



# **SUSTAINABILITY REPORT**





Before



After

## SUSTAINABLE DEVELOPMENT

**Sustainable Development** to us means going beyond mere acts of philanthropy or surface-level Corporate Social Responsibility endeavours. It is an intrinsic and invaluable element that has been very much embedded into our values and business strategies and forms a core essential of our corporate DNA.

As a global leader in the leisure and hospitality industry, sustainable development is imperative to us and defines how we operate as a multinational global corporation. At the heart of our sustainability strategy is the goal of achieving sustainability in all that we do, from providing responsible world-class entertainment, products and services, to the well-being of our employees, environmental awareness and conservation and the development of the communities that we serve.

In order to remain financially viable and operationally sustainable, we have centred our sustainable development policies on four basic pillars – Environment, Marketplace, Workplace and Community. This framework structures our commitment to conduct our business operations in a sustainable and responsible manner while fulfilling our core responsibilities towards all our stakeholders.

## MALAYSIA

### ENVIRONMENT

We have long made the protection and preservation of the environment an integral part of our corporate philosophy and business policy. As such, we are committed to maintaining a responsible approach to the environment and nature particularly in the conservation of natural resources (energy, fuel and water), waste management and preservation of the flora and fauna.

Our Environmental, Health & Safety (EHS) Committee covers all significant aspects of our operations and ensures that we are in compliance with all applicable environmental legislation (ISO 14001) and other requirements in taking proactive steps to prevent environmental pollution and conserve energy, water consumption and waste generation.



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**Energy Efficiency:** In 2011, we implemented several conservation and efficiency improvements measures. These included replacing conventional lights with longer-life and energy saving lights, replacement of metal halide spotlights with induction lamps and replacement of reciprocating compressors for aging chillers with scroll / screw compressors.

Our diesel conservation projects are aimed at alleviating the depletion of our natural resources and air pollution. All

our pump house diesel engines have been replaced with electrical motors which reduces our diesel consumption to approximately 2.4 million liters per year.

**Waste Management:** Our waste management procedures outline standard guidelines for the management of solid and scheduled wastes. The procedures ensure that the wastes are properly identified, segregated, handled, transported and disposed off in line with the environmental policy, legal and other requirements. The EHS Committee ensures waste management processes are regularly audited in compliance with set standards.

### Other Environmental Initiatives

**Earth Hour 2011:** We took a stand against global warming for the third consecutive year by switching off all non-essential exterior lights and electrical appliances for an entire hour, from 8:30pm to 9:30pm.

**Landscaping Enhancement:** We embarked on a year-long 'green' initiative by planting approximately 3,000 trees in and around our Resort in Genting Highlands.

**Birds & Flora Photography Competition:** *RWG* is the only integrated resort surrounded by a rare 130 million-year-old rainforest and is home to 30% of the 745 bird species in Malaysia, some of the oldest trees and plants, exquisite insects and rare flora and fauna. The purpose of the competition which was held in March and April 2011 was to create and instill an awareness of the beauty of the natural treasures amidst our surroundings. The winning photographs were published in *RWG's* coffee table book entitled 'Nature's Footprint' which was launched by the Minister of Natural Resources and Environment, Dato' Sri Douglas Uggah Embas.

1 About 3,000 trees were planted in and around Resorts World Genting in 2011.

2 New pump house using electric motors.

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**Love the Nature Programme:** In November, over 150 young people from the Rakan Muda programme were invited to Awana Genting Highlands Golf & Country Resort to participate in the RWG's 'Love the Nature' with Rakan Muda programme.

## MARKETPLACE

In maintaining a responsible approach to the environment in particular areas of climate protection and conservation of natural biodiversity, we have invested in energy-efficient drive technologies, careful use of natural resources and other initiatives to minimise negative impacts on the environment.



Many of our social and environmental impacts are derived from activities in our supply chain. Controlling whom we buy the products from, our method of purchase and what we buy is an important part of our strategy to reduce negative environmental and social impact.

As an example in supporting our 'Go Green' initiatives, we purchase locally-grown food which translates to lower transportation and packaging cost, less fuel consumption and lower emission of carbon dioxide (CO<sub>2</sub>) into the atmosphere. Our cost-effective measures which ensure the freshness of our products also lend economic stability to the local farming community and vendors.

The Environmental Quality Act 1974 stipulates proper disposal of products that are considered environmentally unfriendly or cause adverse constraint on the environment and for the control on emission of environmentally hazardous substances, pollutants and waste. To this effect, we have engaged the services of Green Seal certified companies to establish and apply an environmental management system for our business.

Our Hazard Analysis and Critical Control Point (HACCP) certification demonstrates our commitment in maintaining healthy food practices and standards, improving our employee awareness of their role in protecting consumers and eliminating or minimising the risks of food safety hazards.

We are also playing an active role towards creating a healthy and less polluted environment by selling our used cooking oil to a certified supplier. This prevents unscrupulous or irresponsible traders from recycling and retailing the cooking oil as fresh or unused merchandise.

We are also committed to the personal well-being of our guests and have implemented the Self-Exclusion Programme, whereby guests with a compulsion to gamble can voluntarily have themselves prohibited from the Casino. A fully-renovated Responsible Gaming Room has been specifically dedicated for this purpose. We have also made available brochures on

responsible gaming and the self-exclusion programme at the entrance of all our casinos.

In addition, our senior staff have been trained and is conversant in responsible gaming and advisory skills. Currently our casinos have about 10 Hong Kong-trained responsible gaming counselors.

## WORKPLACE

The Group has a global workforce of over 19,000 employees. At GENM, we regard the commitment and creativity of our employees, efficient working practices and a safe and good working atmosphere as essential pre-requisites for maintaining a good reputation and achieving business success.

**Employee Development:** The year 2011 marks an evolutionary progression and logical step for our talent management practice. As a key pre-requisite for sustainable international expansion, we embarked on increasing the standards of assessing and developing our people, elevating the level of professionalism and objectivity in talent decisions; a realm commonly plagued with subjective evaluations.

We also organised various conferences and seminars for the development of our senior management. The 23rd Genting Malaysia Senior Managers' Conference was held in Awana Kijal, Terengganu in October 2011. Themed "Purpose Driven Organisation", the conference focused on how companies can engage their people into passionately committing to a compelling cause behind the organisation's mission and core values, and how it drives behaviors and in return creates shareholder value.

- 1-2 Birds & Flora Photography Competition
- 3 Launch of Resorts World Genting's 'Nature's Footprint' Coffee Table Book.
- 4 Natural surroundings of Genting Highlands.



**Education Enhancement:** The Genting Malaysia Education Fund (GENMEF) awarded 22 scholarships worth RM1.7 million to well-deserving and talented external recipients and employees. In recognising the escalating cost of living and to further alleviate the financial burdens of our full-time scholars, the GENMEF Committee passed a resolution in December 2011 to further extend financial assistance in the form of an additional fixed annual allowance which ranges up to RM50,000 per annum (depending on the type of scholarship), beyond the existing tuition fee coverage.

**Safe Workplace:** We are committed to protecting the health and safety of our guests, employees, suppliers and the public by providing a safe and healthy environment.

In cooperation with health and safety experts, we organise monthly OSH Talks to reinforce the importance of safety and health awareness among our workers and relatively to minimise occupational accidents in the respective workplace.

#### No-Smoking Policy and Enforcement

Our 'No-Smoking Policy' has been introduced to mitigate the risk of smoking-related fire incidents. To reinforce the policy and emphasis how serious we view this matter, the OSH Section organised regular joint 'No-Smoking Enforcement' with the Management during which our Senior Management made random checks in office buildings, walkways, RSC areas and canteens.

#### Noise Exposure Monitoring

In an effort to provide a healthier working environment, the OSH Section has proactively initiated a 'Noise Exposure Monitoring Programme' at Wisma Genting, Kuala Lumpur. This programme was initiated to mitigate the risk of long term hearing impairment for employees working in higher noise areas through appropriate work practices and control measures.

**Total Quality Management (TQM):** TQM focuses on quality planning, process management and total participation. We aim to deliver total quality encompassing the product and services and everything that accrues in the organisation that would ultimately lead to customer satisfaction.



Two of our main initiatives in this respect are our Quality Improvement Teams (QIT) and our Standard-based Management System/Quality Management System (QMS).

#### Quality Improvement Teams (QIT)

Continuous company-wide quality improvement is our commitment in the pursuit of excellence. This year, 23 QITs jointly concentrated

on improving opportunities to reduce cost, increase efficiency and improve level of customer satisfaction relentlessly.

The QITs are ingredients for great success, both at personal and organisational level as it provides individuals with the opportunity to learn new things, tackle challenges and problems, acquire and apply new skills, build character and gain confidence, and learn to be independent.

#### Standard based Management System/QMS

Applying QMS has allowed us to not only maintain high and consistent quality standards but also requires us to continuously keep raising the bar. Most importantly, we are able to assure all stakeholders that we continuously provide excellent products and services. To date, we have 12 certifications that are maintained at excellent level of conformance status.

**Employee Wellbeing:** We ensure that our employees continue to enhance skills that promote holistic development by organising various sports events, wellness and health activities, weight management programmes, talks and self improvement skills.

## COMMUNITY

Community development remains a priority for us at GENM and philanthropic contribution is one of the ways we adopt to support the various community development activities and deserving causes such as education, sports, youth development, culture and arts, infrastructure support to local communities, the underprivileged, disability groups and NGOs. Contributions are made both in cash and in kind throughout the year.

Employee volunteerism, carried out through the GENM We CARE Team and the Awana We CARE Teams, encourages and provides an avenue for employees within the organisation to give some of their time, energy and talents for the betterment of the society.

1 Genting employees engaging in sports activities for a healthy work-life balance.

2 Genting Malaysia ranked 9th for Malaysia's Top 100 Leading Graduate Employers Award 2011.

3 Dedicated Casino Table Games staff after receiving recognition at the Model Employee of the Month Award presentation ceremony.

# SUSTAINABILITY REPORT



## Services to Communities:

Our contributions reach out to different sectors of the community irrespective of race and religion. In the year 2011, we contributed both in cash and kind to various groups and sectors in the community. Among the beneficiaries included the Malaysian Liver Foundation, MAA-Medicare Kidney Foundation, OrphanCare Baby Hatch Programme, Malaysian Crime Prevention Foundation, Malaysia Diabetes Association.

Another community service we undertook was the Roti 1Malaysia Charity Project, a joint collaboration with 20 hotels in the Klang Valley, which involved the distribution of bread to approximately 50 orphanages and homes.

**Underprivileged and Disability Groups:** In our continuous effort to support the underprivileged community, we contributed to 71 homes and charitable organisations during the Chinese New Year and Hari Raya Aidilfitri 2011 celebrations – the recipients ranged from orphanages and welfare homes for the elderly to centres for the disabled and NGOs. This is in addition to our year-long contributions to the various charitable homes and organisations as well as the underprivileged and marginalised communities.

Over the year, we also hosted more than 4,000 individuals at the Resort and Theme Park for a full-day programme of activities, meals and merry-making.

On 19th November 2011, the Sultanah of Pahang Duli Yang Maha Mulia Sultanah Hajjah Kalsom binti Abdullah officially launched one of our pet projects, the Orang Asli Che Wong Cultural Building in Lanchang, Pahang. The RM180,000 building donated by GENM consists of a 2,800 square feet cultural building containing a classroom, an exhibition room and a hall for performances. Our volunteers were instrumental in the landscaping and beautification efforts.

**Education:** We see education as an important part of making sustainable futures real for everyone. We support programmes, training sessions and educational endeavours that have been designed to ensure our younger generation gain more knowledge and are competent.



Our collaborations include the sponsorship of 1,000 helmets for school children for the Road Safety Campaign organised by the Bentong District Council. The campaign was a fun and educational venture aimed at creating awareness on road safety and to minimise road accidents involving school children.

We also collaborated with the Ministry of Education and

Yayasan Inovasi Malaysia in sponsoring children from the lower income groups to participate in the 'Kids Invent!' workshop. The 'Kids Invent!' workshop is designed to teach children about Science, Maths, invention, entrepreneurship, innovation and creativity through engagement with adult-led hands-on projects. A total of 150 children between the ages of 9 to 12 attended the workshop.

In 2011, the Group invested in securities issued by Jana Pendidikan Malaysia Sdn Bhd to acquire Pan Malaysian Pools Sdn Bhd. This led to the establishment of The Community Chest - an independent, non-profit charitable organisation - by the private sector to promote and support the local community in Malaysia. The Community Chest was officially launched by the Prime Minister of Malaysia YAB Dato' Sri Mohd Najib Tun Abdul Razak on 26 September 2011. Managed by a Board of Trustees and chaired by Tan Sri Lim Kok Thay, The Community Chest's initial focus is on education. Its first batch of funds amounting to RM26.1 million was allocated to 61 vernacular and mission schools in Malaysia.

**Sports:** We believe that sporting activities are essential to help groom a nation that is dedicated, driven and athletic. In line with this, GENM contributes substantially to help organisations and ministries execute various sporting events. GENM is one of the main sponsors and official partner of the King of Mountain (KOM) jersey for Le Tour de Langkawi.

We also provided funds to the Football Association of Malaysia, Selangor Tennis Association (Junior Development Programme 2011), The Malaysia Netball Association, the Special Olympics World Games, the Malaysian Rugby Union, The Federation of International Polo, Sukan Malaysia (SUKMA) XIV and the Jelajah 1Malaysia Cycling Event, among others.

- 1 Dato' Lee Choong Yan (left), President & Chief Operating Officer of Genting Malaysia together with top officials of Roti 1Malaysia, kick-starting the bread sponsorship support by Resorts World Genting.
- 2 Tun Mohammed Hanif Omar (2nd row, 9th from left), Dato' Lee Choong Yan (2nd row, 8th from left) and the Senior Management of Genting Group together with the recipients at the *Majlis Sumbangan Hari Raya Aidilfitri 2011*.
- 3 Celebrating Fairy Godmothers & Santa's Wonderland Christmas Party at Resorts World Genting with the underprivileged children, special guests Puan Sri Cecilia Lim and Toh Puan Hamidah Abdul Hamid as well as the senior management team of Genting Malaysia.



As in the past, we continued to participate in the Kuala Lumpur Rat Race and Standard Chartered KL Marathon which are held annually to raise funds for deserving charitable bodies.

**Arts and Culture:** We help nurture and cultivate appreciation for the arts and culture by contributing towards the promotion of music and performing arts. We sponsored the staging of a cultural performance, *Magic Mirror The Musical* at Istana Budaya, Kuala Lumpur and the International Art Exchange Programme in Vienna.

In terms of supporting our local culture and youth in performing arts, the Resort annually hosts groups of young musicians from the National Youth Symphony Orchestra to showcase their talents at *Resorts World Genting*. The OSR programme which is under the Ministry of Information, Communications and Culture provides intensive education and training for young people between the ages of 8 and 18.

As a home-grown organisation, we also take pride in preserving our local heritage and have contributed towards the upgrading and refurbishment of the 131 year-old Kwong Fook Temple and the 97 year-old Bentong Chinese Town Hall.

**We CARE Team:** Our GENM We CARE Team and Awana We CARE Team encourages community service among employees to cultivate the spirit of "gotong-royong". The teams now have nearly 1,000 members including those from Genting Highlands, Awana Kijal and Awana Langkawi.

#### GENM We CARE Team

Some of the activities undertaken by our We CARE Team during the year include repairing buildings of various charity homes, donation of food supplies to impoverished communities and providing free tuition for underprivileged children.

#### Awana Genting We CARE Team

The Awana Genting We CARE Team undertook three main projects for the year in addition to other joint activities with the GENM We CARE team. The first project was organising a career motivational talk for the children of Rumah Kanak-Kanak Tengku Ampuan Afzan in Raub, Pahang. The team also held some fun interactive English games and activities that enabled the children to learn new techniques in mastering the English language.



In the month of June, Awana Genting hosted a UPSR Motivation Camp in collaboration with eight primary schools from the Bentong district. A total of 105 students attended the camp which focused on leadership skills, teamwork, effective communication and self-confidence. The students each received a Certificate of Attendance at the end of the camp.

Our third main project was hosting a Majlis Buka Puasa at the resort for 35 orphans from Rumah Kanak-Kanak Tengku Ampuan Afzan Raub, Pahang.

#### Awana Kijal We CARE Team

The team participated in the 'Program Jiwaku Bersama Rakyat' organised by the ADUN of Kijal, YAB Dato' Seri Hj Ahmad bin Said at Kampong Meraga Beris in Kijal, where our volunteers assisted in the replacement of roofs for seven housing units.

The team also organised a cleaning activity with RANACO Marine students from Kemaman, Kelab Sukan Sosial & Rekreasi Awana Kijal and Majlis Perbandaran Kemaman to clean the beachfront and the Meraga Kijal Muslim Cemetery.

Other activities included the sponsorship of food and drinks to Kelab Perpustakaan JKKK Meraga Beris Kijal during their colouring competition, hosting a Hari Raya Aidilfitri Open House for underprivileged children from the Kerteh and Kemasek Community Centres and sponsoring a hi-tea for participants of the 'Program Jelajah Terengganu' cycling trip.

#### Awana Porto Malai We CARE Team

Our We CARE Team kept guests entertained during the Earth Hour 2011 by organising outdoor activities and games, while creating awareness on the need to conserve energy.

The team joined in the gotong-royong organised by the Langkawi Development Authority at Pantai Cenang together with the other hotels. The team also organised a beach clean-up gotong-royong session at Pulau Ular.

Other activities included hosting a lunch for special children from Sekolah Menengah Kebangsaan Tunku Putra, Langkawi and organising a Malaysia Day colouring contest and fancy dress competition for children.

- 1 Sultanah of Pahang Duli Yang Maha Mulia Sultanah Hajjah Kalsom binti Abdullah talking to the children during her visit to the classroom at the launching of the Orang Asli Che Wong Cultural Building.
- 2 YB Dato' Sri Liow Tiong Lai, Member of Parliament, Bentong (1<sup>st</sup> row, 2<sup>nd</sup> from right) and Tan Sri KT Lim, Chairman of GENM (1<sup>st</sup> row, 3<sup>rd</sup> from right) together with members of the organising committee of the Bentong Chinese Town Hall official opening ceremony.
- 3 Awana Kijal We Care Team roof replacement initiative.

# SUSTAINABILITY REPORT



## UNITED KINGDOM

### ENVIRONMENT

Genting UK has held the Carbon Trust Standard throughout 2010 and 2011 and continues to maintain a strong focus on its environmental responsibilities. Genting UK has benefited from the cost savings derived from the energy conservation initiatives that it introduced and is committed to retaining the Carbon Trust Standard in 2012. We calculated that our electricity consumption, which accounts for the majority of our carbon emissions, has been reduced by over 5% in 2011, equating to a reduction in CO<sup>2</sup> emissions of over 730 tonnes CO<sup>2</sup>. This was achieved by a combination of engaging with our teams to raise the profile of energy saving, new building control systems in some casinos and the installation of over 3,500 of the latest LED energy-saving bulbs.

The UK Government published its first Carbon Reduction Commitment League Table in October 2011 and Genting UK was placed in the top 5% of the organisations in the scheme demonstrating exemplary performance in energy consumption management.

In looking at ways to reduce the amount of refuse sent to landfills, we have so far successfully trialed new equipment to ensure that all our cardboard waste is recycled. Additionally, a programme to better manage the number of refuse collections has reduced the number of wasted miles for the refuse lorries.

The new Genting Club Riverlights which opened in November 2011 features sophisticated control systems to manage lighting and heating levels to ensure maximum efficiency.

Throughout 2011, we ran our Management Development Programme and this included a specific module relating to Carbon Cost and Management. Many of the participants referred to the efforts they are making to implement the learning in their own workplace.

### MARKETPLACE

Giving customers the best experience possible in our casinos is paramount and Genting UK values the achievement of gaining GamCare accreditation throughout our casinos for our social responsibility practices. For example, all staff members are trained in responsible gambling and key people will approach and interact with customers if they have concerns about their gambling to offer support and discuss available help. We also support and contribute to the GREaT Foundation, which raises funds through voluntary donations to support socially responsible gambling research, education and treatment.



Our Signature Service Scheme was launched during the year, in which all our employees received customer service training. Customer Service Champions are in place in every casino to ensure our customers receive the highest levels of customer service with feedback and scoring by customers encouraged. Signature Service includes regular customer satisfaction surveys and focus groups.

### WORKPLACE

Employees are an integral part of the business and as at 31<sup>st</sup> December 2011, Genting UK has over 3,200 employees with 173 receiving Long Service Awards for 10, 20 and 30 years of service.

During 2011, we introduced our customer service programme, Signature Service, with training provided to all our employees. The programme has worked well in raising the profile of the importance of delivering exceptional service to our customers and this message will continue to be reinforced in all our Learning and Development programmes going forward.

The HR team continued to deliver Management Development courses across the business and have acted as coach and mentor to our management teams to ensure their people management skills are continually enhanced. In addition, all our General Managers attended a four-day Management Development Programme covering Leadership and Performance Management skills.

During 2011, we recruited a Learning and Development specialist to the HR team and we have plans to provide a much wider range of learning opportunities for all our employees in 2012 and beyond, including through increased use of e-learning platforms. All these programmes have been brought together under the umbrella of 'Genting Academy'.

In June 2011, we introduced a flexible benefits scheme providing an enhanced selection of benefits for all employees utilising tax efficiencies where possible. The new package included a cycle to work scheme, critical illness insurance, a discount scheme for high street and online retailers and a dining club.

23 teams took part in the Staff Annual five-a-side Football Tournament which this year was won by London Mint. The company also provides a Staff Social Fund which is used for external social events and team building activities throughout the company.

1 Mr Peter Brooks (right), President & Chief Operating Officer of Genting UK presenting a cheque to Acorns Children's Hospice and St Basil's.

2 Genting UK as Official Main Sponsor of Aston Villa F.C.

3 Edinburgh "Race for Life"



## COMMUNITY

In addition to the company's charitable donation to the GREaT Foundation through 2011, the casinos once again supported national charities such as BBC's Children In Need and Cancer UK through Race for Life events.

In June, Genting UK signed up to become the Official Main Sponsor of Aston Villa F.C., a club of great tradition and history in English Premier League football. Through this sponsorship, St Basil's and Acorns Children's Hospice benefited further with charity poker and events related to the link-up. St Basil's is a charity supported by the Genting Birmingham Casinos that works to support young homeless people across Birmingham, Solihull and North Warwickshire. Aston Villa's official charity, Acorns Children's Hospice, offers a network of care for life limited children across the Heart of England.

Around the country, our staff raised money for Cancer UK, Comic Relief (which raises money to help vulnerable and disadvantaged people both in the UK and across Africa), Marie Curie Cancer Care, Japanese Earthquake Relief, various local charities and the Chinese community, through donations, poker competitions, charity race nights, fundraiser evenings with staff dressing up and being sponsored to complete walks, runs and abseils.

All our activities are reported in our internal newsletter, Straight Talking.

## UNITED STATES OF AMERICA – NEW YORK

We firmly believe in the principles of gaming, environment and community activism. We focus on the needs of our customers, community, business partners and employees by demonstrating a positive impact on society. We recognise the fundamental rights and responsibilities that our business has to the community within which we operate.

## ENVIRONMENT

Protection of the environment in which we live and operate is intrinsically a part of our values and principles and we consider it to be sound business practice. In this respect, our policy statement reaffirms our commitment to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice;
- Protect the environment by striving to prevent and minimise our contribution to pollution of land, air and water;
- Manage and dispose of all waste in a responsible manner; and

- Monitor and continuously improve our environmental performance.

## MARKETPLACE

We aim to create business relationships with the New York state-certified minority and women owned business and will also ensure that we deal responsibly, openly and fairly with suppliers by:

- Ensuring that we use local suppliers as much as possible;
- Endeavouring to pay on time; and
- Not expecting any discounts to have a detrimental effect on their business.

We also acknowledge problem gambling as an issue that cannot and must not be ignored. We have and will continue to take proactive steps to support problem gaming initiatives including the National Council on Problem Gaming, comply with all relevant underage and problem gambling legislations, regulations and approve codes of practice and to publicise such initiatives to our employees, customers and the community in order to take a pro-active approach to problem and underage gambling.

## WORKPLACE

Diversity is a strong component of our success and we are committed to developing a culture of inclusion, which involves recruiting, talent development, employee training and overall building of a diverse workforce. In furtherance of this policy, we are committed to:

- Actively promoting our equal opportunity hiring policy; and
- Endeavour to hire over 70% of our staff from Queens, New York.

## COMMUNITY

As part of our commitment to ensure that the surrounding community shares in the success of the video lottery facility, we will contribute 1% of net profit before State and Federal taxes to a committee that will work for the benefit of Queens' community projects. This commitment provides Resorts World Casino New York City with a remarkable opportunity to make a difference in the community through support for key issues and organisations. Through this community support, we strive to make an effective impact on the surrounding neighborhood in the areas of education and community development.

**A detailed Sustainability Report can be accessed on our website at [www.gentingmalaysia.com](http://www.gentingmalaysia.com)**

1 CFO Edward Farrell and RWNYC senior management team attended the Asian American Federation (AAF) Gala. The AAF supports member organisations that provide direct services to children, seniors, women and new immigrants.  
 2 In celebration of our Planet and Earth Day, RWNYC employees planted trees and over 2,100 Red Leafed Wax Begonias. The flowers are planted in the shape of the Resorts World logo.



## CORPORATE GOVERNANCE

It is the policy of the Company to manage the affairs of the Group in accordance with the appropriate standards for good corporate governance. Set out below is a statement on how the Company has applied the principles and complied with the best practices as set out in the Malaysian Code on Corporate Governance (“the Code”).

### A. DIRECTORS

#### (i) The Board

The Board has overall responsibility for the proper conduct of the Company’s business. The Board meets on a quarterly basis and additionally as required. The Board has a formal schedule of matters specifically reserved for its decision, including overall strategic direction, annual operating plan, capital expenditure plan, acquisitions and disposals, major capital projects and the monitoring of the Group’s operating and financial performance.

Formal Board Committees established by the Board in accordance with the Code namely, the Audit Committee, Nomination Committee and Remuneration Committee assist the Board in the discharge of its duties.

During the year under review, six meetings of the Board were held and all Directors have complied with the requirement in respect of board meeting attendance as provided in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The details of Directors’ attendances are set out below:

Name of Directors	Number of Meetings Attended
Tan Sri Lim Kok Thay	6 out of 6
Tun Mohammed Hanif bin Omar	6 out of 6
Tan Sri Alwi Jantan	5 out of 6
Mr Quah Chek Tin	6 out of 6
Tan Sri Clifford Francis Herbert	6 out of 6
General (R) Tan Sri Mohd Zahidi bin Hj Zainuddin	5 out of 6
Mr Teo Eng Siong	6 out of 6

#### (ii) Board Balance

The Board has seven members comprising two executive Directors and five independent non-executive Directors. The Directors have wide ranging experience and all have occupied or are currently occupying senior positions in the public and/or private sectors. The independent non-executive Directors provide a strong independent element on the Board with Tan Sri Clifford Francis Herbert (email address: clifford.herbert@genting.com) as the senior independent non-executive Director to whom concerns may be conveyed. Three of the five independent non-executive Directors participate in the Audit Committee. Two of the five independent non-executive Directors also participate in the Nomination Committee and Remuneration Committee as members of these Committees.

The Board is mindful of the dual role of Chairman and Chief Executive held by Tan Sri Lim Kok Thay but is of the view that there are sufficient experienced and independent-minded Directors on the Board to provide the assurance that there is sufficient check and balance. Also, the dual role has to a certain extent been balanced by the presence of Tun Mohammed Hanif bin Omar as Deputy Chairman.

A brief profile of each of the Directors is presented on pages 10 to 13 of this Annual Report.

#### (iii) Supply of Information

Notice of meetings, setting out the agenda and accompanied by the relevant Board papers are given to the Directors in sufficient time to enable the Directors to peruse, obtain additional information and/or seek further clarification on the matters to be deliberated.

As a Group practice, any Director who wishes to seek independent professional advice in the furtherance of his duties may do so at the Group’s expense. Directors have access to all information and records of the Company and also the advice and services of the Company Secretary.

#### (iv) Appointments to the Board

The Nomination Committee comprising entirely independent non-executive Directors is responsible for identifying and recommending to the Board suitable nominees for appointment to the Board and Board Committees.

The Nomination Committee met once during the financial year.

On appointment, Directors are provided with information about the Group and are encouraged to visit the sites of the Group’s operating units and meet with key senior executives.

The process of assessing the Directors is an on-going responsibility of the entire Board. The Board has put in place a formal evaluation process to assess the effectiveness of the Board as a whole, the Board Committees and the contribution and performance of each individual Director, including the independent non-executive Directors and Chief Executive on an annual basis.

In respect of the assessment for the financial year ended 31 December 2011, the Board was satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively. The Board was also satisfied that the Board composition in terms of size, the balance between executive, non-executive and independent Directors and mix of skills was adequate.

All the Directors have attended the Mandatory Accreditation Programme and are also encouraged to attend courses whether in-house or external to help them in the discharge of their duties.

## CORPORATE GOVERNANCE (cont'd)

### A. DIRECTORS (cont'd)

#### (iv) Appointments to the Board (cont'd)

The following are the courses and training programmes attended by the Directors in 2011:

COURSES	NAMES OF DIRECTORS						
	Tan Sri Lim Kok Thay	Tun Mohammed Hanif bin Omar	Mr Quah Chek Tin	Tan Sri Alwi Jantan	Mr Teo Eng Siong	Tan Sri Clifford Francis Herbert	Gen. (R) Tan Sri Mohd Zahidi bin Hj Zainuddin
Special Public Lecture by the Right Honourable Lord Digby Jones on "Asia as the New Master of the Business Universe"	√		√		√	√	
The Inaugural ISIS Praxis Seminar on "Knowledge for Action in the Coming Year" by Institute of Strategic and International Studies (ISIS)		√					
Directors Duties & Governance 2011 by Malaysian Institute of Corporate Governance (MICG)						√	√
Sustainability Programme for Corporate Malaysia by Bursa Malaysia Berhad		√	√	√	√	√	
Assessing The Risk and Control Environment by Bursa Malaysia Berhad			√			√	
Developing an Anti-Money Laundering Risk Averse Culture Without Affecting Profitability by AmBank Group		√					
Directors' Training - Economic Outlook Implication on Financial and Banking Industries - Is Another Financial Crisis Imminent by Prof. Dr. Malick Sy							√
Corporate Directors Conference 2011 on the Resurgence of Corporate Malaysia by Malaysian Alliance of Corporate Directors		√					
Training on Financial Reporting Standards by KPMG			√				
"The Board's Responsibility for Corporate Culture - Selected Governance Concerns and Tools for Addressing Corporate Culture and Board Performance" by John H Stout			√		√		
Annual Dialogue in conjunction with the launch of Annual Report 2010 by Perbadanan Insurans Deposit Malaysia		√					
"The CFO and Conflicts of Interest" by Rick Payne, Head of ICAEW Finance Direction Programme, UK						√	
SSM National Conference 2011 - "Driving Business Transformation Dynamics Through Regulations And Enforcement" by Suruhanjaya Syarikat Malaysia			√				
Financial Institution Director's Education by Bank Negara Malaysia							√
CEO Forum on "Transforming Malaysia: Challenges to Becoming A High-Income Nation" by Perdana Leadership Foundation		√					
Workshop on "What directors should know about the investor mindset" by Columbus Circle Governance. Speaker - Mr Navin Pasricha					√		

## CORPORATE GOVERNANCE (cont'd)

### A. DIRECTORS (cont'd)

#### (iv) Appointments to the Board (cont'd)

The following are the courses and training programmes attended by the Directors in 2011:

COURSES	NAMES OF DIRECTORS						
	Tan Sri Lim Kok Thay	Tun Mohammed Hanif bin Omar	Mr Quah Chek Tin	Tan Sri Alwi Jantan	Mr Teo Eng Siong	Tan Sri Clifford Francis Herbert	Gen. (R) Tan Sri Mohd Zahidi bin Hj Zainuddin
30th Management Conference (Plantation Division) of Genting Plantations Berhad - Achieving Higher Productivity-The Next Phase - Changing Mindsets and Hearts by Mr Perthpal Singh of Learning Edge Consultants			√				√
Navigating a Changing Anti-Corruption Landscape (UK Bribery Act) by Wilson Ang, Norton Rose (Asia) LLP		√	√	√	√	√	
ICCA-MICPA Forum "Improving Corporate Governance in Malaysian Capital Markets - The Role of the Audit Committee" by Institute of Chartered Accountants in Australia (ICCA) and Malaysian Institute of Certified Public Accountants (MICPA)					√	√	
"The Global Outlook : How Resilient Can Asian Be" by Manu Bhaskaran			√				
Mind Mapping for Quick Action by Malaysian Institute of Accountants					√		
"Investing in An Age of Confusion" by Tan Sri Andrew Sheng					√		
Financial Institution Director's Education by Bank Negara Malaysia (2nd Session)							√
23rd Senior Managers' Conference 2011 of Genting Malaysia Berhad - "Purpose Driven Organisation" by Mr Roshan Thiran of Leaderonomics			√		√		√
"Creating Communities of Character Through Building Character in Young Children" by Ibu Ratna Megawangi and "Being Powerful with a No" by Ms Poorani Thanusha organised by KLK Managers' Conference 2011			√				
Directors' Duties and Responsibilities by Mah Kamariyah & Philip Koh							√
Scrutinizing Financial Statement Fraud & Detection of Red Flags for Directors and Officers of PLC's and Government Regulatory Agencies by MICG							√
Annual In-House Tax Seminar - The 2012 Budget by Deloitte KassimChan Tax Services Sdn Bhd			√		√		
"Comprehensive Overview of Standards" by Wayne Upton organised by Malaysian Accounting Standards Board			√				
Board Effectiveness : Understanding the Roles and Responsibilities of The Nominating and Remuneration Committees by International Centre For Leadership in Finance Leadership and Governance Centre and Bank Negara Malaysia		√					
New Corporate Governance Blueprint and Regulatory Updates Seminar 2011 - "What Directors and Co-Sec Should Know" by Federation of Public Listed Companies Bhd		√			√		
WAQF: Redefining Prosperity and Growth by IQRA Foundation and International Centre For Education in Islamic Finance, The Global University in Islamic Finance		√					

## CORPORATE GOVERNANCE (cont'd)

### A. DIRECTORS (cont'd)

#### (v) Re-election

The Articles of Association of the Company provides that at least one-third of the Directors are subject to retirement by rotation at each Annual General Meeting and that all Directors shall retire once in every three years. A retiring Director is eligible for re-election. The Articles of Association also provides that a Director who is appointed by the Board in the course of the year shall be subject to re-election at the next Annual General Meeting to be held following his appointment.

Directors over seventy years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

### B. DIRECTORS' REMUNERATION

The Remuneration Committee comprising two independent non-executive Directors and one executive Director is responsible for making recommendations to the Board on the remuneration packages of executive Directors and members of Board Committees. In making recommendations to the Board, information provided by independent consultants and appropriate survey data are taken into consideration. The Board as a whole, determines the level of fees of non-executive Directors and executive Directors. Directors' fees are approved at the Annual General Meeting by the shareholders. Directors do not participate in decisions regarding their own remuneration packages.

The Remuneration Committee met twice during the financial year.

Details of the Directors' remuneration are set out in the Audited Financial Statements on page 81 of this Annual Report. In the interest of security, additional information have not been provided other than the details stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

### C. SHAREHOLDERS

The Group acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. The Company's Annual General Meeting remains the principal forum for dialogue with shareholders. Shareholders are encouraged to participate in the proceedings and to ask questions about the resolutions being proposed and the operations of the Group.

The Group maintains a corporate website at [www.gentingmalaysia.com](http://www.gentingmalaysia.com) which provides information relating to annual reports, press releases, quarterly results, announcements and investor presentations.

The Group also participates in investor forums held locally and abroad and also organises briefings and meetings with analysts and fund managers to give them a better understanding of the businesses of the Group.

### D. ACCOUNTABILITY AND AUDIT

#### (i) Financial Reporting

The Board aims to ensure that the quarterly reports, annual financial statements as well as the annual review of operations in the annual report are presented in a manner which provides a balanced and comprehensive assessment of the Company's performance and prospect.

The Directors are also required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with the Malaysian Accounting Standards Board Approved Accounting Standards in Malaysia for Entities Other than Private Entities and which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and the cash flows of the Group and of the Company for the financial year.

A statement by the Board of its responsibilities for preparing the financial statements is set out on page 110 of this Annual Report.

#### (ii) Internal Control

The Board is responsible for the Group's system of internal control and risk management and for reviewing its adequacy and integrity. While acknowledging their responsibility for the system of internal control, the Directors are aware that such a system is designed to manage rather than eliminate risks and therefore cannot provide an absolute assurance against material misstatement or loss.

The Internal Audit Function is provided by the Internal Audit Department of the holding company, Genting Berhad, based on the plan approved by the Company's Audit Committee, to assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investment and the Group's assets. The activities of this department which reports regularly to the Audit Committee provides the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control. As proper risk management is a significant component of a sound system of internal control, the Group has also put in place a risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the Risk and Business Continuity Management Committee of the Company.

#### (iii) Relationship with Auditors

The Company through the Audit Committee, has an appropriate and transparent relationship with the external auditors. In the course of the audit of the Group's financial statements, the external auditors have highlighted to the Audit Committee and the Board, matters that require the Board's attention. Audit Committee meetings are attended by the external auditors for purposes of presenting their audit plan and report and for presenting their comments on the audited financial statements.

## CORPORATE GOVERNANCE (cont'd)

### E. OTHER INFORMATION

#### (i) Material Contracts

Material contracts of the Company and its subsidiaries involving Directors and major shareholders either subsisting at the end of the financial year or entered into since the end of the previous financial year are disclosed in Note 40 to the financial statements under "Significant Related Party Disclosures" on pages 100 to 103 of this Annual Report.

#### (ii) Share Buy-Back

The details of the Company's Share Buy-Back exercises for the financial year ended 31 December 2011 are as follows:

Month	No. of Shares Purchased & Retained As Treasury Shares	Purchase Price Per Share			Total Consideration* (RM)
		Lowest (RM)	Highest (RM)	Average (RM)	
January 2011	4,254,100	3.22	3.30	3.26	13,894,625.47
March 2011	1,567,500	3.28	3.31	3.30	5,186,018.86
May 2011	800,000	3.58	3.62	3.60	2,889,543.48
June 2011	2,530,000	3.54	3.63	3.61	9,173,743.04
July 2011	1,042,400	3.60	3.63	3.62	3,786,740.33
August 2011	5,502,600	3.40	3.60	3.49	19,254,273.53
November 2011	700,000	3.88	3.92	3.90	2,736,680.89
<b>Total</b>	<b>16,396,600</b>			<b>3.46</b>	<b>56,921,625.60</b>

\* Inclusive of transaction costs

During the financial year, all the shares purchased by the Company were retained as treasury shares. As at 31 December 2011, the number of treasury shares was 265,097,400.

#### (iii) Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company and/or its subsidiaries, directors or management by the relevant regulatory bodies, which were material and made public during the financial year ended 31 December 2011.

#### (iv) Additional Information on Employee Share Option Scheme

Since the commencement of the Executive Share Option Scheme for Eligible Executives of Genting Malaysia Berhad and its subsidiaries ("Scheme"):-

- not more than 50% of the shares available under the Scheme would be allocated, in aggregate, to the Executive Directors and Senior Management; and the actual percentage of Options granted under the Scheme to the Executive Directors and Senior Management as at 31 December 2011 computed based on the total number of shares available to be offered under the Scheme not exceeding 2.5% of the issued and paid-up capital of the Company at any time of the offer was 13.12%.
- an aggregate of 15,162,000 Options were granted to Executive Directors and Chief Executive of which 9,567,000 Options had been exercised and an aggregate of 5,595,000 Options remained outstanding as at 31 December 2011.

There were no Options granted under the Scheme during the financial year.

During the duration of the Scheme, a total of 80,910,000 Options were granted to Eligible Executives of which 65,843,000 Options had been exercised/lapsed and 15,067,000 Options remained outstanding as at 31 December 2011.

This statement on Corporate Governance is made in accordance with the resolution of the Board of Directors.