

**LIFESPAN COMPANY LIMITED**

**CHARTER FOR COMPENSATION COMMITTEE**

**APPROVED BY THE BOARD OF DIRECTORS ON**

**JULY 7, 2015**

## CHARTER FOR COMPENSATION COMMITTEE

### 1. Purpose

The Compensation Committee of the Board of Directors ("the Board") of Lifespan Company Limited ("the Company") assists the Board in fulfilling its fiduciary responsibilities relating to the fair and competitive compensation of the non-executive directors, executives and other key employees of the Company, and in connection with the administration of the general employee welfare plans of the Company.

### 2. Organisation

The Compensation Committee is comprised of a minimum of three (3) directors, as determined by the Board of Directors, the majority of whom shall be "Independent Directors" (as defined in the Company's Corporate Governance Charter).

In addition to the Committee members, the Managing Director and/or the Company's senior Human Resources executive will function as Management Representatives, and will attend all meetings, except those during voting and deliberations dealing own or the Managing Director's compensation, and except those when the Compensation Committee determines their attendance is not appropriate.

The Committee members and its chairperson will be recommended by the Corporate Governance Committee of the Board and will be appointed by the Board. The Board may fill vacancies on the Committee and may remove a Committee member from the membership of the Committee at any time with or without cause.

The Committee shall have authority to retain consultants of its selection to advise it with respect to the Company's salary and incentive compensation and benefits programmes. The Committee members will be indemnified by the Company to the maximum extent provided under the law.

### 3. Meetings

The Compensation Committee shall meet when scheduled by the Committee Chairperson and/or the Managing Director and/or as circumstances dictate. Two members of the Compensation Committee shall constitute a quorum for any meeting. Any action of a majority of the members of the Compensation Committee present at any meeting at which a quorum is present; or any action of the Committee if all of the Committee members have signed a Round Robin Resolution circulated by the Corporate Secretary, shall be an action of the Compensation Committee.

### 4. Responsibilities

The responsibilities of the Compensation Committee are to:

- 4.1 Conduct evaluations and determine the compensation for the Managing Director and other Executive management
  - a) Review and approve goals and objectives for the Managing Director ("MD") and consider the evaluations of the MD conducted by the Board of Directors against such goals and objectives.
  - b) Consider the evaluations of the other executive management conducted by the MD. Review and approve the annual compensation framework for the MD and the other executive officers. Agree on the compensation framework, including salary, target performance incentive, short and long-term incentive awards, perquisite/fringe benefits, and other forms of compensation. In setting such compensation programmes, review the compensation practices of comparable companies, coordinate the framework with the goal of achieving ongoing effectiveness, and seek to set the appropriate financial performance measures, targets and goals for the MD and executive management.
  - c) Report to the Board on the foregoing annual compensation framework and details of the compensation for the MD and executive management.

- 4.2 **Board Compensation**  
Review and recommend to the Board any changes to the components and amount of compensation for its members. The Committee's recommendations regarding director compensation shall be reviewed by the Company's human resources department or outside consultants prior to presentation and Board approval.
- 4.3 **Employee Plans**  
Review, approve and report to the Board when materially modifying any compensation programmes that yield payments and benefits that are not reasonably related to the employees' performance and that have a material cost impact to the Company or, to the extent required by law, have a significant impact to employees, including fringe benefit programmes.
- 4.4 **Executive Agreements**  
Review, approve and report to the Board with input from the MD, all newly hired executives' offer packages and new and existing executives' employment contracts.
- 4.5 **Committee Evaluations**  
Conduct an annual performance evaluation of the Committee.
- 4.6 **Minutes**  
Prepare minutes of the Compensation Committee meetings containing information regarding actions, discussions and decisions taken at the meeting and submit to the Board at its next meeting.

**5. Review of Charter**

The Committee shall review and reassess the adequacy of this Charter biennially and amend it if necessary.