

Haichang Holdings Ltd.
海昌控股有限公司
(the “Company”)

REMUNERATION COMMITTEE – TERMS OF REFERENCE

Constitution

1. The Remuneration Committee (the “Committee”) was established by the board of directors (the “Board”) of the Company on February 23, 2014.

Membership

2. The Committee members shall consist of not less than three members with a majority of independent non-executive directors. Quorum for a meeting shall not be less than two members.
3. The company secretary of the Company or such person appointed by the Committee shall act as the secretary of the Committee.

Number of Meetings

4. The Committee shall meet at least once per annum.

Duties

5. The duties of the Committee shall include the followings:
 - (a) to consult the chairman and/or chief executive officer for their remuneration proposals for other executive directors and senior management. The Committee should have access to independent professional advice if necessary;
 - (b) to make recommendation to the Board on the Company’s policy and structure for remuneration of all directors and senior management (including grant of share options to employees pursuant to the Company’s share option scheme) and on the establishment of a formal and transparent procedure for developing the remuneration policy;
 - (c) to review and approve the remuneration proposals for senior management with reference to the corporate goals and objectives established by the Board;
 - (d) to determine, when the Board delegates its responsibilities, the remuneration

- packages for a particular executive director and senior management, including non-pecuniary benefits, pension rights and amount of compensation (including compensation payable for loss or termination of office or appointment);
- (e) to make recommendation to the Board on the remuneration of non-executive directors;
 - (f) to consider the salaries paid by and the time commitment and responsibilities requested by companies of similar nature and the employment criteria for other positions of the Company and its subsidiaries (the “Group”);
 - (g) to review and approve the compensation payable to the executive directors and senior management for loss or termination of office or appointment such that it is consistent with the contractual terms or is otherwise fair, reasonable and not excessive;
 - (h) to review and approve the compensation arrangements in relation to dismissal or removal of directors for misconduct such that they are consistent with the contractual terms or are otherwise reasonable and appropriate; and
 - (i) to ensure that no director or any of his associates shall be involved in deciding his own remuneration.

Authority

- 6. The Committee shall have access to such information and advice, whether from sources within or outside the Group, as it deems necessary.
- 7. The Committee shall have rights to seek for such opinions from legal or other independent professional consultants as it considers necessary.

Reporting Procedures

- 8. The secretary shall circulate the minutes of all meetings of the Committee to all members of the Board.
- 9. In the event that the Chairman of the Committee is unable to attend the shareholders’ annual general meeting of the Company, a member of the Committee shall attend and answer questions in relation to the appointment and succession of directors.