Rules 4.7.3 and 4.10.3[1]

Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity

Mayne Pharma Group Limited

ABN/ARBN	Financial year ended
76 115 832 963	30 June 2019

Our corporate governance statement[2] for the above period above can be found at:[3]

☐ these pages of our annual report: ____________________

☑ this URL on our website:

http://www.maynepharma.com/investor-relations/corporate-governance

The Corporate Governance Statement is accurate and up to date as at 14 October 2019 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date here: 14 October 2019

Sign here:

Print name: Nick Freeman

[1] Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

[2] "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

[3] Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: ______________ *Insert location here* … and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☒ at this location: 2019 Corporate governance statement http://www.maynepharma.com/investor-relations/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: ______________ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

	Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed …
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **<u>OR</u>** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location: *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's	… the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location: *Insert location here* … and a copy of our diversity policy or a summary of it: ☒ at this location: 2019 Corporate governance statement http://www.maynepharma.com/investor-relations/corporate-governance … the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☒ in our Corporate Governance Statement **<u>OR</u>**	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
	most recent "Gender Equality Indicators", as defined in and published under that Act.	☐ at this location: ____________________ *Insert location here* … and the information referred to in paragraphs (c)(1) or (2): ☒ in our Corporate Governance Statement **OR** ☐ at this location: ____________________ *Insert location here*	
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement **OR** ☐ at this location: ____________________ *Insert location here* … and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at this location: ____________________ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): ☐ in our Corporate Governance Statement **OR** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports … and the information referred to in paragraph (b): ☐ in our Corporate Governance Statement **OR** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

	Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed …
<u>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</u>			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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; **<u>OR</u>** (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.	[If the entity complies with paragraph (a):] … the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location: *Insert location here* … and a copy of the charter of the committee: ☒ at this location: Corporate Governance section of Mayne Pharma website: http://www.maynepharma.com/investor-relations/corporate-governance … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **<u>OR</u>** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	… our board skills matrix: ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location:	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association 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 nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	… the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement **OR** ☐ at this location: … where applicable, the information referred to in paragraph (b): ☒ in our Corporate Governance Statement **OR** ☐ at this location: … the length of service of each director: ☒ in our Corporate Governance Statement **OR** ☐ at this location:	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location:	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

<table>
<tr><th colspan="2">Corporate Governance Council recommendation</th><th>We have followed the recommendation in full for the whole of the period above. We have disclosed …</th><th>We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed …</th></tr>
<tr><td>2.6</td><td>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</td><td>… the fact that we follow this recommendation:
☒ in our Corporate Governance Statement <u>OR</u>
☐ at this location:
____
Insert location here</td><td>☐ an explanation why that is so in our Corporate Governance Statement <u>OR</u>
☐ we are an externally managed entity and this recommendation is therefore not applicable</td></tr>
<tr><td colspan="4"><u>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</u></td></tr>
<tr><td>3.1</td><td>A listed entity should:
(a) have a code of conduct for its directors, senior executives and employees; and
(b) disclose that code or a summary of it.</td><td>… our code of conduct or a summary of it:
☒ in our Corporate Governance Statement <u>OR</u>
☒ at this location:
<u>http://www.maynepharma.com/investor-relations/corporate-governance</u></td><td>☐ an explanation why that is so in our Corporate Governance Statement</td></tr>
<tr><td colspan="4"><u>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</u></td></tr>
<tr><td>4.1</td><td>The board of a listed entity should:
(a) have an audit committee which:
(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
(2) is chaired by an independent director, who is not the chair of the board,
and disclose:
(3) the charter of the committee;
(4) the relevant qualifications and experience of the members of the committee; and
(5) 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; <u>OR</u>
(b) if it does not have an audit committee, disclose that fact and the processes it employs that</td><td>[If the entity complies with paragraph (a):]
… the fact that we have an audit committee that complies with paragraphs (1) and (2):
☒ in our Corporate Governance Statement <u>OR</u>
☐ at this location:
____
Insert location here
… and a copy of the charter of the committee:
☒ at this location:
<u>http://www.maynepharma.com/investor-relations/corporate-governance</u>
… and the information referred to in paragraphs (4) and (5):
☒ in our Corporate Governance Statement <u>OR</u></td><td>☐ an explanation why that is so in our Corporate Governance Statement</td></tr>
</table>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	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.	☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	
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 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.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location: ________________ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location: ________________ *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<u>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</u>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement **<u>OR</u>** ☒ at this location: http://www.maynepharma.com/investor-relations/corporate-governance	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	… information about us and our governance on our website: ☒ at this location: http://www.maynepharma.com/investor-relations/corporate-governance and 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☒ at this location: Mayne Pharma Communications Policy http://www.maynepharma.com/media/1632/mayne-pharma-communications-policy-final-july-2015.pdf	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	… our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement **OR** ☒ at this location: Mayne Pharma Communications Policy http://www.maynepharma.com/media/1632/mayne-pharma-communications-policy-final-july-2015.pdf	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	… the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☒ at this location: Mayne Pharma Communications Policy http://www.maynepharma.com/media/1632/mayne-pharma-communications-policy-final-july-2015.pdf	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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: (3) the charter of the committee; (4) the members of the committee; and (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; **OR** (b) 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.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **OR** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports ... and a copy of the charter of the committee: ☒ at this location: http://www.maynepharma.com/investor-relations/corporate-governance ... and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement **OR** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement **OR** ☐ at this location: *Insert location here*	☐ an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose:	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what	☐ an explanation why that is so in our Corporate

	Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed …
	(a) if it has an internal audit function, how the function is structured and what role it performs; **<u>OR</u>** (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.	role it performs: ☐ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location: *Insert location here* [If the entity complies with paragraph (b):] … the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location: *Insert location here*	Governance Statement
7.4	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.	… whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: ☐ in our Corporate Governance Statement **<u>OR</u>** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement
<u>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</u>			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose:	[If the entity complies with paragraph (a):] … the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☒ in our Corporate Governance Statement **<u>OR</u>** ☐ at this location:	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed …
	(3) the charter of the committee; (4) the members of the committee; and (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; **<u>OR</u>** (b) 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.	*Insert location here* … and a copy of the charter of the committee: ☒ at this location: http://www.maynepharma.com/investor-relations/corporate-governance … and the information referred to in paragraphs (4) and (5): ☒ in our Corporate Governance Statement **<u>OR</u>** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	
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.	… separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☐ in our Corporate Governance Statement **<u>OR</u>** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement **<u>OR</u>** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	… our policy on this issue or a summary of it: ☐ in our Corporate Governance Statement **OR** ☒ at this location: 2019 Mayne Pharma Annual Report http://www.maynepharma.com/investor-relations/results-and-reports	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

2019 CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Mayne Pharma Group Limited (ASX:MYX) ("Company") is responsible for the corporate governance of the Group and is committed to applying the ASX Corporate Governance Council Corporate Governance Principles and Recommendations ("ASX Principles"). The Board guides and monitors the business and affairs of the Company on behalf of its shareholders. The Board requires the Company to maintain high standards of ethics and integrity at all times.

The ASX Principles are an important regulatory guide for listed companies reporting on their corporate governance practices. Under ASX Listing Rule 4.10.3, listed companies must disclose the extent to which they have followed the ASX Principles, and if any of the recommendations have not been followed, explain why. The Board believes that the Company's policies and practices comply in all substantial respects with the 3rd Edition of the ASX Principles.

Important information relating to the Company's corporate governance policies and practices are set out on the Company's website at maynepharma.com. The following documents are available on the corporate governance section of the website:

- Corporate Governance Statement;
- Board Charter;
- Audit and Risk Committee Charter;
- Remuneration and People Committee Charter;
- Nomination Committee Charter;
- Science, Technology and Medical Committee Charter;
- Business Code of Conduct;
- Communications Policy;
- Continuous Disclosure Policy;
- Risk Management Framework;
- Securities Trading Policy;
- Misconduct and Whistleblowing Policy;
- Anti-Bribery and Anti-Corruption Policy; and
- Equal Opportunity 2018-2019 Report.

The Company will continue to update its policies and practices to reflect developing corporate governance requirements and practices.

1. The Board of Directors

1.1 The Board's duties

As the Board acts in the best interests of the Company as a whole, it seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations and obligations and strives to meet those expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The role of the Board is to oversee and guide the management of the Group with the aim of protecting and enhancing the interests of its shareholders and considering the interests of other stakeholders including employees and the wider community.

The Board has adopted a formal charter ("Board Charter") that clearly establishes the relationship between the Board and management and describes their functions and responsibilities. The Board Charter was last reviewed in July 2015. The Board Charter is posted on the corporate governance section of the Company's website.

The Board is responsible for setting the strategic direction of the Group, establishing goals for management and monitoring the achievement of those goals. It is also responsible for the Company's risk management strategy, and for oversight and compliance with legal and regulatory obligations. The Chief Executive Officer is responsible for the day-to-day management of the Group and reports to the Board on key management and operational issues. The Board ensures that the Chief Executive Officer is appropriately qualified and experienced to discharge his responsibilities and has procedures in place to assess the performance of the Chief Executive Officer.

The Board also appoints the Company Secretary. The Company Secretary is responsible for coordination of all Board business including agendas, Board Papers and minutes; advising the Board and committees on governance matters; and helping to facilitate and organise the induction and professional development of Directors.

The Company Secretary is also responsible for the day-to-day operations of the Company Secretary's office including lodgements with relevant Securities Exchanges and other regulators, management of dividend payments and associated share plans, and oversight of the relationship with the Company's share registrar.

1.2 Code of Conduct

Directors of the Company are also subject to the Company's Business Code of Conduct (see further discussion below in the Conduct and Ethics section). The Business Code of Conduct is considered by the Board to be an effective way to guide the behaviour of all Directors and employees and demonstrates the Company's commitment to ethical and compliant practices.

1.3 Board Composition

The composition of the Board is determined in accordance with the following principles and guidelines:

- the Board should comprise at least three directors;
- the Board should comprise directors with an appropriate range of skills, experience and expertise; and
- the Board shall meet regularly and follow meeting guidelines set down to ensure all directors are made aware of and have available all necessary information to participate in an informed discussion of all agenda items.

The Board currently comprises nine Directors. There are eight independent Non-Executive Directors and one Executive Director. Details of the Directors are included on the About Us section of the Company's website.

Non-Executive Director	Period in office as at 31 August 2019
Mr Corbett	8 years and 9 months
Mr Best	13 years and 1 month
Mr Mathieson	12 years and 6 months
Mr Scholes	11 years and 11 months
Mr Robinson	5 years
Ms Dolan	2 years and 11 months
Mr Condella	1 year and 4 months
Mr Blake	1 year and 2 months
Average NED tenure	7 years and 2 months

The Board seeks to maintain an appropriate mix of skills and diversity in the membership of the Board. This includes diversity of skills, experience, location, gender and background in the pharmaceutical industry, international business, finance, accounting and management.

The following Board skills matrix describes the combined skills of the Board across a range of general and specialist areas. The Board considers that collectively the Directors have the appropriate range of skills and experience necessary to direct the Company's businesses and achieve the Company's strategic objectives.

BOARD SKILLS MATRIX		BOARD REPRESENTATION
General Experience		
Managing and Leading	Success in business at a senior level in a successful career.	9
Global Experience	Senior executive or equivalent exposure to a range of political, cultural, regulatory and business environments.	9
Business / Commercial	Senior executive or equivalent experience in business/commerce in a large business enterprise	9
Strategy	Track record of developing and implementing successful strategies.	9
Governance	Commitment to high standards of governance, including experience with a large business enterprise which is subject to rigorous governance standards.	9

BOARD SKILLS MATRIX		BOARD REPRESENTATION
Specialist Experience		
Industry-specific knowledge	Senior executive experience in a large biopharmaceutical, pharmaceutical or medical organisation.	4
Finance/Legal/Risk management	Board audit/risk management membership or senior executive or equivalent experience in financial accounting and reporting, corporate finance, internal financial controls or the provision of legal services to large business enterprises.	8
Marketing	Senior executive experience in marketing and a detailed understanding of the Group's corporate objective to create long-term value through the provision of innovative products.	8
Capital Projects	Experience in an industry with projects involving large scale capital outlays and long-term investment horizons.	8
Health, Safety & Environment	Experience related to workplace health, safety, environment and social responsibility within a large business enterprise.	9
Remuneration	Board remuneration committee membership or senior executive or equivalent experience relating to remuneration, including incentive programs.	7
Government Affairs	Experience in liaising with government and experience with public and regulatory policy.	9
R&D/Product Development	Experience in research and development or product development with a large biopharmaceutical, pharmaceutical or medical organisation.	3
Manufacturing/Quality	Experience in manufacturing or quality operations with a large biopharmaceutical, pharmaceutical or medical organisation.	3

Directors are expected to maintain the skills and knowledge required to discharge their duties and obligations. The Board is provided with Board papers, presentations, briefings, and information related to material developments in laws, regulations and industry frameworks that may affect the Mayne Pharma business. Directors are expected to undertake any necessary continuing professional education and training. During the year, the Directors visited the US operations twice and the South Australian operations three times.

1.4 Independence of Directors

The Board recognises the important contribution that independent Directors make to good corporate governance. Each Director is required to bring unfettered and independent judgement.

The Board has reviewed the position and associations of each of the nine Directors in office at the date of this report and considers that eight of the Directors are independent. In considering whether a director is independent, the Board has regard to the independence criteria in ASX Principle 2 and other facts, information and circumstances that the Board considers relevant. The Board assesses the independence of new Directors upon appointment and reviews their independence, and the independence of other Directors, as appropriate.

The Board considers that Ms Dolan and Mr Corbett, Mr Best, Mr Blake, Mr Condella, Mr Mathieson, Mr Robinson and Mr Scholes meet the independence criteria in ASX Principle 2 and have no material business or contractual relationship with the Company, other than as a Director.

In considering the independence of the Directors, the Board considered each Director's tenure and concluded that none of Mr Best, Mr Mathieson and Mr Scholes had held office for such a period as to interfere with the exercise of independent judgement. In reaching this conclusion, the Board noted that no Director had formed associations with management that might compromise their ability to exercise independent judgement.

The Board also considered Mr Mathieson's substantial shareholding in Mayne Pharma of 6% and concluded that this holding did not impact his exercise of independent judgement. The value of Mr Mathieson's interest in Mayne Pharma shares is a small part of his personal wealth which can be demonstrated by the Mathieson families' 25% ownership interest in ALH Group which reported profit after tax in 2018 of $243m[1].

Mr Richards is employed in an executive capacity by the Company and so is not considered to be independent.

The Directors will continue to monitor the composition of the Board to ensure its structure remains appropriate and consistent with effective management and good governance.

[1] As reported in Woolworths 2018 Annual Report

1.5 Retirement and Re-Election of Existing Directors

The Constitution of the Company requires one third of the Directors, other than Executive Directors, to retire from office at each Annual General Meeting. Directors who have been appointed by the Board during the year are required to retire from office at the next Annual General Meeting and are not taken into account in determining the number of Directors to retire at that Annual General Meeting. Directors cannot hold office for a period in excess of three years or later than the third Annual General Meeting following their appointment without submitting themselves for re-election. Retiring Directors are eligible for re-election by shareholders.

1.6 Nomination and Appointment of New Directors

Recommendations of candidates for new directors are made by the Nomination Committee for consideration by the Board as a whole. If it is necessary to appoint a new director to fill a vacancy on the Board or to complement the existing Board, a wide potential base of possible candidates is considered.

In making recommendations to the Board regarding the appointment of Directors, the Nomination Committee periodically assesses the appropriate mix of skills, experience and expertise required by the Board and the extent to which the required skills and experience are represented on the Board. The committee also takes account of other factors such as diversity and cultural fit. The identification of a potential director may be assisted by the use of external search organisations and detailed background information in relation to the potential candidate is provided to all Directors prior to any decisions being made. Nominations for appointment are then approved by the Board as a whole.

If a candidate is recommended by the Nomination Committee, the Board assesses that proposed new director against a range of criteria including background, experience, professional skills, personal qualities, the potential for the candidate's skills to augment the existing Board and the candidate's availability to commit to the Board's activities. If these criteria are met and the Board appoints the candidate as a Director, that Director must retire at the next Annual General Meeting of shareholders and will be eligible for election by shareholders at that General Meeting.

New Directors are provided with a letter of appointment, setting out the terms of their appointment, including their powers, rights and obligations. An induction program is provided for new Directors to familiarise them with the business, history, culture, key risks, Board practises and procedures. This includes meetings with senior executives, site visits, provision of relevant corporate governance materials and policies and discussions with the Chairman and other Directors.

1.7 Board Meetings

The Board meets formally at least ten times each year, and from time to time meetings are convened outside the scheduled dates to consider matters of importance. The Board met thirteen times between 1 July 2018 and 30 June 2019.

The Directors' attendance at Board meetings is detailed in the Annual Report.

The agenda for meetings is prepared by the Company Secretary, in conjunction with the Chairman, Chief Executive Officer, and periodic input from the Board. Comprehensive Board papers are distributed to Directors in advance of scheduled meetings. Board meetings typically take place at the Company's head office and manufacturing facility based in Salisbury, South Australia but also take place at the Company's commercial offices in Melbourne, Victoria and Raleigh, North Carolina, USA and at the operating facility in Greenville, North Carolina, USA.

The Non-Executive Directors also meet regularly without management present.

1.8 Performance Review

The Board acknowledges the importance of regularly reviewing its own performance and effectiveness as well as the performance and effectiveness of its Committees and individual Directors.

The Board conducts an annual assessment of its performance and effectiveness. The performance evaluation involves the Directors completing a questionnaire/survey and the Board then discussing the areas for improvement. The evaluation may establish goals and objectives for the Board and provide any recommendations for improvement to Board performance.

1.9 Board Members' Rights to Independent Advice

The Board has procedures to allow Directors, in the furtherance of their duties as directors or members of a Committee, to seek independent professional advice at the Company's expense, subject to the prior written approval of the Chairman.

2. Board Committees

The Board has established the following committees to advise and support the Board in carrying out its duties:

- Audit and Risk Committee;
- Nomination Committee;
- Remuneration and People Committee; and
- Science, Technology and Medical Committee.

Directors' attendance at meetings of these committees is detailed in the Annual Report.

2.1 Audit and Risk Committee

It is the Board's responsibility to ensure that an effective internal control framework exists within the Company, including internal controls to deal with both the effectiveness and efficiency of significant business processes. Effective internal controls include the safeguarding of assets, the maintenance of proper accounting records, managing and mitigating business risks and the reliability of financial information.

The Board has established an Audit and Risk Committee, which operates under a Charter approved by the Board, and has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the Company to the Audit and Risk Committee. The Charter was last reviewed and approved by the Board in July 2015.

The duties and responsibilities of the Audit and Risk Committee include:

- ensuring appropriate accounting policies and procedures are defined, adopted and maintained;
- ensuring that the operating and management reporting procedures, and the system of internal control, are of a sufficiently high standard to provide timely, accurate and relevant information as a sound basis for management of the Group's business;
- reviewing the Financial Statements for accuracy and to ensure they reflect a true and fair view prior to their presentation to the Board;
- reviewing the scope of work for the external audit function including approval of strategic and annual audit plans and effectiveness of the external audit function;
- ensuring that appropriate processes are in place to ensure compliance with all legal requirements affecting the Group;
- ensuring that all internal and industry codes of conduct and standards of corporate behaviour are being complied with;
- appointing a person(s) responsible for internal audit functions as specified from time to time by, and in accordance with, the Committee's Charter;
- making recommendations to the Board on the appointment, reappointment or replacement (subject, if applicable, to shareholder ratification) of the external auditors and monitoring the effectiveness, and independence of the external auditors;
- approving and monitoring the Company's risk management strategy;
- reviewing and recommending policies and procedures for managing and mitigating risks across the Company;
- regularly reviewing the Company's Risk Management Framework and Risk Register, with a particular focus on the management of the Company's material business risks; and
- actioning any other business processes or functions which may be referred to it by the Board.

As and when required, the Audit and Risk Committee engages external consultants to review the Group's internal control environment, as the Company does not yet have an internal audit function. The Vice President, Governance Risk and Compliance (VP, GRC) role is responsible for leading the implementation of the Company's control framework, whereby each business unit and functional leader is required to formally consider its risk environment, document identified risks and risk treatment plans, and periodically report on the progress of ongoing risk mitigation through the implementation of those treatment plans.

The operation and responsibilities of the Audit and Risk Committee are consistent with ASX Principle 4 and ASX Principle 7. The Committee met six times during the financial year ended 30 June 2019.

The members of the Audit and Risk Committee at the date of this report were:

- Mr I Scholes – Chairman;
- Hon R Best; and
- Ms N Dolan.

In addition to the members of the Committee, the Group CFO and the VP, GRC attend the Audit and Risk Committee meetings and representatives of the external auditors are invited to attend when appropriate.

2.2 Appointment of external auditors

The Audit and Risk Committee is directly responsible for the appointment, reappointment or replacement (subject, if applicable, to shareholder ratification), remuneration, monitoring of effectiveness, and independence of the external auditors, including resolution of disagreements between management and the auditor regarding financial reporting.

The appointed external auditor is required to attend the Company's Annual General Meeting to answer any questions from shareholders in relation to the audit.

The Committee must approve all audit and non-audit services provided by the external auditors and must not engage the external auditors to perform any non-audit/assurance services that may impair or appear to impair the external auditor's judgement or independence in respect of the Company. The Committee may delegate the approval authority to a member of the Committee. The decisions of any Audit and Risk Committee member to whom the approval authority is delegated must be presented to the full Committee at its next scheduled meeting.

When reviewing the auditor's independence, the Committee will typically require the rotation of the audit partner at least once every five years, in accordance with the Corporations Act 2001. A new audit partner commenced for the 2019 financial year.

2.3 Nomination Committee

The Board has established a Nomination Committee to assist the Board in selecting candidates for the position of director.

The members of the Nomination Committee at the date of this report were:

- Hon R Best – Chairman;
- Mr R Corbett; and
- Ms N Dolan.

The primary purpose of the Nomination Committee as set out in its Charter is to support and advise the Board in fulfilling their responsibilities to shareholders in ensuring that the Board is comprised of individuals who are best able to discharge the responsibilities of Directors having regard to the law and standards of governance by:

- assessing the skills required on the Board, and the extent to which the required skills are represented on the Board. The Committee also takes account of other factors such as diversity and cultural fit;
- establishing processes for the review of the performance of individual Directors and the Board as a whole; and
- establishing processes for the identification of suitable candidates for appointment to the Board.

The Charter was last reviewed and approved by the Board in July 2015. The operation and responsibilities of the Nomination Committee are consistent with ASX Principle 2.

The Committee did not meet during the financial year ended 30 June 2019, however did meet seven times in the prior financial period when the Company appointed two new US Directors and met in July 2019.

2.4 Remuneration and People Committee

The Board has established a Remuneration and People Committee to assist the Board in ensuring that appropriate and effective remuneration and other people-related policies are in place that support the Company's strategy and objectives and to review these on behalf of the Board.

The members of the Remuneration Committee at the date of this report were:

- Mr R Corbett – Chairman;
- Hon R Best; and
- Mr I Scholes.

The duties and responsibilities of the Remuneration and People Committee are set out in its Charter which was last reviewed and approved by the Board in July 2015. The key duties and responsibilities of the Committee are:

- to review and recommend to the Board, remuneration policies and packages for the Chief Executive Officer, Executive Directors and direct reports to the Chief Executive Officer;
- to recommend to the Board any changes in remuneration policy including superannuation, other benefits and remuneration structure for executives and which is likely to have a material impact on the Company;
- to review and recommend to the Board proposals for employee equity plans;
- to review and recommend to the Board proposals for short- and long-term incentive programs for executives;
- to review and recommend to the Board any changes to Non-Executive Directors' fees;
- to ensure there is a proper performance management process in place throughout the organisation and that it is operating effectively; and
- to be informed of:
  - current trends in executive remuneration and associated incentive initiatives;
  - legislative issues associated with executive remuneration programs.

A brief discussion on the Company's remuneration policies in respect of Directors and executives is set out in the Annual Report. Detailed disclosure of the remuneration paid to the Company's Directors and executives is set out in the Remuneration Report, which forms part of the Annual Report.

The Committee met five times during the financial year ended 30 June 2019.

2.5 Science, Technology and Medical Committee

The Board has established a Science, Technology and Medical Committee to assist and advise the Board in overseeing the strategic direction and investment in research and development and other scientific initiatives of the Company.

The members of the Science, Technology and Medical Committee at the date of this report were:

- Prof B Robinson;
- Mr F Condella;
- The Company's Chief Scientific Officer and Head of European Market; and
- The Company's EVP and General Counsel.

The Committee has the following responsibilities to assist the Board in its oversight of the Company's scientific and therapeutic strategies:

- Reviewing any potential or new scientific and therapeutic initiatives by the Company that could have an impact on its overall growth, performance and/or competitive position;

- Reviewing the scientific and therapeutic aspects of the Company's investments in technology through acquisition, in-licensing or other business development activities; and

- Reviewing scientific and therapeutic trends that could have a significant impact on the Company and more generally, the industry.

The Committee Charter was last approved by the Science, Technology and Medical Committee in April 2018.

The Committee met four times during the financial year ended 30 June 2019.

3. Risk Management and Financial Reporting

3.1 Risk Identification and Management

The Board accepts that taking and managing risk is central to building shareholder value and the Board is responsible for the Group's risk management strategy. Management is responsible for implementing the Board's strategy and for developing policies and procedures to assist the Board to identify, manage and mitigate the risks across the Group's operations.

The Company employs executives with the requisite experience and qualifications to enable the Board to manage the risks to the Company. The Board has requested the Audit and Risk Committee oversee the Group's risk management processes and procedures.

The Group's identification and management of business risks is set out in a Risk Management Framework. The Framework is based on AS/NZS ISO 31000:2009 and provides a framework under which the Company can categorise the risks that are faced by the Group; the likelihood, consequence and potential impact if the risk were to eventuate, and the residual risk faced by the Group given the existence of appropriate controls.

The risks faced by the Company are diverse and vary significantly in terms of the likelihood of the event occurring and the consequence of such an event. Each specific risk is identified in the risk register and allocated to a member of the Corporate Executive Committee (CEC) and managed through day-to-day operations and compliance with appropriate, tailored standards and controls.

The risk register is updated by the CEC and reviewed by the Audit and Risk Committee. The Audit and Risk Committee last reviewed the risk register at its September 2018 meeting, and the Board last reviewed it at its October 2018 meeting. The VP, GRC aims to lead a complete refresh of the risk register every two years, with the next review planned for 2020. The VP, GRC and Management regularly report to the Audit and Risk Committee and the Board on material business risks and emerging risks, with periodic reporting as well as face to face discussions in Board meetings and management presentations. A summary of the Risk Management Framework is disclosed on the Company's website in accordance with ASX Principle 7.

The VP, GRC works closely with the Audit and Risk Committee and the CEC to strengthen the Group's Risk Management Framework and processes.

Mayne Pharma strives to provide a dynamic, rewarding and safe place to work and is committed to acting consistently with the highest ethical standards and in strict compliance with the law in all its operations. To achieve this there are important standards and rules that all Directors, executives and other employees must be aware of and follow, that ensure all actions and decisions support the Company's values, vision and objectives. The Company's Business Code of Conduct covers a broad range of matters and refers to those practices necessary to maintain confidence in the Company's integrity. See further discussion below in the Conduct and Ethics section.

3.2 Integrity in Financial Reporting and other periodic corporate reports

Consistent with ASX Principle 4.2, the Company's financial report preparation and approval process for the financial year ended 30 June 2019 involved both the Chief Executive Officer and the Group CFO providing detailed representations to the Board covering:

- compliance with the Company's accounting policies and relevant accounting standards;
- the accuracy of the financial statements and that they provide a true and fair view;
- integrity and objectivity of the financial statements; and
- the effectiveness of the system of internal control.

The Board has received a declaration from the Chief Executive Officer and the Group CFO that, in their opinion, the financial records of the Company 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 Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Full Year Financial Statements, Remuneration Report and Half Year Financial Statements are audited by the Company's auditor Ernst & Young each year.

3.3 Whistleblower Protection Policy

Mayne Pharma has a Misconduct and Whistleblower policy that provides a framework for employees and others to raise concerns about misconduct or activities that do not comply with the Company's policies and provides detail on the Company's commitment to treat people with respect when they speak out if faced with an integrity or other ethical concern. Employees are encouraged to make reports as early as possible, and can raise matters of concern with their supervisors, the Company's human resources, compliance or legal teams or by making an anonymous report through the Company's whistleblower hotline, which is administered by an independent third party.

Employees are trained on this policy and reminded of the independent whistleblower hotline annually. Periodic surveys are conducted to assess and strengthen awareness of the Policy. A copy of the Misconduct and Whistleblower Policy can be accessed on the corporate governance section of the Company's website. It was last reviewed August 2019.

3.4 Anti-Corruption and Anti-Bribery

The Company's Business Code of Conduct and Anti-Bribery and Anti-Corruption Policy outline Mayne Pharma's zero tolerance policy towards bribery and corruption. The Company has a robust training program to give our employees the awareness and knowledge to comply with applicable laws and regulations and to reinforce that the Company will not tolerate any act of impropriety. Our activities must comply not only with Company policies but with applicable laws in all countries in which we do business. A copy of the Anti-Corruption and Anti-Bribery Policy can be accessed on the corporate governance section of the Company's website. It was last reviewed August 2019.

Our policy prohibits the offer, promise or giving of any payment or benefit at any time to an individual or entity for the purpose of improperly influencing decisions or actions with respect to our business. This applies to direct engagements (e.g., those driven by our Company) as well as to indirect engagements (e.g., those managed through a third-party intermediary or partner). We conduct Anti-Bribery / Anti-Corruption training with relevant employees who engage with third parties including government officials. Our agreements with third party distributors who market and sell our products contain obligations requiring the distributors to comply with all relevant Anti-Bribery / Anti-Corruption laws and regulations.

3.5 Anti-Competitive Behaviour

Mayne Pharma's compliance program ensures employees are aware of and have the relevant knowledge to comply with anti-trust laws and regulations (sometimes referred to as competition law). Anti-trust laws differ across different jurisdictions so training and other elements of the program are tailored as required to ensure that employees are aware of the laws and regulations that affect them.

The Business Code of Conduct outlines general principles to safeguard against violations of anti-trust/competition law. These principles are expanded in a Global Anti-Trust and Competition Policy and in training programs provided to those employees who interact with external parties and are therefore at risk of engaging in or witnessing anti-competitive conduct. Training is conducted in small groups on a regular basis, with examples provided to explain how the laws and regulations may affect each person's day-to-day work and when an issue may arise so they are able to respond appropriately.

Mayne Pharma has significantly strengthened its anti-trust compliance program over the last three years and continues to enhance its policy and supporting procedures around anti-trust compliance and its pricing function.

4. Communication with shareholders

4.1 Securities Trading by Directors and Employees

The Board last amended and approved the Company's Securities Trading Policy on 30 May 2018. The policy summarises the law relating to insider trading and sets out the policy of the Company that applies to Directors, officers and employees dealing in securities of the Company.

The policy is reviewed regularly and a copy of the Securities Trading Policy can be accessed on the corporate governance section of the Company's website. This policy is provided to all Directors and employees and compliance with it is reviewed on an ongoing basis in accordance with the Company's risk management systems.

4.2 Continuous Disclosure

The Company has established policies and procedures in order to comply with its continuous and periodic disclosure requirements under the *Corporations Act 2001* and the ASX Listing Rules. The Board has adopted a formal Continuous Disclosure Policy, which is available from the corporate governance section of the Company's website. The Continuous Disclosure Policy was last reviewed by the Board on 23 July 2015.

The Company Secretary has primary responsibility for the disclosure of material information to ASIC and ASX and maintains a procedural methodology for disclosure, as well as for record keeping.

The Company's Continuous Disclosure Policy requires all employees and Directors to notify the Chief Executive Officer or the Company Secretary of any potentially material information or proposal as soon as practicable after the person becomes aware of that information. The CEO and the Company Secretary will keep the full Board informed of all relevant matters. The Policy also sets out what renders information material.

The Board reviews the Company's compliance with this policy on an ongoing basis and will update it from time to time, if necessary.

4.3 Shareholder Communications

The Board's formal policy on communicating with shareholders, its Communications Policy, is available from the corporate governance section of the Company's website and supplements the Company's Continuous Disclosure Policy.

The aim of the Communications Policy is to make known the Company's methods for disclosure to shareholders and the general public. The Policy details the steps between disclosure to ASIC and ASX and communication to shareholders, with the Company's website playing an important role in the Company's communications strategy. It also sets out the policies and processes that the Company has in place to facilitate and encourage participation at meetings of shareholders.

Information is also communicated to shareholders through:

- the Annual Report;
- the half-yearly report;
- the Annual General Meeting and other meetings to obtain shareholder approval for Board actions as appropriate.

The Board reviews this policy and compliance with it on an ongoing basis. The policy was last reviewed on 23 July 2015.

5. Acting ethically and responsibly

Mayne Pharma is committed to operating its business in a sustainable manner that ensures its people are safe and well supported, local communities prosper, and the environment is well cared for so that it benefits future generations. The pharmaceutical industry is responsible for improving living standards around the world and enabling people to live longer and healthier lives. Mayne Pharma's key focus is to bring better medicines to market enabling patients to better manager diseases and their health.

Mayne Pharma is committed to providing a work environment that allows people to feel respected, appreciated and included. By living our Values, Mayne Pharma provides a framework to guide how we treat each other, our customers and our partners. Our Values are:

- Integrity – maintaining high ethical standards, demonstrating honesty, and respecting fairness by doing the right thing, even when no one is looking.
- Empowerment – encouraging everyone to take initiative, enabling growth and achievement.
- Passion – showing pride, enthusiasm and dedication in everything we do.
- Creativity – delivering value and striving to connect new ideas with business realities.
- Agility – operating with timeliness as well as mental, emotional and physical flexibility.

- Accountability – accepting our individual and team responsibilities, meeting our commitments, and acknowledging and learning from mistakes.

5.1 Conduct and Ethics

The Company's Business Code of Conduct was reviewed by the Board and last updated in September 2018. A copy of the Business Code of Conduct can be accessed on the corporate governance section of the Company's website. The Business Code of Conduct covers a broad range of matters and refers to those practices necessary to maintain confidence in the Company's integrity, including procedures in relation to:

- compliance with the law;
- business and financial records;
- occupational health and safety;
- conduct within and outside the workplace;
- confidentiality and use of information;
- conflict of interest;
- equal opportunity;
- whistle-blowing;
- dealings with third parties;
- data protection and privacy; and
- bribery and corruption.

The Code applies to Directors, executives and other employees, and directs individuals to report any contraventions of the Business Code of Conduct to their supervisors, the Company's human resources, compliance or legal teams or by making an anonymous report through the Company's whistleblower hotline, which is administered by an independent third party. The Company also expects contractors, vendors and any other parties directly representing Mayne Pharma to comply with the Business Code of Conduct.

6. Diversity and Inclusion

The Board recognises that a diverse and inclusive workforce is not only good for our employees but also good for business. Diversity enables the Group to attract and retain talented people, create more innovative solutions and be more flexible and responsive to our customers' and shareholders' needs. The Board approved a diversity policy on 21 August 2012.

Mayne Pharma supports employees to achieve an appropriate work-life balance, promotes and rewards employees based on skills, experience and merit and ensures the workplace is free from discrimination and harassment.

This Company's approach to diversity includes a framework that helps the Company achieve the following:

- access to the broadest and most diverse pool of qualified talent;

- a welcoming workforce culture that embraces diversity at all levels;

- use of recruitment practices that ensure a fair and equitable selection process at all levels where candidates are assessed on the basis of skills and capabilities;

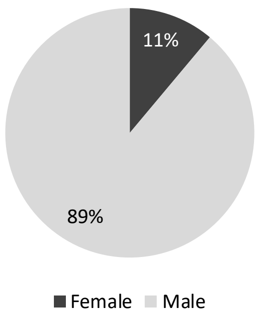
- ensure there is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation;

- improved employee motivation and engagement; and

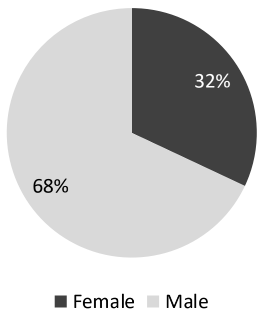
- enhanced teamwork and innovative solutions.

Below is a summary of the gender composition of the organisation as at 30 June 2019:

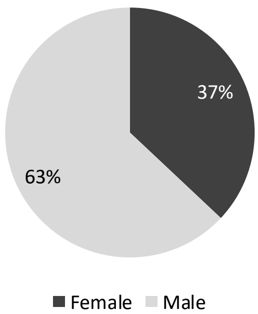
Board



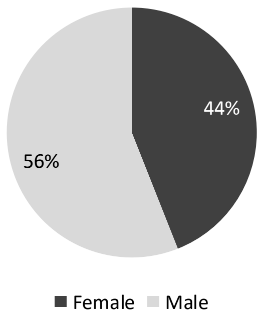
Senior Executive[1]



Management



Employees



1. Senior executive captures all senior leadership (President, Executive Vice President, Vice President and Director level). Management captures all employees with one or more direct reports and includes senior executives.

44% of the workforce and 37% of all management positions were held by females. At the most senior leadership level 32% were female.

The Group's approach to diversity is underpinned by practical objectives to ensure that all of its employees have equal opportunity to demonstrate their talents, commitment and results. The Company will measure its progress against these objectives and report to the Board annually.

The Company will support employees to achieve an appropriate work-life balance, promote and reward employees based on skills, experience and merit as well as ensure the workplace is free from discrimination and harassment.

The Board has a diversity target of 30% of its directors of each gender and expects to progressively improve over time towards this objective. When considering new Directors, the Board is committed to ensuring there is a balance of skills, diversity and experience in candidate selection.

6.1 Gender Diversity Statistics

FY19-FY21 OBJECTIVES	FY19-FY21 MEASUREMENT	FY19 PERFORMANCE
Equal opportunity employer Our recruitment practices are fair and equitable at all stages and candidates are assessed on the basis of their skills and capabilities for the position and cultural fit with the business	We endeavour for: 1. all selection processes and decisions to include both male and female representatives, and 2. at least 1 female and 1 male will be invited to participate in the interview process, where appropriately skilled candidates have applied	Our Recruitment & Selection policy reflect these practices. 1. We ensure representation of males and females in the recruitment process. The selection process generally involves 2 stages of interviews with between three and four leaders making up the selection panel. 2. For the vast majority of roles both male and female suitably skilled candidates have applied and been shortlisted for consideration. In addition to interviewing, a variety of checks and assessments are undertaken to ensure the right skillset and capability is identified.

FY19-FY21 OBJECTIVES	FY19-FY21 MEASUREMENT	FY19 PERFORMANCE
Equal gender participation We seek to maintain diverse participation at all levels	We endeavour for equal participation, allowing for a 10% variance either way. We will therefore seek to maintain a balance of at least 40% females and 40% males, in both management and non-management positions	At a Group level non-management positions consist of 55% males and 45% females. 63% of management positions are held by males, leaving 37% held by females. This was a small decrease from FY18 where 40% of management were females.
Equal opportunity for development High potential employees have equal opportunity to development programs to build a diverse pipeline of talent for succession opportunities	We endeavour for equal development opportunities, allowing for a 10% variance either way. We will therefore seek to maintain a balance of at least 40% females and 40% males, for participation in leadership or future leadership development program opportunities	Throughout FY19 we have undertaken a number of leadership programs internally, in addition to supporting external development opportunities, for both existing and potential future leaders. We are pleased to have achieved equal gender participation in our development programs, ensuring we continue to build our leadership capability and pipeline.
Equal gender remuneration Employees will be paid appropriate remuneration, based on their level of experience, achievements and competencies for their role	Undertake an annual pay equity analysis for employees in the same roles, and if any issues are identified, resolutions are to put in place	The most recent pay equity analysis was conducted in July 2019. In line with previous analysis that have been undertaken, no issues were identified that required resolutions to be put in place.

The Company is also required to comply with the requirements of the Workplace Gender Equality Act 2012. In June 2019 the Company lodged its annual compliance report which can be accessed on the corporate governance section of the Company's website.

In the US, the Company has an Affirmative Action Plan. One aspect of this plan is to assess opportunities for social inclusion of minorities and protected groups (e.g. veterans, people with disabilities, etc) against market availability. Goals have been developed to attract qualified applicants in identified under-employed groups.