

	BOARD MANUAL		
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COMVITA LIMITED BOARD CHARTER

BOARD APPROVED - THURSDAY, 17 MAY 2018

Comvita Limited's Board Charter sets out the authority, responsibilities, membership and operation of the Board of Directors of Comvita Limited. It also details the manner in which the above will be carried out to comply with best practice in corporate governance and in accordance with the applicable laws in the jurisdictions in which the company operates.

This Charter is also set out recognizing the principles of sustainable business practices to which the Company subscribes.

This Charter has been signed by all the Directors holding office at the date it was approved. Each Director appointed after the date of approval is also expected to sign a copy of this Charter. Signature of this Charter by a Director records that Director's approval of the terms of this Charter, and their commitment to apply those terms in carrying out their role as a Director of Comvita.

1. INTERPRETATION

In this Charter:

- **Act** means the Companies Act 1993.
- **Board** means the board of directors of the Company.
- **Business** means the business of the Company.
- **CEO** means the chief executive officer of the Company.
- **Chair** means the Chair of the Board.
- **Company** means Comvita Ltd and its subsidiaries, where the context requires that.
- **Company goals** means the goals of the Company as set out in part 2.
- **Deputy chair** means the Deputy Chair of the Board.
- **Director** means an appointed member of the Board
- **Independent Director** means a Director who is independent for the purposes of the NZX Listing Rules.
- **Management** means the Management personnel of the Company.
- **Management limitations** means the limitations on the actions of Management as set out in Part 4.
- **Members** means members of the Board.
- **Secretary** means the Board secretary or the person normally exercising the functions of a Board secretary.
- **Shareholders** means the shareholders of the Company.

2. COMPANY GOALS

The purpose of the Company is to inspire, enable and empower people to live healthy, happy and vibrant lives.

The capital and resources of the Company will be allocated to those assets and activities which will enable it to achieve the Company goals in a manner best serving the interests of the shareholders as a whole.

3. **COMVITA BOARD GOVERNANCE PRINCIPLES AND PROCESS**

Governance Principles

All members of the Board and the Management of Comvita are committed to the highest standards of corporate governance as established by recognised best practice. Specifically the Board has adopted the following governance principles:

- (a) To act in accordance with agreed standards of ethical and moral behaviour including to observe the Director's Code of Ethics (Appendix A)
- (b) To ensure the Board is structured and uses its best endeavours to add value to the company
- (c) To act in the best interests and to respect the rights of its shareholders
- (d) To ensure full, accurate and timely financial reporting
- (e) To identify and manage risks
- (f) To encourage enhanced performance
- (g) To remunerate and promote fairly and responsibly
- (h) To recognise the legitimate interests of all stakeholders
- (i) To be a good corporate citizen
- (j) To protect the Company's assets
- (k) To act responsibly at all times with regard to the environment and social impacts of the Company's business
- (l) To be an employer of choice
- (m) To ensure the health, safety and wellbeing of the Company's employees, associates and others

Responsibilities and Expectations

Each Director of the Company acknowledges that all Directors are:

- (a) Responsible to the Company and to all shareholders, regardless of any relationship they may have with a particular shareholder;
- (b) Elected by the shareholders at large and are subject to rotation;
- (c) Expected to have relevant skills and to contribute fully to the operation of the Board, including between formal meetings;

- (d) Aligned with the Board strategic direction and will be committed to and engaged in directing the Company;
- (e) Expected to be an appropriate “fit” on the Board;
- (f) Expected to be capable of participating fully in the governance of Comvita.

Confidentiality

Comvita takes the confidentiality of its business affairs very seriously, and in the event of any breach of confidentiality by a Director or former Director Comvita will exercise its legal rights to protect its position. The requirements of confidentiality apply both during each Director’s term of office, and afterwards.

Comvita has determined that Directors are prohibited from disclosing Confidential Information, without prior approval of the Chair or the Board. This prohibition includes disclosure to persons whose interests the Director represents, and to persons in accordance with whose directions or instructions the Director may be required or is accustomed to act.

All Directors must comply with the requirements of section 145 of the Companies Act 1993. In summary, that section provides that a Director who has information in his or her capacity as a Director of the Company, being information that would not otherwise be available to him or her, must not disclose that information to any person, or make use of or act on the information, except for the purposes of Comvita. Any Director who is authorised to disclose information must comply with the requirements of section 145 (3) of the Companies Act 1993, including entering particulars of the disclosure in the interests register.

In the context of Comvita's business, 'Confidential Information' includes its intellectual property, including without limitation, its patents, designs, trademarks, brands, trade dress, know-how, methodologies, formulations, materials, protocols, techniques, data and trade secrets, and copyright. Confidential Information also includes commercial information relating to Comvita's business strategies, financial information and commercial relations. This Confidential Information is extremely valuable to Comvita.

Role of the Board

The role of the Board is to effectively represent, and promote the interests of, shareholders with a view to adding long-term value to the Company's shares. Having regard to its role the Board will direct, and supervise the Management of the business and affairs of the Company including, in particular:

- Ensuring that the Company goals are clearly established and strategies are in place for achieving them (such strategies being expected to originate, in the first instance, from Management).
- Establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital.
- Monitoring the performance of Management.
- Appointing the CEO, setting the terms of the CEO's employment contract and, where necessary, terminating the CEO's employment with the Company.

- Deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken.
- Ensuring the Company's financial statements are true and fair and otherwise conform with law.
- Ensuring the Company is adequately and appropriately capitalised in order that the Company's goals and obligations can be met.
- Ensuring the Company is properly and appropriately represented in the governance of subsidiary and joint venture activities and other entities the Company is invested in.
- Overview the risks and ensure the Company is in compliance with Health and Safety regulations, and that appropriate policies and reviews are established.
- Ensuring the Company has appropriate risk management/regulatory compliance policies in place.

In the normal course of events, day to day management of the Company will be in the hands of Management. The Board will satisfy itself that the Company is achieving the Company goals. The Board will work to ensure that Comvita has a culture of integrity, innovation and good performance.

Compliance with Laws

Comvita is based in New Zealand but operates in a number of other countries. Each Director acknowledges the importance of complying with local laws in each country in which Comvita operates. The Board will carry out timely reviews to ensure that Comvita is complying with all its legal obligations.

Reporting

Management is required to report to the Board all litigation and all regulatory investigations in progress, threatened or proposed.

How Directors are Appointed

The Board has a programme to identify skills required on the Board and to identify and approach suitable candidates. The Directors may appoint a suitable candidate as an additional Director of the Board in between meetings of shareholders, subject to the requirement that they will be required to stand for election at the following annual meeting. Otherwise a new nominee would stand for election at an annual meeting of the Company. All Directors will participate in the retirement rotation specified by the Constitution and the Listing Rules. This requires one third of the Directors, being those who have been longest in office since they were last elected, to stand down and offer themselves for re-election each year.

The Board's Relationship with Shareholders

The Board will use its best endeavours to familiarise itself with issues of concern to shareholders. The Board will regularly evaluate economic, political, social and legal issues and any other relevant external matters that may influence or affect the development of the business or the interests of shareholders and, if thought appropriate, will take outside expert advice on these matters.

The Board's Relationship with Other Stakeholders

The Board will use its best endeavours to familiarise itself with issues of concern to all relevant stakeholders. The Board recognises that the Company's long-term survival and prosperity are closely intertwined with the environments and markets within which it operates and the extent to which the Company is seen as a responsible corporate citizen.

Board Procedures

The conduct of the members will be consistent with their duties and responsibilities to the Company and, indirectly, to shareholders. The Board will be disciplined in carrying out its role, with the emphasis on strategic issues and policy. Directors will always act within any limitations imposed by the Board on its activities.

Directors will use their best endeavours to attend all Board meetings and to prepare thoroughly. Members are expected to participate fully, frankly and constructively in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the Board table. Directors unable to attend a meeting will advise the Chair at the earliest date possible and confirm in writing to the secretary. Requests for extended leave of absence from meetings are to be in writing and approved by the Board.

Board discussions will be open and constructive, recognising that genuinely held differences of opinion can, in such circumstances, bring greater clarity and lead to better decisions. The Chair will, nevertheless, seek a consensus by the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law.

Subject to legal or regulatory requirements the Board will decide the manner and timing of the publication of its decisions. Members of the Management attend Board meetings to discharge their Board responsibilities. At Board meetings, Board responsibilities supersede all Management responsibilities.

The Board has sole authority over its agenda and exercises this through the Chair. Any Director may, through the Chair, request the addition of an item to the agenda. The agenda will be set by the Chair in consultation with the CEO and the Board secretary.

The Board will normally hold meetings in each month of the year except January, and September, and will hold additional meetings as the occasion requires. At each formal Board meeting, the Company's interests register will be updated as necessary and the Board will consider:

- A report from the Chief Executive Officer.
- A report from the Chief Financial Officer.
- An operational report from other members of the Management.
- Reports on their activities from the Company's individual business units.
- Specific proposals for capital expenditure and acquisitions.
- Major issues and opportunities for the Company.
- An updated corporate risk register.
- Health and Safety incident report, mitigation report and staff/director Health and Safety learning and development report.

- Ensure bank lending meets all bank covenants.
- Any scheduled report from the Audit and Risk Committee; and/or the Remuneration and Human Resources Committee.

In addition the Board will, at intervals of not more than one year:

- Review the Company goals.
- Review the strategies and operating plans for achieving the Company goals.
- Review and approve the Intellectual Property strategy.
- Approve the annual budget.
- Approve the annual and half-yearly financial statements, reports to shareholders and public announcements.
- Approve the annual report.
- Consider and if appropriate, declare or recommend the payment of dividends.
- Review the Board composition, structure and succession.
- Approve bank lending limits and terms.
- Review the Company's audit requirements.
- Review Human Resources policy compliance.
- Review the performance of, necessity for and composition of Board committees.
- Undertake Board and individual Director evaluations.
- Review Director's remuneration.
- Review the CEO's performance and remuneration.
- Review remuneration policies and practices in general including superannuation and incentive schemes for Management.
- Review risk assessment policies and controls including insurance covers and compliance with legal and regulatory requirements.
- Review the Treasury Management Policy, Insider Trading Policy, Market Disclosure Policy, Delegated Financial Authorities Policy, Travel Policy and Board Committee Charters.
- Review the Company's Code of Conduct and Ethical Standards.
- Review shareholder, customer and supplier relations.
- Review donations and sponsorships.
- Settle the following years' Board work plan.

Members are entitled to have access, at all reasonable times, to all relevant Company information and to Management.

Directors are expected to strictly observe the provisions of the Act applicable to the use and confidentiality of Company information. In making policy, the Board will not reach specific decisions unless it has considered the more general principles upon which they are founded and in reaching other specific decisions the Board will consider the policies against which the decisions are made.

Chair and Deputy Chair

Each year the Board will appoint from among the Members, a Chair and if deemed appropriate by the Board, Deputy Chair.

The Chair will be an Independent Director other than as approved by the Board, and the Deputy Chair will be a non-executive Director. The Deputy Chair will deputise for the Chair in his or her absence or at his or her request.

The Chair is responsible for:

- Representing the Board to shareholders.
- Ensuring the integrity and effectiveness of the governance process of the Board as set out in Part 3.
- Maintaining regular dialogue with the CEO over all operational matters and will consult with the remainder of the Board promptly over any matter that gives him or her cause for major concern.

The Chair will act as facilitator at meetings of the Board to ensure that no Director, whether executive or non-executive, dominates discussion, that appropriate discussion takes place and that relevant opinion among members is forthcoming. The Chair will ensure that discussions result in logical and understandable outcomes.

Board Committees

Board Committees will be formed only when it is efficient or necessary to facilitate efficient decision making. Board Committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise. Board Committees will only speak or act for the Board when so authorised. The authority conferred on a Board Committee will not derogate from the authority delegated to the CEO.

The Board has two standing committees, namely the Audit and Risk Committee and the Remuneration and Human Resources Committee. . Other committees are formed for specific purposes and disbanded as required.

The purposes and membership of the standing committees are as follows:

The **Audit and Risk Committee** consists of up to four Members all of whom, whenever possible, must be non-executive Members. In accordance with the Listing Rules a majority of the Members of the Audit and Risk Committee must be Independent Directors. The Committee provides a forum for the effective communication between the Board and the external and internal auditors. The Committee reviews the annual and half-yearly financial statements prior to their approval by the Board, the effectiveness of Management information systems and systems of internal control, and the efficiency and effectiveness of the external and internal audit functions. The Chair of the Board should not be the Chair of the Audit and Risk Committee.

The **Remuneration and People & Culture Committee** consists of up to four non-executive members, with the majority to be Independent Directors. The Committee reviews the remuneration packages of all Members and Senior Management annually and makes recommendations to the Board. The packages which consist of base salary, fringe benefits, incentive schemes (including performance related bonuses), superannuation, and entitlements

upon retirement and termination, are reviewed with due regard to performance and other relevant factors including market relativity.

This Committee recommends to the Board, candidates to be appointed as a Director. Such candidates must have demonstrable commercial skills and judgement relevant to the Board at the time of appointment. All Directors have the opportunity to meet with potential new Directors and to participate in the appointment decision.

Board Composition and Mix

The composition of the Board will reflect the duties and responsibilities it is to discharge and perform as representative of the interests of shareholders and in setting the Company's strategy and seeing that it is implemented. Generally, the qualifications for Board membership are the ability and intelligence to make sensible business decisions and recommendations, an entrepreneurial talent for contributing to the creation of shareholder value, the ability to see the wider picture, the ability to ask the hard questions, preferably some experience in the industry sector, high ethical standards, sound practical sense, and a total commitment to furthering the interests of shareholders and the achievement of the Company goals. Non-executive Members will be active in areas which enable them to relate to the strategies of the Company and to make a meaningful contribution to the Board's deliberations.

Each Director is expected to participate fully in the business of the Board. This will include being available between meetings where their skills are relevant to some aspect of the Company's business which requires additional attention at the time.

It must be large enough to ensure a range of knowledge, views and experience. The Company Constitution requires that the Board be comprised of not less than three (3) Members. As practical, the Board will comprise 75% Independent Directors and the Chair will be an Independent Director.

Subject to any limitations imposed by shareholders, it is anticipated that non-executive Directors will hold office initially for three years following their first appointment (or, if appointed by the Board between annual meetings, from the date of the meeting next following the appointment), subject to any obligation to retire by rotation in accordance with the Company's Constitution.

Rotation

One third of all Directors will stand for election each year. In each year the Directors who retire are those who have been in office the longest since the last election. There is no maximum term for which a person can remain a Director. Directors appointed by way of a casual vacancy are required to be elected by the shareholders at the general meeting of shareholders following their appointment to the casual vacancy.

Independence

For a Director to be considered to be independent, the fundamental consideration in the opinion of the Board is that the Director be independent of Management and not have any relationship that could, or could be perceived, to interfere materially with the Director's exercising of his or her unfettered and independent judgement.

In this Charter, in determining whether a material relationship exists, the Board will have regard to the following:

- Whether the Director has a relationship as a Substantial Security Holder of Comvita, family member, family entity or a person closely associated with a Substantial Security Holder.
- Whether the Director has relationship as a material customer or supplier of goods and services to Comvita.
- Whether the Director is or has not within the previous three (3) years been employed in an executive capacity by Comvita or has had a relationship with Comvita to a material degree as a principal of a professional adviser or consultant to Comvita.
- Whether the Director has served on the Board for a period that the Board considers could or could reasonably be perceived to interfere with the Director's ability to act in the best interests of Comvita.
- Whether the Director or an associated person of the Director has or is likely to derive in Comvita's current financial year 10% or more of his/her annual revenue from or by virtue of (other than as a Director of Comvita) a relationship the Director or associated person of the Director has with Comvita or a Substantial Security Holder of Comvita.

Induction of New Members

Genuine potential Directors are encouraged to carry out due diligence on the Company before accepting an appointment to the Board. On their first appointment, non-executive Directors will have the benefit of an induction programme aimed at deepening their understanding of the Company and the business and the environment and markets in which the Company operates. As part of the programme, Directors will receive a folder of essential Board and Company information and will meet key Management. Directors are expected to keep themselves abreast of changes and trends in the business and in the Company's environment and markets and to keep abreast of changes and trends in the economic, political, social and legal climate generally.

Director Remuneration

The Board will determine the level of remuneration paid to Directors within any limitations imposed by shareholders. Non-executive Directors will be paid a basic fee as ordinary remuneration and will be paid, as additional remuneration an extra fee as Chair of a Board Committee and an extra fee for any special service as a Director. All non-executive Directors will be paid an expense allowance as a contribution to their Comvita related office costs. The Chair and Deputy Chair will be paid a level of fees appropriate to their office. For the Chair this will generally be 200% and for the Deputy Chair 150%, of the basic fees paid to the other non-executive Directors. Remuneration will be reviewed annually by the Board after taking appropriate independent advice. The total fees available to be paid to Directors are subject to shareholder approval.

Additionally the Company will meet any costs directly associated with the Directors performance of their role as a Director or in carrying out authorized duties on behalf of the Company. The Board will establish a policy on reimbursement of expenses and review such policy annually.

Approval of Directors claims for expenses will be by the chair and those of the Chair by the Chair of the Audit and Risk Committee.

Directors Retiring Allowance

No allowance will be paid to a Director on ceasing office as a Director of the Company except in special circumstances, which require the approval of the Company's shareholders by shareholder resolution at a General Meeting of the Company.

Conflict of Interest

Directors are expected, both individually and collectively, to act in accordance with Comvita's Directors' Code of Ethics.

Each Director will ensure the potential for conflicts of interest is minimized by restricting involvement in other businesses or in private capacities that would be likely to lead to a conflict of interest. Any situation where there is a real or perceived conflict with a Director's duties to Comvita should promptly be raised with the Chair or the Board. The Board expects that it would be difficult for a current or former Director of Comvita to properly discharge their obligations to Comvita and to another party which carries on business in competition with Comvita.

Where conflicts of interest arise, the conflicted Director(s) will advise the Board of the conflict and absent themselves from the relevant discussions and they will not exercise their right to vote in respect of such matters.

The Board will maintain an interest register.

Trading in Comvita Shares

Directors are encouraged to own in their own name (or through associated interests) not less than 5,000 Comvita shares.

Comvita has a Board policy on share trading by Directors which is available to all Directors. It is the responsibility of each Director to familiarise themselves with the contents of the policy. A Director can only buy or sell shares in Comvita during the permitted periods as agreed by Board resolution. Each Director is responsible to ensure that they comply with Subpart 2 of Part 5 of the Financial Markets Conduct Act 2013 (Insider Conduct). Each Director acknowledges that the prohibitions on Insider Conduct extend to trading, disclosure of inside information, and advising or encouraging trading by other people. Permission is required from the Chair, or in the Chair's case, the Chair of the Audit and Risk Committee. Where a transaction is greater than a value specified by the Board from time to time, Board approval is required prior to the transaction being undertaken. A stand down period of at least 48 hours is to apply, following the release of six monthly and annual results, and announcements to the NZX of a material nature. All changes in Directors' shareholdings (including relevant interests in shares) must be reported to the Board and to the Company Secretary for immediate disclosure to the NZX.

Independent Advice

Any Director is entitled to obtain independent professional advice (at the expense of the Company) where the Director considers it necessary to carry out his or her responsibilities as a Director, with the approval of the Chair of the Board.

Board and Member Evaluations

The Board will each year, critically evaluate its own performance, and its own processes and procedures to ensure that they are not unduly complex and are designed to assist the Board in effectively fulfilling its role. Each year, individual Directors will be evaluated by a process whereby the Board determines questions to be asked of each Director about himself or herself and about each other including the Chair, each Director answers the questions in writing, and the responses are collected and collated by the Chair who then discusses the results with each Director. The Chair's own position is discussed with the Deputy Chair and/or the rest of the Board. The CEO will be invited to provide input to the review.

Indemnities and Insurance

Subject to the Company's Constitution, the Company will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by the Act.

The Company Secretary

The appointment of the Company Secretary is made on the recommendation of the CEO and must be approved by the Board. Except as declared by the Board, the Company Secretary will be the Chief Financial Officer. The Secretary is responsible for ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation.

All members, particularly the Chair, have access to the advice and services of the Secretary for the purposes of the Board's affairs and the business.

4. BOARD - MANAGEMENT RELATIONSHIP

Position of Chief Executive Officer

The Board will link the Company's governance and management functions through the CEO. All Board authority conferred on Management is delegated through the CEO so that the authority and accountability of Management is considered to be the authority and accountability of the CEO so far as the Board is concerned. The Board must agree to the levels of sub-delegation immediately below the CEO. The Board will agree with the CEO to achieve specific results directed towards the Company goals. This will usually take the form of an annual performance contract under which the CEO is authorised to make any decision and take any action within the Management limitations, directed at achieving the Company goals.

Between Board meetings, the Chair maintains an informal link between the Board and the CEO, expects to be kept informed by the CEO on all important matters, and is available to the CEO to provide counsel and advice where appropriate. Only decisions of the Board acting as a body are binding on the CEO. Decisions or instructions of individual members, officers or Committees should not be given to the CEO and are not binding in any event except in those instances where specific authorisation is given by the Board.

Remuneration of the Chief Executive Officer

The CEO's remuneration is paid in the form of a salary plus defined benefits. The CEO is entitled to participate in Comvita incentive schemes as approved by the Board from time to time.

5. REVIEW OF CHARTER

This Charter and the Committee Charters will be reviewed annually by the Board.

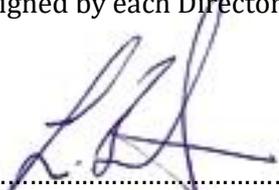
6. **AUTHORISATION**

This Comvita Limited Board Charter has been agreed by the Board of Comvita Limited as follows:

THURSDAY, 17 MAY 2018

Board Meeting Date

Signed by each Director of Comvita:



.....
Lucas Nicholas Elias Bunt



.....
Neil John Craig



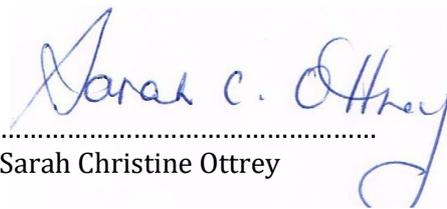
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Murray John Denyer



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Brett Donald Hewlett



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Sarah Jane Kennedy



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Sarah Christine Ottrey



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Paul Robert Thomas Reid

COMVITA LIMITED BOARD CHARTER – APPENDIX A

CODE OF ETHICS

Comvita Limited's Code of Ethics sets the standards of ethical behaviour on which Directors of the Company are required to conduct their professional lives. Directors will:

- Always act with honesty and total integrity exercising diligence and fairness. They will conduct themselves in a manner that ensures the Company's reputation and image will not be compromised by their actions or statements.
- Fulfil their duties and exercise their powers as Directors with due care and diligence having regard to the Company's Values and acting in the best interests of Comvita.
- To the best of their abilities, using reasonable endeavour, seek to ensure Comvita's records and documents including financial reports are accurate and true.
- Avoid conflicts of interest. Each Director will disclose all relationships they have with Comvita, together with private or business interests that may constitute a conflict of interest to the Board so that the Board can assess the Director's independence in each instance.
- Respect, maintain and protect the confidentiality of information about Comvita's financial and business affairs as well as information entrusted to them about customers, work colleagues and stakeholders except where disclosure is permitted or required by law.
- Respect, protect and uphold the rights of employees, customers, shareholders and other legitimate stakeholders in the Company.
- Not take advantage of opportunities arising through the use of any Comvita assets, property or information for personal gain.
- Fully comply with all laws, rules and regulations relevant to Comvita's business in all jurisdictions within which the Company operates.
- Use their best endeavours to ensure compliance by the Company with all statutory and internal disclosure requirements in a timely manner.
- Not accept unauthorized payments, gifts or other inducements arising from dealings conducted on behalf of the Company.
- Report any unethical or illegal (or potentially illegal) behaviour of which they become aware to the Chair of Comvita.