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NEXT SCIENCE LIMITED Whistleblower Policy

Whistleblowers play an important role in the identification of wrongdoing and for this reason, they are key players in a company's governance framework, particularly in the area of risk management.

Next Science Limited (ASX: NXS) (**Next Science**) and its subsidiaries and controlled entities (collectively, the **Group**) recognise that individuals who are considering reporting wrongdoing may fear that their identity will be disclosed and that they will suffer retribution or other detriment by reason of having reported wrongdoing.

Next Science encourages a culture of reporting actual or suspected conduct which is illegal, unacceptable or undesirable and any person who reports conduct as a whistleblower who is acting honestly, reasonably and with a genuine belief about the conduct will be supported and protected.

The purpose of this Policy is to:

- support the Group's values and Code of Conduct;
- ensure that individuals who disclose wrongdoing can do so safely, securely and with confidence that they will be protected and supported by the Group;
- ensure that whistleblower disclosures are dealt with appropriately and on a timely basis;
- provide transparency regarding the Group's processes for receiving, handling and investigating whistleblower disclosures;
- encourage employees and business partners of the Group to have the confidence to speak up and report wrongdoing; and
- help deter wrongdoing.

1. Reading this Policy

Words which are capitalised have the meaning stated in section 20 (**Definitions**) and appear in bold when first used.

2. Who does this Policy apply to?

This policy covers all **Eligible Persons**.

3. Special protections under the Corporations Act and the Tax Act

In Australia, certain types of disclosures qualify for protection under the Corporations Act and the Tax Act (where applicable) (**Whistleblower Protection Scheme**).

To qualify for protection:

- the discloser must be an Eligible Person;
- the conduct or information being reported must relate to a Disclosable Matter or the Eligible Person must have reasonable grounds to suspect that the disclosure is about a Disclosable Matter; and

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- the disclosure must be made to an Eligible Recipient or **Government Body** (such as ASIC or APRA).¹

In general terms, a Disclosable Matter means misconduct or an improper state of affairs relating to the Group or its officers. It may involve a breach of law however it does not always need to involve a breach of law in order to qualify for protection.

Disclosures which meet these conditions are referred to in this Policy as **Protected Disclosures**.

The protections given by the Whistleblower Protection Scheme for Protected Disclosures are:

- protection of your identity (confidentiality);
- protection against detrimental acts or omissions, including victimisation;
- compensation and other remedies; and
- immunity from civil, criminal and administrative liability .

Importantly, it is not always the case that information will qualify for protection under the Whistleblower Protection Scheme. If you are not sure whether a matter will qualify for protection, we recommend that you seek advice from a Legal Practitioner. A disclosure made to a Legal Practitioner for the purpose of obtaining legal advice or representation in relation to the operation of the Whistleblower Protection Scheme will qualify for protection, even if it turns out that the information is not a Disclosable Matter.

4. Disclosures that are not covered by this Policy

Personal work-related grievances (unless they concern a contravention of the anti-victimisation law that involves detriment to the Eligible Person, or a threat to the Eligible Person) are not covered by this Policy and do not qualify for protection under the Whistleblower Protection Scheme.

A matter is a personal work-related grievance if it relates to a person's employment or former employment with the Group and has implications for them personally but:

- does not have significant broader implications for the Group; and
- does not relate to any conduct, or alleged conduct, about a Disclosable Matter.

Matters that might constitute personal work-related grievances include:

- decisions relating to a person's engagement or the terms and conditions of engagement, including a decision regarding any transfer or promotion applied for;
- raising with the person matters relating to their performance in their role, or any other matters arising in the ordinary course of their engagement;
- any investigation of alleged misconduct by the person, or a decision to take disciplinary action, suspend or terminate their engagement; or
- an interpersonal conflict between the person and another employee.

¹ Under the Tax Act, a disclosure can be made to the Commissioner of Taxation (ATO) if the whistleblower considers that the information may assist the Commissioner of Taxation to perform their functions or duties in relation to the Group.

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Sometimes a disclosure about one of these matters might constitute a Disclosable Matter which is covered by this Policy. For example, if the disclosure relates to information that suggests misconduct beyond a person's own circumstances or a larger or more systemic issue about the culture or environment of the Group.

If a person believes that this describes their situation then it is recommended that they seek advice from a Whistleblower Protection Officer.

If a person does have a personal work-related grievance that does not involve any Disclosable Matter, but they would like internal assistance to resolve that grievance then they should contact Next Science's Human Resources Manager.

5. How do I disclose a Disclosable Matter?

Disclosures can be made to any **Eligible Recipient**. However, we encourage disclosures of any Disclosable Matters to be made to one of our designated **Whistleblower Protection Officers**.

Disclosures may be made anonymously, confidentially, securely and outside of business hours. The Group's Whistleblower Protection Officers are:

Whistleblower Protection Officer

Contact details

Chief Financial Officer

Jacqueline Butler
jbutler@nextscience.com
+61 2 8607 5126

Company Secretary

Gillian Nairn
nairn@company matters.com.au
+61 2 9375 7989

Aileen Stockburger, Non-Executive Director

astockburger@nextscience.com

A person is entitled to make such a report without making a prior report to their manager or direct supervisor.

Disclosure must be based on information that is directly known to the person making the disclosure. That person must have reasonable grounds to suspect the alleged Disclosable Matter has occurred or is likely to occur. This does not include rumours of Disclosable Matters or hearsay.

When making a disclosure of a Disclosable Matter, whistleblowers are encouraged to clearly communicate that they are making a disclosure of a Disclosable Matter and to provide as much information as possible, including any known details related to the Disclosable Matter and any steps that have been taken to disclose the matter elsewhere in an attempt to resolve the concern.

Whistleblowers are not expected to investigate their concerns or to provide their validity prior to making a disclosure.

Persons making a disclosure may advise that they wish to remain anonymous or place restrictions on who knows their identity. The Group will comply with these requests and will still use its best endeavours to investigate an anonymous disclosure. However, there may be limitations in investigating a disclosure where a whistleblower does not consent to disclosure of their identity.

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If a discloser wishes to remain anonymous, if possible, they should maintain ongoing two-way communication with the Group so the Group can ask follow-up questions or provide updates and feedback.

If an Eligible Person discloses a Disclosable Matter to an Eligible Recipient, the Eligible Recipient must as soon as reasonably possible and with the whistleblower's consent, notify a Whistleblower Protection Officer to ensure that the Group's mechanisms for protecting and safeguarding disclosers can commence as soon as possible.

6. How do I make a disclosure externally?

While Next Science encourages disclosures to be made internally, an Eligible Person may make a disclosure to ASIC, APRA, a body prescribed by the Corporations Regulations, or in some cases, the Commissioner of Taxation, and still qualify for protection under the Whistleblower Protection Scheme.

Certain types of Protected Disclosures, called **Public Interest Disclosures** or **Emergency Disclosures** can be made to a journalist or member of Parliament and qualify for protection, provided that certain conditions are met.

The Group will not prevent (whether through a confidentiality agreement or otherwise) an Eligible Person from making a disclosure of a Disclosable Matter to a regulator, the police or legal practitioner but **whistleblowers are encouraged to contact a Whistleblower Protection Officer or independent legal practitioner prior to making a Public Interest Disclosure or an Emergency Disclosure in order to properly understand the criteria that qualifies those types of disclosures for protection.**

7. Confidentiality of a whistleblower's identity

If you make a Protected Disclosure, the Group must ensure that your identity is protected. It is an offence for any person to reveal the identity of the discloser without their consent unless it is to ASIC, APRA, a member of the Australian Federal Police, a person prescribed by the Corporations Regulations or a Legal Practitioner (for the purpose of seeking advice or representation in relation to the disclosure).

It is also an offence for the Group to disclose the information contained in a disclosure without the discloser's consent unless:

- the disclosure does not include the discloser's identity;
- the Group has taken all reasonable steps to reduce the risk that the discloser will be identified from the information; and
- it is reasonably necessary for investigating the issues raised in the disclosure.

The Group will take disciplinary action, which may include dismissal, against any person who makes an unauthorised disclosure of the identity of a person who makes a Protected Disclosure where it is likely to lead to the identification of that person. It will also ensure that all personal references will be handled and investigated by qualified staff, that only a restricted number of people who are directly involved in handling and investigating a disclosure will be made aware of the discloser's identity (with the Discloser's consent), and that all paper and electronic documents relating to the disclosure are stored securely.

If you believe that there has been a breach of your confidentiality, you can lodge a complaint with our Whistleblower Protection Officer, ASIC, APRA or the ATO for investigation.

8. Making an anonymous disclosure

An Eligible Person may make a disclosure about a Disclosable Matter anonymously if they would prefer. Anonymous disclosures may still qualify for protection under the Whistleblower Protection Scheme, including over the course of the investigation and after the investigation is finalised. This applies to both internal and external disclosures.

The Group encourages Eligible Persons who wish to remain anonymous to remain in contact with the Group and maintain ongoing two-way communication so that follow-up questions may be asked and the Group can provide feedback.

Whistleblowers are also encouraged to adopt a pseudonym for the purpose of the disclosure and may wish to use an anonymised email address.

9. Fair treatment of employees mentioned in a disclosure

Any Group employee who is the subject of, or mentioned in, a Protected Disclosure will be:

- informed about the matter in accordance with the principles of natural justice and procedural fairness;
- given a reasonable opportunity to put their case to the Whistleblower Investigation Officer if any investigation is conducted; and
- informed of the outcome of the investigation (but will not be given a copy of the investigation report).

Where an investigation does not substantiate a disclosure made in a Protected Disclosure, the fact that an investigation has been carried out, the outcome of the investigation, and the identity of any person the subject of a disclosure will remain confidential, unless the discloser requests otherwise.

10. Protection from victimisation

A person cannot engage in conduct that victimises, threatens to victimise or otherwise causes detriment to a discloser (or another person) if:

- that person believes or suspects that the discloser made, may have made, proposes to make or could make a disclosure that qualifies for protection; and
- the belief or suspicion is the reason, or part of the reason, for the conduct (**Detrimental Conduct**).

All persons must abstain from any activity that is or could be perceived to be victimisation or harassment of persons who make disclosures under this Policy.

The Group will take measures to protect disclosers from detriment, including:

- taking disciplinary action, which may include dismissal, against any person who causes detriment or threatens to cause detriment to a person because they believe or suspect that the person has made, proposes to make or could make a disclosure under this Policy; and

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- training Whistleblower Protection Officers to ensure they are aware of their responsibilities to ensure a discloser's confidentiality is maintained and they are not victimised for making the disclosure.

For the purposes of this Policy, '**detrimental conduct**' includes but is not limited to dismissal, injury of a person in his or her employment or engagement, alteration of a person's position or duties to his or her disadvantage, discrimination, harassment, intimidation, harm or injury to a person including psychological harm, damage to a person's property, reputation, business or financial position, and any other damage to a person.

However, conduct such as managing a person's unsatisfactory work performance in line with the Group's performance management framework or taking action to protect a person from further detriment (such as re-locating their work area) will not constitute Detrimental Conduct.

If you believe you are threatened with detriment or have suffered detriment in connection with a disclosure made under this Policy, you should contact the Whistleblower Protection Officer or obtain independent legal advice.

11. Compensation and other remedies

The discloser or any other person or employee of the Group can seek compensation and other remedies through the courts if they suffer loss, damage or injury because of a disclosure, and the Group failed to take reasonable precautions and exercise due diligence to prevent Detrimental Conduct.

12. Civil, criminal and administrative liability protection

A person who makes a Protected Disclosure is protected from civil liability (such as legal action for breach of an employment contract), criminal liability (such as attempted prosecution for unlawfully disclosing information) and administrative liability (such as disciplinary action for making the disclosure) in relation to their disclosure. However, these protections do not grant immunity for any misconduct the discloser has engaged in that is revealed in their disclosure.

13. How we handle and investigate disclosures

The Whistleblower Protection Officers are responsible for receiving, forwarding and acting upon disclosures made under this Policy.

A disclosure will be acknowledged by the Whistleblower Protection Officer within a reasonable period after the disclosure is received, if the discloser can be contacted.

Disclosures will be assessed by the Whistleblower Protection Officer as to whether further investigation is appropriate and if the disclosure qualifies for protection under the Whistleblower Protection Scheme. If there are grounds to suspect there has been misconduct, matters will then be referred to a designated **Whistleblower Investigation Officer** for investigation.

The whistleblower will be informed of the Whistleblower Investigation Officer's appointment and the Whistleblower Investigation Officer will contact the whistleblower as soon as practicable to acknowledge receipt of the disclosure and to establish a process, including expected timeframes, for reporting to the whistleblower on the progress of dealing with the disclosure (except where the disclosure has been made on an anonymous basis).

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The whistleblower will be contacted by the Whistleblower Investigation Officer, as soon as practicable, to discuss the whistleblower's welfare and to discuss a communication process, if required (except where the disclosure has been made on an anonymous basis and the Whistleblower Protection Officer was not provided a means to contact the whistleblower).

If it is determined that there is insufficient information or evidence to warrant further investigation, the whistleblower will be informed at the earliest possible opportunity. While all reasonable efforts will be made to investigate a disclosure where that is appropriate, the Group may not be able to undertake a proper investigation if it is not able to contact the discloser (for example, if the disclosure is made anonymously and the discloser has not provided a means to contact them). Whistleblowers are encouraged to ensure that they provide a means to maintain two-way contact with the recipient of the disclosure, even if they choose to remain anonymous.

Where a formal investigation is initiated, this will be an objective fair, independent, thorough and confidential process, without bias, and conducted by the Whistleblower Investigation Officer. Investigations will be independent of the business unit in respect of which allegations have been made, the whistleblower, or any person who is the subject of the disclosure. The whistleblower will be informed by the Whistleblower Investigation Officer of the final outcome of the investigation, where appropriate and possible. The method of documenting and reporting the findings of an investigation may vary, depending on the nature of the disclosure.

Where investigations substantiate an allegation arising from the disclosure, the matter will be dealt with in accordance with established administrative or disciplinary procedures, which may result in disciplinary action, including termination of employment or engagement and matters may be referred to external parties where appropriate (e.g. in matters that may involve criminal behaviour).

All information relating to a disclosure and its investigation will be retained under strict security and confidentiality.

Unauthorised release of information to someone not involved in the investigation without the consent of a whistleblower will be a breach of this Policy except where the disclosure is required by law or it is appropriate to make the disclosure to a regulator. Only a restricted number of people who are directly involved in handling and investigating a disclosure are made aware of a discloser's identity or information that is likely to lead to the identification of the discloser (where the discloser has consented to such disclosure).

14. Reporting, monitoring and reviews of investigation

The Whistleblower Investigation Officer is to report to the Audit Committee with respect to the investigation of a disclosure.

If a person who makes a disclosure considers that their disclosure has not been dealt with in accordance with this Policy, or that they have been subject to retribution or other detriment as a result of making the disclosure, the matter should be escalated to the Whistleblower Investigation Officer in the first instance or otherwise to the Chair of the Audit Committee by email to: auditcommitteechair@nextscience.com.

The Whistleblower Investigation Officer, in consultation with the Chair of the Audit Committee, will determine the most appropriate course for handling the matter, which may include informal resolution options or a formal investigation by an external party.

Any matters of a criminal nature will be reported by the Whistleblower Investigation Officer, in consultation with the Chair of the Audit Committee, to the police and, if appropriate, other appropriate regulatory authorities.

15. Advice on whether a matter is a Disclosable Matter

If a person is unsure whether something they are concerned about is a Disclosable Matter, they may seek confidential guidance from the Whistleblower Protection Officer or an independent legal practitioner.

16. Deliberate false reporting

The Group will treat all reports of Disclosable Matters seriously and will ensure that Eligible Persons who raise concerns in accordance with this Policy will have the benefit of the protections afforded by this Policy.

However, deliberate false reporting will not be tolerated.

False reports could have significant effects on the reputation of the Group and the personal reputations of other people and may also lead to a significant waste of time and effort.

Any person found to have made a deliberate false report will be subject to disciplinary action. However, you may still qualify for protection if you make a Protected Disclosure in good faith which turns out to be false.

17. Access to this Policy

This Policy will be made available in the Corporate Governance section of the Group's website which can be accessed via the following link: <https://www.nextscience.com/corp-governance/>.

A copy may also be obtained from a Whistleblower Protection Officer.

18. Training

The Group will provide training to employees in respect of their rights and obligations under this Policy and will provide training to managers and others who may receive disclosures made under this Policy on how to handle those disclosures.

19. Review of Policy

This Policy and related procedures will be reviewed periodically by the Audit Committee to ensure that they remain appropriate, effective and meets best practice standards and regulatory guidelines.

20. Definitions

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| APRA | Australian Prudential Regulation Authority. |
| ASIC | Australian Securities and Investments Commission. |
| Corporations Act | Corporations Act 2001 (Cth). |
| Corporations Regulations | Means the Corporations Regulations 2001 (Cth). |
| Disclosable Matter | Means a disclosure of information where the discloser has reasonable grounds to suspect that: <ul style="list-style-type: none">the information concerns misconduct, or an improper state of affairs or circumstances in relation to the Group; orthe information indicates that the Group, or an officer or employee of the Group, has engaged in conduct that constitutes an offence |

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| | <p>against, or a contravention of, any of the following:</p> <ul style="list-style-type: none"> (a) the Corporations Act; (b) the Australian Securities and Investments Commission Act 2001; (c) Banking Act 1959; (d) the Financial Sector (Collection of Data) Act 2001; (e) the Insurance Act 1973; (f) the Life Insurance Act 1995; (g) the National Consumer Credit Protection Act 2009; (h) the Superannuation Industry (Supervision) Act 1993; (i) an instrument made under an Act referred to above; or <ul style="list-style-type: none"> • the information indicates that the Group, or an officer or employee of the Group, has engaged in conduct that: <ul style="list-style-type: none"> (a) constitutes an offence against any law of the Commonwealth that is punishable by imprisonment for 12 months or more; (b) represents a danger to the public or the financial system; or (c) is prescribed by the Corporations Regulations. <p>It also means a disclosure made to an eligible recipient within the meaning of the Tax Act, where the discloser has reasonable grounds to suspect that the information indicates misconduct, or an improper state of affairs or circumstances, in relation to the tax affairs of the Group or an associate (where the discloser considers that the information may assist the eligible recipient to perform functions or duties in relation to the tax affairs of the entity or associate).</p> <p>Examples of conduct which may amount to breach of the Corporations Act include insider trading or breach of the continuous disclosure rules.</p> |
| Eligible Person | <p>Means:</p> <ul style="list-style-type: none"> • Directors, officers, employees (including permanent, part-time, fixed-term or temporary, interns, secondees, and managers), contractors, consultants (including current and former employees, contractors and consultants); • suppliers of services or goods (whether paid or unpaid) and their employees (whether paid or unpaid) including current and former suppliers; • an individual who is an associate of the Group; and • a relative, dependant or spouse of the persons listed above (including a dependant of the spouse of a person listed above). |
| Eligible Recipient | <p>A director, officer or senior manager of the Group, the internal or external auditor (including a member of an audit team conducting an audit) and, in addition, the Whistleblower Protection Officer.</p> |
| Emergency Disclosure | <p>Means the disclosure of information to a journalist or member of Parliament by an Eligible Person, provided that the Eligible Person:</p> |

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| | <ul style="list-style-type: none"> • first made a disclosure of that information to a Government Body, and the disclosure qualifies for protection under the Corporations Act; • has reasonable grounds to believe that the information concerns a substantial and imminent danger to the health or safety of one or more persons or to the natural environment; • before making the disclosure, gave notice to the Government Body to which the qualifying disclosure was first made which states that the person intends to make an Emergency Disclosure, and includes sufficient information to identify the previous disclosure; and • the extent of the information is no greater than is necessary to inform the journalist or member of Parliament of the substantial and imminent danger. |
| Government Body | Means ASIC, APRA, or a Commonwealth body prescribed by the Corporations Regulations. |
| Legal Practitioner | Means a legal practitioner but only where the disclosure is made for the purpose of obtaining legal advice or representation about the operation of the Whistleblower Protection Scheme. |
| Protected Disclosure | <p>Means a disclosure made:</p> <ul style="list-style-type: none"> • by an Eligible Person; • where the disclosure is a Disclosable Matter; and • to an Eligible Recipient (such as a Whistleblower Protection Officer) or a Government Body. <p>It also includes a Public Interest Disclosure or an Emergency Disclosure that is made to a journalist or a member of Parliament. A disclosure made in these circumstances is referred to in this Policy as a Protected Disclosure.</p> |
| Public Interest Disclosure | <p>The disclosure of information to a journalist or a member of Parliament, where the discloser has reasonable grounds to believe that making a further disclosure of the information is in the public interest where:</p> <ul style="list-style-type: none"> • the Eligible Person has first made a qualifying disclosure under the Corporations Act to a Government Body; • at least 90 days has passed since that disclosure was made; • the discloser does not have reasonable grounds to believe that action is being taken, or has been, taken to address the matters to which the previous disclosure related; • the person has reasonable grounds to believe that making a further disclosure of that information is in the public interest; • after the 90 days has passed, the person has given the Government Body to whom the disclosure was initially made, a written notification that: <ul style="list-style-type: none"> (a) includes sufficient information to identify the qualifying disclosure; and (b) states that the person intends to make a public interest |

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| | <p>disclosure; and</p> <ul style="list-style-type: none"> the extent of the information disclosed is no greater than is necessary to inform the journalist or member of Parliament of the misconduct or improper state of affairs or circumstances which constitutes a Disclosable Matter. |
| Tax Act | Taxation Administration Act 1953 (Cth). |
| Whistleblower Investigation Officer | Means the person(s) who are responsible for leading investigations into disclosures made in accordance with this Policy. The Whistleblower Investigation Officer will be a different person to the Whistleblower Protection Officer. |
| Whistleblower Protection Officer | <p>Means the persons set out in section 5 of this Policy.</p> <p>The role of the Whistleblower Protection Officer is to:</p> <ul style="list-style-type: none"> provide advice to persons if they are considering making a disclosure under this Policy; support Eligible Persons to maintain confidentiality and anonymity, where relevant, in accordance with this Policy; assist Eligible Persons with developing strategies for minimising and managing the impact that making the report and its investigation have on the Eligible Person; seek to protect Eligible Persons from detriment (as described in this Policy) if they make a disclosure under this Policy, including, where possible, by making a detailed assessment of the risk of detriment to them once their report has been made; and investigate any concern that an Eligible Person may have suffered detriment as a result of making the disclosure, or that the disclosure has not been dealt with in accordance with this Policy. |

Approved by the Board of Next Science Limited on 26 March 2020