

Derma Sciences, Inc.

Audit Committee Charter

Amended and Restated December 5, 2014

Role

The Audit Committee of the Board of Directors assists the Board of Directors in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and reporting practices of the Company, and such other duties as directed by the Board. The Committee's purpose is to oversee the accounting and financial reporting processes of the Company, the audits of the Company's financial statements, the qualifications of the public accounting firm engaged as the Company's independent auditor to prepare or issue an audit report on the financial statements of the Company and internal control over financial reporting and the performance of the Company's internal audit function and independent auditor. The Committee reviews and assesses the qualitative aspects of financial reporting to shareholders, the Company's processes to manage business and financial risk and compliance with significant applicable legal, ethical, and regulatory requirements. The Committee is directly responsible for the appointment (subject to shareholder ratification), compensation, retention and oversight of the independent auditor.

Membership

The membership of the Committee consists of at least three directors, all of whom shall meet the independence and experience requirements established by the Board and applicable laws, regulations and listing requirements including the NASDAQ Listing Rulebook and the Securities Exchange Act of 1934, as amended. At least one member of the Committee shall in the judgment of the Board be an "audit committee financial expert" as defined by the rules and regulations of the Securities and Exchange Commission. The Board appoints the members of the Committee and the chairperson. The Board may remove any member from the Committee at any time with or without cause.

Generally, no member of the Committee may serve on more than three audit committees of publicly traded companies (including the Audit Committee of the Company) at the same time. For this purpose, service on the audit committees of a parent and its substantially owned subsidiaries counts as service on a single audit committee.

Operations

In order to discharge its responsibilities, the Committee shall each year establish a schedule of meetings. Additional meetings may occur as the Committee or its chair deems advisable. The Committee will cause to be kept adequate minutes of its proceedings and will report on its actions and activities at the next quarterly meeting of the Board. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice,

waiver of notice and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the Bylaws of the Company, or (c) the laws of the State of Delaware.

Communications

The independent auditor reports directly to the Committee. The Committee is expected to maintain free and open communication with the independent auditor, the internal auditors and management. This communication will include periodic private executive sessions with each of these parties.

Education

The Company is responsible for providing new members with appropriate orientation briefings and educational opportunities and the full Committee with educational resources related to accounting principles and procedures, current accounting topics pertinent to the Company and other matters as may be requested by the Committee. The Company will assist the Committee in maintaining appropriate financial literacy.

Authority

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee has sole authority to retain and terminate outside counsel or other experts or consultants, as it deems appropriate, including sole authority to approve the firms' fees and other retention terms. The Company will provide the Committee with appropriate funding, as the Committee determines, for the payment of compensation to the Company's independent auditor, outside counsel, other advisors as it deems appropriate and administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention. The Committee will have access to the Company's books, records, facilities and personnel. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications.

Responsibilities

The Committee relies on the expertise and knowledge of management, the internal auditors and the independent auditor in carrying out its oversight responsibilities. Management of the Company is responsible for ensuring that the Company's financial statements are complete, accurate and in accordance with generally accepted accounting principles and establishing satisfactory internal control over financial reporting. The independent auditor is responsible for auditing the Company's financial statements and the effectiveness of the Company's internal control over financial reporting. It is not the duty of the Committee to plan or conduct audits, to determine that the financial statements are complete and accurate and in accordance with generally accepted accounting principles, to conduct investigations or to assure compliance with

laws and regulations or the Company's standards of business conduct, codes of ethics, internal policies, procedures and controls.

The Committee's specific responsibilities in carrying out its oversight role are set forth below, each of which the Committee shall carry out as it deems necessary or appropriate:

1. *Engagement of Independent Auditors.* The Committee shall directly appoint, retain, compensate, evaluate and terminate the Company's independent auditors. The Committee shall have the sole authority to approve all engagement fees to be paid to the independent auditors. The independent auditor shall report directly to the Committee.
2. *Determination as to Independence and Performance of Independent Auditors.* The Committee shall receive periodic reports from the independent auditors as required under generally accepted auditing standards, applicable law or listing standards regarding the auditors' independence, which shall be not less frequently than annually. The Committee shall discuss such reports with the auditors, and if so determined by the Committee, take appropriate action to satisfy itself of the independence of the auditors. The Committee shall review the performance of the Company's independent auditors annually. In doing so, the Committee shall consult with management and the Company's internal auditors and shall obtain and review a report by the independent auditors describing their internal control procedures, material issues raised by their most recent internal quality control review or by any inquiry or investigation by governmental or professional authorities within the preceding five years and the response of the independent auditors. The Committee shall consider whether or not there should be a regular rotation of the independent audit firm. Any selection of the auditors by the Committee may be subject to shareholders' approval as determined by the Board of Directors.
3. *Audits by Independent Auditors.* The Committee shall discuss with the independent auditors the overall scope, plans and budget for the audit, including the adequacy of staffing and other factors that may affect the effectiveness of the audit. In this connection, the Committee shall discuss with financial management, the internal auditors and the independent auditors the Company's major risk exposures (whether financial, operating or otherwise), the adequacy and effectiveness of the accounting and financial controls, and the steps management has taken to monitor and control such exposures and manage legal compliance programs, among other considerations, that may be relevant to the audit. The Committee shall review with financial management and the independent auditors' management's annual internal control report.
4. *Review of the Internal Audit Plan and Performance and Communications with Internal Auditors.* The Committee shall annually review the structure, resources and performance of the Company's internal audit department. In that regard, the Committee shall discuss with the internal auditors the overall scope, plans and budget for the annual internal audit plan, including the adequacy of staffing and other factors that may affect the effectiveness and timeliness of the internal audits. In addition, the internal auditors shall report periodically to the Committee regarding any significant deficiencies in the design or operation of the Company's internal controls, material weaknesses in internal controls and any fraud (regardless of materiality) involving persons having a significant role in the

internal controls, as well as any significant changes in internal controls implemented by management during the most recent reporting period of the Company.

5. *Pre-Approval of Audit and Non-Audit Services.* The Committee shall establish and maintain guidelines for the retention of the independent auditors for any non-audit service and the fee for such service and shall determine procedures for the approval of audit and non-audit services in advance. The Committee shall, in accordance with such procedures, approve in advance any audit or non-audit service provided to the Company by the independent auditors all as required by applicable law or listing standards.
6. *Review of Annual SEC Filings.* The Committee shall review with management and the independent auditors the Company's annual reports on Form 10-K, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and shall report to management its judgment about the quality of accounting principles, the reasonableness of significant judgments, the clarity of the disclosures in the financial statements and the adequacy of internal controls pertinent to the subject reports. The Committee shall also discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards, applicable law or listing standards, including matters required to be discussed by Statement on Auditing Standards No. 90. The Committee may discuss with the national office of the independent auditors issues on which it was consulted by the Company's audit team and matters of audit quality and consistency. Based on such review and discussion, the Committee shall make a determination whether to recommend to the Board of Directors that the audited financial statements be included in the Company's Form 10-K.
7. *Review of Quarterly SEC Filings and Other Communications.* The Committee shall meet to review and discuss with management and the independent auditors the quarterly financial information to be included in the Company's Quarterly Reports on Form 10-Q, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and shall discuss any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards, applicable law or listing standards. Management shall review and discuss the Company's quarterly earnings press releases with the Committee Chairman prior to their issuance. The Committee shall also periodically review and discuss the Company's earnings press releases as well as the types of financial information provided to analysts and rating agencies. Additionally, the Committee shall discuss the results of the independent auditors' review of the Company's quarterly financial information conducted in accordance with Statement on Auditing Standards No. 71.
8. *Review of Disclosure Controls and Procedures.* The Committee shall review with the Chief Executive Officer and the Chief Financial Officer the Company's disclosure controls and procedures and shall review periodically, but in no event less frequently than quarterly, management's conclusions about the effectiveness of such disclosure controls and procedures, including any significant deficiencies in, or material non-compliance with, such controls and procedures.

9. *Review of Certain Matters with Internal and Independent Auditors.* The Committee shall review periodically with financial management, the internal auditors and independent auditors the effect of new or proposed regulatory and accounting initiatives on the Company's financial statements and other public disclosures.
10. *Consultation with Independent Auditors.* The Committee shall review with the independent auditors any problems or difficulties the auditors may have encountered in connection with the annual audit or otherwise, any management letters provided to the Committee and the Company's responses. Such review shall address any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information, any disagreements with management regarding generally accepted accounting principles and other matters, material adjustments to the financial statements recommended by the independent auditors and adjustments that were proposed but "passed", regardless of materiality.
11. *Preparation of Report for Proxy Statement.* The Committee shall prepare the report required to be included in the Company's annual proxy statement in accordance with applicable rules and regulations.
12. *Employment of Former Audit Staff.* The Committee shall establish and maintain guidelines for the Company's hiring of former employees of the independent auditors, which shall meet the requirements of applicable law and listing standards.
13. *"Whistleblowing" Procedures.* The Committee shall establish and maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
14. *Review of Legal and Regulatory Compliance.* The Committee shall periodically review with management and the independent auditors any correspondence with, or other action by, regulators or governmental agencies and any employee complaints or published reports that raise concerns regarding the Company's financial statements, accounting or auditing matters or compliance with the Company's Code of Conduct. The Committee shall also meet periodically, and may request to meet separately, with the Company's Chief Legal Officer to review material legal affairs of the Company and the Company's compliance with applicable law and listing standards.
15. *Review of Related Person Transactions.* The Committee shall review periodically the Company's policy with respect to related person transactions and shall review, but no less frequently than annually, a summary of the Company's transactions with directors and executive officers of the Company and with firms that employ directors, as well as any other material related party transactions, for the purpose of recommending to the disinterested members of the Board of Directors that the transactions are fair, reasonable and within Company policy, and should be ratified and approved.
16. *Access to Records, Consultants and Others.* The Committee shall have the full resources and authority (i) to investigate any matter brought to its attention with full access to all

books, records, facilities and personnel of the Company; (ii) to retain outside legal, accounting or other consultants to advise the Committee; and (iii) to request any officer or employee of the Company, the Company's outside counsel, internal auditor, internal audit service providers or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

17. *Risk Management.* The Committee shall discuss with the Company's management the major financial risk and enterprise risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.