

Dalian Wanda Commercial Properties Co., Ltd.

**Terms of Reference for the Remuneration and
Evaluation Committee of the Board**

(Applicable after H Shares Listing)

Dalian Wanda Commercial Properties Co., Ltd.

Terms of Reference for the Remuneration and Evaluation Committee of the Board

Chapter 1 General Provisions

Article 1 To further establish a sound evaluation and remuneration management system for directors and senior management officers of Dalian Wanda Commercial Properties Co., Ltd. (hereinafter referred to as the “**Company**”) and improve the corporate governance structure, the Company has established the Remuneration and Evaluation Committee under the Board (hereinafter referred to as the “**Remuneration and Evaluation Committee**”) in accordance with the Company Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Listing Rules**”) and the Corporate Governance Code set out in the Appendix 14 thereto, Articles of Association of Dalian Wanda Commercial Properties Co., Ltd. (hereinafter referred to as the “**Articles of Association**”) and other related provisions, and has formulated these Terms of Reference.

Article 2 The Remuneration and Evaluation Committee is a specialized working body established by the Board in accordance with the resolution of the General Meeting of shareholders and it is accountable to the Board. The Remuneration and Evaluation Committee is mainly responsible for formulating the evaluation standards and conducting evaluations on the directors and senior management officers of the Company, formulating and reviewing the remuneration policy and proposals for directors and senior management officers of the Company, and providing advice or proposals to the Board on the relevant decisions.

Article 3 The directors mentioned in these Terms of Reference refer to all the directors, including independent directors, elected and appointed by the General Meeting of shareholders; senior management officers refer to the president, vice-president, secretary to the Board, the person in charge of finance and other senior management officers stipulated in the Articles of Association or the Listing Rules who are employed by the Board;

Chapter 2 Composition

Article 4 Members of the Remuneration and Evaluation Committee shall comprise three directors, among which the majority shall be independent non-executive directors.

Article 5 Members of the Remuneration and Evaluation Committee shall be nominated by the Chairman of the Board or the Nomination Committee of the Board, and shall be elected by more than half of the total number of directors of the Board.

Article 6 The Remuneration and Evaluation Committee shall have a chairman, who shall be an independent non-executive director, and shall oversee the operation of the Committee; the chairman shall be appointed among members by the Board.

Article 7 The term of office of the Remuneration and Evaluation Committee shall be consistent with that of the Board. Each member of the Committee shall be eligible for re-election upon completion of his term of office. During his term of office, if any committee member ceases to be a director of the Company, his committee membership shall lapse automatically, and shall be filled by the Board according to the provisions of the above Articles 4 to 6.

Article 8 The working group of the Remuneration and Evaluation Committee shall be the daily working unit of the Remuneration and Evaluation Committee, and is specifically responsible for the provision of information on the aspects of human resources and the relevant information of the evaluated persons, organizing meetings for the Remuneration and Evaluation Committee, as well as implementation of the relevant resolutions of the Board and the Remuneration and Evaluation Committee.

Chapter 3 Duties and Authorities

Article 9 The major duties of the Remuneration and Evaluation Committee are as follows:

- (1) Study the evaluation standards for directors and senior management officers, conduct evaluations and make proposals;

- (2) Study and review the remuneration policy and proposals for directors and senior management officers of the Company according to the job positions, duties and scope of work of the directors and senior management officers and by reference to the remuneration levels of the relevant positions in the same area, same industry or among competitors; and make proposals to the Board with respect to the remuneration policy and structure for directors and senior management officers and the establishment of formal and transparent procedures for the formulation of remuneration policy;
- (3) Conduct annual reviews on the performance of duties by directors and senior management officers of the Company and evaluations on their annual performance. Formulate annual remuneration proposals and further carrot and stick proposals based on the evaluation results. Submit the proposals to the Board for review and supervise the specific implementation of proposals;
- (4) Formulate an equity-related long-term incentive scheme for the Company, oversee the management of the long-term incentive scheme and conduct reviews on the eligibility of officers, conditions of granting, conditions of exercise and management method of long-term incentive scheme by the Company, etc.;
- (5) Responsible for conducting appraisal on the remuneration system of the Company, and to review and supervise its implementation;
- (6) Review and approve the remuneration system and remuneration schemes according to market developments, development of the Company, the corporate objectives and targets set by the Board, and carry out ongoing additions and revisions;
- (7) Responsible for explaining to shareholders on issues concerning the remuneration of directors and senior management officers of the Company;
- (8) Consider the remuneration paid by similar companies, the time contributed by the corresponding directors and senior management officers in performing their duties and their responsibilities in the Company, and the employment packages of job positions in the Company other than directors and senior management officers;

- (9) Make proposals on the remuneration packages (including non-pecuniary benefits, right to retirement fund and compensations (including compensations for loss or termination of duties or appointments)) for individual executive directors, non-executive directors and senior management officers to the Board;
- (10) Review and approve the compensation paid to executive directors and senior management officers for their loss or termination of duties or appointments to ensure such compensations are consistent with contractual terms; and in the event of inconsistency with contractual terms, such compensations must be fair and reasonable and not excessive;
- (11) Review and approve the compensation arrangement for the relevant director involving his dismissal or removal due to misconduct of the director, to ensure such arrangement is consistent with contractual terms; or in the event of inconsistency with contractual terms, such compensation shall be fair and reasonable;
- (12) Ensure that none of the directors or any of their associates will determine their own remuneration;
- (13) Any other matters authorized by the Board.

Article 10 The Remuneration and Evaluation Committee shall consult the Chairman of the Board or the President on the remuneration proposals for other executive directors. The remuneration schemes and proposals for directors of the Company proposed by the Remuneration and Evaluation Committee must obtain consent from the Board prior to submitting the same to the General Meeting of shareholders for review and approval before their implementation. Remuneration and distribution proposals for senior management officers of the Company must be submitted to the Board for approval. Long-term stock option incentive schemes for directors and senior management officers of the Company must obtain consent from the Board prior to submitting the same to the General Meeting of shareholders for review and approval before their implementation.

Chapter 4 Work Procedures

Article 11 The working group of the Remuneration and Evaluation Committee is the day-to-day working body of the same. It is responsible for the preliminary preparation for the decision-making of the Remuneration and Evaluation Committee and provision of written materials of the Company as follows:

- (1) Provide information on fulfillment by the Company of the key financial indicators and operation objectives;
- (2) Provide scope of work and main duties of senior management of the Company;
- (3) Provide the extent to which the performance targets set out under the job performance appraisal system have been achieved by the directors and senior management;
- (4) Provide business performance status of business innovation capabilities and profit generation of directors and senior management;
- (5) Provide the basis for estimation and calculation relating to the formulation of remuneration distribution plan and distribution method based on the performance of the Company;
- (6) Propose on the long-term equity incentive plan of the Company, the qualifications of grantees, conditions of grant, exercise conditions, management methods, and the basis thereof;
- (7) Maintain day-to-day working relationship with agencies designated by the Remuneration and Evaluation Committee;
- (8) Provide information on and implementation of the remuneration systems of the Company at the request of the Remuneration and Evaluation Committee.

Article 12 The procedures for appraising the directors and senior management by the Remuneration and Evaluation Committee are as follows:

- (1) The directors and senior management shall report their work and self-appraisals to the Remuneration and Evaluation Committee after the issuance of the audit report of the Company every year;
- (2) The Remuneration and Evaluation Committee shall carry out performance appraisal of the directors and senior management according to the performance appraisal standards and procedures and on the basis of operating results of the Company as confirmed by the audit reports and the work reports of the directors and senior management;
- (3) The Remuneration and Evaluation Committee shall prepare a proposal on the amount of remunerations and the method of reward for the directors and senior management based on the results of work performance appraisals and the remuneration distribution policies, and after passing such proposal through voting, submit it to the Board of the Company for consideration as an motion of the Board.

Chapter 5 Rules of Procedures

Article 13 The Remuneration and Evaluation Committee shall convene meetings on non-regular basis according to proposals of the chairman, and shall give notice of meeting to all members at least three days in advance. A meeting shall be presided by the chairman. If the chairman is unable to attend the meeting, he may appoint another member who is an independent director to preside on his behalf. Notice may be given at any time under urgent circumstances.

Article 14 Members of the Remuneration and Evaluation Committee may attend the meetings in person, or may appoint other members as proxies to attend and exercise voting rights on their behalf. A member of the Remuneration and Evaluation Committee who appoints another member as his proxy to attend a meeting and exercise his voting rights shall submit an authorization letter to the chairman of the meeting. The authorization letter shall be submitted to the chairman of the meeting not later than the beginning of voting at the meeting.

Article 15 If a member of the Remuneration and Evaluation Committee is unable to attend a meeting and has not appointed another member to attend on his behalf, he will be considered as absent from the relevant meeting. Any member of the Remuneration and Evaluation Committee who is absent from two meetings consecutively shall be deemed to be unable to duly perform his duties, and members of the Remuneration and Evaluation Committee may propose his removal to the Board.

Article 16 When meetings of the Remuneration and Evaluation Committee discuss any issues relating to any member of the Committee, such member shall abstain from attending the meeting.

Article 17 Meetings of the Remuneration and Evaluation Committee shall be convened only with the attendance by two-thirds of the members as quorum; each member has one vote; resolution of the meeting must be passed by a simple majority of all members. In the event of equal votes, the chairman of the Remuneration and Evaluation Committee is entitled to an additional vote (a casting vote) and a decision shall be made by exercising such voting right.

Article 18 Voting in meetings of the Remuneration and Evaluation Committee shall be carried out by a show of hands or by poll; meetings may be convened by voting through telecommunication means.

Article 19 If necessary, the Remuneration and Evaluation Committee may invite directors, supervisors and senior management of the Company to attend any meeting as observers.

Article 20 If necessary, the Remuneration and Evaluation Committee may engage an intermediary firm to provide professional opinions for its decision making, at the expense of the Company.

Article 21 The procedure to convene meetings, form of voting and remuneration policies and distribution proposals, long-term equity incentive plans, etc. passed by the meetings of the Remuneration and Evaluation Committee shall comply with the relevant laws, regulations, Articles of Association and requirements of these Terms of Reference.

Article 22 Minutes of meetings shall be maintained by the Remuneration and Evaluation Committee, and members who are present at the meetings shall sign on the minutes of meetings; the minutes of meetings shall be kept by the Secretary to the Board of the Company.

Article 23 The resolutions passed at the meetings of the Remuneration and Evaluation Committee and the voting results shall be reported to the Board of the Company in writing.

Article 24 Members who attend the meetings and persons who attend the meetings as observers shall have confidentiality obligations in respect of all items mentioned in the meetings.

Chapter 6 Supplemental Provisions

Article 25 These Terms of Reference, after being reviewed and approved by the Board of the Company, shall be effective from the date of listing and trading of the foreign listed shares issued by the Company on The Stock Exchange of Hong Kong Limited. Amendments to these Terms of Reference shall be effective after review and approval by the Board.

Article 26 Any matters not provided in these Terms of Reference or if any conflict between these Terms of Reference with the requirements of the relevant applicable laws, regulations, rules, regulatory documents and the Articles of Association, the requirements of the relevant applicable laws, regulations, regulatory documents, Listing Rules and the Articles of Association shall prevail. In the event of any conflict between these Terms of Reference with the relevant laws, regulations, regulatory documents, Listing Rules or duly amended Articles of Association to be issued in future, the relevant laws, regulations, regulatory documents, Listing Rules and Articles of Association shall prevail, and these Terms of Reference will be amended as soon as possible for submission to the Board for review and approval.

Article 27 In case of any discrepancy between the Chinese and English versions of these Terms of Reference, the Chinese version shall prevail.

Dalian Wanda Commercial Properties Co., Ltd.

July 29, 2014