



# Comvita Limited Remuneration Policy for Directors & Officers

Date of This review: 25<sup>th</sup> May 2023

For review every two years

## COMVITA LIMITED DIRECTORS AND OFFICERS REMUNERATION POLICY

Comvita Limited and its subsidiaries ("Comvita") are committed to ensuring remuneration of directors and officers is transparent, fair and reasonable. Remuneration design and fair pay practises are monitored by the Safety & Performance Committee to sustain an equitable working environment at Comvita.

### Our Philosophy

Comvita's compensation philosophy supports a transparent, thoughtful policy framework, and systematic decisions around employee reward, where the company believes equitable compensation is essential to align employees with the long-term goals of the company and stakeholder interests. For comparability purposes Comvita has defined a competitive set of companies with similar market dynamics. The stated objectives of this policy are to:

- a) Support delivery against Comvita's core purpose: Working in harmony with bees and nature in New Zealand to heal and protect the world;
- b) Sustain an equitable pay policy and position across roles;
- c) Attract, motivate, and retain a high calibre of talent;
- d) Follow pay-for-performance principles;
- e) Aim to pay around market median (base rem) but with additional benefits aligned to Comvita's Harmony plan principles;
- f) Support Comvita employees to participate in long-term value creation brought about by their contributions to Comvita, where the best interests of all stakeholders are served when the team are shareholders, and
- g) Ultimately achieve the organisation's stated aspiration to be recognised as a best employer.

### Non-Executive Director Remuneration

Fees payable to Independent and non-executive directors are determined by the Board through a recommendation by the Safety and Performance Committee on an annual basis within the aggregate amount approved by shareholders. In determining applicable fees, the Board will consider external information of peer companies in terms of both scale and complexity and company performance. Non-executive director remuneration comprises the following:

- A basic fee payable to all non-executive Directors;
- An additional fee payable to the Chair of the Comvita Board;
- An additional fee payable to the Chair of any Board sub-Committees (where relevant);
- An additional fee payable to any Independent committee member
- An expense allowance, and
- Reimbursement in line with policy for any reasonable, additional costs directly incurred in association with delivery of duties, or in carrying out authorised duties on behalf of the company.

No retirement payments are made. Comvita maintains run off insurance for all Directors and officers.

### Executive Remuneration

Comvita's executive remuneration strategies and frameworks are reviewed regularly by the Safety & Performance Committee. Executive remuneration comprises an annual base salary (fixed remuneration) and an annual short-term incentive scheme and long-term incentive scheme (at-risk remuneration):

1. The annual short-term incentive (bonus) is an at-risk component of remuneration, with 80% based on overall Company performance, specifically, whether the Comvita Group achieves or exceeds Board-approved targets, which are reviewed annually. A further 15% of the incentive is based on delivery

against annual individual objectives which are designed to promote commercial performance within the area under the Executive's control. The remaining 5% is based on individual alignment and delivery with Comvita values and prescribed behavioural indicators.

2. The annual long-term incentive is delivered in the form of a Performance Share Rights ('PSR') scheme. The hurdle for activation of the PSR scheme is overall Company performance against targets which are reviewed and approved each year by the Board, for example Total Shareholder Return versus Peer Group.

#### Implementation and Review

This Policy was approved by the Board on 6<sup>th</sup> July 2023 and is reviewed every two years. Implementation will be led by the Chief Executive Officer and the Chief Purpose and Transformation Officer.