

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0037
COMPANY NAME : RGB International Bhd.
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of RGB International Bhd. ("RGB" or "the Company") is guided by the Board Charter, which is available on the Company's website (http://www.rbggames.com/home/about-us.html).</p> <p>The Board collectively leads and is responsible for the success of the Group by providing entrepreneurial leadership and strategic direction as well as supervision of the management. It is also the ultimate decision-making body.</p> <p>The functions of the Board are to:</p> <ul style="list-style-type: none">• monitor the compliance with all relevant statutory and legal obligations.• ensure that the Group's core values, vision and mission and shareholders' interests are met.• ensure that the Company has appropriate corporate governance ("CG") structures in place and together with senior management, promote good CG culture within the Group which reinforces ethical, prudent and professional behaviour.• review and set the Group's strategic plan and direction and ensure that the strategic plan supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.• review, challenge and decide on the management's proposals for the Group and monitor its implementation by the management.• supervise and assess performance of the management to determine whether the business is being properly managed.• review the adequacy and the integrity of the Group's internal control systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines and ensure there is a sound framework for reporting of internal controls.• understand the principal risks affecting the Group and recognise that business decisions involve the taking of appropriate risks.

- set the risk appetite within which the Board expects the management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks.
- establish such committees, policies and procedures to effectively discharge the Board's roles and responsibilities.
- oversee the implementation of the Anti-Bribery & Corruption Policy, Whistleblowing Policy and Code of Ethics & Conduct, which shall articulate the acceptable practices and guide the behaviour of Directors, management and employees.
- oversee the effectiveness of Compliance Committee in carrying out the necessary compliance monitoring activities and to ensure adequate compliance procedures are in place to prevent the occurrence of corrupt practices in relation to the business activities.
- encourage employees and related stakeholders to report to the Company any legitimate concerns over any wrongdoing relating to unlawful conduct, financial malpractice or dangers to the public or the environment within as well as any suspected and/or real corruption incidents.
- initiate a Board self-evaluation program and follow-up action to deal with issues arising and arrange for Directors to attend courses, seminars and participate in development programs as the Board judges appropriate.
- ensure that senior management has the necessary skills and experience and succession plans are in place for the Board members and senior management.
- promote better investor relations and shareholder communications and ensure that the Group has in place procedures to enable effective communication with stakeholders.
- undertake active engagements with the relevant stakeholders to gain a better understanding of their expectations and concerns, if any, and the Company's impact on them.
- cause proper records and accounts to be maintained to:
 - sufficiently explain the business, transactions and financial position of the Group;
 - enable the preparation of true and fair financial statements; and
 - enable the accounting and other records of the Group to be conveniently and properly audited.
- ensure that all its directors are able to understand financial statements and form a view on the information presented.
- ensure the integrity of the Group's financial and non-financial reporting.

As part of the Board's efforts to ensure the effective discharge of its duties, the Board has delegated certain functions to the following Committees with each operating within clearly defined Terms of Reference ("TOR"):

- Audit Committee
- Nomination & Remuneration Committee
- Credit Review & Risk Assessment ("CRR") Committee

	<ul style="list-style-type: none"> • Executive Committee <p>The Managing Director (“MD”) and Board Committees remain accountable to the Board for the authority that is delegated. The Chairman of the relevant Board Committees will report to the Board on the key issues deliberated by the Board Committees at the Board meetings.</p> <p>The matters reserved for the collective decision of the Board on the basis of any recommendation that may be made from time to time by the Board Committees and/or the management are listed under Paragraph 3.1 of the Board Charter.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The roles and responsibilities of the Chairman of the Board are clearly specified in Paragraph 3.2 of the Board Charter.</p> <p>The Chairman is responsible for:</p> <ul style="list-style-type: none">• leadership of the Board.• overseeing the effective discharge of the Board's supervisory role.• facilitating the effective contribution of all Directors and allowing dissenting views to be freely expressed.• conducting the Board's function and meetings and ensuring the information is delivered to the Directors on a timely basis.• briefing all the Directors in relation to issues arising at meetings.• setting the Board meeting agenda and ensuring adequate time is allocated for discussion of issues tabled to the Board for deliberation.• ensuring the Board Committees meetings are not combined with the Board meeting.• leading the Board in the adoption and implementation of good CG practices in the Group.• ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole.• scheduling regular and effective evaluations of the Board's performance.• promoting constructive and respectful relations between Board members and between the Board and the management.• ensuring the general meetings of the Company support meaningful engagement (which should be interactive and include robust discussion on among others the Company's financial and non-financial performance as well as the Company's long-term strategies) between the Board, senior management and shareholders. <p>Dato' Seri Mahinder Singh Dulku was the Chairman of the Board before his retirement on 26 May 2023. At present, the Company does not have a Chairman and all the Board meetings held after the retirement of</p>

	Dato' Seri Mahinder were chaired by an Independent Non-Executive Director elected by the Board at each Board meeting.	
	The Board is endeavouring to identify a suitable candidate to be appointed as the Board Chairman by next year.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of Chairman and MD are held by 2 different individuals. The former Chairman, Dato' Seri Mahinder Singh Dulku who retired on 26 May 2023, was responsible for instilling good CG practices, leadership and effectiveness of the Board whereas the MD, Dato' Seri Chuah Kim Seah, is the officer involved in the day-to-day running of the affairs of the Company.</p> <p>The roles and responsibilities of the Chairman and MD are defined in Paragraphs 3.2 and 3.3 of the Board Charter. There is a clear division of responsibilities between the Chairman and MD to ensure balance of power and authority and greater capacity for independent decision-making.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<p><i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i></p>	
Application :	Departure
Explanation on application of the practice :	
Explanation for departure :	<p>The former Chairman of the Board was also a member of the Audit Committee and the Chairman of the Nomination & Remuneration Committee of the Company. Currently, the Board does not have a Chairman and both committees comprise 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director.</p> <p>The Board noted that its Chairman should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee. However, the Board is of the view that this departure does not impair the objectivity of the Chairman or the Board when deliberating on the observations and/or recommendations put forth by the Board Committees as all the Non-Executive Directors deliberate and discuss matters as a team. Moreover, the former Chairman was aware of his differing roles in the Board, Audit Committee and Nomination & Remuneration Committee. All matters, prior to recommending to the Board for its approval, are deliberated at the committee levels which involve the participation of the other Non-Executive Directors and this would eliminate the risk of self-review.</p> <p>The Company intends to maintain current practice and will review the need of adopting this practice on an annual basis.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure :	
Timeframe :	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>Ms. Yeow Sze Min and Ms. Low Seow Wei is a Fellow member and an Associate member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") respectively. They have more than 15 years of experience in the corporate secretarial industry and are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016.</p> <p>The Company Secretaries are responsible for advising the Board on matters in relation to compliance with laws, regulations, guidance and procedures affecting the Directors as well as the principles of good CG practices. They attend and ensure that all Board and its Committees meetings are properly convened and that the decisions made and/or resolutions passed thereof are recorded in minutes of meeting and kept in the statutory register at the registered office of the Company. The roles and responsibilities of the Company Secretaries are set out in Paragraph 2.5 of the Board Charter.</p> <p>The Company Secretaries have attended relevant conferences and training programmes including continuous professional development programmes as required by Companies Commission of Malaysia and MAICSA during the financial year under review to keep themselves abreast of the evolving capital market environment, regulatory changes and developments in CG.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>An annual corporate calendar, which provides the scheduled dates for meetings of the Board, Board Committees and Annual General Meeting ("AGM") as well as various gaming expositions and trade shows, is prepared and circulated to the Directors prior to the beginning of every year to facilitate the Directors' time planning.</p> <p>Agenda and discussion papers are circulated at least 5 business days prior to the Board and Board Committee meetings to allow the Directors and Board Committee members to study and evaluate the matters to be discussed and subsequently make effective decisions. Procedures have been established concerning the content, presentation and timely delivery of papers for each Board and Board Committee meeting as well as for matters arising from such meetings. Actions on all matters arising from any meeting are reported at the subsequent meeting.</p> <p>The meeting materials are made available in digital form and accessible through mobile devices in line with the Group's commitment to reduce carbon footprints. As a result, the Directors and Board Committee members are able to access meeting materials in a timely and efficient manner, thus improving Board performance and overall effectiveness of decision-making.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company’s website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a Board Charter and is available on the Company’s website (http://www.rgbgames.com/home/about-us.html). The Board Charter is the fundamental guide for the Directors and outlines the composition, roles and responsibilities of the Board.</p> <p>The Board Charter comprises, among others, the following matters:</p> <ul style="list-style-type: none"> • Roles and responsibilities of the Board, Chairman, MD, Individual Director and Board Committees • Board balance and mix • Tenure of Directors • Nomination and appointments • New directorship • Company Secretary • Matters reserved for the Board • Board’s relationship with shareholders • Processes of the Board meetings • Access to information • Directors’ training <p>According to Paragraph 5 of the Board Charter, the Board shall review the Board Charter annually to ensure its relevance in assisting the Board to discharge its duties with the changes in the corporate laws and regulations that may arise from time to time and to remain consistent with the Board’s objectives and responsibilities. The Board Charter was last revised on 29 February 2024.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	: Applied
Explanation on application of the practice	<p>The Code of Ethics & Conduct ("Code") emphasised the Company's commitment to ethical practices and compliance with the applicable laws and regulations. The Code governs the standards of ethics and good conduct expected from the Directors and employees (including full-time, part-time, contract and probationary employees) of the Group, which extend beyond normal working hours including after home functions, conferences and social activities. The Code covers a wide range of business practices and procedures and sets out the basic principles to guide the Group's Directors and employees. The basic principles discussed in the Code are subject to any other policies of the Group covering the same issues such as Employee Handbook, Anti-Bribery & Corruption Policy, Related Party Transactions Policy and Conflict of Interest Policy.</p> <p>The Code has 8 key areas as follows:</p> <ul style="list-style-type: none">• Compliance with laws, rules and regulations• Competition and fair dealing• Conflicts of interest• Insider trading• Safe and healthy environment• Confidentiality and protection of company assets• Prompt communications• Proper records and communications <p>The Code was last revised on 29 February 2024 and can be found on the Company's website (http://www.rgbgames.com/home/about-us.html).</p> <p>The Company's Employee Handbook, which contains human resource policies, serves as a guide to ensure that the accepted code of ethical conduct and employee obligations and responsibilities under this handbook are practised by the employees.</p>

	<p>The Anti-Bribery & Corruption Policy sets out the standards the Company expects the directors, employees, agents, consultants, suppliers, vendors and any third party intermediaries or representatives performing work or services for or on behalf of the Group to comply with in conducting business. This policy was last reviewed on 27 February 2023 and is available on the Company's website (http://www.rbgames.com/home/about-us.html).</p> <p>The Related Party Transactions Policy sets forth the guidelines and procedures to ensure all transactions that involve related parties or conflict of interest are determined on a fair, reasonable and consistent basis. This policy was last revised on 29 February 2024.</p> <p>The Conflict of Interest Policy was adopted by the Board on 29 February 2024 to ensure actual, potential and perceived conflict of interest are identified, addressed and managed effectively and to provide guidance on how to deal with conflict of interest or potential conflict of interest situations as when they arise.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>The Whistleblowing Policy provides a platform for the employees and stakeholders of the Group to report any illegal/improper action and/or wrongdoing by the employees and/or the management of the Group.</p> <p>All whistleblowing reports must be addressed to the Chairman of the Board and/or Chairman of the Audit Committee of the Company. The Chairman of the Board and/or Chairman of the Audit Committee who receives the report must promptly act to investigate and resolve the issue. All investigations shall be tabled to the Board that has the authority to ensure effective implementation of this policy.</p> <p>The Whistleblowing Policy is available on the Company's website (http://www.rbggames.com/home/about-us.html) and was last reviewed on 29 February 2024.</p> <p>The Anti-Bribery & Corruption Policy also sets out the procedures for reporting any suspicion of bribery or inappropriate inducement or suspicious activity.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is principally responsible for the Group's sustainability strategies, priorities, targets and performance. The duties and responsibilities of the Board are, inter alia, as follows:</p> <ul style="list-style-type: none">• To ensure the Group's strategies promote sustainability.• To oversee the management of material sustainability issues.• To seek regular updates and measures on the management of material sustainability issues.• To ensure the Group's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.• To take appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the Group and its business, including climate-related risks and opportunities.• To oversee compliance with matters relating to economic, environmental and social. <p>The Executive Committee, comprising the Executive Directors and key senior management team, assists the Board in overseeing the implementation of the Group's sustainability approach and ensuring that key targets are being met. The duties and responsibilities of the Executive Committee are, inter alia, as follows:</p> <ul style="list-style-type: none">• To lead the implementation of the sustainability strategy and policies within the divisions.• To identify, assess, evaluate, manage and report to the Board the material sustainability risks and opportunities relevant to the Group's operations.• To facilitate the sustainability disclosures as required by laws and regulations and subsequently recommend it for approval.
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	RGB’s sustainability strategies, priorities and targets as well as performance against these targets are developed after a review of outcomes from the materiality assessment exercise and engagements with key stakeholders. RGB’s materiality assessment approach is guided by Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Sustainability Reporting Guide (3 rd Edition) and Bursa Securities’ Toolkit, including Toolkit on Stakeholder Engagement and Toolkit on Materiality Assessment. The description of RGB’s stakeholder groups, engagements and targets as well as the performance against these targets are set out in the Sustainability Statement in the Annual Report which can be found on the Company’s website (http://www.rbggames.com/home/annual-report.html).	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has revised its duties and responsibilities in the Sustainability Policy in 2021 to include taking appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the Group and its business, including climate-related risks and opportunities. The Sustainability Policy is placed on the Company’s website (http://www.rgbgames.com/home/about-us.html) and was last reviewed on 29 February 2024.</p> <p>The Board keeps itself abreast with the sustainability developments by way of formal training, structured reading and discussions.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	In the conduct of Board Effectiveness Evaluation exercise for the financial year 2023, the questionnaires deployed to evaluate the Board through a self and peer assessment approach provide coverage on the Board’s performance in addressing material sustainability risks and opportunities of the Group.	
		However, for performance evaluation of the senior management, a detailed study is required to develop criteria to be used in addressing the Group’s material sustainability risks and opportunities.	
		Currently, the Company does not have any alternative practice.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied	
Explanation on application of the practice	:	The Nomination & Remuneration Committee had, on 29 February 2024, reviewed the performance of all the Directors of the Company and those directors of the Company's subsidiaries who are retiring by rotation and seeking for re-election at the forthcoming AGM of the respective subsidiaries based on their character, integrity, experience, competence, time and commitment. The Nomination & Remuneration Committee is satisfied with their performance and recommended to the Board for re-election.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied
Explanation on application of the practice	:	<p>Before the retirement of Dato' Seri Mahinder Singh Dulku on 26 May 2023, the Independent Non-Executive Directors constituted 60% of the Board of RGB. With the appointment of Ms. Chuah Hui Jing as Non-Independent Non-Executive Director on 24 August 2023 and Ms. Lung Sai Mei as Independent Non-Executive Director on 1 March 2024, the Board is currently composed of 6 members, 3 of which are Independent Non-Executive Directors representing 50% of the Board composition. With half of the Board composed of Independent Non-Executive Directors, the Company is able to foster greater checks and balances during boardroom deliberations and decision-making.</p> <p>The Nomination & Remuneration Committee had conducted on an annual basis an evaluation of level of independence of all the Independent Non-Executive Directors of the Company on 29 February 2024 and the Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their ability to act in the best interest of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has implemented a 9-year policy for Independent Non-Executive Directors, in line with the Malaysian Code of Corporate Governance ("MCCG"). The Board may, in exceptional cases and subject to the assessment of the Nomination & Remuneration Committee on an annual basis, recommend for an Independent Director who has served a consecutive or cumulative term of 9 years but not exceeding 12 years to remain as an Independent Director subject to shareholders' approval through a two-tier voting process at the Company's AGM.</p> <p>Ms. Lam Voon Kean and Tan Sri Norazman Hamidun, who served the Board as Independent Non-Executive Directors for a cumulative term of 9 years on 30 March 2023 and 31 March 2023 respectively, were retained as Independent Non-Executive Directors of the Company by the shareholders through a two-tier voting process at the 20th AGM of the Company held on 26 May 2023.</p> <p>The Board has, at its meeting held on 29 February 2024, recommended that shareholders' approval through a two-tier voting process be sought at the upcoming AGM of the Company for Ms. Lam and Tan Sri Norazman to continue to act as Independent Non-Executive Directors. The Board is of the opinion that the independence of Ms. Lam and Tan Sri Norazman have not been compromised or impaired in any way after having noted the following justifications during the review and assessment of their independence:</p> <ul style="list-style-type: none">• They fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements ("MMLR") of Bursa Securities, and thus, they would be able to function as a check and balance to the Executive team and bring an element of objectivity to the Board;• They have never transacted or entered into any transactions with, nor provided any services to the Company and its subsidiaries, within the scope and meaning as set forth under Paragraph 5 of Practice Note 13 of MMLR of Bursa Securities;• Ms. Lam has extensive experience garnered from her professional experience in audit engagements as well as business advisory and solutions for public listed companies, private companies and

	<p>branches of multinational companies while Tan Sri Norazman has vast experience in many sectors of business through his directorships in various companies, and therefore would be able to offer constructive comments and objective review of proposals. Throughout their tenure of service, they have acted in the best interest of the Company and have continued to exercise independent judgement and due care;</p> <ul style="list-style-type: none"> • They have not developed, established or maintained any significant relationship, which would impair their independence as Independent Directors, with the Executive Directors and major shareholders other than normal engagements and interactions on a professional level consistent and expected of them to carry out their duties as Independent Non-Executive Directors, Chairman or member of the Board Committees; and • They have devoted sufficient time and attention to their professional obligations for informed and balanced decision-making. <p>Ms. Lam and Tan Sri Norazman have offered themselves for re-election at the upcoming AGM of the Company.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied																			
Explanation on application of the practice	:	<p>All the Directors are expected to devote sufficient time to carry out their responsibilities and shall not sit on the boards of more than 5 listed companies. The Directors are required to notify the Chairman of the Board before accepting any new directorships in listed companies, the notification of which shall include an indication of time that will be spent on the new appointments. The procedures for appointment of Directors are set out in Paragraph 2.3 of the Board Charter.</p> <p>The Board's composition has the right balance of experience, skills and expertise to make meaningful contributions to the Board's deliberation and decision-making. Brief profile of each Board member is provided in the Annual Report 2023 under Profile of Directors. The current diversity in the race/ethnicity (cultural background), age and gender of the existing Board, all of whom are Malaysians, is as follows:</p> <table border="1"><tr><td rowspan="2">Race/Ethnicity</td><td>Malay</td><td>1</td></tr><tr><td>Chinese</td><td>5</td></tr><tr><td rowspan="4">Age Group</td><td>21-30</td><td>1</td></tr><tr><td>51-60</td><td>2</td></tr><tr><td>61-70</td><td>1</td></tr><tr><td>71-80</td><td>2</td></tr><tr><td rowspan="2">Gender</td><td>Male</td><td>3</td></tr><tr><td>Female</td><td>3</td></tr></table> <p>The brief particulars of current Key Senior Management Team are provided in the Annual Report 2023 under Key Senior Management Team. They are all Malaysians with diversity in the following perspectives as set out in the table below:</p>	Race/Ethnicity	Malay	1	Chinese	5	Age Group	21-30	1	51-60	2	61-70	1	71-80	2	Gender	Male	3	Female	3
Race/Ethnicity	Malay	1																			
	Chinese	5																			
Age Group	21-30	1																			
	51-60	2																			
	61-70	1																			
	71-80	2																			
Gender	Male	3																			
	Female	3																			

	Race/Ethnicity	Malay	1
		Chinese	3
		Indian	1
	Age Group	31-40	1
		41-50	1
		51-60	2
		61-70	1
Gender	Male	5	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The appointments of Ms. Lung Sai Mei and Ms. Chuah Hui Jing as Independent Non-Executive Director and Non-Independent Non-Executive Director on 1 March 2024 and 24 August 2023 respectively were recommended by the existing Director. The Nomination & Remuneration Committee has assessed and is satisfied with Ms. Lung's and Ms. Chuah's character, integrity, professional background, skills, expertise, knowledge, working experience and time commitment in discharging their roles as Independent Non-Executive Director and Non-Independent Non-Executive Director respectively before making recommendations to the Board for consideration and approval. In conducting the assessment, the Nomination & Remuneration Committee was guided by the fit and proper criteria as stipulated in the Directors' Fit & Proper Policy.</p> <p>The Board did not utilise independent sources to identify suitably qualified candidates in view of cost consideration and effectiveness, taking into account Ms. Lung's and Ms. Chuah's potential contribution to the Board in terms of their qualifications, skills and experience. The Directors and the Management have considerable experience and knowledge in the gaming industry and are able to look for candidates with the right qualification, background and attributes that would be a good fit for the Group.</p> <p>The Board will consider utilising independent sources in identifying suitably qualified candidates should the need arises in future.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	<p>The details of the Directors’ interest, position and working experience are set out in the Profile of Directors in the Annual Report and are also available on RGB’s website (http://www.rgbgames.com/home/board-directors.html).</p> <p>The performance of the retiring Directors is assessed by the Nomination & Remuneration Committee and the Board before recommendation is made to the shareholders for consideration. For Independent Non-Executive Directors, the Nomination & Remuneration Committee also assesses their level of independence.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	<p>According to the TOR of the Nomination & Remuneration Committee, the Chairman of the Nomination & Remuneration Committee shall be an Independent Non-Executive Director or the Senior Independent Non-Executive Director appointed by the Board.</p> <p>Ms. Lam Voon Kean, the Independent Non-Executive Director, is the Chairman of the Nomination & Remuneration Committee. As the Chairman of the Nomination & Remuneration Committee, she led the succession planning and appointment of Board members and led the annual performance evaluation of each Director, the Board and Board Committees.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board is supportive of gender diversity to comprise 30% woman directors as recommended by the MCCG and currently has 3 women Directors, representing 50% of the Board members.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company does not have a formalised gender diversity policy alongside targets and measures for the Board and senior management. However, the issue of diversity is discussed and given prominence during deliberations by the Nomination & Remuneration Committee and the Board.	
		The Board acknowledges the importance of gender diversity and recognises the benefits it can bring. The Company will consider increasing women representation at board and senior management levels when there is a vacancy and/or when suitable candidates are identified. However, the appointment of new Board and/or senior management members will not be guided solely by gender but will also take into consideration the experience, skills and knowledge of the candidates.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination & Remuneration Committee conducts annual performance evaluation of each Director, the Board, Board Committees and the personnel primarily responsible for the management of the Group's financial affairs ("Head of Finance") based on self and peer assessment approach for continuous improvement. The character, integrity, experience, competence, time and commitment of each Director and Head of Finance are assessed as well as the skills and knowledge of each Director is analysed, inter alia, in the areas of strategy, entrepreneurship, legal and regulatory requirements, CG, risk management, internal controls, audit, accounting, financial reporting, taxation, human capital, sales and marketing, information technology, production and quality assurance. The effectiveness of the Board and its Committees is evaluated in terms of board mix, composition, quality of information, decision-making, boardroom activities and board's relationship with the management as well as board's performance in addressing material sustainability risks and opportunities. The effectiveness of the Audit Committee is further assessed in the aspects of its quality, skills and competencies as well as the conduct and administration of the Audit Committee meetings.</p> <p>The Nomination & Remuneration Committee has carried out the evaluation on 29 February 2024 based on questionnaires tailor-made for the Company incorporating best practices of MCG as the method of evaluation. The evaluation process was conducted internally and facilitated by the Company Secretaries. The Directors and Head of Finance have completed the assessment and evaluation forms for the financial year under review and have provided their comments and recommendations for improvements. The results of the evaluation and recommendations of the Nomination & Remuneration Committee were considered by the Board and appropriate action is taken where necessary with a view to enhance the effectiveness of the Board, its</p>

	Committees and each individual Director in discharging their duties and responsibilities.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has put in place a Remuneration Policy which sets out the determinants and structure of remuneration of Executive Directors, Non-Executive Directors and key senior management of the Company as well as the procedures to determine their remuneration.</p> <p>This policy is established for the purpose of ensuring that the Company has remuneration guidelines that are:</p> <ul style="list-style-type: none"> • appropriate to attract, retain and motivate the Directors and key senior management; • fair and reasonable having regard to the demands, complexities and performance of the Company as well as the level of competencies, scope of work and responsibilities of the individual Directors and key senior management; and • aligned with the business strategy and long-term objectives of the Company. <p>This policy was last revised on 26 March 2024 and is available on the Company's website (http://www.rgbgames.com/home/about-us.html).</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	

Timeframe	:		
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Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination & Remuneration Committee of RGB comprises 4 members, majority of whom are Independent Non-Executive Directors.</p> <p>The main roles of the Nomination & Remuneration Committee, amongst others, are to ensure that the Board comprises Directors with appropriate skills, knowledge, expertise and experience as well as to ensure a proper balance of Executive Directors and Non-Executive Directors (including Independent Directors), and to review and recommend to the Board the policy framework and remuneration structure for Executive and Non-Executive Directors as well as senior management.</p> <p>The Nomination & Remuneration Committee's TOR was last revised on 27 February 2023 and is placed on the Company's website (http://www.rbggames.com/home/about-us.html).</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	<p>The details of the remuneration of the Directors for the financial year ended 31 December 2023 are set out in the table on the next page.</p> <p><u>Notes:</u></p> <p>(a) 'Fee' is subject to the approval of shareholders of the Company.</p> <p>(b) 'Allowance' represents meeting allowance.</p> <p>(c) 'Other emoluments' include contributions to defined contribution plan and social security contributions.</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Seri Chuah Kim Seah	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	555,552	174,894	Input info here	30,064	760,510
2	Datuk Steven Lim Tow Boon	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	504,060	158,684	Input info here	27,260	690,004
3	Ms. Lam Voon Kean	Independent Director	114,400	10,000	Input info here	Input info here	Input info here	Input info here	124,400	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Tan Sri Norazman Hamidun	Independent Director	114,400	6,000	Input info here	Input info here	Input info here	Input info here	120,400	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Ms. Chuah Hui Jing (<i>appointed on 24 August 2023</i>)	Non-Executive Non-Independent Director	28,600	Input info here	Input info here	Input info here	Input info here	Input info here	28,600	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Dato' Seri Mahinder Singh Dulku (<i>retired on 26 May 2023</i>)	Independent Director	64,625	4,000	Input info here	Input info here	Input info here	Input info here	68,625	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board is of the view that the disclosures of senior management's remuneration in the Audited Financial Statements are adequate as it complies with the requirement of Paragraph 17 of MFRS 124 "Related Party Disclosures".</p> <p>Moreover, detailed remuneration on a named basis of 2 senior management have been disclosed under Practice 8.1 above.</p> <p>The Board believes that the non-disclosure of the top 5 senior management's remuneration will not affect the interest of the shareholders.</p>
		<p>The Company does not have any alternative plan to meet the intended outcome.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>Ms. Lam Voon Kean is the Chairman of the Audit Committee whilst Dato' Seri Mahinder Singh Dulku, who retired on 26 May 2023, was the Chairman of the Board. Presently, the Board does not have a Chairman.</p> <p>This practice has been incorporated into the TOR of the Audit Committee, which is published on the Company's website (http://www.rgbgames.com/home/about-us.html).</p>	
Explanation for departure	:		
	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	<p>The TOR of the Audit Committee stipulates that no former partner of the Company's external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting, etc.) shall be appointed as a member of the Audit Committee before observing a cooling-off period of at least 3 years.</p> <p>None of the members of the Board were former partners within the cooling-off period of 3 years. Hence, there is no such person being appointed as a member of the Audit Committee.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has assigned its Audit Committee to assess, monitor, review and supervise the suitability, objectivity and independence of the external auditors annually. This responsibility is enshrined in the TOR of the Audit Committee while the procedures for the conduct of such assessment are guided by the External Auditors Assessment Policy. This policy was last reviewed on 29 February 2024.</p> <p>The Audit Committee has assessed the independence of the current external auditors of the Company on 27 February 2023 vide a set of questionnaires tailor-made for the Company covering the calibre of the external audit firm, quality of processes and performance, audit team, independence and objectivity, audit scope and planning, audit fees, and their communications with the Audit Committee prior to recommendation to the Board for endorsement before seeking shareholders' approval for re-appointment at the 20th AGM held on 26 May 2023. The current external auditors, having been re-appointed by the shareholders annually at the AGM, were initially appointed on 25 May 2011. The external auditors have confirmed that they are, and have been, independent throughout the conduct of the audit engagement for the financial year ended 31 December 2023 in accordance with the terms of all relevant professional and regulatory requirements and have provided the declaration in their annual audit plan and audit findings report presented to the Audit Committee of the Company. The Audit Committee is satisfied with the external auditors' technical capability and audit independence.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied
Explanation on application of the practice	:	<p>Ms. Lam Voon Kean, who is a member of Malaysian Institute of Accountants ("MIA") and Malaysian Institute of Certified Public Accountants ("MICPA"), is the Chairman of the Audit Committee. The academic and professional background of the rest of the Audit Committee members varies. With vast knowledge, skills and experience from various industries, they are able to understand matters under the purview of the Audit Committee and therefore they are able to provide sound advice to the Board.</p> <p>The TOR of the Audit Committee stipulates that its members shall undertake continuous professional development training to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.</p> <p>The Audit Committee members have attended several seminars, development and training programmes, the details of which are set out in the Annual Report 2023 under Paragraph II of the CG Overview Statement.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established an effective risk management and internal control framework to safeguard its shareholders’ investment, interest and the Group’s assets.</p> <p>The Board, via Audit and CRRRA Committees, undertakes overall responsibility for risk oversight and risk management.</p> <p>Details of the Group’s risk management and internal control are set out under Statement on Risk Management and Internal Control in the Annual Report 2023.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	The Board has disclosed the key features of its risk management and internal control system as well as its adequacy and effectiveness in the Statement on Risk Management and Internal Control in the Annual Report 2023.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function of the Company is outsourced to Messrs. KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG"), a professional service provider, for independent appraisal.</p> <p>To ensure effective management and independence of the internal audit function, the Audit Committee is empowered by its TOR to:</p> <ul style="list-style-type: none"> • review with the internal auditors whether the employees of the Group have given them the appropriate assistance in discharging their duties; • review the adequacy of the scope, budget, competency and resources of the internal audit function and that it has the necessary authority to carry out its work; • review the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken by management on the recommendations; • appraise the performance of the head of internal audit and review the appraisals of senior staff members of the internal audit; and • approve any appointment or termination of the head of internal audit and senior staff members of the internal audit function and to review any resignations of internal audit staff members and provide resigning staff members an opportunity to submit reasons for resigning, where necessary.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied						
Explanation on application of the practice	:	<p>The internal audit engagement by KPMG is headed by its Executive Director, namely En. Mohd Khaidzir Shahari, who is a professional member of the ACMA, MIA, CGMA, CIA. He currently leads the Risk Consulting Practice in KPMG, Malaysia. He has accumulated more than 25 years of experience with extensive audit, accounting, quality assessment review, risk management engagements and consulting experience. He provides overall direction of the internal audit engagement and is responsible for all stages of the audit work and maintains contact with the management to ensure open communication is practised and all internal audit work is carried out effectively and on a timely manner.</p> <p>All the personnel deployed by KPMG are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work.</p> <p>A total of 6 personnel were deployed by KPMG for the internal audit work during the financial year ended 31 December 2023. All the personnel possess tertiary qualifications and the level of expertise and professionalism is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Expertise category</th> <th style="width: 40%;">Percentage of total auditors</th> </tr> </thead> <tbody> <tr> <td>Professional (ACCA, CPA, CIA, etc.)</td> <td style="text-align: center;">50%</td> </tr> <tr> <td>Bachelor degree</td> <td style="text-align: center;">50%</td> </tr> </tbody> </table> <p>The internal audit work was carried out in accordance with a framework set by a recognised professional body i.e. International Professional Practices Framework for Internal Auditing issued by Institute of Internal Auditors, of which final communication of internal audit plan, processes and results of the internal audit assessment are supported by sufficient, reliable and relevant information which signifies a satisfactory conclusion of the internal audit work.</p> <p>The internal audit adopts a risk-based approach and prepares its audit plan based on the risk assessment and evaluation framework of the</p>	Expertise category	Percentage of total auditors	Professional (ACCA, CPA, CIA, etc.)	50%	Bachelor degree	50%
Expertise category	Percentage of total auditors							
Professional (ACCA, CPA, CIA, etc.)	50%							
Bachelor degree	50%							

	<p>Group. The internal audit plan is reviewed and approved by the Audit Committee.</p> <p>The internal audit reports were forwarded to the management concerned for attention and necessary action and presented to the Audit Committee. The management is responsible for ensuring that a written reply on action plan is sent to the Internal Auditors and corrective actions are taken.</p> <p>KPMG reported to the Audit Committee that while it has addressed certain individual lapses in internal control during the course of its internal audit assignments for the year, it has not identified any circumstances which suggest any fundamental deficiencies in the Group's internal control and risk management system.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group recognises the importance of being accountable to its shareholders and investors and as such has maintained active communication and feedback policy with institutional investors, shareholders and public generally to explain the Group's strategy, performance and major developments.</p> <p>The annual reports, press releases, quarterly results and any announcements on material corporate exercises are the primary means of disseminating information on the Group's activities and financial performance.</p> <p>The Company has in place an Investor Relations Policy which is published in the Company's website (http://www.rbggames.com/home/investor-policy.html). The policy set as a guiding principle for the basis of the Company's Investor Relations activities to ensure effective communication with shareholders, investors, analysts and general public. Investors are encouraged to access the website www.rbggames.com for the latest announcements as well as information on the Group's products and services. Alternatively, they may obtain the Group's latest announcements through Bursa Securities' website at www.bursamalaysia.com.</p> <p>Any queries or concerns regarding the Group may be directed to the Investor Relations division via its dedicated e-mail at ir@rbggames.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other’s objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company provides additional time for the shareholders to make necessary arrangement to attend the AGM of the Company, either in person or by proxy, by giving 28-day notice in line with good CG practice instead of the 21-day requirement under the Companies Act 2016 and MMLR of Bursa Securities.</p> <p>The notice of the 20th AGM of the Company dated 28 April 2023 was issued to the shareholders at least 28 days before the AGM which was held on 26 May 2023. The notice also included details and relevant explanatory notes to the resolutions proposed to enable the shareholders to make informed decisions in exercising their voting rights.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied	
Explanation on application of the practice	:	The 20 th AGM of the Company held on 26 May 2023 was attended by all the Directors and the Company Secretary. The Chairman of all the Board Committees, senior management and the Company's external auditors, BDO PLT, have also attended the AGM to answer questions raised and provide clarification as required by the shareholders.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	RGB has adopted electronic poll voting at its 20 th AGM held on 26 May 2023 for all resolutions proposed to provide more efficient and accurate outcome of the results.	
		As an alternative practice, the shareholders who are unable to attend the general meetings of the Company may appoint any person(s) as their proxies to attend and vote on their behalf at the general meetings.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	At 20 th AGM of the Company, the former Chairman of the Board Dato' Seri Mahinder Singh Dulku, briefed the members, proxies and corporate representatives present of their right to participate, speak and vote on the resolutions set out in the notice of AGM. The former Chairman had ensured that sufficient opportunities were given to the shareholders to pose questions by providing ample time for Question & Answer session. The former Chairman also invited the shareholders to raise questions on each item on the agenda before putting the resolution to vote.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice :	
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of the 20 th AGM of the Company has been uploaded on RGB's website (http://www.rgbgames.com/home/latest-dev.html) within 30 business days of the AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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