

CHARTER OF THE COMPENSATION COMMITTEE

I. Purpose and Power

The Compensation Committee (the “Committee”) has been established by the board of directors (the “Board”) of Shineco, Inc. (the “Company”) to assist the Board in discharging and performing the duties of the Board with respect to management compensation, succession planning and employee benefits of the Company and its subsidiaries, affiliates and related parties (collectively, the “Group”), including:

- The assessment and compensation of the chief executive officer.
- The compensation of directors and other executive officers.
- The assessment of compensation arrangements, plans, policies and programs.
- The assessment of benefit and welfare plans and programs.
- The assessment of organizational systems and plans, including those relating to management development and succession planning.

The Committee has the right to exercise any and all power and authority of the Board with respect to matters within the scope of this charter (the “Charter”), subject to the ultimate power and authority of the Board. The Board shall continue to have the ultimate duty and responsibility to manage or direct the management of the business and affairs of the Company.

The Committee has the authority to conduct any and all investigations it deems necessary or appropriate, to contact directly employees and advisors and require them to provide any and all information and advice it deems necessary or appropriate, and to, in its sole discretion, retain or obtain the advice of any compensation consultant, legal counsel, human resource advisor or other advisors it deems necessary or appropriate.

The Committee has the authority to set aside for payment, pay and direct the payment of such compensation consultant, legal counsel, and human resource and other advisors.

The advisors retained by the Committee shall report directly to the Committee, and shall be accountable to the Committee, for their services.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other advisor retained by the Committee.

The Committee may select a compensation consultant, legal counsel or other advisor to the Committee (other than in-house legal counsel) only after taking into consideration, all factors relevant to that person's independence from management, including:

- the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other advisor;
- the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other advisor, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other advisor;
- the policies and procedures of the person that employs the compensation consultant, legal counsel or other advisor that are designed to prevent conflicts of interest;
- any business or personal relationship of the compensation consultant, legal counsel or other advisor with a member of the Committee;
- any securities of the Company owned by the compensation consultant, legal counsel or other advisor; and
- any business or personal relationship of the compensation consultant, legal counsel, other advisor or the person employing the advisor with an executive officer of the Company.

While the Committee must consider the foregoing independence factors before selecting or receiving advice from a compensation consultant, legal counsel or other advisor, such person is not required to be independent. The Committee shall not be required to implement or act consistently with the advice or recommendations of a compensation consultant, legal counsel or other advisor, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

II. Composition

The Committee shall be comprised of that number of directors (but not less than two) as may be determined from time to time by the Board. Each member of the Committee shall be a non-employee director within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 and an outside director within the meaning of Section 162(m) of the Internal Revenue Code of 1986. Each member of the Committee shall also be an independent director within the meaning of the rules of the NASDAQ and shall not accept directly or indirectly any consulting, advisory or other compensatory

fee from the Group or any subsidiary except (i) fees received as a member of the compensation committee, the board of directors or any other board committee, or (ii) receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Group (provided that such compensation is not contingent in any way on continued service). In addition, such director shall also be free from any relationship with the Group or an affiliate of the Group, that may interfere with the exercise of his or her judgment independent from management. A copy of those rules is attached to the charter of the Nominating and Governance Committee.

The Nominating and Governance Committee shall recommend directors to be elected or terminated as members of the Committee. The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board or at such other times as the Board may determine. Each member of the Committee shall serve until the next annual organizational meeting of the Board or the earlier of his or her termination as a member of the Committee by the Board, the election of his or her successor as a member of the Committee or his or her death, resignation or removal. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote.

III. Meetings

The Committee shall meet in regular sessions at least two times annually and in special sessions as circumstances warrant. Committee members are expected to attend meetings (which may include attendance by telephone) and to spend the time needed to properly discharge their responsibilities. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee.

The Committee shall keep minutes of its meetings and other proceedings.

IV. Procedures

The Committee shall determine its meeting schedule, the agenda for each meeting, the information to be provided to it before or at each meeting and all other matters relating to the conduct of its meetings and other activities.

The Chair of the Committee shall establish and distribute (or request the Secretary to distribute) to each Committee member prior to each meeting an agenda for the meeting. Each Committee member is free to raise at any meeting subjects that are not on the agenda for that meeting.

Information that is important to understanding the business to be conducted at a meeting should generally be distributed to the Committee members at least one week (or, if that is not feasible, as soon as practicable) before the meeting, and Committee members should review these materials before the meeting.

It is the sense of the Board that, subject to Section V below, the activities and procedures of the Committee should remain flexible so that it may appropriately respond to changing circumstances.

V. Primary Activities

Without limiting the scope of its responsibilities, duties and authority set forth above, the Committee shall:

Senior Management and Director Compensation

1. Review and approve annually the goals and objectives relevant to compensation of the chief executive officer, evaluate his or her performance in light of those goals and objectives and set his or her compensation based on such evaluation (and the Committee shall have the sole authority to determine the compensation of the chief executive officer based on its evaluation of such performance in light of such goals and objectives). The chief executive officer shall not be present during such deliberations or voting on his or her compensation.
2. Review and approve, as appropriate, annually the compensation of the other executive officers and review compensation of other members of senior management and other employees generally.
3. Review and approve, as appropriate, annually the compensation of the directors (see Annex A to this Charter).
4. Review and approve, as appropriate, the bonus and incentive compensation arrangements, plans, policies and programs, including annual and long-term and cash and stock-based plans.
5. Obtain recommendations from the chief executive officer and review and approve, as appropriate, specific annual individual awards for executive officers and the aggregate amount of annual awards under such arrangements, plans, policies and programs.

6. Review periodically and approve, as appropriate, policies on management perquisites. Where necessary, review management's determination of whether particular perquisites are business-related or personal. Advise the Audit Committee as to such policies.
7. Review compliance with prohibitions on personal loans to directors and executive officers.
8. Review and approve, as appropriate, any severance, change of control, indemnification or other similar arrangements with executive officers specifically and employees generally.
9. Review any compensation or other benefit received by any director or executive officer from any affiliated entities (using an appropriately low threshold for the definition of an affiliated entity) to confirm compliance with the Company's Code of Conduct and Ethics and applicable law.
10. Select, retain, evaluate and, as appropriate, terminate and replace any executive search firm or compensation consultant, independent legal counsel or consulting firm with respect to the selection and compensation of the directors, the chief executive officer or the other executive officers (and the Committee shall have the sole authority to take any such action and to approve any related fees). Monitor the search for, and approve, as appropriate, all proposed compensation arrangements for, any new employee whose proposed base salary would exceed \$200,000 per year.

Administration of Plans

11. Administer all stock-based compensation plans and such other programs as may be designated by the Board, in each case subject to any limitations prescribed by the Board and subject to any authority delegated by the Committee to the subcommittee described below.
12. Review compliance with laws governing retirement and benefit plans.
13. Review the administration of the self-directed retirement and other plans as to whether the rules relating to investments in the common stock are properly protective of employee interests.
14. Review creation, modification, termination and funding of compensation, retirement, benefit and welfare arrangements, plans, policies and programs for senior management and other employees generally.
15. Search for, select and review annually the performance of investment managers for qualified and non-qualified retirement and benefit plans.
16. Review and make recommendations to the Audit Committee relating to actuarial assumptions applicable to and funding for retirement and benefit plans.

17. Review periodically financial and investment policies and objectives of qualified and non-qualified retirement and benefit plans.

Succession Planning

18. Coordinate with senior management the long-range planning for development and succession of senior management, including contingency planning for unanticipated sudden developments.

Employee Matters

19. Foster continuous improvement in those systems, plans, arrangements, policies and practices at all levels within the enterprise to attract and retain qualified employees, align interests of stockholders and employees, incent employees to improve performance and reward employees for improvements in performance, in each case on both a long term and short-term basis.

20. Provide for open communication among senior management, the human resources department and the Board.

21. Review periodically employee relations policies generally.

22. Review periodically equal opportunity employment and sexual harassment prevention policies.

Monitor compliance with such policies and applicable laws.

Regulatory Matters

23. Prepare annually the report to stockholders to be included in the annual proxy statement if and as required by the rules of the SEC.

24. Consider and make recommendations to the Board with respect to say-on-pay related matters.

Other Matters

25. To the extent that the Committee deems appropriate or desirable, appoint one or more subcommittees whose members are non-employee directors and outside directors as set forth above and delegate to such subcommittee or subcommittees the authority to make (including determining the terms and conditions of) grants or awards under, and to otherwise administer, bonus and incentive compensation plans and programs.

26. Approve all equity plans (and amendments thereto) that are not subject to stockholder approval.

27. Review and assess the adequacy of this Charter at least annually. Submit changes to this Charter to the Board for approval.

28. Conduct an annual self-assessment to determine whether the Committee is functioning effectively, including evaluating the Committee's contributions to the Company, with a specific emphasis on areas in which such contributions could be improved.

29. Report on its meetings, proceedings and other activities at each meeting of the Board.

VI. Web Site

This Charter shall be placed on the Company's web site.

Date: August 28, 2015

ANNEX A

NON-EMPLOYEE DIRECTOR COMPENSATION

Annual Retainer:

An annual retainer will be paid semi-annually in advance (paid on January 15th for the first half of the year and on July 15th for the second half of that year; provided, that, if the 15th falls on a weekend or holiday, then payment shall be made on the next business day).

Annual retainer \$[_____]

Additional annual retainers are as follows:

Chairperson of the Board \$[_____]

Lead or Presiding Director \$[_____]

Chairperson of Audit Committee \$[_____]

Chairperson of Compensation Committee \$[_____]

Chairperson of one or more standing Committees \$[_____]

If a director becomes a Board member (or a Chairperson) after January 1st, the annual retainer (or the relevant increase) for that year is pro-rated on a per diem basis.

Board Meeting Fees:

\$[_____] for each Board meeting attended, including attendance by telephone. The fee is paid semiannually in arrears (paid on July 15th for the first half of the year and on the following January 15th for the second half of the year; provided, that, if the 15th falls on a weekend or holiday, then payment shall be made on the next business day) when meeting attendance is known.

Committee Meeting Fees:

[\$_____] for each Committee meeting attended, including attendance by telephone. The fee is paid semiannually in arrears (paid on July 15th for the first half of the year and on the following January 15th for the second half of the year; provided, that, if the 15th falls on a weekend or holiday, then payment shall be made on the next business day) when meeting attendance is known.

Attendance:

Meeting fees are paid for each meeting attended, including attendance by telephone, regardless of the number of meetings during a day or the length of a meeting. Executive sessions and private meetings during the course of the same meeting are not considered separate meetings. Committee meeting fees are only paid to Committee members. A meeting of non-management directors is considered a separate meeting of the Board even if it takes place on the same day as a meeting of the Board.