

## Pharmaxis Ltd Whistleblower Policy

### 1. General

The Pharmaxis Ltd Code of Conduct has been developed to reflect the Company's values and set out the high standards of business and personal ethics Pharmaxis requires in the conduct of its business. As employees and representatives of the Company, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

### 2. Reporting responsibility

It is the responsibility of all directors, officers, employees and notified contractors to comply with the Code of Conduct and to report violations or suspected violations in accordance with this Whistleblower Policy.

### 3. Conduct covered by this policy

Please refer to the Company's Code of Conduct, which establishes general standards of conduct for directors, officers and employees. Any unlawful conduct or a violation or suspected violation of the Code of Conduct should be reported in accordance with this policy. Examples of conduct to be reported include:

- dishonest, fraudulent, unethical or corrupt conduct, including bribery, in relation to Pharmaxis Ltd or a customer or supplier of Pharmaxis Ltd
- illegal and/or criminal activity (such as theft, violence, harassment or intimidation, criminal damage to property or other breaches of Australian law)
- failure to comply with any legal or regulatory obligation
- conduct in breach of Pharmaxis policies or Code of Conduct
- conduct that represents danger to Pharmaxis Ltd employees or the public such as unsafe work practices, environmental damage, health risks or abuse of Pharmaxis property or resources
- involves harassment, discrimination, victimisation or bullying, other than personal work-related grievances

### 4. No retaliation

All reasonable steps will be taken to ensure that a discloser who in good faith reports a violation of the Code of Conduct in accordance with this policy will not be subject to harassment, retaliation or adverse employment consequence as a consequence of that reporting. If any of these consequences occur, please immediately contact the Compliance Officer. This policy may not protect the discloser if they are also involved in or connected to the improper conduct or illegal activities that are the subject of a report. An employee that retaliates against someone who has reported a violation in good faith will be subject to disciplinary action up to and including termination of employment.

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Company. Additionally, some laws provide further protection for certain disclosures by people who make them in accordance with the provisions of that legislation. These protections are designed to encourage people to disclose unlawful, improper or unethical behaviour to relevant parties.

## **5. Reporting potential violations**

The Chief Executive Officer, Chief Financial Officer and Directors of the Company should contact the Chairman of the Board for reporting violations of the Code of Conduct or other misconduct. The Chairman will advise the Board and the Compliance Officer of any reports received. Other officers and employees should follow the procedures set forth in this Policy for reporting violations of the Code of Conduct or other misconduct.

The Company encourages an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with in the Company's management team whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code of Conduct to the Company's Compliance Officer (details set out below), who has specific responsibility to investigate all reported violations.

For suspected fraud or securities law violations, or when you are not satisfied or comfortable with following the Company's open door policy, individuals should contact the Company's Compliance Officer directly.

## **6. Compliance officer**

The Company's Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code of Conduct and, at his discretion, shall advise the CEO, the CFO and/or the Audit Committee. He has direct access to the Audit Committee of the Board of Directors and is required to report to the Committee at least annually on his compliance activity. The Company's Compliance Officer is Cameron Billingsley. Mr Billingsley's email address is [Cameron.billingsley@pharmaxis.com.au](mailto:Cameron.billingsley@pharmaxis.com.au) and his telephone details are set out in the Company directory (available on the Pharmaxis intranet). If you are not comfortable speaking with Mr Billingsley or he is unavailable and the matter is urgent, you may contact the Chairman of the Audit Committee, Mr Will Delaat, via email at [willdelaat50@gmail.com](mailto:willdelaat50@gmail.com) or the Company's Chief Financial Officer, Mr David McGarvey whose telephone details are set out in the Company directory (available on the Pharmaxis intranet).

## **7. Accounting and auditing matters**

The Audit Committee of the Board of Directors shall address all reported concerns or complaints regarding Company accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the Committee until the matter is resolved.

## **8. Acting in good faith**

Anyone filing a complaint concerning a violation of the Code of Conduct must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offence.

## **9. Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the discloser or may be submitted anonymously. All reasonable efforts will be made for the identity of the discloser and the details of the reports of violations or suspected violations to be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation and except as required by law or where disclosure is necessary to regulatory authorities, law enforcement agencies or professional advisors. As part of any investigation the Company may be required to disclose information that could lead to your identification, but it will take reasonable steps to reduce this risk. It is also possible that someone might deduce your identity without there having been a breach of confidentiality, if the nature of your report points to one particular individual having made it, or otherwise as a consequence of the nature of the investigatory process.

## **10. Handling of reported violations**

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation. Where deemed necessary, the Company may use or involve external investigators or experts as part of the investigation, either in conjunction with the internal investigator or independently.

To avoid jeopardizing an investigation, a discloser who has made a report under this policy is required to keep confidential the fact that a report has been made (subject to any legal requirements). Where appropriate, the Company will provide feedback to you regarding the investigation's progress and/or outcome (subject to considerations of the privacy of those against whom allegations are made).

Support available for disclosers includes appointing an independent support person from the management team to deal with any ongoing concerns they may have. Use of these support services by a discloser may require the discloser to consent to disclosure of their identity or information that is likely to

lead to the discovery of their identity by that support person.

### **11. Reporting to the Board**

The Board is to be informed of any material incidents reported under this policy.

### **12. Training**

A copy of this policy will be made available on the Company's intranet and website. The CFO will ensure that employees are periodically made aware of their obligations under this policy and that senior management have appropriate training with respect to this policy.

### **13. Review of the policy**

This policy will be reviewed at least every two years to ensure it remains consistent with all relevant legislative requirements, as well as the changing nature of the organisation. This policy may be amended, withdrawn or replaced from time to time.