



**WHISTLEBLOWING POLICY  
FOR PERSONNEL OF VELOXIS PHARMACEUTICALS A/S**

*Effective Date: 06 December 2017*

## **Whistleblowing Policy for Personnel of Veloxis Pharmaceuticals A/S**

This Whistleblowing Policy for Personnel of Veloxis Pharmaceuticals A/S (the “**Policy**”) sets forth: (i) the reasons for implementing a whistleblowing reporting mechanism at Veloxis Pharmaceuticals A/S (“**Veloxis**”); (ii) its mode of functioning; (iii) and the type of information that may be reported by Veloxis employees pursuant to this Policy. This Policy shall also apply to personnel of Veloxis Pharmaceuticals, Inc.

### **1. Purpose**

The purpose of this Policy is to encourage Veloxis employees to come forward with credible information on illegal practices or violations of Veloxis’s adopted policies. Additionally, this Policy gives Veloxis employees a voluntary, alternative reporting mechanism beyond the traditional modes of communication within the Company.

### **2. Policy Use**

This Policy may be used by Veloxis employees, members of Management and Veloxis’s Board of Directors.

Reports made pursuant to this Policy should only be in reference to individuals who are associated with Veloxis Pharmaceuticals, e.g., Veloxis’s employees, members of Management and its Board of Directors, customers, auditors, suppliers, and attorneys.

### **3. Reportable Matters**

Only serious offenses may be reported pursuant to this Policy. Serious offenses include, but are not limited to:

- Serious economic crime(s) and offense(s) of applicable accounting rules;
- Bribery;
- Fraud;
- Forgery;
- Corruptive practices;
- Violation(s) of safe work practices;

- Environmental pollution;
- Sexual harassment, assaults, and cases where employees are abusing system or file area access to obtain information on colleagues or others without a business-related purpose;
- Breach of internal Company rules, provided that:
  - o such a breach may entail serious, recurring safety risks;
  - o such a breach may entail serious financial risks for the Company;
  - o such a breach may entail regulatory intervention;
  - o such a breach may entail serious comments from the auditor of the Company; or
  - o such a breach may entail serious damages to Veloxis Pharmaceuticals A/S' relations with its employees and/or external partners.

Offenses that are considered minor are to be reported by means of the traditional routes of communication. Minor offenses include, but are not limited to, problems of co-operation, bullying, breach of Veloxis Pharmaceuticals' internal Company guidelines regarding smoking, emails, Internet, alcohol, etc. Notwithstanding the foregoing, if a Veloxis employee is in doubt as to whether an offense is considered serious or minor, the employee may report such an offense in accordance with this Policy.

Reports made in accordance with this Policy may be made upon a Veloxis employee obtaining either actual knowledge of an offense or holding a suspicion, based on credible, indirect evidence, that an offense has occurred.

When submitting a report, the Veloxis employee must present only the facts and must avoid speculations and opinions about the reported matter.

The Veloxis employee is requested to provide the following information, in detail (to the extent such Veloxis employee has knowledge or suspicion thereof):

- a description of the offense in question;
- the persons involved;
- whether other persons are aware, or are in suspicion, of the offense;
- whether Management is aware of the offense;
- whether there are any documents substantiating the offense;
- whether further information about the offense can be discovered;
- how long the offense has lasted;

- whether attempts to hide the offense have been made; and
- whether other Veloxis employees or Management have tried to mitigate/solve the offense.

Please be advised, that Veloxis will have better chances at uncovering and mitigating/resolving reported offenses when it is in receipt of detailed information. It will not be possible for Veloxis to conduct investigations in relation to a report made in accordance with this Policy if the report is not detailed (i.e., contains only broad and generalized accusations).

#### **4. The Reporting Process**

All Veloxis employees who observe a serious offense, or are suspicious thereof, are strongly encouraged to make a report in accordance with this Policy.

Reports may be submitted via either of the following methods:

1. Visiting **www.veloxis.ethicspoint.com**; or
2. Calling **+1 855 826 5539** (US toll-free).

The report will be automatically routed to the following individuals for adjudication:

*Anders Götzsche (Chairman of the Audit Committee)*

Email: agz@lundbeck.com

Phone: +45 20 45 00 00

*Benjamin M. Burgin (Director, Regulatory Affairs and Chief Compliance Officer)*

Email: bbu@veloxis.com

Phone: +1 919 591 3085

*Noel Barnard (Sr. Director, Legal Affairs)*

Email: nba@veloxis.com

Phone: +1 919 591 3069

The Sr. Director of Legal Affairs, in the presence of a member of executive management, shall perform a quarterly test of the reporting hotline and portal as set forth above. The Chief Compliance Officer shall verify the results of the test, which shall be reported to the Company's Audit Committee at its next regular meeting.

## **5. Anonymous Reporting**

Reports made in accordance with this Policy may be anonymous. However, Veloxis strongly encourages its employees to provide their name when submitting a report in order to permit Veloxis to conduct a prompt and thorough investigation of the reported offense.

## **6. Investigations**

All actions taken by Veloxis to investigate and resolve reported offenses will be kept confidential to the greatest extent possible.

Upon receipt of a report pursuant to this Policy, the individuals named in Section 4 above shall confer and conduct a thorough investigation into the circumstances of the alleged offense. The individuals named in Section 4 above will draft a detailed investigation report that will be sent directly to the Chairman of Veloxis's Board of Directors. If the report concerns the conduct of the Chairman of Veloxis's Board of Directors, the report will instead be sent directly to the entire Board of Directors.

In addition, the Veloxis employee who is the subject of the report (i.e., the reported employee) will be notified of the reports existence.

Depending on the nature the report, and the matters concerned thereof, a number of appropriate individuals within the organization may become part of the investigation group and will as a result obtain knowledge of the report, in whole or in part.

Information that is obtained through the investigation of a report shall only be shared with those individuals participating in the investigation, or the adjudication, of an offense and have a need-to-know or with individuals as otherwise required by applicable law.

## **7. Protection of the Reporting Employee**

A Veloxis employee who makes a good faith report in accordance with this Policy, but which report subsequently turns out to be unfounded will not be subject to any disciplinary or retaliatory action. However, an employee who intentionally submits a false report in accordance with this Policy will be subject to disciplinary action.

It is highly unlikely that the reporting employee's identity will be disclosed to the reported employee. However, the identity of the reporting employee may be disclosed if it is determined that the reporting employee has intentionally submitted a false report.

Such a disclosure of identity may also occur in conjunction with a subsequent lawsuit concerning the reported offense.

## **8. Information to the Reported Employee**

If an employee is the subject of a report under this Policy, such employee will be promptly notified following the completion of a preliminary investigation of the matter. The reported employee will, inter alia, receive information on:

- a description of the accusations; and
- a general description of the evidence gathered to substantiate the allegation(s) made in the report.

Further information regarding the rights of the reported employee can be found in the guidelines "Whistleblowing - Guidelines for Reported Employees"

## **9. Data Safety and Data Storage**

Veloxis Pharmaceuticals will treat all information disclosed in a report in accordance with applicable law.

All reports will be stored securely and only persons authorized by this Policy will have access to the reports.

If on basis of the collected information, a grievance procedure is initiated against the reported employee, or if there are other reasons justifying or requiring continued storage of the report information, the information in question will be filed in the personnel file of such employee. Upon such employee's termination of the employment, the information contained in such employee's personnel file will be stored for up to five (5) years.

## **10. Questions**

Please direct any and all questions regarding this Policy to Veloxis's Sr. Director of Legal Affairs:

**Noel Barnard**

Veloxis Pharmaceuticals

**Phone: (919) 591-3069**

**Email: [nba@veloxis.com](mailto:nba@veloxis.com)**