

## **CORPORATE GOVERNANCE STATEMENT YEAR ENDING 30 JUNE 2024**

Clarity Pharmaceuticals Ltd ACN 143 005 341 (the **Company**) is committed to continuously improving and achieving high standards of corporate governance. The established governance framework and practices are designed on the basis that good corporate governance is closely related to performance and serves in the best interests of shareholders and stakeholders.

The Company's Corporate Governance Statement, in accordance with requirements of ASX Listing Rule 4.10.3, has been prepared with reference to the 4th Edition of the Australian Securities Exchange's (ASX) Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council (ASX Principles and Recommendations).

The Company's Corporate Governance Statement is accurate and up to date as at 30 September 2024 and has been approved by the Board. It discloses the extent to which the Company intends to follow the ASX Principles and Recommendations. Where an ASX recommendation is not intended to be followed, the Board discloses the reasons for not following the recommendation and any alternative governance practices the Company will adopt in lieu of the Recommendation.

A description of the Company's main corporate governance practices and its 'if not, why not' report on its compliance with the ASX Principles and Recommendations is set out below.

The Company's Corporate Governance Statement is structured with reference to the principles set out in the 4th Edition ASX Principles and Recommendations, which are as follows:

Principle 1. Lay solid foundations for management and oversight

Principle 2. Structure the Board to be effective and add value

Principle 3. Instil a culture of acting lawfully, ethically and responsibly

Principle 4. Safeguard the integrity of corporate reports

Principle 5. Make timely and balanced disclosure

Principle 6. Respect the rights of security holders

Principle 7. Recognise and manage risk

Principle 8. Remunerate fairly and responsibly

Further information on corporate governance policies adopted by the Company will be made available on our website ([www.claritypharmaceuticals.com](http://www.claritypharmaceuticals.com)).

**CLARITY PHARMACEUTICALS LTD  
 CORPORATE GOVERNANCE (CONTINUED)**

Principle	Corporate Governance Council Recommendation	Compliance
1	<b>Lay solid foundations for management and oversight</b>	
1.1	<p>A listed entity should have and disclose a board charter setting out:</p> <ul style="list-style-type: none"> <li>(a) the respective roles and responsibilities of its board and management; and</li> <li>(b) those matters expressly reserved to the board and those delegated to management.</li> </ul>	✓
	<p><i>How we comply with 1.1</i></p> <p>The Company has a Board Charter setting out the matters expressly reserved to the Board and those delegated to management.</p> <p>The Board's primary role is to provide overall strategic guidance and financial management and controls for the Company through effective oversight of management. The Board ensures that the activities of the Company comply with its constitution (from which the Board derives its authority to act) and with legal and regulatory requirements.</p> <p>As outlined in the Company's Board Charter, the Board is responsible for:</p> <ul style="list-style-type: none"> <li>a) providing leadership, defining the Company's purpose and setting the strategic objectives of the Company;</li> <li>b) approving and upholding the Company's code of conduct (and any statement of values and standards contained therein);</li> <li>c) appointing the Chairperson (and deputy Chairperson where considered appropriate);</li> <li>d) appointing and, when necessary, replacing the Chief Executive Officer;</li> <li>e) approving the appointment and, when necessary, replacement of the Company Secretary;</li> <li>f) overseeing management's implementation of the Company's strategic objectives, instilling of the Company's values, and its performance generally;</li> <li>g) through the Chairperson, overseeing the role of the Company Secretary;</li> <li>h) approving operating budgets and major capital expenditure;</li> <li>i) overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;</li> <li>j) overseeing the Company's process for making timely and balanced disclosure of all material information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities if they are publicly traded;</li> <li>k) ensuring that the Company has an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate;</li> <li>l) whenever required, acting as a check and balance on management decision making;</li> <li>m) approving the Company's remuneration framework as appropriate; and</li> <li>n) monitoring the effectiveness of the Company's governance practices.</li> </ul> <p>The Board has the power to delegate responsibility to committees to consider certain issues in further detail and then report back to and advise the Board to assist the Board to carry out its functions effectively and efficiently. Standing committees established by the Board will adopt charters setting out the authority, responsibilities, membership and operation of the committee.</p> <p>The Board has two sub-committees:</p> <ul style="list-style-type: none"> <li>a) Audit and Risk Committee; and</li> <li>b) Nomination and Remuneration Committee.</li> </ul> <p>The Board may establish other committees from time to time to consider other matters of special importance on an 'as needs' basis.</p> <p>The Board has delegated to the Executive Chair and Managing Director the authority to manage the day to day affairs of the Company and the authority to control the affairs of the Company in relation to all matters other than those responsibilities reserved to the Board and its committees under their respective charters. The Board may impose further specific limits on those delegations. These delegations of authority will be maintained by the Company Secretary and will be reviewed by the Board as appropriate from time to time. The Executive Chair and Chief Executive Officer have authority to sub-delegate to the senior management team.</p>	

Principle	Corporate Governance best practice recommendation	Compliance	How we comply
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to re-elect a director.</p>	✓	<p>All directors have been subject to background checks including criminal and bankruptcy history prior to appointment or the listing of the company as appropriate.</p> <p>The Company's Notice of Meeting contains all material information in the Company's possession relation to any Director put forward for election as a director at the meeting.</p> <p>In the Company's Board Charter, the Board delegates authority to the Nomination and Remuneration Committee (see Recommendation 2.1 below) to undertake appropriate checks including character, experience, education, criminal record and bankruptcy history to determine whether or not to recommend a director or senior executive to shareholders for election or re-election or to appoint a director to fill a casual vacancy. The Board Charter also confirms the Board's commitment to providing shareholders with all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a director.</p> <p>The Company's Board Charter also delegates authority to the Nomination and Remuneration Committee to identify and recommend to the Board candidates with appropriate skills, experience and expertise that best complement the Board's effectiveness having regard to the law and the best standards of corporate governance (which includes conducting appropriate checks).</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	✓	<p>The Company's Non-Executive Directors are appointed in accordance with the Company's constitution, which sets out the key terms of their appointment and the term of their service in accordance with relevant Australian laws. Each of the Non-Executive Directors of the Company have entered into a letter of appointment (or similar written agreement) setting out the terms of their employment with the Company or with a subsidiary or affiliate of the Company, as applicable.</p> <p>Each of the Executive Directors and senior executives of the Company have been duly appointed by the Company's Board and each of the Executive Directors and senior executives of the Company have entered into an employment agreement setting out the terms of their employment with the company or with a subsidiary or affiliate of the Company, as applicable.</p> <p>The Board's Nomination and Remuneration Committee is responsible for overseeing the process of appointment and remuneration of Non-Executive Directors, the Executive Chair,</p>

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			CEO, the CFO (or equivalent), and other senior executives of the Company.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	✓	<p>Clause 2.3(e) of the Company's Board Charter provides that the Board has reserved to itself the appointment, and when necessary, replacement of the Company Secretary.</p> <p>Clause 2.3(g) of the Company's Board Charter provides that the Board is responsible for, through the Chairperson, overseeing the role of the Company Secretary.</p> <p>Clause 3.1(h) of the Company's Board Charter provides that the Chairperson is responsible for overseeing the role of the Company Secretary, including reviewing corporate governance matters with the Company Secretary and reporting on those matters to the Board.</p> <p>Clause 3.2 of the Company's Board Charter provides that the Company Secretary is accountable directly to the Board, through the Chairperson on all matters to do with the proper functioning of the Board.</p> <p>The Board's Nomination and Remuneration Committee is responsible for overseeing the process of appointment and remuneration of the Company Secretary.</p>
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally;</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(i) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender</p>	<p>✓</p> <p>x</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p>The Company has a Diversity and Inclusion Policy which sets out the Company's commitment to diversity, encouraging inclusive workplace practices and behaviours and fostering a work environment that values the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity.</p> <p>Clause 5.1 of the Diversity and Inclusion Policy provides that 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. The Nomination and Remuneration Committee monitors and reviews diversity metrics within the company; however, given the Company's size, the Board does not consider it appropriate to establish formal diversity targets at this stage.</p> <p>The Board has delegated responsibility to the Nomination and Remuneration Committee to assist the Board in achieving diversity in the Company, through:</p> <p>a) coordinating with the Board to ensure that the Company meets its commitment to</p>



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			<p>Gender diversity within the Company and its subsidiaries is set out in the following table:</p> <table border="1" data-bbox="874 344 1385 770"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">2024</th> <th colspan="2">2023</th> </tr> <tr> <th>No.</th> <th>%</th> <th>No.</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Total Women employed</td> <td>42</td> <td>70%</td> <td>26</td> <td>62%</td> </tr> <tr> <td>Women in senior executive roles</td> <td>3</td> <td>33%</td> <td>2</td> <td>25%</td> </tr> <tr> <td>Women in board positions</td> <td>2</td> <td>33%</td> <td>2</td> <td>28%</td> </tr> </tbody> </table> <p>While the high overall female representation is not yet reflected at senior levels, the Company is committed to providing equal opportunity for advancement. 76.9% of staff promoted based on performance during the year ending 30 June 2024 were female.</p> <p>On 20 September 2024 Michelle Parker was appointed to the board as an Executive Director. This promotion is to strengthen the industry knowledge and clinical strategy capabilities of the board. The internal promotion of Ms Parker reflects her outstanding capabilities and contributions to the company since her commencement in 2018.</p> <p>Accordingly, the last two appointments to the board have been women. For reasons unrelated to the Company, Cheryl Maley (appointed in February 2023) was not able to continue in the role and resigned in February 2024.</p> <p>With the appointment of Ms Parker, and resignation of Mr Thomas on 25 August, female representation on the Board is at 33%. While it is pleasing to achieve the gender diversity goal of 30% female directors, this remains a focus area for the Company.</p> <p>The Company will continue its focus on achieving greater gender diversity through its current practices of ensuring diverse interview panels, creating awareness for any potential unconscious bias, and assessing shortlists for diversity.</p> <p>The Company still retains a relatively small workforce with fewer than 100 staff. The Company will disclose measurable objectives for gender diversity, the time period for achieving those objectives, and its progress towards achieving those objectives in future reporting periods when the Company's workforce reaches sufficient scale to allow</p>		2024		2023		No.	%	No.	%	Total Women employed	42	70%	26	62%	Women in senior executive roles	3	33%	2	25%	Women in board positions	2	33%	2	28%
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			such target setting to be a more practical tool for assisting in meeting gender diversity goals.
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>✓</p> <p>✓</p>	<p>The Company has an evaluation process in relation to the Board (including individual directors) and its Committees.</p> <p>Clause 3.1(k) of the Nomination and Remuneration Charter provides that the Nomination and Remuneration Committee oversees processes for the evaluation of the performance of the Board, Committees, and directors individually, using both measurable and qualitative indicators.</p> <p>The Nomination and Remuneration Committee evaluates the performance of the Board and its directors individually on an annual basis, using measurable and qualitative indicators. The Board utilises a confidential Board performance questionnaire as part of this review. The review assists with the review of current and future composition, skills mix and performance of the directors of the company. A performance review was conducted during the reporting period.</p> <p>An evaluation of the performance of the Board's Committees is also undertaken on a periodic basis.</p> <p>The Nomination and Remuneration Committee will review its performance at least every three years or earlier if circumstances dictate, and whenever there are major changes to the management structure of the Company. The performance evaluation will have regard to the extent to which it has met its responsibilities in terms of the Nomination and Remuneration Charter. The Audit and Risk Committee will also review its performance from time to time and whenever there are major changes to the management structure of the Company.</p> <p>The Company has conducted an evaluation of the performance of the Board during the reporting period. The feedback from the review will be used for continuous improvement of Board performance and governance of the Company.</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>✓</p> <p>✓</p>	<p>In accordance with clause 6.1 of the Board Charter, it is the policy of the Board to ensure that directors and executives of the Company are equipped with the knowledge and information they need to discharge their responsibilities effectively, and that individual and collective performance is regularly and fairly reviewed.</p> <p>The Nomination and Remuneration Committee has responsibility to review and evaluate the performance of executives on an annual basis (see clause 6.2 of the Board Charter). This</p>

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			<p>includes the performance of the Executive Chairperson which is required to be evaluated by a suitable Non-Executive Director in accordance with clause 6.1 of the Board Charter.</p> <p>The Company reviews the performance of senior executives on at least an annual basis, including for the recently completed reporting period. The evaluation of the Executive Chairperson was completed as part of the overall evaluation of Board performance.</p>
2	<b>Structure of the Board to be effective and add value</b>		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director and disclose the charter of the committee, the members of the committee; and</p> <p>(3) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p> <p>OR</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>N/A</p>	<p>The Company has a Nomination and Remuneration Committee, comprising three members - Ms Rosanne Robinson, Dr Thomas Ramdahl, and Dr Chris Roberts. Ms Robinson is the Chair of the Nomination and Remuneration Committee (she is an Independent Director).</p> <p>The Nomination and Remuneration Committee is comprised solely of Non-Executive Directors in accordance with ASX Listing Rule 1.1 condition 18. All members are currently considered by the Board to be independent.</p> <p>The Nomination and Remuneration Committee Charter sets out its responsibilities. The Nomination and Remuneration Committee is responsible for assisting and advising the Board on:</p> <ul style="list-style-type: none"> <li>a) Board succession planning generally;</li> <li>b) induction and continuing professional development programs for directors;</li> <li>c) the development and implementation of a process for evaluating the performance of the Board, its committees and directors;</li> <li>d) the process for recruiting a new director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;</li> <li>e) the appointment and re-election of directors; and</li> <li>f) ensuring there are plans in place to manage the succession of the CEO and other senior executives,</li> </ul> <p>to ensure that the Board is of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the Company as a whole.</p> <p>The Nomination and Remuneration Committee held 4 meetings during the financial year ended 30 June 2024 (2023 – 7 meetings) and held</p>



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			several other consultation sessions during the period.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Complies in part	<p>As noted in clause 5.3 of the Board Charter, the Company seeks to have directors with an appropriate range of skills, experience, diversity and an understanding of and competence to deal with current and emerging issues of the business. The Company's succession plans are also designed to maintain an appropriate balance of skills, experience and expertise on the Board and to reflect the Company's commitment to promoting diversity in the workplace.</p> <p>The Company has a board skills matrix, and the Board, with the assistance of the Nomination and Remuneration Committee, considers attributes and skill set as part of any new appointment.</p> <p>Information regarding the qualifications of each of the directors of the Company is disclosed on the company's website.</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the name of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>Clause 5.10 of the Company's Board Charter provides that, as a general principle, a director is considered independent by the Company if the Director is free of any interest, position, association or relationship that might influence, or be reasonably perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company.</p> <p>The Board assesses independence at least annually. The Board is currently of the view that the following members of the Board are Independent Directors, where an Independent Director is a Non-Executive Director who meets the criteria for independence included in the ASX Corporate Governance Council Principles and Recommendations:</p> <ul style="list-style-type: none"> <li>• Ms Rosanne Robinson;</li> <li>• Dr Chris Roberts; and</li> <li>• Dr Thomas Ramdahl.</li> </ul> <p>Dr Roberts is a substantial shareholder of the company holding 5.69% of share on issue having invested during the formative stages of the company's development. The Board, in the absence of Dr Roberts, has during the period considered this shareholding, his role on the Board and whether the holding might interfere, or reasonably be seen to interfere, with his capacity to bring an independent judgement. Based on this assessment the Board has assessed that it does not believe that the shareholding has previously, or will in the future interfere with his capacity to bring an independent judgement to matters before the</p>

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			<p>Board. The Board believes that Dr Roberts brings objective and unbiased judgement to the Board's deliberations and makes an invaluable contribution to the Company through his deep understanding of its business and the industry in which it operates. Accordingly, it has been determined that he is an Independent Director.</p> <p>The Board has determined that the following directors of the Company are not Independent Directors under the applicable criteria for independence included in the ASX Corporate Governance Council Principles and Recommendations:</p> <ul style="list-style-type: none"> <li>• Dr Alan Taylor (Executive Chairperson);</li> <li>• Dr Colin Biggin (Managing Director and CEO); and</li> <li>• Ms Michelle Parker (Executive Director and Chief Clinical Officer)</li> </ul> <p>On the basis that they are employed by the Company in executive capacities.</p> <p>Accordingly, the Board is not chaired by an Independent Director, as recommended in Recommendation 2.1; and comprises 50% Independent Directors, short of the majority as recommended in Recommendation 2.4.</p> <p>The Board continually assesses the Company's circumstances and requirements. It operates in a highly specialised industry and for this reason it is considered vital to have industry expertise strongly represented at board level. Considering these considerations the Board is satisfied that the composition of the Board reflects an appropriate mix of corporate memory, independence, skills and experience.</p> <p>Clause 5.12 of the Company's Board Charter provides that the Board regularly assess the independence (as may be applicable) of each Non-Executive Director in light of the interests disclosed by them. Directors' interests are reviewed and considered at each board meeting. The assessment of independence is made at least annually at, or around the time, that the Board considers candidates for election to the Board. Each Independent Director (as may be applicable) must provide the Board with all relevant information for this purpose. The outcome of this assessment will be reflected in the Company's annual report.</p> <p>The length of service for each Director is disclosed in the Annual Report.</p>
2.4	A majority of the board of a listed entity should be independent directors.	X	As described against Recommendation 2.3 above, 50% of the members of the Board are Independent Directors. Two Independent directors have resigned and retired respectively, and one Non-Independent director was

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			<p>appointed during 2024. The appointment of Ms Parker was due to the specific industry knowledge she can bring to board deliberations and is reflective of her outstanding contribution to the company and its clinical programme.</p> <p>The Board is mindful that these changes have resulted in the loss of an Independent director majority and is firmly committed to restoring that majority in the next 12 months.</p>
2.5	The Chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Complies in part	<p>As set out under Recommendation 2.3 above, the Chair, Dr Alan Taylor, is not considered an Independent Director. Ms Rosanne Robinson has been appointed Lead Independent Director to manage circumstances where Dr Taylor's Non-Independent status prevents him performing his role as Chair.</p> <p>The Chair (Dr Alan Taylor) is not the same person as the CEO of the Company (Dr Colin Biggin).</p>
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as director effectively.	✓	<p>The Company's induction program provides incoming directors with information that will enable them to carry out their duties in the best interests of the Company. Directors are also offered access to ongoing education as required.</p> <p>The Company's Nomination and Remuneration Committee is responsible for maintaining an effective induction program for new directors and identifying whether there are any deficiencies in the composition of the Board considering its desired mix of skills and experience which could be addressed by further professional development.</p>
<b>3</b>	<b>Instil a culture of acting lawfully, ethically and responsibly</b>		
3.1	A listed entity should articulate and disclose its values.	✓	<p>The Company leadership seeks to instil its values into the team across all activities. These are articulated in the Code of Conduct as follows:</p> <ul style="list-style-type: none"> <li>a) Innovation: The Company strives to use novel solutions and state-of-the-art technology to foster innovation and promote positive change in the space of personalised medicine and targeted radiopharmaceuticals.</li> <li>b) Thought leadership: The Company is determined to gain insight from industry thought leaders to ensure that its strategy is up to date with the most recent scientific and technologic advancements and to use cutting edge solutions in order to ensure commercial success and significantly improve patient health.</li> <li>c) Collaboration: The Company believes that collaboration on many different levels is the driving force behind progress. It is the core of the Company's strategy. The</li> </ul>

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			<p>Company promotes collaboration among its employees, shareholders, suppliers and customers, and governments, universities, R&amp;D institutes and key opinion leaders in the industry with the aim of strengthening and diversifying its knowledge in the space.</p> <p>d) Reliability and trust: The Company aims to establish relationships that are based on strong mutual trust in order to create an environment where all parties involved work towards a common goal, knowing their input will be valued and respected. Members of the Company are expected to make and meet commitments and conduct business with professionalism and integrity.</p> <p>e) Honesty and integrity: The Company is committed to acting honestly and with integrity in all of its dealings, both internally and externally. The Company commits to only dealing with partners who demonstrate similar responsible and professional business practices.</p> <p>f) Environment: The Company is committed to acting responsibly towards the environment.</p> <p>The Code is available on the company's website and on its internal server. Employees are required to acknowledge that they have read and understood the Code and the values are also communicated at team meetings.</p>
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	<p>✓</p> <p>✓</p>	<p>The Company has a suite of policies including a Code of Conduct which provide guidelines aimed at maintaining high ethical standards and corporate behaviour. Employees are required to acknowledge that they have read and understood the policies.</p> <p>Directors and employees are expected to comply with all Company policies (including the Code of Conduct) and to act professionally with integrity, honesty and responsibility at all times.</p> <p>The Company has processes in place to ensure that the Board will be informed of any material breaches of the Company's Code of Conduct and other policies.</p> <p>Preliminary investigations of reported breaches or suspected breaches are administered by the Company Secretary or Lead Independent Director. If a breach of the Code is found to have occurred, a formal investigation process is administered by the Secretary in consultation with the supervisor or manager of the offending person. In the investigation process, all Members are expected to co-operate with the directions of the Secretary (Lead Independent Director or other representative).</p>

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3.3	A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a whistleblower policy; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</li> </ul>	✓  ✓	The Company has a Whistleblower Policy and has put processes in place to ensure that the Board is informed of any material incidents reported under that policy.  A copy of the Policy is available on the Company's website ( <a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a> ).
3.4	A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose an anti-bribery and corruption policy; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</li> </ul>	✓  ✓	The Company has an Anti-bribery and Corruption Policy and has ensured that adequate processes are in place to ensure that the Board is informed of any material breaches of that Policy.  The Company's Anti-bribery and Corruption Policy is available on the Company's website ( <a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a> ).
<b>4</b>	<b>Safeguard integrity of corporate reports</b>		
4.1	The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have an audit committee which:               <ul style="list-style-type: none"> <li>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, who is not the chair of the board,</li> </ul>               and disclose:               <ul style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the relevant qualifications and experience of the members of the committee; and</li> </ul> </li> <li>(b) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; OR</li> <li>(c) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</li> </ul>	✓  ✓  ✓  ✓	The Company has an Audit and Risk Committee that assists the Board to fulfil its statutory and regulatory responsibilities.  The Audit and Risk Committee is comprised of Dr Thomas Ramdahl, Ms Rosanne Robinson and Dr Chris Roberts and is chaired by Dr Roberts. The members are all Independent Non-Executive Directors. The Chair of the Audit Committee, Dr Roberts, is an Independent Director and is not the Chair of the Board.  The Audit and Risk Committee Charter is available on the Company's website ( <a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a> ).  Information regarding the qualifications and experience of each of the members of the Company's Audit and Risk Committee is disclosed in the Annual Report.  The Audit and Risk Committee have met 4 times during the year ending 30 June 2024 (2023 - 4 meetings).
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of	✓	The Executive Chair and Chief Financial Officer state in writing to the Board, prior to the Board's approval of the Company's financial statements for a financial period, that the Company's Financial Reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards; and that this statement is founded on a sound system of risk management and internal

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	the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.		compliance and control which implements the policies adopted by the Board.
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	✓	The Company verifies the integrity of its periodic reports by receiving a declaration from its Executive Chair and CFO for such reports in the form required by section 295A of the <i>Corporations Act 2001</i> (Cth) for full year financial statements. The Company's periodic reporting is also audited or reviewed by its external auditor. To the extent that a periodic report is not audited or reviewed by an external auditor, the Company will disclose its process to verify the integrity of the periodic report.
<b>5</b>	<b>Make timely and balanced disclosure</b>		
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	✓	<p>The Company has a Disclosure and Communication Policy which sets out the procedures that apply to the central collection, control, assessment and if required, release to the ASX, of information which may affect the price or value of the Company's securities or influence decisions taken by investors to buy or sell the Company's securities.</p> <p>The Company's Disclosure and Communication Policy seeks to ensure compliance with obligations under the continuous disclosure regime of the ASX Listing Rules to ensure that all security holders of the Company have access to material information about the Company and its prospects. A copy of the Company's Disclosure and Communication Policy is available on the Company's website (<a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a>).</p> <p>At each meeting the Company's directors consider whether or not there is any information (including any matters reported to or discussed at the board meeting) that may potentially need to be disclosed to the market pursuant to the Company's continuous disclosure obligations.</p>
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	✓	The Company makes available to the Board all announcements by the Company through the ASX release platform once the announcement is made.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	✓	<p>The company observes Clause 5.5 of the Company's Disclosure and Communication Policy which provides that:</p> <ol style="list-style-type: none"> <li>any presentation materials will be lodged with the ASX and on the Company's website before any briefings;</li> <li>the Company will not comment on price sensitive issues not already disclosed to the ASX; and</li> <li>any questions raised in relation to price sensitive issues not already disclosed to</li> </ol>

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			the ASX will not be answered or will be taken on notice.
<b>6</b>	<b>Respect the rights of security holders</b>		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	✓	Details of the Company and its governance are available at the Investor Centre on the Company's website ( <a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a> ).
6.2	A listed entity should have an investor relations program to facilitate effective two-way communication with investors.	✓	The Company observes its Disclosure and Communication Policy which sets out the Company's investor communication processes. It also retains the services of a specialist Investor Relations firm to assist with its investor communications.  The Company encourages shareholders and stakeholders to contact designated senior executives and directors via its website, email or via telephone. All Company announcements provide contact details to facilitate communication with investors.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	✓	The Company facilitates and encourages participation at meetings of security holders by offering shareholders the opportunity to:  a) attend shareholder meetings in person or online; b) lodge votes online; and c) appoint a proxy to attend a meeting and vote on the shareholder's behalf.  Shareholders will also be encouraged to participate at meetings by asking questions either in advance or at the meeting.
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	✓	The Company is committed to ensuring all substantive resolutions are decided by a poll rather than by a show of hands.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	✓	Through its share registry, Link Market Services Limited, the Company actively encourages its security holders to receive all communications electronically.
<b>7</b>	<b>Recognise and manage risk</b>		
7.1	The board of a listed entity should:  (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose the charter of the committee, the members of the committee; and (3) as at the end of each reporting period, the number of times	✓  ✓  ✓	The Company has an Audit and Risk Committee that assists the Board to fulfil its statutory and regulatory responsibilities.  As noted at 4.1, the Audit and Risk Committee is comprised of Dr Thomas Ramdahl, Ms Rosanne Robinson and Dr Chris Roberts and is chaired by Dr Roberts. The members are all Independent Non-Executive Directors. The Chair of the Audit Committee, Dr Roberts, is an Independent Director and is not the Chair of the Board.

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	<p>the committee met throughout the period and the individual attendances of the members at those meetings;            OR            (4) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	N/A	<p>The Board monitors and receives advice on areas of operational and financial risk and considers strategies for appropriate risk management arrangements.</p> <p>The Audit and Risk Committee Charter is available on the Company's website (<a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a>).</p> <p>Information regarding the qualifications and experience of each of the members of the Company's Audit and Risk Committee is disclosed in the Annual Report.</p> <p>The Audit and Risk Committee have met 4 times during the year ending 30 June 2024 (2023 - 4 meetings).</p> <p>Material financial risks faced by the Company were disclosed at section 5 of the 2021 Prospectus. Risks are updated and assessed at least annually by the Audit and Risk Committee.</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>✓</p> <p>✓</p>	<p>The Audit and Risk Committee, as designated by the Board, is responsible for monitoring and reviewing the effectiveness of the Company's system of risk management and internal controls. This process includes, at least annually, a detailed assessment of the Company's risk framework and matrix as presented by management.</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; OR</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	✓	<p>Although the Company does not have an internal audit team or function, it does have an Audit and Risk Committee (as noted above) which is responsible for evaluating and continually improving the effectiveness of the Company's risk management and internal control processes as detailed in the Audit and Risk Committee Charter.</p> <p>The Company does not have an internal audit function. The Audit and Risk Committee actively encourages the external auditor to raise risk and internal control matters as part of its engagement.</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	✓	<p>The Company monitors its exposure to environmental and social risks.</p> <p>These are considered and assessed by the Audit and Risk Committee and board.</p>
<b>8</b>	<b>Remunerate fairly and responsibly</b>		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p>		<p>As noted above at 2.1, the Company has a Nomination and Remuneration Committee, which is comprised of three members. The current members of the Nomination and Remuneration Committee are Ms Rosanne</p>



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	<p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</p> <p>If it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>N/A</p>	<p>Robinson, Dr Thomas Ramdahl, and Dr Chris Roberts. Ms Rosanne Robinson is the chair of the Nomination and Remuneration Committee (being an Independent Director).</p> <p>The Nomination and Remuneration Committee is comprised solely of Non-Executive Directors in accordance with ASX Listing Rule 1.1 condition 18. All members are considered by the Board to be independent.</p> <p>The Nomination and Remuneration Committee met throughout the financial year ended 30 June 2024 on 4 occasions (2023 – 4 meetings). Committee members conferred regularly during the year outside of these meetings.</p> <p>The Nomination and Remuneration Committee Charter is available on the Company's website (<a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a>).</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	✓	<p>The Nomination and Remuneration Committee stays abreast of market dynamics ensuring up to date guidance and support is available to the Board.</p> <p>The Nomination and Remuneration Committee assists the Board in fulfilling its corporate governance responsibilities with respect to remuneration by providing an independent and objective perspective on the value and structure of remuneration for each of the Company's Non-Executive Directors, the Company Secretary, Executive Chair, Chief Executive Officer, Chief Financial Officer and other senior executives and employees, so as to maximise the benefit derived from their skills and experience to facilitate the long-term growth and success of the Company. To do this, the Nomination and Remuneration Committee assists and advises the Board with respect to nomination and remuneration as set out in the Nomination and Remuneration Committee Charter, which is available on the Company's website (<a href="http://www.claritypharmaceuticals.com">www.claritypharmaceuticals.com</a>). The details of the remuneration paid to directors and senior executives are disclosed in the Annual Report.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise)</p>	✓	<p>The Company has an Equity Incentive Plan which facilitates the grant of equity to management and employees in circumstances in which the Board determines a grant of equity is appropriate.</p> <p>Under clause 4.3 of the Company's Nomination and Remuneration Committee Charter, the</p>

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	which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.		Nomination and Remuneration Committee is responsible for overseeing the administration of any incentive or equity-based plans that are adopted and ensuring compliance with applicable laws that restrict participants from hedging the economic risk of their security holdings.
9	<b>Additional recommendations that apply</b>		
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	N/A	The Company does not have a director in this position and this recommendation is therefore not applicable.