



SIGMA PHARMACEUTICALS LIMITED

DIVERSITY POLICY

INTRODUCTION

Sigma Pharmaceuticals Limited (Sigma) is committed to responsible corporate governance and has implemented this Diversity Policy as part of its corporate governance framework, in accordance with the ASX Corporate Governance Principles and Recommendations. Sigma will develop strategies, initiatives and programs to promote diversity including meeting its obligations with respect to the issue of gender diversity as required under the revised ASX Principles. Measurable objectives for the achievement of gender diversity will be reported against in its 2011/12 Annual Report.

POLICY STATEMENT

Sigma respects and values the competitive advantage of diversity and believes that in order to be a high performing, agile and innovative organisation we must leverage the full potential of our people. We endeavour to nurture a culture that embraces individual difference in all its forms and values the many benefits that transpire from all aspects of diversity.

We continue to develop a workforce at all levels, including senior management and the Board, which reflects the diversity of our customers and the communities in which we operate.

DIVERSITY AT SIGMA

In valuing and managing diversity, Sigma applies the following principles to meet compliance, talent management, and corporate citizenship objectives as well as deliver value to our customers and shareholders:

- Promote equal employment opportunities based on ability, performance and potential
- Decisions about recruitment, development, promotion and remuneration are based on performance and capabilities
- Build and maintain a safe working environment by taking action against inappropriate workplace behaviour (including discrimination, harassment, bullying, victimisation and vilification)
- As a progressive organisation we acknowledge the need to develop flexible work practices, where possible within the context of business requirements, in order to meet the differing needs of our employees

- Enhance customer service and external stakeholder relationships through a workforce that respects and reflects the diversity of those we interact with
- Ensure appropriate policies and procedures exist within the organisation that encourage diversity and meet legislative requirements

MEASUREABLE OBJECTIVES AND REPORTING

The revised ASX Corporate Governance Principles and Recommendations require listed entities to develop a Diversity Policy and report against measurable objectives in respect to gender diversity in future Annual Reports. Sigma has developed this Diversity Policy and a series of targets to work towards, that have been reviewed and approved by the Board. Our progress against these targets will be reported on in each annual report, commencing with the 2011/12 report. In accordance with ASX Recommendations 3.3 and 3.4 Sigma will also include details regarding the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.

Sigma's gender diversity targets are:

- Aim to increase the proportion of women on the Board as vacancies and circumstances permit
- Aim to increase the proportion of women in Executive and Senior Management positions as vacancies and circumstances permit
- Target equal gender participation in key Talent Management programs

POLICY REVIEW

The Remuneration and Nomination Committee will conduct a periodic review of this policy, including an assessment of the effectiveness of the policy and monitor the Company's progress in achieving the measurable objectives. The Committee will discuss any required changes with the Board and ensure the Board approves any revisions to the Policy.

Updated: 1 December 2011