

REMUNERATION COMMITTEE

Terms of Reference

Purpose

1. Assist the Board in its responsibilities to implement its policies and procedures on remunerations including reviewing and recommending matters relating to the remuneration, fee and other benefits of the Board and senior management.
2. Ensure that all Directors and senior management are fairly rewarded for their individual contributions to Alpha IVF Group Berhad (“**AIG**” or “**the Company**”)’s overall performance and that the remuneration is commensurate with the level of executive responsibility and is appropriate in light of the Company’s performance.

Composition

1. The Remuneration Committee (“**RC**” or “**the Committee**”) of the Company shall be appointed from amongst the Board and shall:-
 - (i) comprise no fewer than three (3) members; and
 - (ii) comprise exclusively Non-Executive Directors, a majority of whom are independent.
2. Retirement and resignation

If a member of the RC or Chairman of the RC resigns, dies, or for any reason ceases to be a member or Chairman resulting in non-compliance to the composition criteria as stated in paragraph 1 above, the Board shall within three (3) months of the event appoint such number of the new member(s) or Chairman of the RC respectively as may be required to fill the vacancy.

Chairman

The Chairman of the RC shall:-

1. be an Independent Director appointed by the Board from amongst the RC members and is not the Chairman of the Board; and
2. chair all RC meetings but in the absence of the Chairman, the members of the RC can elect from amongst themselves as the Chairman of the RC meeting.

Secretary(ies)

1. The Secretary(ies) of the RC shall be the Company Secretary(ies) of the Company.
2. The Secretary(ies) shall be responsible for drawing up the agenda and circulating it prior to each meeting and keeping the minutes of meetings of the RC. Unless otherwise agreed by the members and whenever necessary, the notice of each meeting confirming the venue, date

and time together with the brief agenda of the meeting shall be circulated to all members and any other persons who may be required to attend the meeting within a reasonable period prior to the meeting.

Duties and Responsibilities

1. To formulate and recommend a framework of remuneration for the Executive Directors and key senior management for the Board's approval. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain the Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including the Director's fees, salaries, allowances, bonuses, options and benefit-in-kind.
2. To determine the remuneration of Executive Directors and key senior management and at the expense of the Company, review, assess and recommend to the Board the remuneration packages in all forms, with other independent professional advice or outside advice as necessary. The remuneration package should be structured such that it is competitive.
3. To review and recommend to the Board the remuneration packages of Non-Executive Directors, which shall be subject to shareholders' approval at the annual general meeting, based on the level of expertise, commitment and responsibilities undertaken.
4. To recommend and advise the Board on the remuneration and terms of conditions (and where appropriate, severance payments) of the Executive Directors (including Managing Director).
5. To establish a formal and transparent procedure for developing policies, strategies and framework for the remuneration of the Executive Directors and key senior management, taking into consideration the following:-
 - (a) In the case of Executive Directors, the component parts of remuneration should be structured so as to link rewards to corporate and individual contribution, as well as Company's strategy and performance. In determining the appropriate level of remuneration for directors and senior management, the board should also take into consideration the company's performance in managing material sustainability risks and opportunities.
 - (b) In the case of Non-Executive Directors, the level of remuneration should reflect the experience and level of responsibility undertaken by the non-executive concerned. The remuneration and incentives for Independent Non-Executive Directors shall not conflict with their obligations to bring objective and independent judgement to the Board.
6. Where possible, and allow it to meet its duties, the RC should seek comparative information on remuneration and conditions if service in comparable organisations, within and without sectors of industry.
7. When considering severance payments, the RC should bear in mind that it must represent the public interest and avoid any inappropriate use of public funds. Care should be taken to avoid determining a severance package that public opinion might deem to be excessive.
8. To recommend the engagement of external professional advisors to assist and/or advise the Committee and the Board, on remuneration matters, where necessary.
9. To carry out other responsibilities, functions or assignments as may be defined by the Board from time to time. Directors, whether executive or non-executive, should abstain from discussion and from participating in decisions of their own remuneration packages.

Meetings

1. The RC shall meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary, and report to the Board after each meeting. In the event issues requiring the Committee's decision arise between meetings, such issues may be resolved through written resolutions of the Committee. Such written resolution in writing shall be valid and effectual if it is signed or approved by letter, facsimile or any electronic means by all members of the Committee.
2. The Chairman or any member of the RC may call for additional meetings at any time at their discretion.
3. The quorum for a meeting shall be two (2) members.
4. The RC may hold a committee meeting at two (2) or more venues within or outside Malaysia using any technology that gives the members of the RC a reasonable opportunity to participate, provided that at least one (1) of the RC members present at the meeting was at such place for the duration of that meeting. All information and documents must be made equally available to all participants prior to or at/during the meeting.
5. Other Board members and senior management may attend meetings upon the invitation of the RC.
6. Questions arising at any meeting of the RC shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the RC shall have a second or casting vote. Each Committee member should abstain from discussion or voting on any resolutions in respect of his/her own remuneration.
7. Every meeting of the Committee must be minuted either by the Company Secretary or any other person approved by the Committee and such minutes must be confirmed by the Committee at the next succeeding meeting. The Minutes of each meeting signed by the Chairman of that meeting or by the Chairman of the next succeeding meeting shall be evidence of the proceedings that the meeting was duly convened and held.

Performance Review

The effectiveness of the Committee shall be assessed by the Nomination Committee annually to determine whether the Committee members have carried out their duties in accordance with the Terms of Reference.

Review and Revision of the Terms of Reference

The Terms of Reference will be reviewed annually or as and when required by the Committee and be made to the Board for approval on any revision.