

MTD ACPI ENGINEERING BERHAD AND GROUP

REMUNERATION POLICIES

The Board of Directors of MTD ACPI Engineering Berhad (“**MTDACPI**”) [**“Board”**] is committed to establishing remuneration policies and framework that is equitable, competitive and consistent to assure the recruitment and retention of directors, senior management, Company Secretary and within MTDACPI and its subsidiaries (“**MTDACPI Group**”) with the requisite capability, competency and experience necessary for achievement of the goals and objectives of MTDACPI Group.

The following policies have been approved by the Board as a remuneration framework for MTDACPI Remuneration Committee’s deliberative decision-making and recommendations to the Board for approval:-

1. The Remuneration Committee is guided by its Terms of Reference approved by the Board;
2. Ensure MTDACPI Group is able to attract and retain directors and senior management of requisite quality to increase its productivity and profitability in the long run;
3. Motivate and create incentives for executive directors and senior management to perform at their best and focus attention on the achievement of MTDACPI Group’s desired goals and objectives;
4. Ensure the interests of directors and senior management are closely aligned with those of shareholders by linking remuneration to individual and group performance, market conditions and benchmarked against remuneration of similar industry or market capitalization;
5. Ensure no individual may be involved in determining his / her remuneration;
6. Ensure remuneration policies and procedures for directors and senior management are formal, transparent and properly documented;
7. Ensure remuneration disclosure to shareholders includes benefits paid and all regulatory obligation are met by MTDACPI Group; and
8. Ensure remuneration packages for non-executive directors shall be a matter for the Board as a whole and non-executive directors shall not receive any remuneration or benefits designed for executive directors.

DATO’ IR. A. RASHID BIN OMAR
CHAIRMAN
MTD ACPI ENGINEERING BERHAD

Date: 26 November 2014