

PROFOUND MEDICAL CORP.

CYBERSECURITY POLICY

1. Purpose

This policy (the “**Policy**”) sets out: (a) the rules for the handling of data by Profound Medical Corp. (“**Profound**”) (b) acceptable use of computing devices by Profound personnel (including Personal Devices (as defined below) for Profound business purposes); and (c) our approach to security-related incidents.

The purpose of this Policy is to:

- to ensure the confidentiality, integrity, and availability of all Profound Information (as defined below) created, received, maintained or transmitted as appropriate;
- identify and protect against reasonably anticipated threats to the security or integrity of the information; and
- protect against reasonably anticipated, impermissible uses or disclosures; and
- ensure compliance with this Policy by Users (as defined below).

This Policy applies to all Profound employees, consultants and contractors.

2. Definitions

- (i) “**BYOD Program**” means a Profound-authorized Bring Your Own Device program that allows Users to conduct Profound business from personal mobile phones and other electronic devices.
- (ii) “**Information**” means Profound Information and Non-Profound Information.
- (iii) “**Internal Systems**” means Profound’s e-mail and non-public information creation storage, transmission and management systems.
- (iv) “**Non-Profound Information**” means any and all non-work related information created, sent, received, reproduced, processed, stored, transmitted and/or maintained by Users for personal use.
- (v) “**Personal Devices**” means non-Profound issued electronic devices, including laptops and desktop computers.
- (vi) “**Profound Devices**” means Profound issued electronic devices, including laptops and desktop computers.
- (vii) “**Profound Information**” means any and all information, regardless of physical form or characteristic (including paper, electronic, audiovisual, microform, etc.),

created, sent, received, reproduced, processed, stored, transmitted and/or maintained by Users and/or other persons acting on behalf of Profound in the ordinary course of their duties with Profound.

“Users” means employees, consultants and contractors of Profound authorized to use Profound Devices or Personal Devices registered under the BYOD program

“TPM chip” A Trusted Platform Module is a microchip that is often built into a computer to provide hardware-based security

3. Classification of and Access to Information and Systems

Profound acknowledges that different types of information will be subject to different levels of security controls based on the sensitivity of the information and the regulatory scheme applicable to such information. As such Profound maintains a formal process for requesting, modifying and removing access to systems or networks used by its personnel to conduct Profound’s business.

(a) Access to Systems.

Profound’s access provisioning process:

- addresses processes, procedures, and requirements relating to access to Profound Information;
- ensures access permissions for each User are only to the extent required for such User to perform their assigned tasks;
- ensures separation of duties to mitigate the risk of fraud, theft of misuse of Profound Information;
- ensures that User IDs are not shared between Users so as use or access to Profound Information can be tracked through usage reports; and
- decommissions Users IDs that are no longer in use.

(b) Passwords.

All access to Profound Information and systems will be protected by passwords. In respect of password provisioning and maintenance, Profound:

- communicates to its Users password requirements designed to ensure the security of Profound Information and systems, including:
 - minimum requirements (length, mix of characters, biometrics, etc.); and
 - best practices with respect to storage of passwords; and
 - prevents or limits Users from further access after a number of unsuccessful attempts to gain access.

(c) Training.

All Profound personnel will receive training in order to facilitate compliance with this Policy as applicable to their particular role within Profound's business activities.

(d) Availability of Systems, Back Ups and Disaster Recovery

All Profound servers are backed up daily and data is archived indefinitely on the cloud.

(e) Encryption

All USB keys in the field used to transfer data will be encrypted using Windows Bit Locker technology.

All Profound provided laptops will be encrypted with Windows Bit Locker technology along with the laptop's TPM chip.

(f) Malicious Software

All machines connected to the Profound corporate network will have up-to-date Anti-Virus/Anti-Malware/Anti-Spyware software installed.

(g) Physical Security

Profound uses a risk-based approach to physical security that involves the identification, assessment, and management of security risks that may lead to the compromise of Profound's systems and Profound Information.

(h) Incident Management.

In the event any Profound Personnel becomes aware of any loss, destruction, misuse or misappropriation of Profound Information or unauthorized access to Internal Systems, the person who first becomes aware of such incident will contact the IT Department as soon as reasonably possible and provide any relevant information about the incident as is known at the time. The IT Department will take reasonable steps to respond to the incident, including:

- a) Considering at the outset the need to preserve evidence. Retain copies of logs, emails and other communications. For example, copies of malicious files may need to be preserved and quarantined instead of deleted.
- b) Maintaining all documentation surrounding every security incident, including all working papers, notes, incident response forms, meeting minutes and other items relevant to the investigation in a secure location, under the control of legal counsel whenever possible.
- c) Ensuring responsibility for documenting is clear and that only authorized persons review logs, interview witnesses, look for gaps, etc.
- d) Considering at the outset whether a bad actor may have continuing access to our system. If so, consider whether to avoid taking steps that would alert them to the fact that we are aware of the breach.
- e) Once an incident is resolved, debriefing and reflecting on incident, response to incident and lessons learned.
- f) Creating a final incident including recommendations for possible improvements to systems or processes or other measures that could reduce the risk of future security incidents.

4. Use of a Profound Device

(a) Care and Control

Users are responsible for any Profound Device while it is in the User's possession.

In vulnerable situations, e.g. public areas such as airport lounges, hotels and conference centers, Profound Devices must never be left unattended.

When using a Profound Device in a public place, Users must ensure that third parties cannot see the screen contents.

(b) Personal Use

Use of Profound Devices for personal reasons must be kept to a minimum and must not interfere with Profound's business or place Profound Information at risk.

Users are not permitted to use personal email addresses for business related purposes, including sending Profound Information to a personal email address.

(c) Use Restrictions

Users are not permitted to copy or export Profound Information to unauthorized devices, file-sharing sites or removable media (USB storage, other computers, Dropbox, Google Drive, etc.).

Users may not use Profound Devices or Internal Systems for the following:

- To download or exchange non-business files for personal use;
- To download or exchange games or entertainment software or to play games over the Internet;
- To download, exchange or view sexually explicit or offensive material;
- To further any form of harassment or offensive conduct, including but not limited to on the basis of a prohibited ground of discrimination;
- For personal profit or gain outside the User's work for Profound;
- To represent the User as someone else;
- To make defamatory or other comments that would reflect poorly on Profound;
- To hack into another system or Profound's Internal Systems;
- To participate in any illegal activity; or
- Any use that could damage Profound's business or reputation.

(d) Downloads and/or Streaming

Excessive streaming or downloading of any kind of media content using Profound Devices or Internal Systems is prohibited for non-business related purposes.

(e) Usage Reports

Mobility services related to the use of Profound Devices will be monitored. Usage reports may be used to verify that Profound Devices are being used within the guidelines set out in this Policy.

(f) Access and Ownership of Profound Device and Information

Profound Devices, and any Information contained thereon, are the property of Profound and as such are subject to Profound review, interception, collection, monitoring and access. Users should have no expectation of privacy when using Profound Devices or Internal Systems.

Upon request by Profound, Users will promptly provide Profound with full access to any Profound Device in their possession and all Information contained thereon. Users of Profound Devices are strictly prohibited from altering or deleting any Information contained on a Profound Device following a request by Profound to access the Profound Device.

(g) Loss of Eligibility

Profound Devices must be returned in the following circumstances:

- When a User's employment by Profound is terminated for any reason, including resignation;
- When a User takes a leave of absence, including legislated leaves
- (e.g. maternity leave), personal leaves in excess of 30 consecutive days, and long-term disability leaves; and
- At Profound's discretion including if a User fails to comply with the Policy, or if Profound has reason to suspect any improper use of a Profound Device.

5. **Bring Your Own Device (BYOD) Program**

(a) Approval

Employees, contractors or consultants authorized to access Internal Systems may apply for permission to use Personal Devices for such access through Profound's BYOD Program.

(b) Personal Use

Use of Personal Devices for personal reasons during business hours must be kept to a minimum and must not interfere with Profound's business. The nature and/or context of any personal use of a Personal Device must make clear to outsiders that the User is not representing Profound.

Users are not permitted to use personal accounts or applications on a Personal Device for business related purposes, including sending Profound Information to a personal email address.

(c) Use Restrictions

Personal Devices and passwords or other credentials for Personal Devices must not be shared with third parties, including family members or friends, to prevent such third parties from gaining unauthorized access to Profound Information.

Users are not permitted to copy or export Profound Information on a Personal Device to unauthorized devices, file-sharing sites or removable media (USB storage, other computers, Dropbox, Google Drive, etc.).

(d) Access and Ownership of Information

Any Profound Information which is created, sent, received, reproduced, processed, stored or transmitted on Personal Devices, is the property of Profound. The User should not have any expectation of privacy when using Personal Devices to access Internal Systems or to create, access, transmit, store or otherwise engage with Profound Information.

Profound may, at its sole discretion, access, collect, or review any Information on a Personal Device for the purpose of identifying, locating, or collecting Profound Information, or for other purposes related to investigations, potential violations of Profound Policies, employment terms or laws. In addition, in some circumstances (including but not limited to circumstances in which a Personal Device is no longer in a User's control or where a User has refused to provide Profound with access to a Personal Device upon request), Profound may delete any and all Information contained on the Personal Device.

6. Downloading Software and Documents

Users who require an application to be installed on a Profound Device must obtain advance authorization.

7. Damaged, Lost or Stolen Devices

Damage, loss or misappropriation of Profound Devices and Personal Devices covered by this Policy must be immediately reported, to ensure that appropriate security measures can be taken. Users must immediately report any incident or suspicion of unauthorized access or disclosure of Profound Information. Personal Devices must have remote location and information deletion (wiping) capabilities enabled at all times.

Such incidents must be reported as follows:

Naren Chollangi - Manager IT (Nchollangi@Profoundmedical.com) 647-436-1350 x405.

Kalvin Stubbs - IT Specialist (Kstubbs@Profoundmedical.com) 647-436-1350 x411.

8. Compliance

Any User who fails to comply with this Policy may be subject to disciplinary action, up to and including termination of employment.

Adopted on August 14th, 2018.