

GI DYNAMICS, INC.

DIVERSITY POLICY

SCOPE OF POLICY

GI Dynamics, Inc. (**Company**) is committed to promoting diversity within the Company and recognises the value of diversity in achieving the Company's corporate objectives and maximising value to shareholders.

This policy applies to the Company's board of directors (**Board**), senior management, employees and contractors. Diversity within the Company means a blend of different experiences, perspectives, skills, genders, ages, ethnicity and cultural and social backgrounds across all levels of the Company.

Achieving diversity on our Board and within our workforce means we:

- (a) encourage greater innovation by drawing on different perspectives, experiences and ideas
- (b) improve the quality of decision-making, productivity and teamwork amongst our employees
- (c) experience higher employee engagement and are likely to increase employee retention
- (d) maintain a reputation for good corporate governance practices that are socially and economically responsible.

To this end, we aim to promote and implement diversity strategies:

- (a) in our employment practices, including recruiting the right employees from a diverse pool of talented candidates, using selection criteria for Board members that allows for a diversity of candidates while continuing to focus on the necessary skills and experience
- (b) across all components of the Company's business practices, including our code of conduct and ethics, anti-discrimination policies and flexible work practices, so that our policies, procedures and culture enable and support a diversity of employees
- (c) in our development and training programs, including through our education programs, mentoring programs and community and corporate social responsibility initiatives.

We aim to provide equal opportunities to our workforce based on merit, while facilitating a corporate culture that values diversity. We will measure our achievements in this regard and our employees' achievements. We will reward conduct that achieves, encourages and fosters this culture and conduct that contributes to the Company meeting our diversity objectives.

DIVERSITY FRAMEWORK

This policy, along with our code of conduct and ethics, sets a framework for employee behavior and establishes the need for reporting procedures in relation to diversity.

Whilst the Company recognises that it is at an early stage of development, the Company aspires to achieve the objectives set out in this policy and aims to embed a strong diversity framework within its systems and culture so that its ability to benefit from the value of diversity is maximised as the Company continues to grow. The Company is committed to expanding its diversity policy as it develops.

Measurable Objectives and Reporting

The Board will adopt measurable objectives to assist the Company to achieve diversity and review the Company's progress in meeting these objectives and the effectiveness of these objectives each year. The Board will disclose in the Annual Report for each financial year:

- (a) the objectives it has adopted and its progress in achieving those objectives
- (b) the relative proportion of women employees to men across the Company, including at senior executive positions and on the Board.

Responsibilities

All employees at all levels of the Company are responsible for supporting diversity within the Company's culture and complying with our policies and procedures. We expect managers in particular to promote this culture and to set an example that can be followed by all other employees.

Nominating and corporate governance committee

The Board has delegated authority to the Company's nominating and corporate governance committee in relation to setting and monitoring measurable objectives and other diversity related initiatives and assessing the Company's achievements regarding diversity. The committee will, among other tasks set out in its charter:

- (a) recommend measurable diversity objectives for the Board to adopt
- (b) annually assess performance against the objectives as well as assess the appropriateness of the objectives and whether new objectives are required
- (c) report annually to the Board on the above assessment and the status of diversity within the Company (including the relative proportions of women to men employed throughout the organization as well as at senior management level and on the Board)
- (d) review the skills and experience of the Board and recommend selection criteria for new Board members
- (e) assist in identifying and recruiting new Board members.