entitled to use a fully maintained motor vehicle.

1.6 Termination Payments

Senior executives may be entitled to a payment upon termination of employment from the Company. Where so entitled, the termination payment has been agreed in the senior executive's contract of employment and it is not payable where termination of employment is for misconduct or, obviously, where an employee chooses to resign.

2. Non-Executive Director Remuneration Policy

2.1 Fees

- (a) Non-executive Directors are paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of non-executive Directors.
- (b) The sum each non-executive Director is paid is determined by the Board from time to time.
- (c) No additional fees are paid for participation on Board Committees; and the total fees paid to non-executive Directors are kept within the total amount approved by shareholders.

2.2 Performance-Based Bonus

Non-executive Directors do not receive performance-based bonuses.

2.3 Non-Executive Director Superannuation

There are no schemes for retirement benefits for non-executive Directors.

2.4 Long-Term Incentives

- (a) The Company has a share/option scheme that has been approved by shareholders in which, subject to shareholder approval, non-executive Directors may participate.
- (b) Options may be granted annually to non-executive Directors, as the Board deems appropriate and as shareholders approve at the Company's annual general meeting.

2.5 Other Benefits

Non-executive Directors have their indemnity insurance paid for by the Company.

2.6 Remuneration Received by Directors

The maximum aggregate amount of remuneration payable to non-executive Directors was approved by shareholders in August 2007 and is currently \$500,000.

3. Expected Outcomes of the Remuneration Structures

In accordance with the *Executive Share and Option Scheme Guidelines* (IFSA Guidance Note No. 12) (Investment and Financial Services Association, 2000), the Company expects that its remuneration structures will align the interests of executives, non-executive Directors and shareholders by seeking to increase the performance of the Company through set performance criteria for incentive programs linked with real improvement.

4. Discretion Exercised by the Board

- (a) The Board exercises discretion in relation to the payment of bonuses, stock options and other incentive payments.
- (b) Where the Board exercises its discretion, it is based on the review of the executive's performance as well as the performance of the Company as a whole.