

WHISTLEBLOWER POLICY

Cronos Australia Limited

ABN 59 629 071 594

(Company)

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1. Introduction and purpose

The Company is committed to promoting and supporting a culture of corporate compliance and ethical behavior. The purposes of this Whistleblower Policy (**Policy**) are to:

- a. encourage employees to raise any concerns and report instances of Reportable Conduct where there are reasonable grounds to support such action, without fear of intimidation, disadvantage or reprisal;
- b. outline the mechanisms for the reporting and investigation of Reportable Conduct;
- c. outline the measures in place to protect a Whistleblower; and
- d. outline the special procedures and protections that apply to Whistleblowers under the Corporations Act and Taxation Administration Act in relation to reporting of possible breaches of the Corporations Legislation or misconduct in relation to the Company's tax affairs (as applicable). Section (6) of this Policy summarises these procedures and protections.

Capitalised terms used in this Policy are defined in the Schedule.

2. Scope

This Policy applies to all Eligible Persons who wish to report Reportable Conduct regarding the Company's activities. This Policy does not deal with staff grievances, which do not constitute Reportable Conduct.

3. What is Reportable Conduct?

It is expected that Eligible Persons will report known, suspected or potential cases of Reportable Conduct. Reportable Conduct means:

- a. conduct that is illegal, unacceptable or undesirable, or the concealment of such conduct. It includes conduct that:
 - i. is against the law or is a failure by the Company to comply with any legal obligation;
 - ii. is unethical or breaches the Company's Policies or Code of Conduct;
 - iii. is dishonest, fraudulent or corrupt;
 - iv. is coercion, harassment, victimisation or discrimination;
 - v. is misleading or deceptive conduct of any kind (including conduct or representations which amount to improper or misleading accounting or financial reporting practices either by, or affecting, the Company);
 - vi. is potentially damaging to the Company, an employee, Whistleblower or a third party, including unsafe work practices, environmental damage, health risks or substantial wasting of Company resources;
 - vii. may cause financial loss to the Company or damage its reputation or be otherwise detrimental to the Company; or
 - viii. involves any other serious impropriety; or
- b. information which the Eligible Person has reasonable grounds to suspect indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of any member of the Group or its associates or which may assist the Commissioner of Taxation or an Eligible Tax Recipient to perform his or her functions or duties under taxation law in relation to any member of the Group;

3. What is Reportable Conduct? CONTINUED

- c. concerns misconduct, or an improper state of affairs or circumstances, in relation to any member of the Group; or
- d. indicates that the Company or any of its officers or employees, or any member of the Group or any of its officers or employees has engaged in conduct that:
 - i. constitutes an offence against, or contravention of, a provision of any Corporations Legislation;
 - ii. constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or longer; or
 - iii. represents a danger to the public or the financial system.

Reportable Conduct may not be protected under this Policy to the extent that it relates to a personal grievance about any matter:

- a. relating to the Whistleblower's employment (or former employment, as applicable) having implications for the Whistleblower personally; and
- b. which does not have significant implications for the Company (or any other company) that do not relate to the Whistleblower; and
- c. which does not concern conduct, or alleged conduct, referred to in subclause (a)(ii) of the definition of 'Disclosable Corporate Matters'.

It is important to note that the submission of a false report could have significant effects on the Company's reputation and the reputations of its directors, officers and employees and could also cause considerable waste of resources. Any deliberately false reporting of purported Protected Disclosure will be unable to access any protection or concession under this Policy and will be treated as a serious disciplinary matter.

4. Reporting Reportable Conduct

Eligible Persons can report Reportable Conduct to:

- a. their immediate senior manager;
- b. if the Whistleblower feels unable to raise the Reportable Conduct with their senior manager, one of the Whistleblowers Protection Officers identified below in this section (4) of the Policy;
- c. an auditor, or a member of the audit team conducting the audit, of the Company; and
- d. a director or secretary of the Company (for example, the immediate senior manager of the Whistleblower) or any member of the Group.

Disclosable Corporate Matters may also be reported to:

- a. an actuary of the Company or any member of the Group;
- b. ASIC; or
- c. APRA.

Reports can be submitted to these parties through the respective party's website.

4. Reporting Reportable Conduct CONTINUED

Please see section 6. for more information regarding reporting Disclosable Corporate Matters. Disclosable Tax Matters may also be reported to:

- a. the Commission of Taxation Reports through the ATO website;
- b. a registered tax agent or BAS agent who provides tax agent services or BAS services to the Company;
or
- c. any other employee or officer of the Company who has functions or duties that relate to the tax affairs of the Company.

Please see section 6. for more information regarding reporting Disclosable Tax Matters.

Eligible Persons may also disclose information to a Legal Practitioner only for the purpose of obtaining legal advice or legal representation in respect of the application of the whistleblower regime under the Corporations Act to the Reportable Conduct.

WHISTLEBLOWERS PROTECTION OFFICERS

In addition to the immediate senior manager, directors and auditor of the Company, the Company has also nominated the Company Secretary of the Company as a Whistleblower Protection Officer who can be contacted as follows:

phone: 0418 351 127

email: tom@cronosaustralia.com

post: Cronos Australia Limited
Attn: Tom Howitt,
Suite 8, Level 3, 299 Toorak Road,
South Yarra, Victoria 3141

REPORTING PROTECTED DISCLOSURES ANONYMOUSLY

Protected Disclosures can be made anonymously if preferred by submitting reports directly to the Whistleblower Protection Officer via the contact details set out above.

While the Company will not investigate the identity of a Whistleblower of an anonymous Protected Disclosure, it is the Whistleblower's obligation to manage their anonymity in submitting a Protected Disclosure anonymously, including by expressly stating in their disclosure that the Protected Disclosure is being made on an anonymous basis. Neither the Company, its officers or employees nor the Whistleblower Protection Officer shall be liable if the Whistleblower's identity is, or becomes, readily ascertainable.

If a Whistleblower chooses to disclose Reportable Conduct anonymously, this may hinder the ability of the Company to fully investigate the matter. Accordingly, the Company encourages Whistleblowers to provide contact details to assist in any investigation into the matter.

5. Handling of reports

ROLE OF WHISTLEBLOWER PROTECTION OFFICER

The Whistleblower Protection Officer is responsible for:

- a. coordinating the investigation into any report received from a Whistleblower;
- b. documenting and handling all matters in relation to the report and investigation; and
- c. finalising all investigations.

The Whistleblower Protection Officer will, at all times, have direct and unrestricted access to reasonable financial, legal and operational assistance when this is required for any investigation. If the Whistleblower Protection Officer does not feel that they are capable of undertaking the investigation, that Whistleblower Protection Officer may, with the consent of the Whistleblower, request another Whistleblower Protection Officer to lead the investigation.

TIMELY REVIEW OF REPORTED CONDUCT

All Protected Disclosures will be investigated by a Whistleblower Protection Officer on a timely basis and to the extent possible based on the details provided with the Protected Disclosure. Appropriate corrective action will be taken as warranted by the investigation and as determined by the Board of the Company in its sole discretion.

FAIR TREATMENT

The Company will ensure fair and objective treatment of those mentioned in any disclosure, and to whom such disclosures relate. While the processes and form of investigation to be adopted by the Whistleblower Protection Officer will depend on the substance and nature of each Protected Disclosure, the Whistleblower Protection Officer will take all reasonable steps to initially conduct the investigations independently of the subject of the allegations.

To the extent that a Protected Disclosure is not anonymous, the Whistleblower Protection Officer will endeavour to discuss the investigation process with the Whistleblower.

CONFIDENTIALITY

Protected Disclosures will be kept confidential to the extent possible, subject to legal and regulatory requirements.

The Company and the relevant Whistleblower Protection Officer will not disclose particulars of a Protected Disclosure that would suggest the identity of the Whistleblower without obtaining the Whistleblower's prior consent, subject to any requirements of applicable law. Any such disclosure to which the Whistleblower consents will be made on a strictly confidential basis. While the Company will not disclose the Whistleblower's identity, it may disclose information that may lead to the identification of the Whistleblower if it is reasonably necessary for the investigation of the Reportable Conduct and all reasonable steps are taken to reduce the risk that the Whistleblower will be identified.

Further, your identity, or information likely to identify your identity, may be disclosed without your consent to:

- a. ASIC, APRA, Commissioner of Taxation or a member of the Australian Federal Police in the course of reporting the Protected Disclosure to those authorities; and
- b. a Legal Practitioner to the extent required to obtain legal advice or legal representation in respect of the application of the whistleblower regime under the Corporations Act to the Protected Disclosure.

The Audit and Risk Committee will receive copies of all investigation reports from Whistleblower Protection Officers. Anonymity and confidentiality requirements will be observed by the Audit and Risk Committee.

5. Handling of reports CONTINUED

Please see section 6. for more information regarding the protections available in relation to Disclosable Corporate Matters and Disclosable Tax Matters.

PROTECTION OF FILES AND RECORDS

All files and records created for the investigation will be retained under strict security. The unauthorised release of information without the Whistleblower's consent to any person not involved in the investigation (other than the Audit and Risk Committee) is a breach of this Policy, subject to any requirements of applicable law.

6. Protection of Whistleblowers

GENERAL PROTECTION

Whistleblowers that report Reportable Conduct under this Policy must not be personally disadvantaged by dismissal, demotion, any form of harassment, discrimination or current or future bias or unfavourable treatment as a result of submitting a Protected Disclosure.

If a Whistleblower is subjected to unfavourable treatment as a result of submitting a Protected Disclosure, the Whistleblower should inform a Whistleblower Protection Officer immediately.

The Whistleblower is not, however, protected from civil, criminal, contractual or administrative liability (including disciplinary action) for any of his or her conduct which may be revealed in connection with the Protected Disclosure. However, if the Whistleblower reports such conduct and actively cooperates in the investigation in which they may be implicated, there may be some cases where the fact they have made a report will be taken into account as a mitigating factor when determining actions which may be taken against them.

PROTECTION UNDER THE CORPORATIONS LEGISLATION

The Corporations Act provides additional protections in relations to the reporting of Disclosable Corporate Matters. A disclosure of a Disclosable Corporate Matter by an Eligible Person qualifies for protection under the Corporations Act if:

- a. the report is made to an Eligible Recipient; and
- b. the report is made in respect of a Disclosable Corporate Matter.

Please note that the scope of Disclosable Corporate Matters is more limited than the scope of Reportable Conduct.

If these conditions are met, the Corporations Act provides the following protections to the Whistleblower:

- a. The Whistleblower is not subject to any civil, criminal or administrative liability (including disciplinary action) for making the Protected Disclosure. The Whistleblower is not, however, protected from civil, criminal or administrative liability for any of its conduct, which may be revealed in connection with the Protected Disclosure.
- b. No contractual or other remedy may be enforced or exercised against a Whistleblower as a penalty for making the Protected Disclosure, and a contract to which the Whistleblower is party may not be terminated on the basis that the Protected Disclosure constitutes a breach of the contract.
- c. If the Protected Disclosure is reported to Eligible Corporate Recipients, Journalists or Parliamentary Members in accordance with this Policy, the Protected Disclosure is not admissible in evidence against the Whistleblower in criminal proceedings or in proceedings for the imposition of a penalty, other than proceedings in respect of the falsity of the Protected Disclosure.

6. Protection of Whistleblowers CONTINUED

- d. Anyone who causes, or threatens to cause, detriment to the Whistleblower because of their belief or suspicion that the Whistleblower has made, proposes to make or is entitled to make a Protected Disclosure may be guilty of an offence and liable for damages due to the Whistleblower.
- e. Subject to limited exceptions summarised in this Policy, the person to whom the Protected Disclosure is made must not disclose the substance of the Protected Disclosure, the Whistleblower's identity or information is likely to lead to identification of the Whistleblower.

PROTECTION UNDER THE TAXATION ADMINISTRATION ACT

The Taxation Administration Act provides additional protections in relations to the reporting of Disclosable Tax Matters. A disclosure of a Disclosable Tax Matter by an Eligible Person qualifies for protection under the Taxation Administration Act if:

- a. the Disclosable Tax Matter is reported to the relevant Eligible Recipient; and
- b. the report is in respect of a Disclosable Tax Matter. Please note that the scope of Disclosable Tax Matters is more limited than the scope of Reportable Conduct.

If these conditions are met, the Taxation Administration Act provides the following protections to the Whistleblower:

- a. The Whistleblower is not subject to any civil, criminal or administrative liability (including disciplinary action) for making the Protected Disclosure. The Whistleblower is not, however, protected from civil, criminal or administrative liability for any of its conduct, which may be revealed in connection with the Protected Disclosure.
- b. No contractual or other remedy may be enforced or exercised against a Whistleblower as a penalty for making the Protected Disclosure, and a contract to which the Whistleblower is party may not be terminated on the basis that the Protected Disclosure constitutes a breach of the contract.
- c. If the Disclosable Tax Matter is reported to the Commissioner of Taxation, the Protected Disclosure is not admissible in evidence against the Whistleblower in criminal proceedings or in proceedings for the imposition of a penalty, other than proceedings in respect of the falsity of the Protected Disclosure.
- d. Anyone who causes, or threatens to cause, detriment to the Whistleblower because of their belief or suspicion that the Whistleblower has made, proposes to make or is entitled to make a Protected Disclosure may be guilty of an offence and liable for damages due to the Whistleblower.
- e. Subject to limited exceptions summarised in this Policy, the person to whom the Protected Disclosure is made must not disclose the substance of the Protected Disclosure, the Whistleblower's identity or information is likely to lead to identification of the Whistleblower.

7. Other matters

AMENDMENT OF POLICY

This Policy can only be amended with the approval of the Board.

APPROVAL HISTORY

Approved by the Board on 5 December 2019
Reviewed and updated on 22 April 2021

Schedule

DEFINITIONS

For the purposes of this Policy:

APRA means the Australian Prudential Regulation Authority.

ASIC means the Australian Securities and Investments Commission.

Corporations Act means Corporations Act 2001 (Cth).

Corporations Legislation means the:

- a) Corporations Act;
- b) Australian Securities and Investments Commission Act 2001 (Cth);
- c) Banking Act 1959;
- d) Financial Sector (Collection of Data) Act 2001;
- e) Insurance Act 1973;
- f) Life Insurance Act 1995;
- g) National Consumer Credit Protection Act 2009;
- h) Superannuation Industry (Supervision) Act 1993; and
- i) any instrument made under an Act referred above.

Disclosable Corporate Matter means information:

- a) that the Eligible Person has reasonable grounds to suspect:
 - i. concerns misconduct, or an improper state of affairs or circumstances, in relation to the Company or a Related Body Corporate; or
 - ii. indicates that the Company or any of its officers or employees, or a Related Body Corporate or any of its officers or employees has engaged in conduct that:
 - A. constitutes an offence against, or contravention of, a provision of any Corporations Legislation;
 - B. constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or longer; or
 - C. represents a danger to the public or the financial system; or
- b) prescribed by the Corporations Regulations as a 'disclosable matter' for the purposes of section 1317AA(5) of the Corporations Act.

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Disclosable Tax Matter means:

- a) where the information is to be disclosed to the Commissioner of Taxation, information which the Eligible Person considers may assist the Commissioner of Taxation to perform his or her functions or duties under taxation law in relation to the Company or any member of the Group;
- b) where the information is to be disclosed to an Eligible Tax Recipient, information which the Eligible Person:
 - i. has reasonable grounds to suspect indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of the Company, any member of the Group or their respective associates; and
 - ii. considers may assist the Eligible Tax Recipient to perform his or her functions or duties under taxation law in relation to the Company, any member of the Group or their respective associates.

Eligible Corporate Recipient means:

- a) ASIC; or
- b) APRA; or
- c) a Commonwealth authority prescribed for this purpose under the Corporations Act.

Eligible Person means an individual who is, or has been, any of the following:

- a) an officer of the Company;
- b) an employee of the Company;
- c) an individual who supplies services or goods to the Company (whether paid or unpaid);
- d) an employee of a person that supplies services or goods to the Company (whether paid or unpaid);
- e) an individual who is an associate of the Company;
- f) in relation to Disclosable Tax Matters only:
 - i. a spouse, child, dependent or dependent of a spouse of an individual referred to in any of paragraphs (a) to (e); or
 - ii. an individual whose role or relationship with the Company is prescribed by the Taxation Administration Regulations (from time to time) as being an 'eligible whistleblower';
- g) in relation to Disclosable Corporate Matters only:
 - i. a relative, dependent or dependent of a spouse of an individual referred to in any of paragraphs (a) to (e); or
 - ii. an individual whose role or relationship with the Company is prescribed by the Corporations Regulations (from time to time) as being an 'eligible whistleblower'.

Eligible Recipient means:

- a) a Whistleblower Protection Officer;
- b) a director, secretary or senior manager of the Company (for example, the immediate senior manager of the Whistleblower) or any member of the Group; and
- c) an auditor, or a member of the audit team conducting the audit, of the Company or any member of the Group; and

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- d) in the case of Disclosable Corporate Matters only:
 - i. an actuary of the Company or any member of the Group; and
 - ii. any Eligible Corporate Recipient;
- e) in the case of Disclosable Tax Matters only:
 - i. the Commissioner of Taxation; and
 - ii. any Eligible Tax Recipient;
- f) a Legal Practitioner, but only to the extent the disclosure was made to that legal practitioner for the purpose of obtaining legal advice or legal representation in respect of the application of the whistleblower regime under the Corporations Act to the Protected Disclosure; and
- g) in the case of an Emergency Disclosure or Public Interest Disclosure only, a Journalist or a Parliamentary Member.

Eligible Tax Recipient includes:

- a) a registered tax agent or BAS agent (within the meaning of the Tax Agent Services Act 2009) who provides tax agent services (within the meaning of that Act) or BAS services (within the meaning of that Act) to the Company; and
- b) any other employee or officer of the Company who has functions or duties that relate to the tax affairs of the Company.

Emergency Disclosure means circumstances where:

- a) a disclosure regarding a Disclosable Corporate Matter was previously made by an Eligible Person to an Eligible Corporate Recipient; and
- b) the Eligible Person has reasonable grounds to believe that the Disclosable Corporate Matter concerns a substantial and imminent danger to the health or safety of one or more persons or to the natural environment; and
- c) the Eligible Person gave the Eligible Corporate Recipient to which the previous disclosure was made a written notification that includes sufficient information to identify the previous disclosure and states that the Eligible Person intends to make an emergency disclosure; and
- d) the extent of the information disclosed in the emergency disclosure is no greater than is necessary to inform the Journalist or Parliamentary Member of the substantial and imminent danger.

Group means the Company and its subsidiaries.

Journalist means a person who is working in a professional capacity as a journalist for any of the following:

- a) a newspaper or magazine;
- b) a radio or television broadcasting services; or
- c) an electronic service (including a service provided through the internet) that is operated on a commercial basis and is similar to a newspaper, magazine or radio or television broadcast.

Legal Practitioner means a legal practitioner, but only to the extent the disclosure was made to that legal practitioner for the purpose of obtaining legal advice or legal representation in respect of the application of the whistleblower regime under the Corporations Act to the Protected Disclosure.

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Parliamentary Member means a member of the Parliament of the Commonwealth, a State or a Territory.

Protected Disclosure means a disclosure of Reportable Conduct made to the relevant Eligible Recipient by an Eligible Person in accordance with this Policy.

Public Interest Disclosure means circumstances where:

- a) a disclosure regarding a Disclosable Corporate Matter was previously made by an Eligible Person to an Eligible Corporate Recipient and at least 90 days has passed since the previous disclosure was made; and
- b) the Eligible Person does not have reasonable grounds to believe that action is being, or has been, taken to address the Disclosable Corporate Matter to which the previous disclosure relates; and
- c) the Eligible Person has reasonable grounds to believe that making a further disclosure of the Disclosable Corporate Matter to a Journalist or Parliamentary Member would be in the public interest; and
- d) after the 90-day period since the previous disclosure was made has passed, the Eligible Person gave the Eligible Corporate Recipient to which the previous disclosure was made a written notification that includes sufficient information to identify the previous disclosures and states that the Eligible Person intends to make a public interest disclosure; and
- e) the public interest disclosure is made only to a Journalist or Parliamentary Member; and
- f) the extent of the information disclosed in the public interest disclosure is no greater than is necessary to inform the Journalist or Parliamentary Member of the Disclosable Corporate Matter referred to in the initial disclosure.

Reportable Conduct means, as the context requires:

- a) conduct that is illegal, unacceptable or undesirable, or the concealment of such conduct. It includes conduct that:
 - i. is against the law or is a failure by the Company to comply with any legal obligation;
 - ii. is unethical or breaches the Company's Policies or Code of Conduct;
 - iii. is dishonest, fraudulent or corrupt;
 - iv. is coercion, harassment, victimisation or discrimination;
 - v. is misleading or deceptive conduct of any kind (including conduct or representations which amount to improper or misleading accounting or financial reporting practices either by, or affecting, the Company);
 - vi. is potentially damaging to the Company, an employee, Whistleblower or a third party, including unsafe work practices, environmental; damage, health risks or substantial wasting of company resources;
 - vii. may cause financial loss to the Company or damage its reputation or be otherwise detrimental to the Company; or
 - viii. involves any other serious impropriety; or
- b) a Disclosable Tax Matter; or
- c) a Disclosable Corporate Matter.

Schedule CONTINUED

Whistleblower means, as the context requires, an Eligible Person who reports Reportable Conduct to an Eligible Recipient in accordance with this Policy.

Whistleblower Protection Officer means any of the following:

- a) the immediate senior manager of the Whistleblower;
- b) an auditor, or a member of the audit team conducting the audit, of the Company;
- c) a director, secretary or senior manager of any member of the Group (for example, the immediate senior manager of the Whistleblower); and
- d) any person nominated by the Company from time to time as a Whistleblower Protection Officer.