GFM SERVICES BERHAD
(Company 1033141-H)

BOARD OF DIRECTORS:- BOARD CHARTER

OBJECTIVE

The Board of Directors ("the Board") is responsible for the oversight of the Company's operations and strategy, as well as responsible to the shareholders to ensure that the highest standards of corporate governance are followed in its pursuit of improving value of the Company's shares.

In short, the Board's objectives are:-

- To help the Company to succeed;
- To add value and support, as a Board, to the executive team;
- To deliver exemplary corporate governance and build effective and open Board;
- To represent well the values that the Company stands for; and
- To be a team player of the Company.

1. COMPOSITION

1.1 The Board shall fulfill the following requirements :

a) It must comprise of not less than 2 or more than 15 members;
b) At least 2 or 1/3 of the Board, whichever is higher, are independent directors; and
c) In the event of any vacancy in the Board, resulting in the non-compliance with (b) above, this vacancy must be filled within 3 months.

1.2 Members of the Board shall elect from amongst them a chairman who shall be a non-executive director.

1.3 A director may appoint a person approved by a majority of the Board to act as Alternate, provided that any fee paid by the Company to the Alternate shall be deducted from that director's remuneration.

1.4 An election of directors shall take place each year at the Company's Annual General Meeting, where 1/3 of the directors shall retire from office.

2. SCHEDULE OF MATTERS

The Board has established the following schedule of matters reserved for the Board's deliberation and decision making:-

2.1 Strategic Plan for the Company

a) Approval of the long term objectives and commercial strategy of the Company
b) Approval of the annual operating and capital expenditure budgets, and any material changes.
c) Review of the performance on a regular basis to ensure that any corrective actions or

updates are taken proactively.

2.2 Delegation of Authority

a) Define a set of criteria or performance indicators to monitor and evaluate management's performance in achieving the strategies.
b) Define the division of responsibilities between the Chairman and the Managing Director.
c) Develop position descriptions for the Board committees, the Managing Director and each of the Executive Directors.
d) Approve Authority Limits or parameters within which the Board, its committees and management decisions are to be made.

2.3 Identifying Principal Risks and implementation of appropriate Internal Controls and Mitigation Measures

a) Implement a risk profile that achieves a proper balance between risks incurred and potential returns to shareholders.
b) Ensure that systems are in place which effectively monitor and manage these risks, including a sound system of internal control and periodic testing on the effectiveness of these controls.

2.4 Succession Planning, Evaluation and Appointments

a) Implement procedures over the appointments, resignations and terminations of directors, Board committees, company secretaries, auditors and key management officers.
b) Undertake regular assessment of performances of the directors, Board committees, company secretaries, auditors and key management officers, including Board and Management diversity in terms of skills, gender and age.
c) Procedures must be in place for the orderly succession of the Chairman and key management officers.
d) Implement procedures for effective retention, training and basically developing the best available directors and key management officers suitable for the Company.

2.5 Financial Reporting and Annual Reports

a) Approval of the quarterly announcements for release to Bursa Malaysia Securities Berhad ("Bursa")
b) Approval of the audited financial statements, which has been prepared in accordance to the applicable regulatory requirements.
c) Approval of the Annual Reports for release to all stakeholders.
d) Review of the Company's funding requirements on a continuing basis, including significant treasury matters and financing arrangements.

2.6 Overseeing the Development and Implementation of a Stakeholder Communications Policy

Implementation of a policy to enable effective communication with the Company's shareholders and other stakeholders, including feedback from employees.

3. MEETINGS

3.1 Meetings shall be held at least four (4) times annually, with at least 7 days due notice of issues to be discussed shall be given, or more frequently if circumstances so require the Board to do so. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion.

3.2 A quorum shall consist of a majority of directors, with a minimum of two (2) members. In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.

3.3 The members may participate in a meeting by means of conference telephone, conference videophone or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

3.4 If a director is absent for more than 50% of the total Board meetings held during a financial year, the office is deemed vacant.

3.5 The Board may require third parties to attend the meeting, including any employees of the Company, the internal auditors and the external auditors.

3.6 The Company Secretary shall be the Secretary of the Board or in his absence, another person authorised by the Chairman.

3.7 Questions arising during the meeting shall be decided by a majority of votes of members present, and in the case of equality of votes, the Chairman shall have a second or casting vote.

4.0 ROLE OF THE CHAIRMAN

4.1 Building a high performance Board by:-

a) Taking a leading role in creating an effective corporate governance system, including the establishment of Board and Committee charters, a Committee structure and induction as well as an ongoing education programme for directors.
b) Ensuring the items as outlined in para 2 above are attended to on an effective basis.

4.2 Managing Board meetings to ensure robust decision-making by:-

a) Setting the agenda for each Board meeting together with, amongst others the Company Secretary and the Managing Director.
b) Obtaining suggestions and comments from other directors.
c) Ensuring the provision of accurate, timely and clear information to all directors.
d) Managing boardroom dynamics by promoting a culture of openness and debate.
e) Ensuring all directors are properly briefed on issues arising at Board meetings in a timely manner.

4.3 Managing Board/Management interface by:-

a) Acting as main conduit between management and the Board, although all directors should have the opportunity to get to know key members of the management team.
b) Developing a positive relationship with the Managing Director, acting as confidant and advisor.
c) Facilitating the selection and appointment of a successor to the current Managing Director.

4.4 Being the public face by:-

a) Acting as spokeperson for the Board.
b) Representing the Company at shareholders' meetings and on occasions when actions are taken or statements are made in the name of the Company, both domestically and/or abroad.

5.0 OTHER MATTERS

5.1 Resolution in Writing

A resolution in writing, signed by a majority of the Board for the time being entitled to receive notice of a meeting, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members.

5.2 Minutes

a) Minutes of each meeting shall be signed by the Chairman of the meeting at which proceedings were held or by the Chairman of the next succeeding meeting.
b) Minutes of each meeting, once signed, shall be distributed to the Board at the next meeting of the Board and shall be kept at the registered office of the Company.

5.3 Regulatory Compliance

The Board derives its authority to act from the Memorandum and Articles of Association of the Company and the prevailing rules and regulations, including the Listing Requirements of Bursa Malaysia, the Malaysian Code of Corporate Governance 2012 and related guidance notes thereon.

--- end of Board Charter ---