

PACIFIC B BRANDS

25 August 2015

Manager Company Announcements
Australian Securities Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Market Information Services
New Zealand Exchange Limited
9th Floor
ASB Tower
2 Hunter Street
Wellington
New Zealand

Dear Sir/Madam

APPENDIX 4G – CORPORATE GOVERNANCE STATEMENT

Enclosed herewith is an Appendix 4G – Corporate Governance Statement approved by the Directors on 24 August 2015.

A copy of the Company's Corporate Governance Statement and the accompanying Appendix 4G will be placed on the Company's website at www.pacificbrands.com.au

Yours faithfully
Pacific Brands Limited



John Grover
Company Secretary

Enc.

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Pacific Brands Limited

ABN/ARBN

64 106 773 059

Financial year ended

30 June 2015

Our corporate governance statement² for the above period above can be found at:³

these pages of our annual report: pages 19 to 31

this URL on our website: <http://www.pacificbrands.com.au/investor-relations/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 24 August, 2015 and has been approved by the board.

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

Date here: 25 August 2015



Sign here:

Company Secretary

Print name: John C Grover

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 re pe	
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... 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):</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.pacificbrands.com.au/assets/Documents/CorporateGovernance/Corp-Gov-Board-Charter-2008-bc84fad5-cbaf-4edb-98aa-0346a7c90b18-o.pdf</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
1.4	<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
1.5	<p>A listed entity should:</p> <p>(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;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.pacificbrands.com.au/assets/Documents/CorporateResponsibility/Diversity-Policy-August-2014-2.pdf</p> <p>... 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:</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
<p>relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(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</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/> <input type="checkbox"/>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/> <input type="checkbox"/>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.pacificbrands.com.au/assets/Documents/CorporateGovernance/Nomination-Committee-Charter-2012.pdf</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ 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:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>
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.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
<p>2.3 A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(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</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... the length of service of each director:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at this location: p21 of 2015 Preliminary Annual Report</p> <p>http://www.pacificbrands.com.au/investor-relations/results-and-reports/results-and-reports-2015/</p>	<input type="checkbox"/>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/>
<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input checked="" type="checkbox"/>
<p>2.6 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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/>
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY		
<p>3.1 A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>... our code of conduct or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>http://www.pacificbrands.com.au/assets/Uploads/Code-of-Conduct.pdf</p>	<input type="checkbox"/>
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING		
<p>4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom</p>	<p>[If the entity complies WITH PARAGRAPH (A):</p> <p>... THE FACT THAT WE HAVE AN AUDIT committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p>	<input type="checkbox"/>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
<p>are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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></p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that 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.</p>	<p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.pacificbrands.com.au/assets/Documents/CorporateGovernance/Audit-Committee-Charter-2014.pdf</p> <p>http://www.pacificbrands.com.au/assets/Documents/CorporateGovernance/Audit-Committee-Charter-2014.pdf</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	
<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/>
<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/> <input type="checkbox"/>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
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: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at this location: http://www.pacificbrands.com.au/assets/Documents/CorporateGovernance/Continuous-disclosure-policy2-2013-58d1e5d7-7323-4a7d-b06d-a49c37c1d03a-o.pdf
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: <input checked="" type="checkbox"/> at this location: http://www.pacificbrands.com.au/investor-relations/corporate-governance/
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i>
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: http://www.pacificbrands.com.au/assets/Documents/CorporateGovernance/Corp-Gov-Shareholder-Comms-3b53a7f3-9ca3-4c39-ac8f-008b60757f22-o.pdf
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: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at this location: p88 of 2015 Preliminary Annual Report) http://www.pacificbrands.com.au/investor-relations/results-and-reports/results-and-reports-2015/
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	[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): <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <i>Insert location here</i> ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at this location: http://www.pacificbrands.com.au/assets/Documents/CorporateGove

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
<p>(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</p> <p>(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.</p>	<p>rnance/Audit-Committee-Charter-2014.pdf</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	
<p>7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; OR</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[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:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/>
<p>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.</p>	<p>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<input type="checkbox"/>
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are</p>	<p>[If the entity complies with paragraph (a):] ... the fact that we have a remunerationw committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p>	<input type="checkbox"/> <input type="checkbox"/>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
<p>independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.pacificbrands.com.au/assets/Documents/CorporateGovernance/Remuneration-Committee-Charter-2014-final23715.pdf</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	
<p>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.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We re pe
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES		
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>

CORPORATE GOVERNANCE STATEMENT

Pacific Brands' directors and management are committed to conducting the Company's business ethically and in accordance with high standards of corporate governance. Good corporate governance structures encourage companies to create value for shareholders through sensible risk taking, but provide accountability and control systems commensurate with the risks involved.

This statement describes Pacific Brands' approach to corporate governance, is accurate and up to date as at 25 August 2015 and has been approved by the Board. The Board believes that the Company's policies and practices comply in all substantial respects with the Australian Securities Exchange ('ASX') Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) ('ASX Corporate Governance Principles'). Unless indicated otherwise in the discussion below, these practices have been in place for the entire year.

Copies of the main corporate governance policies adopted by the Company can be found in the corporate governance section of the Company's website at www.pacificbrands.com.au.

1. ROLE AND RESPONSIBILITIES OF THE BOARD

The Board is committed to investing in the Company's brands and people, maximising operational and financial performance and generating shareholder value.

In conducting business in line with these objectives, the Board is responsible for ensuring that the Company is properly managed to protect and enhance shareholder interests, and that the Company, its directors, officers and employees operate in an appropriate environment of corporate governance. The Board Charter can be found in the corporate governance section of the Company's website at www.pacificbrands.com.au. The Board has ultimate responsibility for establishing policies regarding the business and affairs of the Company for the benefit of its shareholders and other stakeholders. The Board's key responsibilities include:

- appointing and reviewing the performance of the Chief Executive Officer
- ensuring executive and Board succession planning
- approving the Company's strategic direction
- approving annual budgets and targets
- evaluating the performance of the Company against its strategic plan, budgets and targets
- determining the Company's capital structure
- ensuring the establishment of a risk management and compliance framework and monitoring and reviewing its effectiveness
- approving significant acquisitions or divestments
- overseeing relations with shareholders
- approving accounting policies and annual financial statements
- ensuring appropriate senior executive remuneration

The Board delegates management of the Company's resources to senior management, under the leadership of the Chief Executive Officer, to deliver the strategic direction and operational goals agreed between senior management and the Board. A key function of the Board is to monitor the performance of senior management in this function. Annual performance evaluations of senior management occur in accordance with the process outlined below and further described in the Remuneration Report.

Management provides the Board with information in a form, timeframe and quality that enables the Board to discharge its duties effectively. Specifically, the Chief Executive Officer provides reports on the Company's strategic initiatives, organisational matters, operational performance, business development opportunities and employee safety at each Board meeting. The Chief Financial Officer provides reports on the Company's financial performance and other relevant matters such as the Company's net debt position, foreign exchange hedging and risk management issues.

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. Each Director has direct access to the Company Secretary. The Company Secretary is responsible for coordination of all Board business, including agendas, Board papers and minutes, advising the Board and its committees on governance matters, monitoring compliance with Board and committee policies and procedures, communication with regulatory bodies and the ASX, and statutory and other filings.

2. BOARD APPOINTMENT, COMPOSITION AND TENURE

The Board is currently made up of seven directors, being the Company's one executive director and six independent non-executive directors. Details of the directors as at the date of this Annual Report, including their terms of office, qualifications and experience and independence status, are set out on page 4 of the Annual Report.

It is the Board's policy that the Board should be comprised of a majority of independent non-executive directors. That is, the majority of directors should be free from any business or other relationship that could materially compromise their independent judgement. As an additional safeguard in preserving independence, the policy provides that the office of Chairman should be held by an independent non-executive director. The Board considers a director to be independent where he or she is not, and was not within the last three years, been a member of management and is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the director's ability to act independently and in the best interests of the Company and shareholders generally. The Board will consider the materiality of any given relationship on a case by case basis and has adopted materiality guidelines to assist it in this regard. Under the Board's materiality guidelines, the following interests are regarded as, prima facie, material:

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

- a holding of 5% or more of the Company's shares
- an affiliation with a business which accounts for 5% or more of the revenue or expenses of the Company

However, ultimately the Board will make a qualitative assessment of any factors or considerations which may, or might reasonably be perceived to, materially interfere with the director's ability to act independently and in the best interests of the Company and shareholders generally. Directors are required to disclose promptly to the Board interests in contracts, other directorships or offices held, possible related party transactions and sales or purchases of the Company's shares. The Board reviews the independence of each director in light of interests disclosed to the Board from time to time and at least once a year.

The Board has determined that each of the six non-executive directors satisfy the Board's criteria for independence. The Company's Chairman held the role of Executive Chairman from 7 July 2014 (being the date of the former Chief Executive Officer's resignation) until 26 August 2014 (being the date D L Bortolussi was appointed Chief Executive Officer). Notwithstanding the fact that the Chairman was acting as Chief Executive Officer during this period, the Board at all times considered the Chairman to be independent on the basis that his executive role was temporary only, that he was not employed in an executive capacity by the Company and that he did not receive any additional remuneration for his services as Chief Executive Officer. He only received fees for his role as Chairman. It is also the Board's view that each director exercised their judgement and discharged their responsibilities in an unrestricted and independent manner throughout the 2015 financial year.

As the Chairman was acting Chief Executive Officer between 7 July 2014 and 26 August 2014, the Company did not comply with Recommendation 2.5 of the ASX Corporate Governance Principles for the entire reporting period, which provides that the Chairman of the Board should be an independent director and, in particular, should not be the same person as the Chief Executive Officer.

The Board considers that a diverse range of skills, experience, knowledge and backgrounds is required to govern the Company's business effectively. With the assistance of the Nomination Committee, the Board works to ensure that the Board's membership is optimal to meet the Company's needs. The Board is satisfied that the Board currently comprises directors with a broad range of experience having a proper understanding of the current and emerging issues facing the Company who can effectively review and challenge management's decisions. The diversity of the skills and experience possessed by the current Board is summarised in the following table:

EXPERIENCE AND SKILLS	NUMBER OF DIRECTORS POSSESSING THE RELEVANT EXPERIENCE OR SKILL
Retail and consumer industry	
▪ Marketing and brand management	5
▪ Product innovation and development	4
▪ Retail, online and wholesale sales	7
Strategy	
▪ Corporate and business unit strategy	7
▪ Domestic and international business development	7
▪ Mergers, acquisitions and alliances	7
Organisation	
▪ Human resources management	5
▪ Occupational health & safety, environment and risk management	5
▪ Remuneration practices	5
Operations	
▪ Chief Executive Officer, Chief Operating Officer or General Management experience	6
▪ Information technology and business processes	4
▪ Sourcing and supply chain management	5
Finance	
▪ Accounting, finance and banking	6
▪ Chief Financial Officer or Commercial experience	2
▪ Equity and debt capital markets	4
Governance	
▪ Governance and compliance	6

In making recommendations to the Board regarding the appointment of directors, the Nomination Committee will assess 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 succession plans for the directors generally and qualitative factors such as diversity and cultural fit. Where a potential 'gap' is identified in the backgrounds, experiences or skill-sets that are considered desirable or necessary for the Board's continued effectiveness, this information is used to inform the selection of new director candidates.

Nominations for appointment are approved by the Board as a whole. The identification of potential director candidates may be assisted by the use of external search organisations as appropriate. Appropriate background and other checks are undertaken by, or on behalf of, the Nomination Committee before a candidate is recommended to the full Board for consideration. Detailed background information in relation to a potential candidate is provided to all directors, prior to any decision being made. A copy of the Company's Nomination Committee Charter, which includes the process for the selection and appointment of directors, can be found in the corporate governance section of the Company's website at www.pacificbrands.com.au.

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 members of the Board. This includes meetings with senior executives, site visits, independent meetings with both the Company's internal and external auditors, provision of relevant corporate governance materials and policies and discussions with the Chairman and other directors.

Under the Company's Constitution and the ASX Listing Rules, all directors other than the Chief Executive Officer are subject to shareholder re-election every three years. Board support for directors retiring and seeking re-election at an Annual General Meeting is not automatic. In determining whether it will recommend that shareholders vote in favour of re-electing a director, the Board will have regard to any matters it considers relevant, including the director's performance evaluation and his or her tenure. The Company provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director in its Notice of Annual General Meeting. It is the Board's current policy that, in general, directors do not hold office beyond a maximum term of nine years. Details regarding the Board performance assessment process is outlined in section 5 of this statement.

The period of office held by each person who served as a director in the 2015 financial year is as follows:

	APPOINTED	PERIOD IN OFFICE	LAST ELECTED AT AN ANNUAL GENERAL MEETING
P H Bush (Chairman)	August 2010	5 years	24 October 2013
S T Goddard	May 2013	2 years 3 months	14 October 2014
K L Grant	February 2014	1 year 6 months	14 October 2014
J S King	September 2009	5 years 11 months	14 October 2014
H E C Nash	August 2013	2 years	24 October 2013
L B Nicholls AO	October 2013	1 year 10 months	14 October 2014
J C Pollaers	September 2012	1 year 10 months	Resigned 7 July 2014
D L Bortolussi	August 2014	1 year	Not applicable

Directors' shareholdings are shown on page 52 of the Annual Report.

3. BOARD PROCESSES

The Board currently schedules ten meetings per year. In addition, the Board meets whenever necessary to deal with specific matters requiring attention between the scheduled meetings. The table on page 23 of the Annual Report shows the number of Board meetings held in the 2015 financial year and the attendance of each director.

The agenda for meetings is prepared by the Company Secretary, in conjunction with the Chairman and the Chief Executive Officer, with periodic input from the Board. Comprehensive Board papers are distributed to directors in advance of scheduled meetings. Board meetings take place both at the Company's head office and at key operating sites to assist the Board in its understanding of operational issues.

The directors also spend time visiting representative retail operations of the Company and its customers to assist the Board in better understanding the strategies of its customers and competitors and the relative strength and positioning of the Company's key brands and own retail operations. A continuing education program is in place, which includes presentations and materials being provided to the Board by management and external experts on matters relevant to the role and responsibilities of directors.

Each director has the right of access to all relevant Company information and to the Company's senior management, external advisers and auditors. Directors may also seek independent professional advice at the Company's expense. Any director seeking such advice is required to make a formal request to the Chairman or the Board. Where the Chairman wishes to seek independent advice, he must make a formal request to the Chair of the Audit, Business Risk and Compliance Committee. Any advice so received must be made available to all other directors unless otherwise agreed. Pursuant to a deed executed by the Company and each director, a director also has the right to have access to all documents which have been presented to meetings of the Board or to any committee of the Board or otherwise made available to the director while in office. This right continues for a term of seven years after ceasing to be a director or such longer period as is necessary to determine relevant legal proceedings that commenced during that term.

4. BOARD COMMITTEES

There are presently three standing committees which assist the Board in the execution of its responsibilities, being the:

- Audit, Business Risk and Compliance Committee
- Nomination Committee
- Remuneration Committee

Any issues of corporate governance which are not dealt with specifically by one of these committees are the responsibility of the full Board.

Each committee operates under a specific charter, which can be found in the corporate governance section of the Company's website at www.pacificbrands.com.au.

Details of the committee members' qualifications are set out on page 4 of the Annual Report. Further details regarding the three committees are set out in the following table:

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

	AUDIT, BUSINESS RISK AND COMPLIANCE COMMITTEE	NOMINATION COMMITTEE	REMUNERATION COMMITTEE
Roles and responsibilities	The committee's role is to assist the Board in the effective discharge of its responsibilities for financial reporting, the maintenance of a risk management framework and the relationship with the external and internal auditors.	The committee is responsible for assisting and advising the Board on matters relating to succession planning, recruitment and the appointment and remuneration of directors.	The committee is responsible for matters relating to succession planning, recruitment and the appointment and remuneration of the Chief Executive Officer and other senior executives and for the remuneration policy framework for all employees of the Company and overseeing the Company's Diversity Policy.
Functions	<ul style="list-style-type: none"> ▪ ensuring that processes are in place so that financial information provided to shareholders is accurate, complete and reliable in all material aspects ▪ evaluating the processes in place to ensure that accounting records are properly maintained in accordance with statutory requirements ▪ overseeing the relationship with the external auditor, auditor independence and the external audit function ▪ reviewing the adequacy of the group's risk management framework including policies and procedures established by senior management to identify and manage areas of potential risk and to safeguard the assets of the Company ▪ reviewing the scope of the internal audit program and the performance of internal audit ▪ reviewing the reports of the internal auditor and overseeing management's implementation of internal audit recommendations ▪ reviewing the scope and terms of the insurance program ▪ reviewing the Company's social compliance policies and practices and observance of appropriate ethical standards ▪ overseeing the Company's treasury function, including foreign exchange and interest rate hedging policies ▪ reviewing the Company's exposure to fraud and corruption, including overseeing investigations of allegations of fraud, corruption or malfeasance 	<ul style="list-style-type: none"> ▪ reviewing and making recommendations to the Board regarding the appointment of non-executive directors ▪ assessing Board composition, function and size (taking into consideration the skills, experience and expertise required and the extent to which they are represented on the Board and the requirements of the Company's Diversity Policy) ▪ establishing processes for reviewing the performance of individual non-executive directors, the Board as a whole and the operation of Board committees ▪ monitoring length of service and developing succession plans for the Board including the likely order of retirement by rotation of non-executive directors ▪ making recommendations to the Board on non-executive director remuneration, including that of the Chairman 	<ul style="list-style-type: none"> ▪ assisting the Board in determining an appropriate remuneration framework and policies for all employees ▪ overseeing the selection and appointment practices for senior executives of the Company ▪ overseeing the development of succession planning in relation to the Chief Executive Officer and senior executives reporting to the Chief Executive Officer ▪ making recommendations to the Board on the Chief Executive Officer's remuneration (including short and long term incentive plans) ▪ reviewing and approving recommendations from the Chief Executive Officer on total levels of remuneration for senior executives reporting to the Chief Executive Officer (including short and long term incentive plans) ▪ reviewing human resources and remuneration policies and practices for the group, as brought forward by management ▪ reviewing and reporting to the Board on an annual basis, the relative proportion of women and men in the workforce at all levels of the Company, remuneration by gender and strategies to address any pay gap ▪ reviewing and reporting to the Board, on an annual basis, on the effectiveness of the Company's Diversity Policy ▪ engaging remuneration consultants and receiving any advice and/or recommendations from them with respect to the setting of executive remuneration
Members	<ul style="list-style-type: none"> ▪ Stephen Goddard (Chair) ▪ James King ▪ Linda Bardo Nicholls AO 	<ul style="list-style-type: none"> ▪ Peter Bush (Chair) ▪ James King ▪ Helen Nash 	<ul style="list-style-type: none"> ▪ Helen Nash (Chair) ▪ Kiera Grant ▪ James King ▪ Linda Bardo Nicholls AO
Composition requirements	The committee must be chaired by an independent non-executive director and comprise at least three non-executive directors, all of whom must be independent and financially literate. The Chairman of the Board is not permitted to chair the committee.	The committee must be chaired by an independent non-executive director and comprise at least three non-executive directors, a majority of whom must be independent.	The committee must be chaired by an independent non-executive director and comprise at least three non-executive directors, a majority of whom must be independent.
Consultation	The Chief Executive Officer, Chief Financial Officer, Group Risk and Assurance Manager, and the external auditor have standing invitations to attend committee meetings. Other members of management may also attend by invitation. The committee has access to financial and legal advisers as it considers appropriate. The committee also meets with the external auditor in the absence of management whenever deemed appropriate, but no less than semi-annually to ensure the committee can be satisfied that the auditor has had the full cooperation of management in conducting the audit functions, and to give the auditor the opportunity to raise any matters of concern.	The committee may obtain information from and consult with external advisers, as it considers appropriate.	The Chief Executive Officer and Group General Manager, Human Resources each have a standing invitation to attend committee meetings. The committee may obtain information from, and consult with, management and external advisers, as it considers appropriate.

The table below shows the number of Board and committee meetings held in the 2015 financial year and the attendance of each member:

	BOARD		AUDIT, BUSINESS RISK AND COMPLIANCE COMMITTEE		REMUNERATION COMMITTEE		NOMINATION COMMITTEE	
	ATTENDED ¹	HELD ²	ATTENDED ¹	HELD ²	ATTENDED ¹	HELD ²	ATTENDED ¹	HELD ²
P H Bush	14	14	N/A	N/A	N/A	N/A	5	5
D L Bortolussi	14	14	N/A	N/A	N/A	N/A	N/A	N/A
S T Goddard	14	14	4	4	N/A	N/A	N/A	N/A
K L Grant	14	14	N/A	N/A	3	3	N/A	N/A
J S King	14	14	4	4	3	3	5	5
H E C Nash	14	14	N/A	N/A	3	3	5	5
L B Nicholls AO	14	14	4	4	3	3	N/A	N/A
J C Pollaers	Nil	Nil	N/A	N/A	N/A	N/A	N/A	N/A

¹ This column shows the number of meetings attended

² This column shows the number of meetings held during the period the director was a member of the Board or committee

5. REVIEW OF BOARD AND SENIOR EXECUTIVE PERFORMANCE

The performance of the Board is reviewed annually by the Board with the assistance of the Nomination Committee and periodically with the assistance of an external adviser. In the years that an externally facilitated review is not conducted, the Chairman interviews each director to obtain individual views on Board dynamics, director performance and feedback to improve good governance and Board performance. This process was conducted in May 2015 with the Chairman providing feedback to the Board in June 2015.

In addition, a review of each director's performance is also undertaken prior to a director standing for re-election. In the case of directors, other than the Chairman, the review is undertaken by the Chairman after consultation with the other directors. In the case of the Chairman, a non-executive director is delegated the task of reviewing the Chairman's performance.

A review of the performance of the Chief Executive Officer is led by the Chairman in consultation with the Board. The performance of all other senior executives is reviewed by the Chief Executive Officer and reported to, and discussed by, the Board. Performance reviews take place shortly before or just after the end of the financial year. Further details about the senior executive performance review process are contained in the Remuneration Report on page 39. Performance reviews for the Chief Executive Officer and each other senior executive took place either during the reporting period or shortly afterwards.

6. NON-EXECUTIVE AND EXECUTIVE REMUNERATION

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced non-executive and executive directors and senior management. Performance, duties and responsibilities, market comparison and independent advice are all considered as part of the remuneration process.

In accordance with principles of good corporate governance, non-executive directors do not receive any remuneration that is performance based, nor do they receive any other benefits such as retirement or termination benefits other than superannuation.

Full details of the remuneration paid to non-executive and executive directors and the Company's other senior executives in relation to the 2015 financial year, as well as the Board policy for determining the nature and amount of remuneration and the relationship between such policy and performance, are discussed in the Remuneration Report.

7. GOVERNANCE POLICIES

The Board has adopted corporate governance policies and practices designed to promote responsible management and conduct at Pacific Brands. The Board (together with management) regularly reviews these policies and practices to ensure the Company maintains or improves its corporate governance standards in a changing environment. A discussion of the Company's key governance policies is set out below.

7.1 Risk management

ASX Corporate Governance Principle 7 requires that listed companies should establish a sound system of risk oversight and management and periodically review the effectiveness of that framework. In meeting this principle, the Board and senior executives of the Company have implemented an enterprise wide risk management framework that enables the management, monitoring, oversight and reporting of business risks in a timely and efficient manner.

The enterprise wide risk management framework serves to:

- provide a formal framework and methodology for determining the Company's risk profile
- facilitate enterprise wide awareness and general adoption of a risk management culture when making business decisions
- ensure risks (strategic and operational) are formally and regularly assessed in the context of the Company's strategy
- provide the infrastructure and a management process to support ongoing review and monitoring of the status of risks, controls and management initiatives for improving risk management
- ensure clear accountabilities for risk management

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The Company has a structured and systematic enterprise wide risk assessment process in place which comprises an annual risk identification and assessment of material business risks. These material business risks are documented in a risk control plan along with appropriate mitigation priorities and planned management actions. The Board and Audit, Business Risk and Compliance Committee oversee this plan. The Company continues to enhance consistency in, and improve the effectiveness of, its risk management practices across all the operating groups.

Risk management oversight and reporting

The key functional responsibility for the risk management framework resides with the Group Risk and Assurance Manager, who reports to the Chief Financial Officer. The Group Risk and Assurance Manager is responsible for assisting corporate functions and operating groups to develop risk management processes and methodologies and advising and monitoring in relation to their ongoing implementation.

The Audit, Business Risk and Compliance Committee is charged with oversight of these processes. The committee monitors and reviews the Company's risk profile and the progress and performance of risk management strategies on an annual basis. The most recent review took place in June 2015 and no significant changes to the Company's risk management framework or policies were identified. The committee has adopted a written policy in relation to the Company's risk oversight and management practices and a copy of this Risk Oversight and Management Policy is available through the Company's website at www.pacificbrands.com.au.

The Audit, Business Risk and Compliance Committee receives regular reports about business risks facing the Company and the strategies employed by management to mitigate these risks. In connection with the Company's half year and full year financial statements, the Board receives a declaration from the Chief Financial Officer and the Chief Executive Officer that, in their opinion, the Company's consolidated financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and performance and that this opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. These declarations are based on attestations that cascade down through management and include sign off by the Group General Manager and General Manager, Commercial Finance of each operating group. In respect of the 2015 financial year (both half year and full year financial statements), the Audit, Business Risk and Compliance Committee received unqualified declarations from the Chief Financial Officer and the Chief Executive Officer, of the nature described above.

Economic, environmental and social sustainability risks

Any material exposure to economic, environmental and social sustainability risks and how the Company manages those risks, are disclosed in the Operating and Financial Review (see material business risks section).

Internal control framework

Internal controls refer to processes that are designed to address risks and to provide reasonable assurance that in pursuing its objectives Pacific Brands is complying with applicable laws and regulations and safeguarding company resources against loss, misuse and damage.

There is a broad platform of internal controls in place within Pacific Brands which underpin the integrity of the Company's financial reporting and risk management processes. These internal controls include people, policies and processes across the operating structure of the Company. Within the internal control environment, Pacific Brands has established comprehensive policies and practices designed to ensure:

- business transactions are properly authorised and executed in accordance with delegated authorities and limits
- financial exposures are controlled, including the use of hedging arrangements
- occupational health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations
- the quality and integrity of personnel
- the ethical practices of its suppliers (see section 9 of this statement)
- financial reporting accuracy and compliance with the financial reporting regulatory framework (see above)
- environmental regulation compliance (see section 11 of this statement)

The Company has also adopted a Code of Conduct which sets out the Company's commitment to maintaining a high level of integrity and ethical standards in all business practices. The Code of Conduct sets out for all directors, management, employees and contractors, the standards of behaviour expected of them, and the steps that should be taken in the event of uncertainty or a suspected breach by any party.

The Code of Conduct is discussed in more detail in section 7.3 of this statement.

Internal audit

The internal audit function's role is to provide the Board and management with independent and objective assurance on the effectiveness of risk management, internal control and governance processes across the group. The internal audit function is headed by the Group Risk and Assurance Manager who is supported by the Company's Internal Audit Manager and a major accounting firm. The Group Risk and Assurance Manager and the lead internal audit partner have access to the Audit, Business Risk and Compliance Committee and its Chairman at all times.

The Company has an annual internal audit plan covering the financial year. The plan, which is reviewed and endorsed by the Audit, Business Risk and Compliance Committee and the Board on an annual basis, is specifically directed at reviewing controls in key risk areas that may have a material impact on the Company's operations, and at ensuring that appropriate management action is taken with respect to each identified risk.

External audit

The external auditor (KPMG) is appointed by the Board and approved by shareholders in accordance with the requirements of the Corporations Act 2001. The Audit, Business Risk and Compliance Committee is responsible for reviewing the terms of appointment of the external auditor and for making a recommendation to the Board regarding the appointment of the external auditor. The Audit, Business Risk and Compliance Committee has also adopted a policy on the provision of non-audit services and the rotation of external audit personnel. The auditor is prohibited from providing services which may compromise independence. A regime of approval limits is set out in the policy for the approval of non-audit services provided by the auditor. The policy also requires the partner managing the Company's audit to be rotated within five years from the date of appointment. The term of the partner currently managing the Company's audit commenced in respect of the 2012 financial year. A copy of this policy is also available on the Company's website at www.pacificbrands.com.au.

The audit engagement partner of KPMG attends the Company's Annual General Meeting and is available to answer shareholder questions relevant to the audit and the preparation and content of the auditor's report.

7.2 Trading in shares by directors and employees

The Company has adopted guidelines for directors' and employees' dealings in the Company's shares.

Subject to the overriding restriction that persons may not deal in shares while they are in possession of material price-sensitive information, directors and employees may deal in shares without the need for approval during certain 'trading windows', being within 31 days from the day following release of the Company's half and full year financial results and the holding of the Company's Annual General Meeting.

Directors and employees are prohibited from dealing in the Company's shares during the period from close of business on 31 December each year until the day following the announcement of the Company's half year results and during the period from the close of business on 30 June each year until the day following the release of the Company's full year results (so called 'blackout periods').

Outside of these blackout periods, if not within a trading window, directors and employees must receive clearance from the person stated in the guidelines for any proposed dealing in shares.

Directors and employees may not deal in the Company's shares on a short term trading basis, except in circumstances of special hardship, with the Chairman's approval.

The Company's guidelines for dealing in securities prohibit any employee who has been granted performance rights or deferred shares in the Company pursuant to the terms of any of the Company's employee share plans from entering into a transaction to limit the economic risk of such performance rights or deferred shares, whether through a derivative, hedge or other similar arrangement. In addition, directors and employees are not permitted to deal in securities pursuant to a margin lending arrangement. Further details regarding the Company's policy on hedging is set out in the Remuneration Report on page 44.

A copy of the Company's Guidelines for Dealing in Securities is available in the corporate governance section of the Company's website at www.pacificbrands.com.au and has been lodged with the ASX.

7.3 Ethical standards and Code of Conduct

The Board believes it is important to provide employees with a clear set of values that emphasise a culture of strong corporate governance, sound business practices and good ethical conduct.

Code of Conduct

The Company's Code of Conduct outlines the Company's expectations for acting responsibly and ethically in relation to the business conduct of directors, employees and contractors. In particular, the Code of Conduct requires employees and directors:

- to behave with integrity in all dealings with customers, shareholders, suppliers and all others with whom the Company deals
- to conduct business in line with the Company's values and behaviours and all relevant laws and regulations
- to be aware of, and comply with, relevant fair trading and trade practices laws in the jurisdictions in which the Company operates
- to act in the best interests of the Company when undertaking Company business and avoid conflicts of interest (whether perceived or real) including the receipt of improper personal benefits such as gifts or hospitality
- to protect any Company assets under their control and not use Company assets for personal purposes, without prior Company approval. This obligation includes ensuring that money is appropriately spent, financial records are complete and accurate and internal controls are complied with
- to be aware of, and comply with, the Company's delegated authorities and limits policy which outlines general principles as to how the Company expects its employees to behave when exercising their financial authority as well as specific limits at which level a financial activity can be approved
- to respect the privacy of others and comply with the Company's privacy policy
- not to disclose or use in any improper manner confidential Company information, including information about customers, agents or other business affairs

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

- to be aware of, and comply with, the Company's Continuous Disclosure Policy to ensure that the market is kept fully informed of information which may have a material effect on the price or value of the Company's shares
- not to act in any way that could cause harm to the reputation or market position of the Company, either during or after their employment; this includes complying with the Company's safety, health and environment policies, and equal opportunity and harassment policies

The Code of Conduct contains procedures for reporting and investigating improper conduct and unethical practices, and the protection of whistleblowers. A copy of the Code of Conduct is available in the corporate governance section of the Company's website at www.pacificbrands.com.au.

Donations

The Company does not make donations to political parties.

Fraud and corruption

Implementing effective fraud and corruption controls is part of good governance and management practices. Such controls seek to minimise the risk, not only of financial loss, but also of damage to the Company's reputation and that of its Board, senior management and employees. Accordingly, as a reinforcement of the Company's Code of Conduct, the Company has developed a separate policy outlining the Company's approach to fraud and corruption. A key objective of this policy is to support and enable the right organisational culture for the proactive prevention of fraud and corruption. This policy is aligned to the Company's risk management framework and is supported by a detailed fraud risk assessment undertaken in respect of the Company's operations.

This policy aims to protect the Company's assets and reputation by:

- reinforcing senior management and Board commitment and responsibility for identifying fraudulent and corrupt activities and for establishing policies, controls and procedures for prevention and detection of these activities
- reinforcing the requirement for all staff and others to refrain from corrupt or fraudulent conduct and encourage the reporting of any instance of fraud or corrupt conduct
- providing a framework for the conduct of investigations to ensure all suspected fraudulent and corrupt activity is dealt with appropriately
- assigning responsibility for the development of controls to prevent and detect fraud

A copy of the Company's Fraud and Corruption Policy is available in the corporate governance section of the Company's website at www.pacificbrands.com.au.

Whistleblowing

Employees are encouraged to bring to the attention of their manager, their human resources manager or members of senior management any behaviour or activity occurring in the business which they believe to be unlawful, inappropriate or inconsistent with the Company's Code of Conduct. In addition, the Company has established a freecall whistleblower telephone line to enable employees to report matters of concern on a confidential basis. The service, known as My Voice, is operated by an independent third party to ensure that calls can be made in total confidence. My Voice service operates in key jurisdictions in which the Company does business and is staffed by contractors fluent in the native language of the relevant workforce. Callers may also elect to remain anonymous. Any reported improper conduct will be investigated while protecting the confidentiality of the identity of the whistleblower and, depending on the nature of the issue, the matter will be reported to either the Remuneration Committee or the Audit, Business Risk and Compliance Committee.

8. CONTINUOUS DISCLOSURE AND KEEPING SHAREHOLDERS INFORMED

The Company is committed to keeping shareholders fully informed and to facilitating effective two way communication with investors, with the aim of allowing shareholders and other financial market participants to gain a greater understanding of the Company's business, governance, financial performance and prospects. The Company's commitment is embodied in the Company's Shareholder Communications Policy, a copy of which can be found in the corporate governance section of the Company's website at www.pacificbrands.com.au. To achieve its stated objectives, the Company has implemented the following procedures:

- shareholders can gain access to information about the Company, including media releases, key policies, annual reports and financial statements, and the terms of reference of the Company's committees through the Company's website at www.pacificbrands.com.au or by writing to the Company Secretary at the Company's registered office address
- all relevant announcements made to the market and any related information are posted on the Company's website as soon as they have been released to the ASX and New Zealand Stock Exchange ('NZX')
- the Company encourages full participation of shareholders at its Annual General Meeting to ensure a high level of accountability and discussion of the Company's strategy and performance. Shareholders are also invited, within the Company's Notice of Annual General Meeting, to submit written questions to either the Company or the Company's external auditor in relation to the external audit
- the Company hosts a webcast of its first half and full financial year results briefings in order to maximise shareholders participation

The Company provides shareholders with the option to receive communications from, and send communications to, the Company and the share registry electronically, for reasons of speed, convenience, cost and environmental considerations. Annual reports are provided electronically via the 'Investor Relations' section of the Company's website, under the 'Results and Reports' section, unless a shareholder elects to receive a printed copy. Announcements made by the Company to the ASX and NZX are also made available on the Investor Relations section of the Company's website, under the ASX/NZX Announcements section and on the ASX and NZX websites. Shareholders are able to access information relevant to their holding via the share registry website www.computershare.com.au.

The Company has a Continuous Disclosure Policy which establishes procedures to ensure that directors and management are aware of, and fulfil, their obligations, in relation to the timely disclosure of material price-sensitive information. Information must not be selectively disclosed prior to being announced to the ASX and NZX. Directors and senior management must notify the Company Secretary as soon as they become aware of information that should be considered for release to the market. The Company Secretary is the person responsible for communication with the ASX and NZX. A copy of the Company's Continuous Disclosure Policy may be found in the corporate governance section of the Company's website at www.pacificbrands.com.au.

9. SOCIAL AND ETHICAL COMPLIANCE FOR SUPPLIERS

9.1 Social compliance

An effective and sustainable supply chain is integral to the Company's business model and supply partners are required to meet certain standards in relation to human rights, workplace safety, environmental impacts and ethical business practices. The Company chooses, promotes and develops relationships with suppliers who are aligned with its expectations of ethical and socially responsible behaviour.

The Company has for a number of years, invested in, and maintained, a robust and comprehensive program of auditing its supply chain for adherence to its ethical standards. The Company's ethical sourcing program is led by the Group Risk and Assurance Manager, whilst managed at a local level by the Regional Sourcing Compliance Manager. The Regional Sourcing Compliance Manager is supported by social compliance officers and third party specialised auditors are engaged when required. The Company's social compliance team is independent of the Company's operating businesses. The Group Risk and Assurance Manager provides regular reports to senior management and to the Board in relation to various measures of social compliance including supplier grading profiles for each operating group and the number of suppliers exited.

The Company's ethical sourcing standards are aligned to Ethical Trading Initiative ('ETI') base code and its principles of continuous improvement. The Company has been a member of the ETI since 2008 and is to date the only Australian company to join this international organisation. The ETI is a multi-stakeholder organisation focused on collaboration across companies, trade unions and non-government organisations. The objective is for members to collectively address the many complex and country dependant issues and provide support and guidance to each other on the actions companies can take to trade ethically.

The Company's Supplier and Manufacturer Code of Conduct covers nine base principles in relation to human rights which are aligned to the ETI base code as follows:

- employment is freely chosen
- freedom of association and the right to collective bargaining are respected
- working conditions are safe and hygienic
- child labour shall not be used
- living wages are paid
- working hours are not excessive
- no discrimination is practised
- regular employment is provided
- no harsh or inhumane treatment is allowed

The Company's ethical sourcing program starts with the engagement of a new supplier and continues throughout the Company's sourcing and ongoing supplier relationship management processes. The Company has full access to supplier facilities, factory workers and employee and safety records, as required under the Pacific Brands Supplier and Manufacturer Code of Conduct.

Where a direct supplier is new to the Company, the Company's social compliance team will conduct pre-audit screening based on information provided by the supplier and current third party audit reports. This pre-screening determines if a factory progresses to a formal audit conducted by the social compliance team or an independent third party auditor in order to determine whether the supplier meets the Company's compliance standards to be an approved supplier.

Post approval, the Company also regularly conducts audits (announced and unannounced) of its direct suppliers to determine ongoing compliance with its Supplier and Manufacturer Code of Conduct. Where non-compliance is found, the social compliance team works with the supplier to develop a corrective action plan which is monitored. Where a supplier is unwilling to achieve compliance, the Company may terminate the relevant supply contract. Where a supplier is unable to achieve compliance, the Company will work with that supplier, however, ultimately a range of sanctions including termination may apply if compliance cannot be achieved in critical areas.

The Company's risk and compliance framework enables it to review and manage its suppliers based on a risk profiling matrix. The majority of audits focus on medium and high risk factories and are carried out within a 12 month period. Regular factory follow-ups are scheduled based on the risk assessment level defined in the Company's formal audit process. This risk level is dependent on a number of factors such as, brand, nature of product, business volume, the factories' prior audit results and historically how the supplier has responded to any corrective action plans identified. A vendor scorecard is also applied that incorporates key social compliance criteria when evaluating key suppliers. This provides the Company with a holistic view of supplier performance.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Given the size and complexity of the Company's supply chain, there is a need to prioritise and focus the Company's efforts. The scope of the Company's supplier auditing program focuses mainly on significant direct finished product suppliers to the Company. The audit program generally does not directly extend to raw material producers and suppliers, component suppliers, certain agency arrangements or other second tier suppliers in the Company's supply chain. However, the Company's direct suppliers are made responsible for ensuring that second tier suppliers comply with the Company's Supplier and Manufacturer Code of Conduct. In addition, indirect or third party processes are relied on in such circumstances to ensure compliance with the Company's Supplier and Manufacturer Code of Conduct.

In addition to its compliance program and in order to drive sustainable change, the Company has established an ethical sourcing strategic plan with input from the ETI's secretariat and a non-government organisation. The strategic plan is dedicated to four key areas:

- improving awareness of workers' rights amongst workers themselves and factory management levels
- allocating resources towards initiatives that will reduce working hours and increase rest days without loss of income
- improving visibility and traceability in the Company's supply chain
- enhancing website disclosures and providing further information on our program

Further information on the Company's ethical sourcing program and activities can be found on the Company's website at www.pacificbrands.com.au/ethical-sourcing.

Health and safety

The Company takes its health and safety obligations extremely seriously and mandates regular audits of facilities with which it has a direct supplier relationship. The Company's health and safety policies are applied uniformly in all jurisdictions in which the Company sources its products. The Company is also a signatory to the Bangladesh Accord and is committed to driving safe working conditions in the country notwithstanding that the Company does not currently source from Bangladesh.

Uzbekistan cotton

The Company is committed to ensuring that child workers are not used anywhere in its supply chain and that employment is freely chosen. An area of concern for the Company is reports of forced child and adult labour being used in cotton cultivation in Uzbekistan. Although the Company does not have any direct business relationship with cotton producers, it seeks to avoid the use of Uzbekistan cotton. The Company has requested all of its suppliers to commit to avoid sourcing cotton from Uzbekistan in relation to the manufacture of any of the Company's products, until such time as the practice of using forced and underage labour ceases.

Sandblasting

The Company has implemented a policy with respect to sandblasting, which bans the use of sandblasting in the manufacture or finishing of the Company's products. Suppliers must provide the Company with an assurance that this ban is being enforced and the Company monitors its suppliers to ensure ongoing compliance with the requirement.

Animal welfare

The Company is committed to ensuring the highest standards of animal welfare are adhered to in its supply chain. Where animal products are used, suppliers are expected to treat animals in a humane manner which includes provision of appropriate comfort, shelter and freedom from distress or hunger.

Concerns have also been raised about angora fibre production, specifically in relation to the mistreatment of rabbits in angora farms. The Company has banned the use of rabbit angora fibre in all of its products to prevent the possibility of any rabbit being subject to distress caused by live-plucking or inappropriate standards of care.

9.2 Ethical business practices

In managing its suppliers, the Company endeavours to act professionally and ethically and expects its suppliers to abide by all local legal requirements and not to engage in any form of fraud or corruption. Suppliers are expected to notify the Company as soon as any form of conflict of interest becomes apparent and must not offer gifts when engaging with the Company's employees in order to receive benefits.

9.3 Environmental practices

The Company requires its suppliers to meet all legal obligations in relation to environmental performance. This includes:

- establishing objectives, targets and key performance indicators that strive for continuous improvement in their environmental performance
- maintaining management systems to plan, document, measure, monitor and regularly review their environmental performance
- identifying and assessing the environmental hazards which arise from their activities, products and services, and effectively managing these risks by applying best practice principles to the prevention of pollution

10. HEALTH AND SAFETY

The Company values a healthy and safe workplace, which stimulates and positively supports people to achieve outcomes in a safe manner, thereby contributing to operational effectiveness and business sustainability. The Company has a safety health management system in place which is certified compliant with AS/NZS 4801: Occupational Health and Safety Management Systems, for its manufacturing and supply chain sites.

The Company's safety performance is reported regularly to the Board to assist the Board in monitoring compliance with the Company's policy and the relevant regulatory requirements.

11. ENVIRONMENT

The Company is committed to doing business in an environmentally responsible manner and identifying environmental risks that may arise out of its operations.

The Company's operations are subject to various environmental laws and regulations. These laws and regulations control the use of land, the erection of buildings and structures on land, the emission of substances to water, land and atmosphere, the emission of noise and odours, the treatment and disposal of waste, and the investigation and remediation of soil and groundwater contamination.

The Company has policies and procedures in place to address its obligations under various environmental regulations. In particular, it has developed a management system to enable identification and assessment of environmental hazards which arise from its activities. The management system is certified compliant with ISO 14001: Environmental Management Systems, for its manufacturing and supply chain sites.

There were no environmental prosecutions in relation to the Company's operations during the 2015 financial year.

Key programs in place to help reduce the environmental impact of the Company's operations are discussed on page 6 of the Annual Report.

12. DIVERSITY

The Company recognises the value of attracting and retaining employees with different knowledge, abilities and experience and is committed to creating a working environment that is fair and flexible, promotes personal and professional growth, and benefits from the capabilities of its diverse workforce. The Company recognises that diversity in the workforce contributes to business success and benefits the Company's employees, customers, consumers and shareholders. The Company's aim is to ensure that its business policies, procedures and behaviours promote diversity and create an environment where individual differences are valued.

Diversity recognises and values the contribution of people with differences in capabilities and perspectives. The Company has developed a formal Diversity Policy, a copy of which is available in the corporate governance section of the Company's website at www.pacificbrands.com.au. The policy recognises that diversity encompasses gender, age, experience, education, ethnicity, religious and cultural backgrounds as well as other dimensions such as lifestyle and family responsibilities. At Pacific Brands, employees from different cultures and religions are welcomed and valued. Consistent with the Company's Diversity Policy, the Company is committed to:

- a workplace which is free from discrimination, harassment, bullying, victimisation and vilification
- treating employees fairly and with respect
- a workplace culture that is inclusive and embraces individual differences
- equal employment opportunities based on ability, performance and potential
- awareness in all staff of their rights and responsibilities with regard to fairness, equity and respect for all aspects of diversity
- flexible work practices and policies to support employees and their changing needs
- attraction, retention and development of a diverse range of talented, energetic and committed people

Pursuant to the Company's Diversity Policy, management has developed measurable objectives in relation to gender diversity, with the aim of maintaining the relatively high level of participation of women throughout the organisation. The objectives have been approved by the Board and are designed to encourage and enable diversity rather than forcing it by setting quotas, which are viewed by the Board as unproductive given the Company's existing high levels of gender diversity. These measurable objectives have applied for the whole year. The measurable objectives, and the Company's progress towards achieving those objectives, are outlined in the following table:

NO.	BUSINESS ACTIVITY	OBJECTIVE	STRATEGIES	TARGET DELIVERY DATE	PROGRESS IN MEETING OBJECTIVES
1	Recruitment, selection and promotion	<ul style="list-style-type: none"> ▪ Improve gender diversity in areas that are traditionally under-represented 	<ul style="list-style-type: none"> ▪ Maintain the existing 50/50 gender balance in senior management positions (those positions either in the executive leadership team ('ELT') or reporting directly to the ELT), and investigate areas that are 'traditionally under-represented' to ensure gender balance is consistent across all areas of the business 	Ongoing	<ul style="list-style-type: none"> ▪ Representation of women in senior management positions is stable ▪ The Company continues to look at promotional opportunities for women in the recruitment process

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

NO.	BUSINESS ACTIVITY	OBJECTIVE	STRATEGIES	TARGET DELIVERY DATE	PROGRESS IN MEETING OBJECTIVES
2	Remuneration	<ul style="list-style-type: none"> Remuneration equity across genders 	<ul style="list-style-type: none"> Within the annual remuneration cycle, review the gender remuneration parity across all key roles within the business and implement action plans to address any areas of concern 	Ongoing	<ul style="list-style-type: none"> This review of gender remuneration is ongoing, review taking place at the time of every remuneration review cycle
3	Career development and performance	<ul style="list-style-type: none"> Gender diversity in career development programs and talent management 	<ul style="list-style-type: none"> Career development programs are in place to ensure participation is gender diverse and that the programs are structured to encourage participation by both men and women Talent management processes are expanded across job grades 1-12 to ensure identification of high potential female leaders 	Ongoing	<ul style="list-style-type: none"> Group career development programs have 54% participation by women
4	Flexible working arrangements	<ul style="list-style-type: none"> Workplace policies encourage and enable gender diversity through flexible working arrangements 	<ul style="list-style-type: none"> Consult with employee groups to identify further opportunities for flexible arrangements to be implemented across the Company 	Ongoing	<ul style="list-style-type: none"> The Company has maintained the participation rate of employees who take up flexible work arrangements. These arrangements are available to all employees

Senior management measures and reviews diversity across the organisation and reports to the Remuneration Committee on progress in achieving diversity within the Company.

To achieve a diverse and inclusive environment, the Company has in place various programs, policies and practices, including the following:

- a recruitment and selection process which identifies candidates with the most suitable knowledge, skills, experience and personal values for the relevant role and which recognises the value of recruiting, selecting and promoting employees with different backgrounds, knowledge, experiences, perspectives and beliefs
- a role grading and remuneration review process which actively considers equity in both grading and remuneration
- annual talent and succession planning reviews which have the objective of identifying high performing and high potential individuals across the organisation. Talented individuals are identified based on their performance and potential and operating group reviews ensure that talent and succession decisions are equitable, consistent and aligned with the Company's diversity principles
- all new employees are required to attend respect in the workplace training and this is followed by a refresher session every two years. This training raises awareness and encourages behaviour that supports a work environment free from discrimination and harassment
- a flexible working arrangements policy which recognises the needs of individuals to balance family and personal lives with work. The Company will consider applications for flexible working arrangements on a case by case basis, considering the merit of the proposed arrangement, personal circumstances of the employee, the nature of the employment and the impact on the respective business area
- policies covering paid parental leave and flexible working arrangements

Gender equality at all levels of the organisation is a key component of the Company's diversity strategy. At the end of the 2015 financial year, 43% of the Board and a majority of management were comprised of women. These percentages are consistent with the previous financial year. Maintaining the representation of women at senior levels of management remains one of the Company's strategic priorities on an ongoing basis. The following table discloses the gender diversity of the Company as at 30 June 2015:

CATEGORY	% FEMALE	% MALE
Board	43	57
Senior executives/senior management ¹	51	49
Pacific Brands group ²	73	27

¹ Covers employees in bands 1-4 (of 12 job grades)

² Includes full and part-time employees

As a 'relevant employer', as required by the Workplace Gender Equality Act 2012, the Company lodged its workforce gender profile, as at March 2015, with the Workplace Gender Equality Agency ('WGEA'). A copy of the profile can be accessed through the WGEA website, www.wgea.gov.au.

13. NZX CORPORATE GOVERNANCE RULES

As an overseas listed issuer, the Company is deemed to satisfy and comply with the NZX Listing Rules, so long as it remains listed on the ASX. The only NZX requirements applicable to the Company are to give the NZX the same information and notices the Company is required to give to the ASX and to include the statement appearing below in the Company's Annual Report.

In compliance with NZX Listing Rule 5.1.8(d), the Company notes that the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ('ASX Corporate Governance Rules') may materially differ from the NZX's corporate governance rules and principles in the NZX Corporate Governance Best Practice Code. Details of the ASX Corporate Governance Principles are available on the ASX website at www.asx.com.au.