

pSivida Corp

Compensation Committee Charter

1.0 Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of pSivida Corp (the “Company”) shall be to (i) discharge the responsibilities of the Board relating to executive compensation, (ii) oversee the Company’s compensation and employee benefit plans and practices, including incentive, equity-based and other compensatory plans in which executive officers and key employees of the Company participate and (iii) produce a Committee report on executive compensation as required by the Securities and Exchange Commission (“SEC”) for inclusion in the Company’s proxy statement or annual report on Form 10-K filed with the SEC.

2.0 Composition

The Committee shall be comprised of at least three (3) members of the Board, as determined from time to time by the Board. The Chairman of the Committee shall be designated by the Board.

Each member of the Committee shall: (i) satisfy the independence requirements of the principal exchange or quotation service on which the Company’s securities are listed, (ii) qualify as a “Non-Employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, (iii) qualify as an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, (iv) satisfy any other necessary standards of independence under the federal securities and tax laws and (v) be otherwise free from any relationship that, in the judgment of the Board, would interfere with his or her exercise of business judgment as a Committee member.

The members of the Committee will be appointed by the Board at the annual organizational meeting of the Board or at such other time as may be determined by the Board. Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board. The Board may remove any member from the Committee at any time without cause.

3.0 Meetings and Procedures

The Committee shall meet as often as it determines is necessary to carry out its duties and responsibilities, but no less frequently than three (3) meetings each year, either in person or telephonically. A majority of the members of the Committee present in person or by means of a conference telephone shall constitute a quorum. The Committee may also act by unanimous written consent in lieu of a meeting.

The Chair shall be responsible for calling the meetings, establishing the agenda and supervising the conduct thereof.

The Committee shall maintain written minutes or other records of its meetings and activities. Minutes of each meeting of the Committee shall be distributed to each member of the Committee. The Secretary of the Company shall retain the original signed minutes for filing with the corporate records of the Company.

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Chairman of the Board.

4.0 Responsibilities

Within the scope of the role of the Committee described above, the Committee is charged by the Board with the duty and responsibility to:

- Develop and periodically review compensation policies and practices applicable to executive officers, including the criteria upon which executive compensation is based, the specific relationship of corporate performance to executive compensation and the composition of executive compensation in terms of base salary, deferred compensation and incentive or equity-based compensation and other benefits.
- Review and approve corporate goals and objectives relevant to compensation of the Chief Executive Officer (“CEO”), evaluate the CEO’s performance in light of these goals and objectives, and determine and approve the CEO’s compensation level based on this evaluation with the deliberations and voting on the CEO’s compensation to be conducted without the CEO present.
- Review and approve corporate goals and objectives relevant to compensation of the other executive officers of the Company, evaluate the performance of the other executive officers in light of these goals and objectives, and determine and approve the compensation level of the other executive officers based on this evaluation.
- To interpret, implement, administer, review and approve all aspects of compensation to the Company’s executive officers and other key officers and employees, including their participation in incentive compensation plans and equity-based compensation plans.
- Supervise, administer and evaluate incentive, equity-based and other compensatory plans of the Company in which executive officers and key employees participate, including approving guidelines and size of grants and awards, making grants and awards, interpreting and promulgating rules relating to the plans, modifying or canceling grants or awards, designating employees eligible to participate and imposing limitations and conditions on grants or awards.

- Review and approve, subject to stockholder approval as required by any applicable law, regulation or NASDAQ rule, the creation or amendment of any incentive, equity-based and other compensatory plans of the Company in which executive officers and key employees participate (other than amendments to tax-qualified employee benefit plans and trusts, and any supplemental plans thereunder, that do not substantially alter the costs of such plans to the Company or are to conform such plans to applicable laws or regulations) and all related policies and programs.
- Review and approve any employment agreements, severance arrangements, change-in-control arrangements or special or supplemental employee benefits, and any material amendments to any of the foregoing, applicable to executive officers and other employees of the Company.
- To make individual determinations and grant any shares, stock options or other equity-based awards under all equity-based compensation plans that are outside approved guidelines for such grants, and exercise such power and authority as may be required or permitted under such plans.
- Report to the Board on any significant matters arising from the Committee's work.
- Annually evaluate the performance of the Committee.
- Annually review and reassess this Charter and, if appropriate, recommend changes to the Board.
- At least annually, evaluate the adequacy of directors' compensation and the composition of such compensation.
- Review the Compensation Discussion & Analysis to be included in the Company's annual proxy statement or Annual Report on Form 10-K and issue a Committee report thereon as required by the SEC to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC.
- Review significant risks or exposures facing the Company and discuss the relationship, if any, between these risks and the Company's compensation policies and practices, as well as appropriate means through compensation policy to mitigate these risks.
- Perform such other duties and responsibilities as may be assigned to the Committee by the Board or as designated in plan documents.

5.0 Resources and Authority of the Committee

By adopting this Charter, the Board delegates to the Committee full authority to:

- Perform each of the responsibilities of the Compensation Committee described above.
- Obtain advice and assistance from internal legal or other advisors.
- In its sole discretion, retain and terminate compensation consultants, legal counsel and such other advisors as the Committee determines necessary to carry out its responsibilities. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other advisor retained by the Committee. The Committee is empowered, without further action by the Board, to cause the Company to pay the compensation, as determined by the Committee, of any compensation consultant, legal counsel and other advisor retained by the Committee. Prior to selecting or receiving advice from any compensation consultant, legal counsel or other adviser (other than in-house counsel), the Committee shall first take into consideration the following factors:
 - The provision of other services to the Company by the firm that employs the compensation consultant, legal counsel or other adviser;
 - The amount of fees received from the Company by the firm that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the firm that employs the compensation consultant, legal counsel or other adviser;
 - The policies and procedures of the firm that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
 - Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the compensation committee;
 - Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
 - Any business or personal relationship of the compensation consultant, legal counsel or other adviser or the firm employing the adviser with an executive officer of the Company.

6.0 Subcommittees

The Committee may form and delegate authority to subcommittees, comprised of one or more members of the Committee, when the Committee deems appropriate, provided that the Committee shall not delegate to a subcommittee any power of authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

7.0 Disclosure of Charter and Corporate Governance Principles

This Charter shall be made available on the Company's website at

<http://www.psivida.com> and to any stockholder who otherwise requests a copy.

As amended and restated December 2014