

# WHISTLEBLOWER POLICY

## Purpose

Cann Group Limited (**Cann** or **Company**) is committed to promoting and maintaining an open working environment where instances of Improper Conduct can be reported without fear of intimidation or reprisal. This policy provides a framework for reporting and investigating Improper Conduct. The purpose of this policy is to promote responsible whistleblowing about issues where the interests of others, including the public, or of the Company itself, are at risk.

## Scope

This policy details the process for directors, officers, employees, contractors (and the employees of contractors), consultants and any person dealing with Cann in any capacity to report Improper Conduct. Each of these persons qualifies for protection under this policy as a **Whistleblower**.

There is an expectation that directors, officers, employees and contractors who witness Improper Conduct will report it as soon as practicable using the procedures set out in this policy.

## Definitions

Terms used in this policy are defined in the table below:

<b>Authorised Whistleblower Officer</b>	The Company Secretary, or, if there are joint company secretaries, either of these people
<b>Eligible Recipient</b>	<p>A person who is eligible to receive disclosures from a Whistleblower, namely:</p> <ul style="list-style-type: none"> <li>• a Cann officer or senior manager such as: <ul style="list-style-type: none"> <li>○ a department head; or</li> <li>○ the Authorised Whistleblower Officer; or</li> <li>○ the CEO; or</li> <li>○ the Chairman of the Board; or if the matter is highly sensitive and the Whistleblower considers it to be appropriate, direct to the Chairman of the Board's Audit and Risk Committee;</li> </ul> </li> <li>• Cann's external auditor (including a member of an audit team conducting an audit); or</li> <li>• a person authorised by Cann to receive disclosures that may qualify for protection.</li> </ul>
<b>Improper Conduct</b>	<ul style="list-style-type: none"> <li>• an unsafe work practice or breach of OH&amp;S regulations;</li> <li>• dishonest, fraudulent, corrupt or unlawful conduct or practices;</li> <li>• misleading or deceptive conduct including conduct or representations which amount to improper or misleading accounting or financial reporting practices;</li> </ul>

- conduct or any proposed conduct, bid, proposal, offer, contract, product or other aspect of Cann business that breaches the provisions of any legislation in Australia (Commonwealth or State) or other countries in which Cann does business;
- harassment, coercion or discrimination;
- a breach of Cann's policies;
- conduct within Cann's control which is a significant danger to the environment;
- conduct endangering the health and safety of any person or persons;
- any action taken against, or harm suffered by, a person as a result of making a report under this policy;
- any other conduct or act which may cause loss to Cann or which may otherwise be detrimental to its interests.

**Protected Disclosure** Any good faith communication based on reasonable grounds that discloses or demonstrates an intention to disclose information that may evidence Improper Conduct.

**Whistleblower** Any person dealing with Cann in any capacity, whether an employee, director, officer, contractor, contractors' employee, or consultant who whether anonymously or not, makes or attempts to make a disclosure of Improper Conduct.

## Reporting a Protected Disclosure

### How to make a report

A person seeking to make a Protected Disclosure is required to:

- Have reasonable grounds to suspect that the information concerns Improper Conduct in conducting Cann business. The information must be:
  - factually accurate, and
  - from first-hand knowledge
- Make the disclosure in good faith. The disclosure must be honest and genuine, and motivated by wanting to disclose Improper Conduct. The disclosure will not be considered 'in good faith' if the Whistleblower has any unrelated reason for making the disclosure.

It is not the reporting person's job to investigate or prove a case of Improper Conduct.

A person who has committed or been involved in Improper Conduct themselves, will not be immune from disciplinary action merely because they have reported the Improper Conduct in accordance with this policy. However, the person's conduct in making the report is likely to be taken into account in determining what disciplinary action is appropriate.

If a Whistleblower suspects that Improper Conduct has occurred, then they should initially (and promptly) contact their immediate supervisor or manager. In most cases this should result in their concern being satisfactorily addressed.

Where a Whistleblower is not satisfied with the response of their immediate manager, or considers it inappropriate for their immediate manager to deal with the matter in the first instant, then they are requested to contact an Eligible Recipient.

In certain circumstances (for example where the report involves allegations of fraud) the Chief Executive Officer may decide to appoint external investigators.

### **What happens after a report is made?**

Upon receiving a complaint, the Eligible Recipient (or a suitable authorised delegate) will refer the complaint to the Authorised Whistleblower Officer who will arrange investigation of the matter and inform the CEO of the issue.

Where there are allegations of criminal conduct, the Authorised Whistleblower Officer, in consultation with the CEO where appropriate, will consider whether the matter should be referred directly to the police.

The Whistleblower making the complaint will have the option of either:

- identifying themselves; or
- remaining anonymous (refer to **Confidentiality and privacy** section below).

A Whistleblower raising a concern will not be expected to produce unquestionable evidence to support the case - this is the responsibility of the Company once it has been alerted to a potential problem. All that is required is that the Whistleblower has reasonable grounds to suspect that the information concerns Improper Conduct. It is in the Company's interests to hear of suspicions at the earliest possible opportunity.

### **Investigation of reports of Improper Conduct**

It will be the task of the Authorised Whistleblower Officer to assess any report of Improper Conduct and recommend a course of action.

Cann will treat all disclosures made under this policy in a confidential, sensitive and secure manner.

Generally, Cann will apply natural justice principles to all complaints received subject to considerations relating to the anonymity of the Whistleblower making the complaint (if applicable).

A report on the outcome of the investigation, including any recommended actions, will be prepared by the Authorised Whistleblower Officer. At the end of the investigation, a report of the findings will be handed to a member of the Audit and Risk Committee. The committee will determine the appropriate response or actions. The CEO (or the Chairman where appropriate) is responsible for the implementation of any resulting actions. Where allegations of Improper Conduct cannot be substantiated, that person implicated will be advised accordingly and will be entitled to continue in their role as if the allegations had not been made.

The identity or any information which is likely to lead to the identification of the Whistleblower who reported the Improper Conduct cannot be communicated to any other person without the express consent of the Whistleblower to disclose the same.

The Whistleblower will be informed of the findings of the investigation and the resulting response or actions to the fullest extent possible within commercial, legal and confidentiality constraints. If the report was made anonymously, the Audit and Risk Committee will decide whether the findings should be communicated and to whom. If it is considered appropriate, the committee will determine the method of communication.

## **Confidentiality and privacy**

### **Confidentiality of reports of Improper Conduct**

If a Whistleblower makes a report of Improper Conduct under this policy, and Cann is aware of that person's identity, Cann will ensure that person's identity and any information which is likely to lead to the identification of the Whistleblower, is protected from disclosure.

Accordingly, Cann will not disclose the Whistleblower's identity or any information which is likely to lead to the identification of the Whistleblower unless the Whistleblower making the report expressly consents to such disclosure.

Unauthorised disclosure of:

- the identity of a Whistleblower who has made a report of Improper conduct; or
- information from which the identity of the reporting person could be inferred,

is a criminal offence under the law attracting both fines and possible imprisonment.

### **Protection offered to Whistleblowers**

Whistleblowers who have reasonable grounds to suspect that the complaint concerns Improper Conduct can rely on the protection afforded by this policy.

However, disciplinary action may be taken against an individual making malicious or vexatious allegations.

Under the Policy, Whistleblowers who have reasonable grounds to suspect that the complaint concerns Improper Conduct, in accordance with the Policy, are protected against reprisals, being dismissed or otherwise being subject to discriminatory treatment as a result of making the complaint.

Cann will not tolerate any detrimental conduct (as defined by the law), against any Whistleblower suspected of making a report of Improper Conduct, or against that Whistleblower's colleagues, employer (if a contractor) or relatives.

Any such detrimental conduct will be an offence under Australian law and will be treated as serious misconduct and will be dealt with in accordance with Cann's disciplinary procedures.

A Whistleblower who makes a report of Improper Conduct may request that Management take positive action to protect them e.g. leave of absence during the investigation where it will not be possible to maintain the anonymity of that Whistleblower.

In addition to the above, under Australian law, a Whistleblower who has grounds for suspecting that Improper Conduct has taken place and who reports the matter to an Eligible Recipient, may be entitled to additional legal protections in certain circumstances.

Under Australian Law these protections may not apply to reports made to Eligible Recipients that concern a personal work- related grievance of the person making the report. Personal work – related grievances need to be dealt with under Cann's Grievance and Complaints Procedure.

### **Reports made anonymously**

All complaints can be made on an anonymous basis. For an anonymous report to be investigated it must contain sufficient evidence to form a reasonable basis for investigation.

## **Reviews and disclosure of this policy**

### **General reporting on Whistleblower activity**

The Company Secretary will prepare reports which contain a general summary of the number and type of incidents identified or complaints received through Cann's internal reporting processes, together with a description of the nature and results of any investigation conducted as a result of a reported incident or complaint.

These reports will be provided:

- to the Chief Executive Officer or their delegate on a regular basis (the frequency to be determined by the Chief Executive Officer from time to time); and
- to the Board half yearly.

### **Review of this policy and program**

The Company Secretary will use the reports provided under this policy to monitor and regularly review the effectiveness of the protection program described in this policy and whenever there are significant regulatory changes or business needs.

### **Disclosure**

The Board will make appropriate disclosure to shareholders in Cann's Annual Report of the key aspects of this policy, including a statement explaining any departure from the best practice recommendations set out in the Australian Securities Exchange Corporate Governance Council Corporate Governance Principles and Recommendations (4th edition).

This policy will be made publicly available by posting on the Company's website in a clearly marked Governance section.

### **Contact details**

Any questions relating to the interpretation of this policy should be forwarded to the Company Secretary.

***Adopted by the Board December 2019.***