



PharmX Technologies Limited
ABN 25 000 091 305

Whistleblower Policy

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1. Introduction

The purpose of this **Whistleblower Policy** (the **Policy**) is to ensure employees and other Whistleblowers can raise concerns regarding any misconduct, improper state of affairs or improper circumstances in any way relating to PharmX Technologies Limited and its subsidiaries (the **Company**), without being subject to victimisation, harassment or discriminatory treatment.

The Company is committed to the highest standards of conduct and ethical behavior across all business activities. This policy promotes and supports a culture of ethical behavior, corporate compliance and good corporate governance. This Policy:

- (a) encourages disclosure of an issue if a Whistleblower reasonably believes there has been wrongdoing;
- (b) sets out the ways in which a disclosure can be made;
- (c) outlines how the Company will deal with a disclosure; and
- (d) details the protections available to Whistleblowers.

2. To Whom does this Policy apply?

This Policy applies to **Whistleblowers**, which means anyone who is, or was, any of the following:

- (a) a current or former officer, director or employee of the Company;
- (b) a contractor or supplier of goods and services to the Company, or their current and former employees;
- (c) an “associate” (as that term is defined in the Corporations Act 2001) of the Company; or
- (d) a family member of an individual mentioned above.

3. Disclosable Matters

Any misconduct, improper state of affairs or improper circumstances, that a Whistleblower has reasonable grounds to suspect has occurred in relation to the Company, should be reported in accordance with this Policy. Such disclosable matters include any conduct that is:

- (a) dishonest, fraudulent, or corrupt;
- (b) illegal;
- (c) unethical;
- (d) abuse of authority;
- (e) grossly negligent;
- (f) contrary to workplace health and safety practices or poses a serious risk to the health and safety of any person at the workplace;
- (g) in breach of the Company’s policies;
- (h) misconduct in respect of the Company’s tax affairs;
- (i) a danger, or represents a danger to the public, the environment and/or the Government; or
- (j) any other conduct that may cause loss or be otherwise detrimental to the interests of the Company.

It is not necessary for a disclosable matter to involve a contravention of any particular law.

4. Incorrect Disclosures

A Whistleblower can still qualify for protection under this Policy even if the information disclosed turns out to be incorrect.

5. Exclusion of Work-related Grievances

This Policy does not apply to personal work-related grievances. Such grievances should be reported to your manager, or Human Resources representative.

A personal work-related grievance means a grievance or dispute about any matter in relation to the Whistleblower's employment or former employment that has or (tends to have) implications for the Whistleblower's personal interests but does not have any significant implication for the Company or relate to any conduct about a disclosable matter. For example, an interpersonal conflict between employees, or a decision in relation to the employee's employment or engagement, such as a transfer, promotion or disciplinary action.

6. Responsibility to Report

It is an expectation of the Company that a Whistleblower who becomes aware of any conduct that involves a disclosable matter will make a report to disclose the conduct.

7. How to make a Report

Overview

There are a range of internal and external reporting options.

A Whistleblower may make a report anonymously. A Whistleblower can choose to remain anonymous while making a disclosure, over the course of the investigation and after the investigation is finalised. A Whistleblower can also refuse to answer any questions that they feel could reveal their identity.

Should a Whistleblower have any questions or concerns in relation to the making of a report, the Company recommends the Whistleblower seeks independent legal advice (at the Whistleblower's own cost) or speaks to the Company's Chief Executive Officer or Audit Committee Chairman.

Internal reporting

To assist the Company in promptly identifying and addressing wrongdoing, Whistleblowers should first report any matters of concern to an eligible recipient.

Eligible recipients in relation to the Company are the Company's:

- (a) Executive officers;
- (b) Directors;
- (c) senior managers; or
- (d) external auditors.

Reports to an eligible recipient must be:

- (a) made in person;
- (b) in writing; or
- (c) by telephone.

The Whistleblower must disclose to the eligible recipient that he or she is making a disclosure in accordance with this Policy.

An email address has been set up to allow whistleblowers to report any matters of concern directly to the Audit Committee Chairman. The email address is: yourvoice@pharmx.com.au

External reporting

In the event the Whistleblower considers internal reporting to be inappropriate, the Whistleblower can make a report to the Australian Securities and Investments Commission, the Australian Prudential Regulation Authority and other Commonwealth bodies prescribed by regulation (refer to Appendix 1 for contact details and examples of other bodies).

Public interest disclosures and emergency disclosures

A Whistleblower may make a disclosure to a journalist or parliamentarian if the disclosure is a “public interest disclosure” or an “emergency disclosure”.

It is incumbent on the Whistleblower to understand the requirements under the *Corporations Act 2001* (Cth) to make a “public interest disclosure” or an “emergency disclosure”, including for example that a prior disclosure must have been made to the Australian Securities and Investments Commission, the Australian Prudential Regulation Authority or other prescribed body and that 90 days must have passed since the previous disclosure in the case of a “public interest disclosure”.

The Company recommends that a Whistleblower seeks independent legal advice (at the Whistleblower’s own cost) before making a “public interest disclosure” or an “emergency disclosure”.

8. Support and Protections for Whistleblowers

Protection from detrimental acts

A Whistleblower will not be subject to any civil, criminal or disciplinary action for making a report that is covered by this Policy or for participating in any subsequent investigation into the report. However, this Policy does not protect a Whistleblower in respect to any improper conduct or illegal activities in which the Whistleblower has participated. No employee, officer or contractor of the Company may cause or threaten any detriment to the Whistleblower because the Whistleblower has made or proposes to make a report, or because of the content of any such report or proposed report. Conduct that may be detriment includes:

- (a) dismissal;
- (b) injury of an employee in their employment;
- (c) alteration of an employee’s position or duties to their disadvantage;
- (d) discrimination, harassment or intimidation;
- (e) harm or injury including psychological harm;
- (f) damage to property, reputation or business or financial position; or
- (g) any other conduct that constitutes retaliation.

Examples of how the Company may protect a Whistleblower from detrimental acts include:

- (a) assess the risk of potential detriment against a Whistleblower which will commence as soon as possible after receiving a disclosure and take all reasonable steps to reduce the risks;

- (b) provide support services (including counselling services) to Whistleblowers;
- (c) conduct training for management to ensure relevant managers are aware of their responsibilities to maintain the confidentiality of a disclosure to the extent practicable, address the risks of isolation or harassment of Whistleblowers, manage conflicts, and being fair when managing the performance of, or taking other management action relating to, a Whistleblower; and
- (d) if a Whistleblower believes he or she has suffered detriment, he or she can lodge a complaint to the Audit Committee Chairman of the Company.

Anonymity

Except as described below, it is illegal for any person to reveal the identity of the Whistleblower or disseminate information that is likely to lead to the identification of the Whistleblower. A Whistleblower can make a written complaint about a breach of anonymity to the Company's Audit Committee Chairman. A complaint could also be lodged with a regulator such as the Australian Securities and Investments Commission or the Australian Prudential Regulation Authority.

A Whistleblower's identity may be revealed in the following circumstances:

- (a) where the information is disclosed to the Australian Securities and Investments Commission, the Australian Prudential Regulation Authority or the Australian Federal Police;
- (b) where the information is disclosed to the Australian Commissioner of Taxation if the report concerns the Company's tax affairs;
- (c) where the information is disclosed to a legal practitioner for the purpose of obtaining legal advice in relation to the operation of applicable whistleblowing protection laws;
- (d) to a person or body prescribed by the regulations; or
- (e) with the consent of the Whistleblower.

Information contained in a disclosure may be revealed with or without the Whistleblower's consent if:

- (a) the information does not include the identity of the Whistleblower;
- (b) all reasonable steps have been taken to reduce the risk that the Whistleblower could be identified from the information; and
- (c) it is reasonably necessary for the investigation.

Examples of steps the Company will take to reduce the risk of the identity of the Whistleblower being breached include the following:

- (a) all personal information or reference to the Whistleblower witnessing an event will be redacted;
- (b) the Whistleblower will be referred to in a gender-neutral context;
- (c) where possible, the Whistleblower will be contacted to help identify certain aspects of their disclosure that could inadvertently identify them;
- (d) access to all information relating to a disclosure will be limited to those directly involved in managing and investigating the disclosure;
- (e) all paper and electronic documents and other materials relating to disclosures will be stored securely; and
- (f) each person who is involved in handling and investigating a disclosure will be reminded about the confidentiality requirements, including that an unauthorised disclosure of a Whistleblower's identity may be a criminal offence.

Protections under Australia's whistleblower laws

A Whistleblower who makes a report in accordance with this Policy may be afforded protections under Australia's whistleblower laws, being either or both of the laws contained in Part 9.4AAA of the *Corporations Act 2001* (Cth) and Part IVD of the *Taxation Administration Act 1953* (Cth).

Australia's whistleblower laws also protect some types of disclosures made to external parties such as to legal representatives, the Australian Securities and Investments Commission, the Australian Prudential Regulation Authority, the Commissioner of Taxation, members of parliament or journalists. Any person who is a whistleblower under Australia's whistleblower laws must be treated in accordance with, and is entitled to, the protections afforded by this Policy.

A Whistleblower may seek compensation and other remedies through the courts if he or she suffers loss, damage or injury because of a disclosure and the Company has failed to take reasonable precautions and exercise due diligence to prevent the detrimental conduct.

However, a disclosure that is not about "disclosable matters" under the *Corporations Act 2001* (Cth) do not qualify for protection under Australia's whistleblower laws.

9. How a Report will be investigated

When a report is made under this Policy, the eligible recipient will forward the report to the Company's Audit Committee Chairman.

The Audit Committee Chairman will first determine whether the disclosure falls within the scope of this Policy and whether the report should be investigated. For example, a report that had previously been investigated may not be reinvestigated.

If the Audit Committee Chairman determines that an investigation should take place, the Audit Committee Chairman will appoint an investigator to investigate the report. The investigator may be an internal or external investigator. The investigator may also use an external expert to assist with the investigation. The investigator must have no personal interest in the matter.

The length of an investigation will vary depending on factors such as the nature of the report, the complexity of the matter and the amount of information provided. That said, the Company aims to complete investigations within four to six weeks.

To avoid jeopardising an investigation, a Whistleblower who has made a report under this Policy must keep confidential the fact that a report has been made.

Unless the Whistleblower provides consent to his or her identity being disclosed, the Whistleblower's identity (or information that is likely to lead to his or her identity becoming known) should not be disclosed to the investigator or to any other person. All persons responsible for or involved in an investigation must take all reasonable steps to reduce the risk that a Whistleblower will be identified. The Whistleblower should however appreciate that if they wish for their identity to remain undisclosed that this could hinder a proper and thorough investigation being conducted, particularly if the investigator has no means to contact the Whistleblower.

The Company will endeavour to conduct all investigations under this Policy in a fair and timely manner and take reasonable precautions to maintain the confidentiality of the investigation.

Where practicable the investigator should provide any person who has been adversely mentioned in a report, an opportunity to respond to allegations against the person. The investigator may also provide updates to the Whistleblower (including an update to inform the Whistleblower of the commencement and finalisation of the investigation).

The outcome of the investigation must be reported to the Board of the Company and may be reported to the Whistleblower and any persons affected as the Audit Committee Chairman considers appropriate.

10. Support of persons implicated

No action will be taken against employees or officers of the Company who are implicated in a disclosure until an investigation has determined whether any allegations against them are substantiated. However, an employee or officer who is implicated may be temporarily stood down without loss of pay whilst an investigation is in progress. Where an investigation finds that the allegations are not substantiated then the employee or officer may be reinstated on full duties.

Examples of support for individuals implicated in a report include:

- (a) disclosures and investigations will be handled confidentially, to the extent practicable and appropriate in the circumstances;
- (b) to the extent practicable an employee or officer who is the subject of a disclosure will be advised about the subject matter of the disclosure and provided with an opportunity to respond to allegations against the person; and
- (c) an employee or officer who is the subject of a disclosure will have access to the Company's EAP service.

11. Breach of this Policy

Any breach of this Policy will be taken seriously and may result in an officer, employee or contractor of the Company being the subject of a separate investigation and/or disciplinary action, up to and including summary dismissal.

A breach of this Policy may also amount to a civil or criminal contravention under Australia's whistleblower laws, giving rise to significant penalties.

12. Accessibility of this Policy

This Policy will be made available to officers and employees of the Company by making it accessible from the Company intranet and internet.

13. General Provisions

A reference to the Company in this Policy includes a related entity of the Company.

It is a condition of any employment or engagement by the Company that all employees, officers and contractors comply with this Policy. However, this Policy does not form part of any contract between the Company and any person or entity and is not contractually binding on the Company.

14. Policy Amendments

This Policy was adopted by the Board in June 2020.

This Policy will be reviewed on a periodic basis to ensure it is up to date and consistent with legislative requirements. This Policy may be amended, withdrawn or replaced from time to time at the sole discretion of the Company.

Appendix 1

In the event the Whistleblower considers internal reporting to be inappropriate, the Whistleblower can make a report to the Australian Securities and Investments Commission, the Australian Prudential Regulation Authority and other Commonwealth bodies prescribed by regulation (refer to Appendix 1 for contact details and examples of other bodies).

Organisation	Contact Details
Australian Securities & Investments Commission (ASIC)	https://asic.gov.au/
Australian Prudential Regulation Authority (APRA)	Level 12, 1 Martin Place Sydney NSW 2000 P GPO Box 9836 Sydney NSW 2001 T +61 2 9210 3000 F +61 2 9210 3411 For further information and office locations, please see the website: https://www.apra.gov.au/apra-offices
SafeWork Australia (SWA)	P GPO Box 641 Canberra ACT 2601 E info@swa.gov.au For further information and office locations, please see the website: http://www.safeworkaustralia.gov.au