

PSIVIDA CORP.

CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “Board”) of pSivida Corp. (the “Company” or “pSivida”) has adopted the following Corporate Governance Guidelines (these “Guidelines”) to assist the Board in exercising its responsibilities. These Guidelines reflect the Board’s commitment to building long-term stockholder value through a commitment to monitoring the effectiveness of decision-making at the Board and management level and adherence to good corporate governance principles.

These Guidelines are in addition to, and are not intended to change or interpret, any Federal or state law or regulation applicable to the Company, including Delaware law, the Articles of Incorporation or Bylaws of the Company or any rule or regulation of the NASDAQ Global Market (“NASDAQ”) or any other stock exchange applicable to the Company. The Board reserves the right to modify these Guidelines from time to time, as it deems necessary or advisable.

BOARD COMPOSITION AND PERFORMANCE

1. Selection of Chair of the Board and Chief Executive Officer

The roles of the Chief Executive Officer and Chair of the Board shall be separate. The Board shall choose its Chair in any way it considers to be in the best interests of the Company taking into consideration any recommendation by the Governance and Nominating Committee.

2. Size of the Board

The Board shall have one or more directors, the exact number of which shall be determined from time to time by the Board in accordance with the Company’s Certificate of Incorporation and Bylaws, and pursuant to duly adopted resolutions of the Board. The Governance and Nominating Committee will periodically review the size of the Board and may recommend to the Board adjustments from time to time.

3. Selection of New Directors

The entire Board is responsible for evaluating and nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Governance and Nominating Committee is responsible for identifying, recruiting, interviewing, screening and recommending candidates to the entire Board for Board membership. When formulating its Board membership recommendations, the Governance and Nominating Committee shall also consider any advice and recommendations offered by the Chief Executive Officer, other members of the Board and the stockholders of the Company. Stockholder nominations for election to the Board at any stockholder meeting shall be submitted to the Secretary of the Company in accordance with the Company’s Stockholder Nomination Policy, the Bylaws of the Company and the Securities Exchange Act of 1934, as amended and the applicable rules and regulations promulgated thereunder.

4. Board Membership Criteria and Expectation of Directors

The Board as a whole should collectively possess a broad range of skills, expertise, industry and other knowledge, and business and other experience useful to the effective oversight of the Company's business. The Governance and Nominating Committee is responsible for assessing the appropriate balance of experience, skills and characteristics required of Board members, including in the context of the current make-up of the Board.

Nominees for director shall be selected on the basis of depth and breadth of experience, wisdom, integrity, skills, expertise, ability to make independent analytical inquiries, understanding of the Company's business environment, and willingness to devote adequate time to Board duties.

All directors shall serve one-year terms and shall stand for election at each annual meeting of stockholders. Each newly appointed director must seek re-election at the first annual meeting of stockholders following the appointment of each such director.

Directors should not serve on boards of public companies in addition to the Company's Board where such service is likely to interfere with the performance of the director's duties to the Company, taking into account the individual, the nature of his or her other activities and such other factors or considerations as the Board deems relevant. Directors are encouraged to limit the number of other boards on which they serve and are expected to ensure that other commitments do not interfere with the director's discharge of his or her duties. Any director who serves on three public company boards in addition to the Company's Board shall receive approval from the Governance and Nominating Committee and the Chair of the Board before accepting an invitation to serve on an additional board of directors unless such director is retired from his/her principal occupation in which case such approval is not necessary.

The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

Directors must disclose to the rest of the members of the Board (or any committee on which such directors are members) any potential conflict of interest that they may have, or that they believe may arise, with respect to a matter under discussion and, if appropriate, refrain from participating in the discussion relating to, or voting on, a matter on which they may have a conflict.

In discharging their fiduciary duties, directors are expected to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. The Board shall delegate to the Chief Executive Officer the authority and power to manage the Company and its businesses within levels of authority specified by the Board from time to time. The Chief Executive Officer may delegate aspects of his or her authority and power but remains accountable to the Board for the Company's performance and is required to report regularly to the Board on the progress being made by the Company.

In their roles as directors, all directors owe a duty of loyalty to the Company. This duty of loyalty mandates that the best interests of the Company take precedence over any interests possessed by a director.

Each director should be sufficiently familiar with the business of the Company and the risks and competition it faces to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves.

Each director should own stock in the Company or hold options to acquire stock in the Company.

Each director should make efforts to attend no fewer than 75 percent of the combined total of all Board meetings and meetings of committees on which such director serves. Unless prevented by illness or other extenuating circumstances, each director should make efforts to participate at regular Board and committee meetings in person.

All Board members are encouraged, but not required, to attend the Company's annual meeting of stockholders.

New directors will be promptly provided with materials relating to the operations, finances and business plan of the Company, and will be briefed by the Company's executive officers, and at the new director's request, other members of management and the Company's independent registered public accounting firm. All directors shall use reasonable efforts to attend periodically, at the Company's expense, one continuing education program for corporate directors and are otherwise expected to be knowledgeable about effective corporate governance practices. If a director serves on other boards of directors and attends a formal continuing education program for such other board(s), this requirement shall be satisfied.

5. Percentage of Independent Directors on Board

Except as may otherwise be permitted by NASDAQ rules, a majority of the members of the Board shall be independent directors. To be considered independent: (i) a director must be independent as determined under NASDAQ Rule 5605(a)(2) and (ii) in the Board's judgment, the director (x) must not have a relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and (y) must be free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect, such director's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. No more than two employees may serve on the Board at the same time.

The Board shall make an annual determination of the independence of each member of the Board, in accordance with applicable laws, regulations and stock exchange listing requirements.

6. Chair of the Board

The Chair of the Board is responsible for setting Board meeting dates and locations, setting meeting agendas, presiding over all Board and stockholder meetings and all executive sessions of the Board, and meeting regularly with the Chief Executive Officer between Board meetings. In exercising this leadership, the Chair shall consult with the Chief Executive Officer and the Board as a whole. The Chair will also make certain that there is full and candid communication among the directors, and between the directors and the Chief Executive Officer.

7. Directors Who Change Their Present Job Responsibility

Each executive officer of the Company who serves on the Board will submit his or her resignation to the Board at the time such officer ceases to be an executive officer of the Company.

Non-employee directors who retire from their executive positions at other companies or change the position they held when they became a member of the Company's Board do not necessarily have to leave the Board, but must report such changes to the Governance and Nominating Committee. Upon being notified of any such changes in position, the Governance and Nominating Committee will review the appropriateness of continued Board membership under the circumstances and the affected director will be expected to act in accordance with the Governance and Nominating Committee's recommendation.

8. Term Limits

The Board has no established term limits for directors. While term limits offer some advantages, the Board believes that any benefit is outweighed by the disadvantage of losing experienced directors who have developed valuable insight into the Company and its operations, strategies, plans and potential. As an alternative to term limits, the Governance and Nominating Committee shall review the current effectiveness of each director (including themselves) on an annual basis in deciding who to recommend to the full Board, who then shall nominate directors for election by the stockholders. Similarly, the Board does not currently believe that a fixed retirement age for directors is appropriate.

9. Board Compensation

The Company's executive officers shall not receive additional compensation for their service as directors.

Compensation for non-employee directors should be competitive. In order to align the long-term interests of the directors with those of the stockholders, compensation should encourage increased ownership of pSivida's stock through the payment of a portion of such directors' compensation in Company stock or options to purchase the Company's stock.

Any changes in Board compensation shall first be proposed by the Compensation Committee and then discussed and voted on by the Board as a whole.

10. Board and Director Evaluation

The Board shall conduct a self-evaluation at least annually to determine whether it is functioning effectively on behalf of stockholders. The Board should periodically consider the mix of skills and experience that directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively. The Governance and Nominating Committee is authorized to provide oversight to the evaluation process.

Each committee of the Board should conduct a self-evaluation at least annually and report the results to the Board.

11. Board Contact with Senior Management

All directors are invited to contact the Chief Executive Officer at any time to discuss any aspect of the Company's business. Directors also have complete access to other members of senior management. The Board expects that there will be frequent opportunities for directors to meet with the Chief Executive Officer and other members of senior management in Board and Committee meetings and in other formal and informal settings. The Board recognizes that in exercising its right of access it should be done in a way to minimize the normal operation of the business, and that ordinarily it would do so through and in consultation with management.

Further, the Board encourages management, from time to time, to bring managers into Board meetings who (1) can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas and/or (2) are managers with future potential that the senior management believes should be given exposure to the Board.

Each director is entitled to inspect the Company's books and records and obtain such other data and information as the director may reasonably request, inspect Company facilities as reasonably appropriate for the performance of the director's duties, and receive copies of all Board and committee meeting minutes.

12. Board Interaction with Company Secretary

The Board appoints and removes the Company Secretary. All Directors shall have direct access to the Company Secretary. The Company Secretary supports the effectiveness of the Board by ensuring that Board and Company policies and procedures are followed and coordinates the completion and circulation of Board agendas and briefing papers.

13. Access to Independent Advisors

The Board, as well as each committee, at its determination, can retain the services of one or more independent outside advisors (financial, legal, compensation, etc.) as appropriate, at the Company's expense.

14. Board Interaction with Stockholders, Press and Customers

Management shall speak for the Company. Each director shall refer all inquiries from the press or customers to the Chief Executive Officer. If any stockholder wishes to address questions regarding the business affairs of the Company directly to the Board, or any individual director,

the stockholder shall submit his inquiry in writing to the Chair of the Board, in accordance with the Company's Policy Regarding Stockholder Communication with Directors.

BOARD MEETINGS

15. Frequency of Meetings

There will be at least four regularly scheduled meetings of the Board each year.

16. Selection of Agenda Items for Board Meetings

The Chair of the Board and the Chief Executive Officer shall jointly prepare an agenda for each meeting of the Board which shall be circulated in advance of each meeting. The agenda shall set forth a general agenda of items to be considered by the Board at each meeting. Although materials relevant to the agenda are generally circulated to the Board in advance, exceptions are sometimes made for materials related to particularly sensitive topics. Each Board member shall be free to suggest additional agenda items or to raise at any Board meeting subjects that are not specifically on the agenda for consideration.

17. Executive Sessions

To provide free and open discussion and communication among the non-management directors, such directors shall meet in executive session at every regularly scheduled meeting of the Board with no members of management present. Each Board member is free and encouraged to suggest the inclusion of items to be discussed in the executive sessions of independent directors.

The Chair shall preside at the executive sessions of the Board.

COMMITTEE MATTERS

18. Number, Names and Independence of Board Committees

The Board shall have four standing committees: Audit and Compliance Committee, Governance and Nominating Committee, Compensation Committee and Science Committee. Each of the Audit and Compliance Committee, the Governance and Nominating Committee and the Compensation Committee shall be comprised solely of independent directors, as determined by the Board. A director may sit on more than one committee for which he or she qualifies. The duties of each of these committees shall be set forth in a charter approved of by the Board, and shall incorporate the requirements of applicable federal law, state law and exchange guidelines. The Board may restructure such committees, form a new committee, or disband a current committee depending on circumstances.

In accordance with the applicable rules of NASDAQ, the charters of the Audit and Compliance Committee, the Governance and Nominating Committee, the Compensation Committee and the Science Committee shall set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee

member appointment and removal, committee structure and operations and committee reporting to the Board.

The Board may also appoint special committees from time to time to assist it in carrying out particular responsibilities.

19. Assignment and Rotation of Committee Members

The Governance and Nominating Committee shall recommend to the Board the chair and membership of each Committee, and the Board shall determine the Committee chair and membership of each Committee. Committee membership and the position of the Committee chair shall not be rotated on a mandatory basis unless the Board determines that rotation is in the best interests of the Company.

MANAGEMENT DEVELOPMENT

20. Oversight of Risk

The Board believes that risk management is an important part of establishing, updating and executing on the Company's business strategy. The Board, as a whole and at the committee level, has oversight responsibility relating to risks that could affect the corporate strategy, business objectives, compliance, operations, and the financial condition and performance of the Company. The Board focuses its oversight on the most significant risks facing the Company and on its processes to identify, prioritize, assess, manage and mitigate those risks. The Board and its committees receive regular reports from members of the Company's senior management on areas of material risk to the Company, including strategic, operational, financial, legal and regulatory risks. While the Board has an oversight role, management is principally tasked with direct responsibility for management and assessment of risks and the implementation of processes and controls to mitigate their effects on the Company.

The Audit and Compliance Committee as part of its responsibilities oversees the management of financial risks, including but not limited to accounting matters, liquidity and credit risks, corporate tax positions, insurance coverage, and cash investment strategy and results. The Audit and Compliance Committee is also responsible for overseeing the management of risks relating to the performance of the Company's internal audit function and its independent registered public accounting firm, as well as the Company's systems of internal controls and disclosure controls and procedures. The Compensation Committee is responsible for overseeing the management of risks relating to the Company's executive compensation and overall compensation and benefit strategies, plans, arrangements, practices and policies, and compensation of the Board. The Governance and Nominating Committee oversees the management of risks associated with the Company's overall compliance and corporate governance practices, and the independence and composition of the Board. These committees provide regular reports to the full Board.

21. Evaluation of Chief Executive Officer's Performance

The Compensation Committee, with input from the Chief Executive Officer, shall annually establish the performance criteria to be considered in connection with the Chief

Executive Officer's performance evaluation. Each year, the Chief Executive Officer shall make a presentation to the Compensation Committee indicating his or her progress in each such established performance criteria. Thereafter, the Compensation Committee shall meet to review and evaluate the Chief Executive Officer's performance and determine the Chief Executive Officer's compensation. The results of that review shall be communicated to the Board sitting in executive session without the Chief Executive Officer.

22. Succession Planning

The Board will review succession planning for each of the officers and other key employees of the Company annually. In the event of the resignation, retirement, or other inability to serve, of the Chief Executive Officer, the Board, or a specially established Committee thereof comprised of independent directors, shall evaluate potential successors and select a successor.

LOYALTY, ETHICS AND TRANSACTIONS WITH DIRECTORS

23. Obligations of Each Director

Directors owe a duty of loyalty to the Company. This duty of loyalty mandates that the best interests of the Company take precedence over any interest possessed by a director. The Company has adopted a Code of Conduct (the "Code"). Certain portions of the Code deal with activities of directors, particularly with respect to conflicts of interest, and compliance with laws, rules and regulations. Directors shall be familiar with the Code's provisions and adhere to the values and standards set forth therein.

It is the policy of the Board that any transaction in which a director (or any member of a director's immediate family) has a personal or financial interest (direct or indirect) should be scrutinized in accordance with the Company's Related Party Transaction Policy. It is incumbent upon each director to promptly notify the Audit and Compliance Committee when he or she becomes aware of any existing or proposed matter in which (i) the director, (ii) any member of the director's immediate family, or (iii) any organization in which the director or an immediate family member serves as a general partner, manager, officer or significant stockholder has, or may have, a personal or financial interest (whether direct or indirect) or may otherwise have a potential conflict of interest or that could affect the independence of the director.

REVIEW AND MODIFICATION OF THESE PRINCIPLES

24. Annual Review

These Guidelines will be reviewed by the Governance and Nominating Committee annually. If the Governance and Nominating Committee determines that modifications are in order, it will make recommendations of changes for the Board to consider.

Adopted September 7, 2017

