

PROFOUND MEDICAL CORP.

WHISTLEBLOWER PROCEDURES

PURPOSE

It is the Audit Committee's responsibility to ensure that Profound Medical Corp. has appropriate procedures for the receipt, retention, and treatment of complaints about the Company's accounting, internal accounting controls, or auditing matters. In addition, the Audit Committee must provide for confidential, anonymous submissions by the Company's employees of their concerns about questionable accounting or auditing matters. The procedures outlined below are intended to fulfill these responsibilities and to ensure that any such complaints and concerns are promptly and effectively addressed.

PROCEDURES

1. Submission and Receipt of Complaints
 - (a) Employees are free to bring Complaints to the attention of their supervisors, the Human Resources Department, or the Corporate Secretary, as they would any other workplace concern. The recipients of such Complaints shall forward them promptly to the Chair of the Audit Committee and to the Confidential Designee.
 - (b) Employees and non-employees may submit Complaints confidentially or anonymously by mail (or other means of delivery) to the corporate headquarters of the Company, either addressed to any officer of the Company (who is identified on the Company's external website) or marked "Private and Strictly Confidential – Attention: Chair of the Audit Committee of Profound Medical Corp.". Envelopes so marked shall be forwarded unopened to the Chair of the Committee. If required by any securities exchange on which the securities of the Company are then listed and posted for trading, employees and non-employees may also submit Complaints confidentially or anonymously to a secure independent third party site hosted by Shareholder.com. If required by any such exchange, these procedures shall be posted on an internal website maintained by the Company.
 - (c) The Chief Financial Officer shall report to the Audit Committee periodically about the process for receiving Complaints so that the Committee can ensure that the process is satisfactory in its efficiency, accuracy, timeliness, protection of confidentiality or anonymity, and effectiveness.

MEANING OF TERMS

- "Anonymous" means of unknown authorship, and without designation that might lead to information about the authorship. Anonymity is not compromised by assignment of a code or other designation with which a person can communicate without revealing his or her identity.

- “Complaint” means any adverse information provided to the Company, whether in the form of a concern, a demand for remedial action, or a report of a suspected violation of law or Corporation policy, that relates to the Company’s accounting, internal accounting controls, or auditing matters.
- “confidential” means authorized for access by only those persons who have a need to know. Ordinarily, a need to know arises from any obligation to investigate or to take remedial or disciplinary action.
- “Confidential Designee” means a person, independent of the financial reporting function, designated by the Audit Committee to assist the Committee to address Complaints in a manner consistent with these procedures and the role of the Committee. Unless otherwise designated by the Committee, the Confidential Designee shall be the Corporate Secretary of the Company

REPORTING OF COMPLAINTS

An outline of the Whistleblower policy is posted below and is included in the employee handbook. All employees have the right to submit Complaints.

1. Complaint Procedure

It is the policy of Profound to treat all Complaints seriously and to address each Complaint promptly, confidentially and, if desired, anonymously. Those employees who wish to have their identity remain totally anonymous and still be able to be communicated with through the process should file their complaint using option iii) below.

Complaints can be submitted in any of the following ways:

- (a) To the employee’s immediate supervisor; or
- (b) To the Chair of the Audit Committee:
 - (i) By telephone at 647.476.1350 ext 463;
 - (ii) By email at ACChairman@profoundmedical.com; or
 - (iii) by mail (or other means of delivery) addressed as follows:

Privileged & Strictly Confidential Attention: Chair of the Audit Committee
Profound Medical Corp.
2400 Skymark Ave. #6
Mississauga, ON L4W 5K5
c/o CFO

- (iv) If required by any exchange on which the securities of the Company are then listed and posted for trading, via a secure independent third party site hosted by shareholder.com.

Your E-mail submissions should be made from a personal E-mail account and not a company assigned e-mail account. This ensures an additional level of comfort over maintaining the confidentiality of the complainants and anonymity.

If the Company then uses the services of Shareholder.com, complaints filed under this option go to a third party secured site. Shareholder.com has procedures in place to ensure the identity of the individual filing the complaint remains completely anonymous but still allows senior management and the Audit Committee to follow up on the complaint and report progress and resolution of the complaint back to the individual all through a confidential third party site. More details of this process may be found at www.shareholder.com/home/Solutions/Whistleblower.cfm.

- **Retention of Records of Complaints**

Records pertaining to a Complaint are the property of the Company and shall be retained:

- (a) in compliance with applicable laws and document retention policies;
- (b) subject to safeguards that ensure their confidentiality, and, when applicable, the anonymity of the person making the Complaint; and
- (c) in such manner as to maximize their usefulness to the Company's overall compliance program.

- **Treatment of Complaints**

- (a) All Complaints shall be treated as confidential.
- (b) Although a person making an anonymous Complaint may be advised that maintaining anonymity could hinder an effective investigation, the anonymity of the person making the Complaint shall be maintained until the person indicates that he or she does not wish to remain anonymous. Any system established for exchanging information with a complainant shall be designed to maintain anonymity.
- (c) The Chair of the Audit Committee shall inform the Committee, in summary form or otherwise, of all Complaints received, with an initial assessment as to the appropriate treatment of each Complaint. Assessment, investigation, and evaluation of Complaints shall be conducted by, or at the direction of, the Audit Committee. If the Committee deems it appropriate, the Committee may engage at the Company's expense independent advisors, such as outside counsel and accountants unaffiliated with the Company's auditor.
- (d) Following investigation and evaluation for a Complaint, the Chair of the Audit Committee shall report to the Committee on recommended disciplinary or remedial action, if any. The action determined by the Committee to be appropriate under the circumstances shall then be brought to the Board or to the appropriate members of Senior Management for authorization or implementation, respectively. If the action taken to resolve a Complaint is deemed by the Audit Committee to be material or

otherwise appropriate for inclusion in the minutes of the meetings of the Committee, it shall be so noted in the minutes.

- (e) Any effort to retaliate against any person making a Complaint in good faith is strictly prohibited and shall be reported immediately to the Chair of the Audit Committee, the Confidential Designee, or the Corporate Secretary.

Adopted on June 14, 2018.