

A vibrant green leaf with a detailed vein structure is positioned in the foreground. Behind it, a white globe of the Earth is visible, showing blue oceans and white clouds. The background is a soft, out-of-focus green. The text 'SUSTAINABILITY REPORT' is centered over the leaf and globe.

# SUSTAINABILITY REPORT



The 'Steady' team of Engineering Department as Service Category winner at MPC National QIT Convention

As a multinational corporation with operations in Malaysia, the United Kingdom and soon, the United States of America, sustainable development is integrated in the core of our operations and is therefore part of the corporate DNA.

In conducting our business operations responsibly, we focus on the Environment, Community, Workplace and Marketplace. This framework structures our commitment to conduct our business operations in a sustainable and responsible manner. Sustainability ensures that we are on the right path towards creating a balance between the long-term interests of our stakeholders, comprising of our shareholders, customers, employees, business partners and local communities, among others.

## MALAYSIA

### ENVIRONMENT

To ensure that our operations are eco-friendly, the Engineering Department, Hotel Operations, and other business units such as Human Resources, Security, Transport, Warehouse & Receiving, Group Centralised Procurement, and Finance have successfully implemented and maintained the Environmental Management System (ISO 14001) since 2008. Noticeable initiatives and projects consist of the following:-

**Energy Efficiency:** In line with the Energy Efficiency Management objective and our Go Green initiative, an energy audit was carried out to identify potential areas for energy saving and conservation measures in adherence to the Green Building Index (GBI) and best practices. Energy conservation measures included installing T8 lights resort-wide with approximately 12,000 longer-life T5 lights, resulting in an estimated power reduction of 193 kilowatts and reducing the disposal of scheduled waste. All non-efficient floodlights were replaced with energy-saving compact fluorescent lights, reducing power consumption by another 16 kilowatts. A variable speed drive installed on the water pump motors at Maxims Genting and Highlands Hotel further helped reduce electricity consumption.

At our Wisma Genting building, a number of eco-friendly features have been installed. Special window glass reduces heat penetration, lowers air-conditioning consumption, provides superior sound insulation and is energy-efficient. Lighting using

Electronic Ballast saved approximately 15% in electricity costs. The Building Automation System has energy and cost-saving features such as temperature control and monitoring of the air-conditioning system, automatic control of lighting to the common areas, and Variable Speed Drives to control motor speed and reduce electricity consumption of the Air Handling Units (AHU). A waterless urinal system saves up to 99% in water consumption.

**Alleviate Depletion of Natural Resources (Fuel):** We have replaced all ageing diesel engines at water pumps with highly efficient electric motors to pump water from mid-hill up to the Resort. These motors have variable speed drives that further reduce electricity consumption. The water pumping electrification project significantly reduced fossil fuel (diesel) consumption by approximately 160,000 litres a month and reduce the generation and emission of carbon dioxide.

The Engineering Department has installed a heat recovery system in the laundry and boiler plants to recover and reuse energy, as part of our effort to save natural resources. Improvements included the installation of heat exchangers, fixed orifice steam traps to prevent steam loss and additional piping to reuse steam condensate. These initiatives helped save about 2 million litres of diesel a year, equivalent to RM4.1 million savings and reduce carbon dioxide emissions by 5,454 metric tonnes. In relation to these initiatives, we presented a project paper called "Optimization of Steam Plant for Genting & First World Hotel Boilers" at the Malaysia Productivity Corporation (MPC) National QIT Convention and emerged as a winner under the Service Category.

**Earth Hour:** In celebration of Earth Hour on 27 March 2010, we switched off all non-essential exterior building lighting of the hotels, signage and staff quarters at the Resort and reduced power consumption by 5.5 megawatts. Awana Genting, Awana Kijal, Awana Langkawi and Wisma Genting also participated in this worthwhile effort.

**Genting Trailblazer 2010:** The Genting Trailblazer 2010 event of 31 October 2010 had a zero waste policy in line with our Go Green initiative. We stopped the practice of giving out disposable plastic bottles and paper cups. We recycled non-organic waste, produced compost from organic waste, and had a post-event clean-up.



Genting Malaysia Senior Managers' Conference 2010 at Resorts World in Manila, The Philippines

**Other Events:** We jointly organised the “Love Our Nature” programme with Rakan Muda Cinta Alam, in collaboration with the Ministry of Youth and Sports. The event promoted the love of nature among youths and increased their awareness on the importance of environmental conservation. Participants also took part in the Eco-Youth Environmental Innovation Program (EYE), which taught the use of recyclable items to showcase 3R techniques (Reduce, Reuse and Recycle).



GENM Corporate Wellness Programme for employees

Over in Terengganu, the Awana Kijal We CARE Team replanted Weeping Willows at the Kijal new township development area with the Kemaman Municipal Council, in the presence of the Menteri Besar. The team assisted to plant mangrove trees along the Gong Chengal River and assisted the Terengganu Fisheries Department in its annual beach-cleaning project.

## MARKETPLACE

Acknowledging the importance of timely and equal dissemination of material information to our stakeholders, we take steps to provide such information and promote good investor relations. Our Annual General Meeting is a principal forum for dialogue with shareholders to address operational and corporate matters. Annual reports are sent to all shareholders. Upon the announcement of quarterly results and major corporate developments, briefings are held for analysts and fund managers through conference calls or presentations. These are avenues for us to provide more detailed explanations to any questions raised.

Our corporate website at [www.gentingmalaysia.com](http://www.gentingmalaysia.com) provides information on our business activities with annual reports, press releases, quarterly results and announcements made available.

We also participate in local and international investor forums, events and road shows.

The Visitors' Galleria at the Resort is open to the public to provide a first-hand look at the Resort's history, operations and facilities.

We undertake **Responsible Gaming** practices including the provision of signage and leaflets at our casino premises as well as links on our websites with guidance on playing casino games responsibly. A hotline is made available to callers and training is provided for staff interacting with casino customers to deal with problem gaming.

Our Human Resources Occupational, Safety and Health (OSH) Section has implemented initiatives at the Resort to ensure guest safety. Emergency Response and Preparedness (ERP) awareness and competency skills training were incorporated together with the Fire and Rescue Department, aimed at having an emergency response team (ERT) prepared to handle any urgent situations.

## WORKPLACE

As at 31st December 2010, our Malaysian workforce stood at over 13,900 employees.

Learning and progression from within the Group is core to our operations. We therefore invest in the development of our human capital.

**Employee Development:** We strive to create an inclusive workplace that welcomes those of different cultural and ethnic backgrounds, skills and abilities, lifestyles, generations and perspectives. As we expand our business in the international arena, we are developing a blueprint to create a talent pool of high potential managers to deliver results.

Our employees are provided with training to enhance core competencies and service delivery skills, particularly for front-line employees. These training are organised and coordinated by Genting Centre of Excellence as our training arm. Experienced line managers from the respective operation departments conduct functional skills training. External training programmes provided specialised skill sets and departmental teambuilding sessions were held to develop high performance teams.

The 22nd Genting Malaysia Senior Managers' Conference was held in Manila, The Philippines in November 2010. The theme, “Stepping Up to Stepping Out” emphasised the importance of being able to face new challenges with confidence. During the year, 15 management trainees were recruited to undergo internship within selected internal departments.

**Employee Well-being:** We are constantly looking at ways to improve employees' welfare and living conditions at the Resort. Free Wi-Fi facilities have been installed at employee meeting points such as cafeterias, executive club, staff recreation centres and the library. The Resource Centre was recently refurbished. Recreation Centres are equipped with gymnasiums, karaoke, movie, computer and reading rooms to help employees achieve a work-life balance.



Dato' Lee Choong Yan (President and COO) and recipients at GENM's Festive Season Contribution

To promote health awareness, we organised health and wellness programmes, yoga sessions, health talks and campaigns as well as blood donation drives. A 24-hour medical clinic is open to all employees. Other activities to strengthen employees' community spirit include sports tournaments, singing competitions, festive celebrations, interaction nights and gatherings at departmental levels. Employee of the Month awards and Employees Appreciation Nights are held to recognise outstanding as well as long-serving employees. More than 18,000 people attended the three-day Genting Employees Carnival held in December 2010.

Places of worship are allocated and contributions are made to support internal religious organisations.

The Group maintains open and flexible communication channels with employees via an internal communication network, which includes internal monthly newsletters, intranet, internal notice boards, e-Kiosks and regular meetings.

**Total Quality Management:** We embrace total quality management principles as we strive to improve employee performance. Training and coaching on Total Quality and problem-solving skills using Quality Control tools are conducted throughout the year. To-date, 1,152 employees have been trained and 16 projects completed. In addition, we hold an annual inter-departmental competition, focusing on Quality Improvement with the aim of instilling in employees the concept of "Continuous Quality Journey" as a mindset.

To enhance process management, many of our employees have been trained in the ISO 9001 Quality Management System since 1999. In 2010, the Warehouse & Receiving Department was the 14th department to have received certification.

**Safety & Health:** We are committed to the safety and health awareness of our employees, in line with the Environment, Health and Safety (EHS) Policy implemented in January 2009. Our commitment is manifested in EHS campaigns, the training of our employees and our external contractors, as well as striving for "Zero Accident" tolerance. A OSH Hotline is available for the reporting of near misses, unsafe acts, unsafe conditions, and encourage the anonymous reporting of any violation of OSH



Tun Mohammed Hanif Omar and Y Bhg Dato' Dr. Low Bin Tick (Commander-in-Chief of St. John Ambulans Malaysia) flagging off ambulances for 16th 24-Hour Highway Emergency Ambulance Service

requirements. In 2007, GENM became the first company in the leisure and hospitality industry to embark on the NIOSH-GENTING Safety Passport Program and it remains the only company to have done so in Malaysia.

Our efforts gained recognition when we were accredited with the Occupational Health and Safety Management System (OHSAS 18001:2007) and Environmental Management System (ISO 14001:2004) in March 2008. Safety and health audits by EHS specialists are performed periodically to ensure environmental and legislative compliance. To support this aim, we have programmes implemented to improve

employee skills in safety and health practices. We also organise monthly OSH talks to educate employees on safety and health issues.

In an effort to provide a healthier working environment, we are currently working with the Ministry of Health to ensure compliance with the Control of Tobacco Products Regulations at the workplace.

## COMMUNITY

Our emphasis on community development is manifested in our philanthropic contributions, support to non-governmental organisations (NGOs) and employee volunteerism through the GENM We CARE Team. We contribute to various sectors such as education, sports, youth development, culture and arts, infrastructure support to local communities, the underprivileged, disability groups and NGOs.

**Services to Communities:** Overall, we made donations of approximately RM6 million to various causes and organisations for the year under review. We make donations in cash and kind to various sectors of the community irrespective of race, creed or religion. In 2010, recipients included Yayasan Jantung Negara, Tabung Rayuan Hari Pahlawan, St. John Ambulans Malaysia and National Kidney Foundation.



Awana Kijal We CARE Team with Terengganu Fisheries Department during a beach-cleaning project



Awana Kijal We CARE Team together with the Kemaman Municipal Council replanting Weeping Willows at the Kijal new township development area

In Kampung Orang Asli Che Wong in Lanchang, we sponsored the construction of a study hall with a classroom, a mini library, and a cultural hall.

**Underprivileged and Disability Groups:** In conjunction with our 45th anniversary, we donated RM450,000 to 45 charitable organisations ranging from orphanages and welfare homes for the elderly to training centres for the disabled.

These include the National Autism Society of Malaysia, Malaysian Association for the Blind, Beautiful Gate Foundation for the Disabled, HOSPIS Malaysia, Little Sisters of the Poor and Shelter Home for Children.

We also hosted the less fortunate, disabled and underprivileged during festive seasons. We donated “ang pow” for senior citizens and special children in Bentong, Pahang during Chinese New Year.

A Valentine’s Day Fund Raising Charity at the Outdoor Theme Park saw sales channelled to the Sinthamani Divine Life Ashram, a home of hope for the lost, abused, and abandoned.

During Mother’s Day and Father’s Day, we assisted to reunite estranged families, together with Ti-Ratana Welfare Society, Discovery House, All Women’s Action Society (AWAM) and Women’s Aid Organisation (WAO).

**Education:** We support various educational institutions and events and donated to SK Desa Jasmin in Nilai, SJKC Lurah Bilut, SMK Khai Mun in Bentong, and Sekolah Rendah Sathya Sai in Puchong to improve their infrastructure and facilities, as well as to buy teaching aids.

We also sponsored the Perdana Leadership Foundation CEO Forum – Approaching 2020: Malaysia’s Decade for Growth in Kuala Lumpur and donated towards the Malaysian Institute of Management.

**Sports:** We are one of the main sponsors and official partner of the King of Mountain (KOM) jersey for Le Tour de Langkawi where we contributed RM1 million in cash and kind. We also contributed to the Football Association of Malaysia, Selangor



Dato’ Kevin Sim (EVP) with Dato’ Haji Sharkar (Member of Pahang State Legislative Assembly, Lanchang) presenting food items at Kampung Orang Asli Che Wong

Tennis Association and the Perdana de’Everest Mission 2010/2011, among others. Besides these, we participated in the Kuala Lumpur Rat Race to raise funds for charity.

**Culture and Arts:** We promote Malaysian culture, encourage performing arts and provide youths with a platform to showcase their talents by working together with the Ministry of Information, Communication and Culture. We contributed to the Cultural Fund under the Ministry to develop the careers of Malaysian artistes who succeeded in the World Championship of Performing Arts.

We sponsored the theatrical performance of *Nostalgia Sri Mersing* at Istana Budaya in conjunction with Istana Budaya’s 10th Anniversary celebration. We also hosted Orkestra Simfoni Remaja and a children’s musical theatre - *Siti Di Alam Fantasi* at Istana Budaya.

**GENM We CARE Team:** GENM We CARE Team and Awana We CARE Team encourage community service among employees to cultivate the spirit of “gotong-royong”. The teams presently have close to 1,000 members group wide.

Activities include providing free tuition to orphans, repairing charity homes and donating food supplies. The GENM We CARE Team organised a ‘Berbuka Puasa’ session with poor families under the aid of Hulu Selangor Social Welfare Department at Kampung Kuantan, Batang Kali. The team also gathered with the residents at Sri Sayang Welfare Home during the Mid-Autumn festival. During Christmas, the team organised a magic show and presented gifts to children at the Paediatric Ward of University Malaya Medical Centre.

The Awana Langkawi We CARE Team organised a Buka Puasa session for underprivileged children school. Awana Genting Highlands We CARE Team worked hand-in-hand with the GENM We CARE Team on monthly visits to welfare homes and other community activities. The Awana Kijal We CARE Team sponsored food and drinks for Fire and Rescue personnel during the peat fire incident in Kerteh. During the fasting month, children from Kemasek and Kerteh welfare homes were treated to breaking of fast at the hotel.



UK Senior Management Conference 2010



Parcels for soldiers serving in Afghanistan

## UNITED KINGDOM

### ENVIRONMENT

Genting UK is highly focused on caring for the environment. By measuring, managing and reducing our carbon emissions, we were awarded the Carbon Trust Standard in 2010. Initiatives over the last two years such as low energy light bulbs, more energy efficient boilers and air conditioning systems, “switch off” campaigns, awareness sessions for staff, green notice board and energy champions at each casino together with Carbon Trust posters/stickers led to a significant reduction in energy consumption, leading to the Award.

In addition to energy reduction, waste is sorted and recycled to minimise the amount of landfill waste, besides new recycling initiatives. Working practices are constantly reviewed to encourage paper saving and printer cartridges are recycled to support local charities if possible. We also supported and participated in Earth Hour on 27 March 2010.

### MARKETPLACE

During the year under review, GamCare audited social responsibility practices throughout our casinos, resulting in us once again gaining accreditation for high standards of social responsibility. We were also awarded a GREaTer Donor award by the GREaT Foundation for our work and voluntary donations to support research, education and treatment of problem gambling. As part of the on-going commitment to provide high quality customer service throughout our casinos, our staff were nominated for Ace of Club Awards by customers and colleagues for delivering exceptional customer service in 2010. A new Signature Service scheme was launched early in 2011. Regular customer satisfaction surveys and focus groups were conducted in 2010 to ensure that a high level of customer service is maintained.

### WORKPLACE

As at 31st December 2010, we have approximately 3,400 employees.

The UK Senior Management Conference 2010 was held at Crockfords Club, London. An introduction to an innovative Customer Service Training programme was provided and delivered in several key clubs during 2010.

Our HR team developed and rolled out a Management Development Programme and Managing People Programme to enhance management skills and aid progression. Improvements were also made to our Performance and Development Review process and we continued to support our managers to embed this process within the business. Many staff at our casinos had the opportunity to take National Vocational Qualifications (NVQ) through links with local colleges, including NVQs in Gambling Operations and Customer Service.

### COMMUNITY

In addition to our charitable donation to the GREaT Foundation to aid gambling research, education and treatment of problem gamblers, we supported national charities such as BBC’s Children In Need and Cancer UK through Race for Life events. Our Birmingham Casinos also worked together to raise money for St Basil’s, a local Birmingham charity which tackles homelessness among young people. Around the country, staff raised money for Cancer UK, Deaf Society, Bluemile 2010, Macmillan Nurses, Guy’s Hospital, RSPCA, Marie Curie Cancer Care and local hospices, hospital baby units, and Chinese Communities through donations, poker competitions, fashion shows, charity race nights and fundraiser evenings. Parcels of useful items were also collected for soldiers serving in Afghanistan.

## UNITED STATES OF AMERICA

Genting New York has put in place CSR-related policies and guidelines ahead of the opening of Resorts World New York in 2011.

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

## 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
Tan Sri Dr. Lin See Yan (Resigned on 1 November 2010)	5 out of 5

#### (ii) Board Balance

The Board has seven members comprising two executive Directors and five non-executive Directors. Four of the five non-executive Directors are 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 as the senior independent non-executive Director, to whom concerns may be conveyed. Three of the four independent non-executive Directors participate in the Audit Committee and two of the four independent non-executive Directors 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 12 to 15 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 of 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 twice 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 2010, 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 2010:

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
Talk on Managing Risks in Mortgage Financing by Bank Negara Malaysia and Cagamas Berhad		√				√	
MICG Annual Directors Duties & Governance Conference - Towards Boardroom Excellence and Corporate Governance Best Practices by Malaysian Institute of Corporate Governance (MICG) / Affin Holdings Berhad							√
Seminar on GST by Persatuan PTB, Intan						√	
Risk Management in Islamic Finance by Bank Negara Malaysia		√				√	
MEA Seminar on BNM 2010 Economic Report Panelist						√	
Bursa Malaysia's Evening Talk on Corporate Governance by Mercer's Fermin Diez			√				
Mandatory Accreditation Programme for Directors of Public Listed Companies					√		
Risk Sharing and the Stability of the Financial System by Prof. Dr. Abbas Mirakhor						√	
Corporate Governance Guide - Towards Boardroom Excellence by MIA					√		
29th Management Conference (Plantation Division) of Genting Plantations Berhad - Achieving Higher Productivity - The Four Disciplines of Execution by Mr CF Wong of Leadership Resources (M) Sdn Bhd	√						
Risk Management of Derivatives by Professor Robert M. Conroy of Darden Graduate School of Business, University of Virginia by Bank Negara		√				√	
Building Organisational Capability for Strategic Transformation by Prof. Dave Ulrich						√	
Building Audit Committees For Tomorrow organised by FIDE - Bank Negara Malaysia		√				√	
Audit Committee Institute Roundtable discussion titled : Going Forward : Risk & Reform - Implications for Audit Committee Oversight			√				
PTD Alumni - Roundtable Discussion on New Economic Model						√	
Launch of the Corporate Governance Week and Corporate Governance Roundtable by SC/ Bursa Malaysia			√				
Engagement Verses Activism - Achieving the Right Balance by SC/Bursa Malaysia			√		√		
The Changing Landscape of Shareholder Activism - The Roles We Play by SC/Bursa Malaysia			√		√		
Independent Directors - Actual Verses Percieved Independence by SC/Bursa Malaysia			√				
Views from the Boardroom - Challenges Directors Face by SC/Bursa Malaysia			√				
Forum by Public Listed Companies : CG Best Practices by SC/Bursa Malaysia			√				
Corporate Governance Week - Bursa Malaysia Panelist on Duties and Responsibilities of an Independent Director by Bursa Malaysia						√	



## CORPORATE GOVERNANCE (cont'd)

### A. DIRECTORS (cont'd)

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

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
Training on AFFIN Islamic Masterclass on Islamic Banking by Affin Islamic Bank							√
Statement on Risk Management and Internal Control by IIAM					√		
Stoking the Fire of Corporate Governance by MICG					√		
2nd Annual Corporate Governance Summit 2010 - "Truth, Lies and Corporate Governance by Asian World Summit with MICG and the Federation of Public Listed Companies (FPLC) / Affin Holdings Berhad							√
GST(Goods&ServiceTax)&AccountingStandards briefing by PriceWaterhouseCooper							√
Forum on Corruption, HELP College						√	
Briefing on Corporate Governance and its development by KPMG			√				
Towards Corporate Governance Excellence for Sustainable Success by Bursatra Sdn Bhd				√			
World Capital Markets Symposium - Leadership, Change and Governance by Securities Commission						√	
Directors CEP 2010 by Dutch Lady Milk Industries Bhd						√	
Asian Forum on Corporate Social Responsibility (AFCRS) 2010 "Improving Business Competitiveness through CSR"			√				
Financial Industry Conference by Bank Negara		√				√	
Recent Changes to Financial Reporting Standards (FRS) by Ernst & Young			√				
Changes in the Financial Reporting Framework (FRS) by PwC			√		√	√	√
22nd Senior Managers' Conference of Genting Malaysia Berhad - "Stepping Up to Stepping Out" by Mr Simon Treselyan of Starfire	√	√	√	√	√	√	√
Annual In-House Tax Seminar - The 2011 Budget by Deloitte KassimChan			√		√		

#### (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.

## CORPORATE GOVERNANCE (cont'd)

### 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.

Schedule of Share Buy-Back for the Financial Year Ended 31 December 2010

Month	No. of Shares Purchased & Retained As Treasury Shares	Purchase Price Per Share			Total Consideration* (RM)
		Lowest (RM)	Highest (RM)	Average (RM)	
May	1,000,000	2.70	2.78	2.75	2,758,372.03
August	32,050,000	2.95	3.14	3.04	97,776,089.15
September	3,400,000	3.00	3.23	3.08	10,522,332.97
November	809,900	3.20	3.20	3.20	2,600,432.55
December	4,239,800	3.28	3.39	3.34	14,216,198.94
<b>Total</b>	<b>41,499,700</b>			<b>3.07</b>	<b>127,873,425.64</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 2010, the number of treasury shares was 248,700,800.

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

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 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.

### 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 44 to the financial statements under "Significant Related Party Disclosures" on pages 101 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 2010 are as follows: