

# Clarity Pharmaceuticals Ltd

## Diversity and Inclusion Policy

### 1 PURPOSE

#### 1.1. This Policy:

- (a) supports the commitment of Clarity Pharmaceuticals Ltd ACN 143 005 341 (**Company**) to establishing and maintaining an inclusive workplace that recognises, values and respects diversity; and
- (b) provides a framework for new and existing diversity-related initiatives, strategies and programs within the Company's business.

### 2 BENEFITS OF DIVERSITY

- 2.1. Diversity refers to the visible and invisible differences that exist between people, including (but not limited to) race, colour, physical features, sex, sexual preference, gender identity, age, physical or mental disability, marital status, family responsibilities, pregnancy, breast feeding, carer responsibilities, religion, political opinion, national extraction, social origin or any other attribute. It also refers to diverse ways of thinking and ways of working.
- 2.2. The Company recognises the positive outcomes that can be achieved through a diverse workforce and recognises and utilises the contribution of diverse skills and talent from its directors, officers, employees, contractors and consultants.
- 2.3. The Company believes that by embracing diversity in its workforce, this enables the Company to:
  - (a) attract, retain and motivate employees from the widest possible pool of talented candidates;
  - (b) create a culture that embraces diversity and that rewards people who act in accordance with this Policy;
  - (c) develop and retain an appropriate skills base in the Company;
  - (d) make more informed and innovative decisions, drawing on a wide range of ideas, experiences, approaches and perspectives that employees from diverse backgrounds, and with differing skill sets, bring to their roles; and
  - (e) better represent the diversity of all of the Company's stakeholders.

### 3 FRAMEWORK AND FOCUS

- 3.1. The Board values the level of diversity already present within the organisation and believes that continuing to promote diversity is in the best interests of the Company, its employees and its shareholders. The Company has adopted a Code of Conduct Policy (**Code**) which reflects the core values of the Company and sets out standards of behaviour, and this Policy is intended to operate alongside that Code, providing a framework for the Company to achieve a number of diversity objectives.

## **4 COMMITMENT TO DIVERSITY**

- 4.1. The Company aims to achieve greater diversity by ensuring:
- (a) that the Company's corporate culture at all levels supports diversity in the workplace whilst maintaining a commitment to a high performance culture;
  - (b) that consideration is given to programs and processes for the development of skills of its employees and support for an individual's domestic responsibilities;
  - (c) the policy for selection and appointment of senior management and new directors is transparent;
  - (d) that it recruits from a diverse pool of qualified candidates, making efforts to identify prospective employees who have diversity attributes and ensuring diversity of members on the selection and interview panel when selecting and appointing new employees (including senior management) and new Board members so that there are no conscious or unconscious biases that might discriminate against a candidate;
  - (e) that it recognises that all employees at all levels may have domestic responsibilities, and strive to adopt flexible work practices that will assist them to meet those responsibilities;
  - (f) ensuring compliance with the ASX Corporate Governance Principles and Recommendations in respect of diversity; and
  - (g) that the Board establishes objectives on at least an annual basis to identify ways in which the achievement of gender diversity at the Company is measured, and in relation to other aspects of this diversity policy.
- 4.2. The Company is committed to maintaining a properly functioning diverse workplace, in which discrimination, harassment, vilification and victimisation cannot and will not be tolerated.

## **5 OBJECTIVES FOR ACHIEVING GENDER DIVERSITY**

- 5.1. The Board intends to establish measurable objectives for achieving gender diversity and where such measurable objectives have been established, then review and assess, at least annually, both the measurable objectives for achieving gender diversity and the Company's progress in achieving them.
- 5.2. Where any such measurable objectives have been established by the Board, then the Board will disclose in the Company's annual report for each relevant financial year both its objectives for achieving gender diversity and its progress in achieving those objectives (as appropriate).
- 5.3. To assist the Board to fulfil its responsibilities, the Nominations and Remuneration Committee will be responsible for:
- (a) coordinating with the Board to ensure that the Company meets its commitment to becoming a diverse and inclusive workplace;
  - (b) identifying ways to promote a culture supportive of diversity including recruitment from a diverse pool of candidates;
  - (c) reviewing nomination practices against measurable objectives for achieving gender diversity;

- (d) assisting and advising the Board on the process for recruiting a new director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board; and
- (e) reporting to the Board, at least annually, on the Company's progress in achieving the measurable objectives that have been established by the Board for achieving gender diversity (as applicable).

## **6 RECRUITMENT**

- 6.1. The Company recruits based on merit, ensuring that the most appropriately qualified and experienced person is employed for each role.
- 6.2. The Company does not tolerate discriminatory behaviour in its recruitment or people management processes and ensures that all managers involved in recruitment and selection processes are appropriately trained.
- 6.3. The Company's recruitment and selection practices at all levels are structured so that a diverse range of candidates are considered and to guard against any conscious or unconscious biases that might discriminate against certain candidates.

## **7 FLEXIBLE WORK PRACTICES**

- 7.1. The Company is a strong advocate of flexible work practices where this is possible given the operational requirements of the business. At any given time, the Company often has a number of staff working on a part-time basis, including following return to work from parental leave, and the Company continues to support this policy. In addition, the Company is flexible in its response to requests for flexibility in working hours and extended leave without pay to assist employees to manage work and family responsibilities as applicable.
- 7.2. The Company's flexible work practices create the foundation to ensure that the Company is well positioned to attract and retain the best talent for the Company regardless of personal circumstances.

## **8 REVIEW AND PUBLICATION OF THIS POLICY**

- 8.1. The Board will review this Policy as often as it considers necessary to ensure the Policy complies with any applicable legal requirements and remains relevant and effective to the Company.
- 8.2. This Policy is not intended to be contractual in nature.
- 8.3. The Board may amend this Policy from time to time by resolution of the Board.
- 8.4. This Policy will be made available on the Company's website and may be published in the annual report or a link to the governance section of the website provided.

**Adopted by the Board on 16 July 2021**