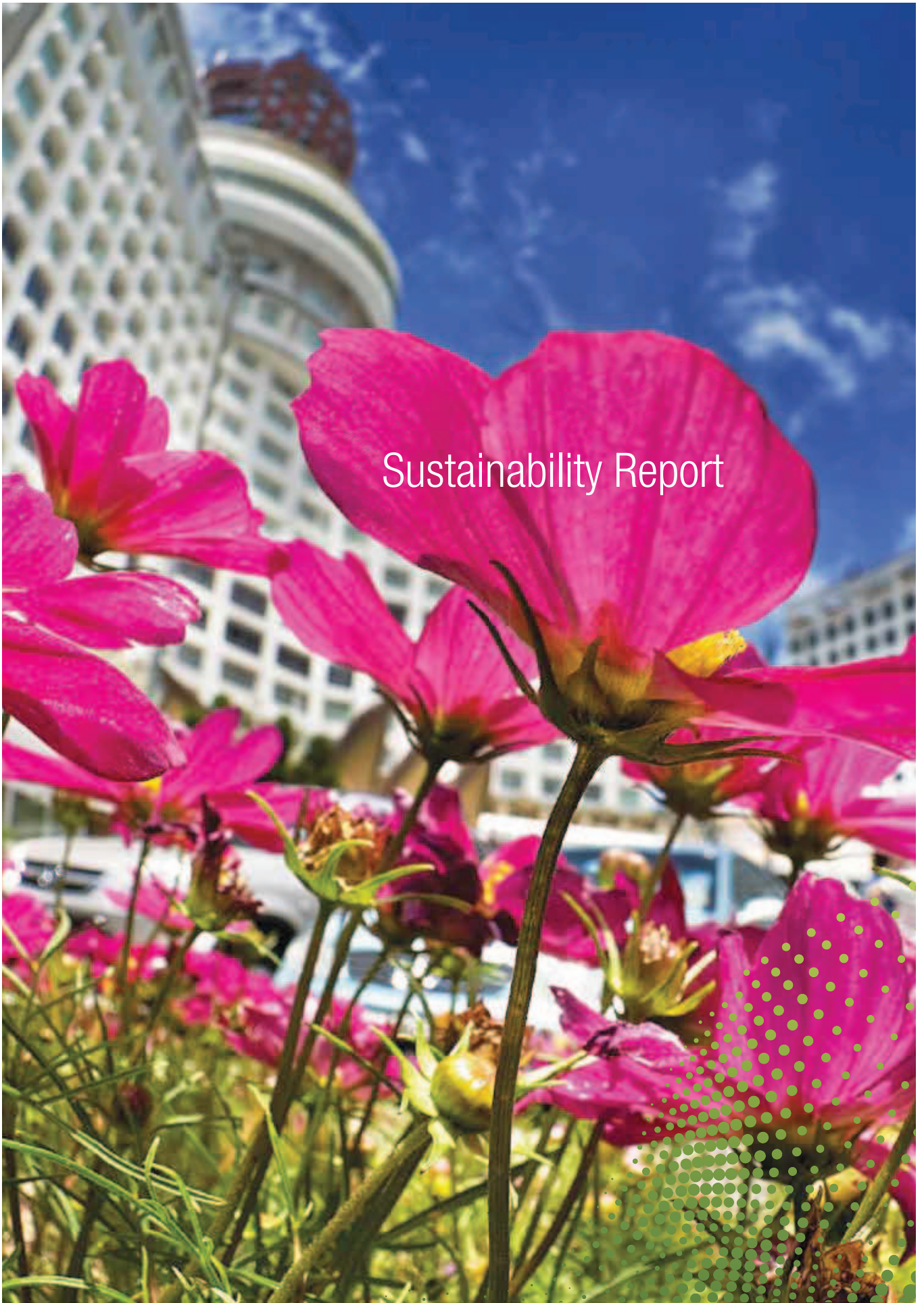




Sustainability Report



Genting Grand - before

Highlands Hotel - before

Genting Grand - during

Highlands Hotel - during



SUSTAINABLE DEVELOPMENT

As a global leader in the leisure and hospitality industry, sound sustainable development practices and policies are fundamental to managing the risks and opportunities facing our business. We aim to ensure our actions add value in an economically, environmentally and socially sustainable way by 'investing' in the Environment, Marketplace, Workplace and Community.

MALAYSIA

ENVIRONMENT

As a responsible corporate citizen, we are committed to maintaining a responsible approach to the environment and nature. We aim to achieve sustainable development and environmental conservation through our environmental management systems, which are constantly reviewed and adapted. Our four core areas of interests comprise the conservation of natural resources (energy, fuel and water), waste management, pollution prevention (water, land and air) and the use of renewable energy.

To ensure that Resorts World Genting's (RWG) operations are eco-friendly, various departments including Engineering, Hotel Operations, Human Resources (HR), Security, Transport, Receiving, Purchasing and Finance have successfully implemented and maintained the Environmental Management System (ISO 14001) since 2008. Noticeable developments and projects have been implemented towards good Environment Management in the following areas:

Energy Efficiency: In 2012, we replaced approximately 1,250 halogen lights with LED lights, which resulted in an estimated power reduction of 60 kW. The replacement of aging water pumps and installation of a monitoring system also helped to reduce our electric power consumption. We also plan to install a new building management system for hotels in the near future, which will facilitate the monitoring of the functionality and efficiency of mechanical and electrical systems.

Water Efficiency: We focused on reducing water consumption at the F&B outlets and public toilets. Water flow meters and regulators were installed, which are expected to reduce water consumption by 30%. Moving forward, the installation of water efficient fittings shall be implemented as far as practicable to manage the water supply at the resort.

Conservation of Natural Resources: A heat pump will be installed to replace the existing steam-heated hot water production system as part of our efforts to reduce diesel consumption at RWG.

Other Environmental Initiatives

Earth Hour 2012: We continued to support Earth Hour on 31 March 2012 but on a larger scale. All our non-essential lights such as signboards, building façade spotlights and other electrical apparatus were switched off for one hour.

Little effort, big impact: Initiatives undertaken by some of the hotels at RWG include the following:

- Elimination of plastic newspaper carrier bags - 1,200,000 pieces saved per year.
- Elimination of plastic carrier bags at all F&B outlets - 1,000,000 pieces saved per year.

1 Resorts World Genting participated in Earth Hour 2012.

2 New water pumps with reduced electric power consumption.

3 Resorts World Kijal We CARE Team members cleaning the beach at the Ma' Daerah Turtle Sanctuary in Kemaman.

4 GENM employees participating in the 'Kempen 1Malaysia Green & Clean' programme.

Sustainability Report



MARKETPLACE

As a global player aspiring to remain in the forefront of the leisure and hospitality industry, our Group Centralised Procurement (GCP) Department is conscious of our role in 'walking the talk' for responsible operations and business practices.

The Environmental Quality Act 1974 stipulates proper disposal of products that are considered environmentally unfriendly or cause adverse effects on the environment and methods to control the emission of environmentally hazardous substances, pollutants and waste. To this effect, we are involved with ISO 4001, by:

- Ensuring the proper and correct disposal of used containers of hazardous material e.g. chemicals;
- Ensuring the proper and correct disposal of debris after renovation and installation;
- Ensuring the compliance of all chemicals to Material Safety Data Sheets and proper labeling of chemicals in storage; and
- Stopping activities that increase our exposure to risk.

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.

One of the many initiatives that we undertake in encouraging responsible gaming is our Request for Assistance Programme where customers, through their voluntary participation, are discouraged from entering the casino premises.



WORKPLACE

We have a Malaysian workforce of 13,600 employees, while our global workforce stood at over 19,500. We provide a supportive working culture through training and development programmes, safety and health procedures and regulations. We also emphasise on a balanced work-play-live environment through our sports, wellness programmes, motivational

talks, cultural activities, outings and recognition programmes.

Employee Development: The year 2012 marked a significant milestone for the HR Training & Development section as the team embarked on a revision of the Company's appraisal format to further align towards a performance-driven culture. The revised Qualitative Performance Measures (QPM) increased clarity in evaluating individuals' annual performance and helped to manage the expectations of appraisees. The QPM was also designed to drive desirable organisational behaviour in supporting the Company's business growth and sustainability.

Training and Development: We invested RM6.2 million in training and development activities during the year. Our HR Training & Development team jointly with Genting Centre of Excellence introduced new programmes to cater to employee needs, such as the Cross Generation Leadership Development and Diamond Leader Programmes. The 24th GENM Senior Managers' Conference was held at Marriott Manila, Philippines from 22-23 November 2012. The conference was themed 'Go for Gold' with the focus on fostering continuous efforts toward growing the organisation amidst uncertainties and change.

Education Enhancement: The Genting Malaysia Education Fund (GENMEF) Committee approved RM1.2 million in new scholarships covering overseas, local private and public institutions. We adopted a more stringent approach to assess applicants to ensure that scholarships are awarded to well-deserving scholars who demonstrate key qualities that would permit them to grow and contribute within the Group.

- 1 Compliance with the Environment Quality Act 1974 - ensuring proper labelling of chemicals in storage.
- 2 The 24th Genting Malaysia Senior Manager's Conference at Marriott Manila, Philippines.
- 3 Genting employees engage in fitness programmes and sports activities for a healthy work-life balance.



Employee Wellbeing: We provide quality facilities and amenities for employees while also promoting a work life balance and healthy lifestyle through various sports and cultural activities, health awareness programmes, outings, talks and recognition programmes such as the 'Employee of the Month'.

Safe Workplace: The safety and health for our employees and guests are vital. We manage safety and health in line with our Environment, Health and Safety (EHS) Policy and this commitment to a safer and healthier working environment is manifested in continuous EHS campaigns, training of our employees and contractors, and striving for 'Zero Accident'. Safety and health audits by EHS specialists are performed periodically for continual improvements.

We have also emphasised on commuting and workplace safety by having awareness and education programmes in collaboration with the Social Security Organisation, Jabatan Pengangkutan Jalan and the Department of Occupational Safety & Health (DOSH). In line with this, we started rolling out our behaviour safety programmes and continue to work closely with DOSH in coordinating the certificate of fitness renewal inspections for machineries such as escalators, lifts, boilers, pressure vessels, lifting equipments and theme park rides.

We organise monthly Occupational Safety & Health (OSH) talks to educate employees on safety and health issues and encourage them to take ownership of their own safety and health in their workplace. Other initiatives include regular monitoring of indoor air quality, the Hearing Conservation Programme which aims to mitigate the risk of hearing impairment and the Chemical Health Risk Assessment to reduce health risks arising from exposure to hazardous chemicals.



COMMUNITY

Our investment in the community reflects our commitment in adhering to our philosophy of contributing towards improving the socio-economic status of the societies in which we operate. This includes supporting welfare initiatives undertaken by both non-governmental organisations (NGOs) as well as the Government, focusing mainly on education, sports, youth, arts and culture, infrastructure, the disabled and the underprivileged.

Services to Communities: During 2012, we made donations in cash and in-kind to various beneficiaries including the Tun Razak Foundation, Sultan Ahmad Shah Environment Trust, Cancer Advocacy Society of Malaysia and Malaysian Diabetes Association. We also continued to support the preservation of our local heritage by contributing towards the renovation and upgrading of the 100-year old Bentong Chinese Town Hall.

Underprivileged and Disabled Groups: Through the years we have continued our tradition of festive contributions to support underprivileged communities. A total of 49 homes and charitable organisations received donations during the Chinese New Year and Hari Raya Aidilfitri celebrations in 2012. We also continued our efforts in providing care and support for some 5,000 less fortunate individuals including the disabled, orphans, special children, single mothers and senior citizens.

Throughout the year, RWG touched the lives of 1,129 underprivileged children from 27 schools and welfare homes by hosting them with fun-filled activities at the Resort. In addition, activities for 3,250 children and senior citizens were also held during the festive seasons in 2012, with one of the largest events being the Christmas Party. Other activities included an annual cooking feast organised by the Resort's experienced chefs and volunteers during the fasting month, gotong-royong activities at Kuala Gandah, Pahang and the distribution of food and other items to nearly 700 less privileged individuals.

1 Long-serving staff with their awards during the Employee Appreciation Night.

2 GENM Deputy Chairman, Tun Hanif Omar (standing far left) with the Sultan and Sultanah of Pahang, members of the Pahang royal family, Datin Seri Rosmah Mansor and corporate sponsors at the Sultan Ahmad Shah Environment Trust fund-raising dinner.

3 GENM Chairman, Tan Sri KT Lim (standing, 9th from left) and Prime Minister Dato' Seri Najib Tun Razak (standing, 10th from left) together with the recipients of the Chinese New Year 2012 donations.

4 Resorts World Genting hosted 300 special children and senior citizens in conjunction with the nation's 55th Merdeka celebration, Malaysia Day and Hari Raya Aidilfitri festivities.

Sustainability Report



We provided an opportunity and platform for 14 charitable organisations to raise funds through the sale of their handicraft and art pieces by organising a two-day annual Fun & Fund Charity Bazaar at RWG. We also supported groups that provide therapeutic treatment for the disabled such as the Riding for the Disabled Association.

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.

Sports: In 2012 we continued to act as the main sponsor of the Le Tour de Langkawi 2012 and the King of Mountain red jersey. We were also the main sponsor of the SUKMA XV 2012. In addition, we made substantial contributions to the Pahang Football Association, Selangor Tennis Association (Junior Tennis programme) and the Johor Hockey Association among others.

We sponsored 55 athletes and officials of the Malaysian Deaf Association to the 7th Asia Pacific Deaf Games in Seoul. Our senior management once again participated in the annual Kuala Lumpur Rat Race and Standard Chartered KL Marathon in aid of charity.

Education: During the year we contributed towards the Tun Suffian Foundation (Tun Suffian Cambridge Award for law students). These contributions are in addition to the scholarships that we provide each year for needy and deserving students.

Arts and Culture: We continue to work alongside the Ministry of Tourism and the Ministry of Information, Communications and Culture as well as other bodies in the promotion of our local culture and music. We sponsored the Lion Dance competition which was held in conjunction with the National Youth Day.



We organised an art competition themed 'Malaysia Truly Asia' for the physically disabled and slow learners, which helped to promote these artists to art lovers and the public. In December 2012, RWG hosted the annual Showcase Malaysia event, featuring the Malaysian Handicraft exhibition and performances by the World Championship of Performing Arts medals winners.

We CARE Teams: RWG strengthens its efforts in serving the community with the involvement of employees under the corporate volunteering programme - We CARE, which has more than 1,000 members.

In 2012, the GENM We CARE teams contributed their skills, time and efforts in providing free tuition sessions such as the Wiz Kids Project and other community activities.

The Resorts World Kijal We CARE Team members held a beach-cleaning 'gotong-royong' at Ma' Daerah Turtle Sanctuary in Kemaman. The team also contributed to the '1Malaysia Green & Clean' campaign at Monica Bay Beach during which the beach area was cleaned and six casuarina trees were planted.

At Resorts World Langkawi, besides engaging with the local community on monetary effort, the members organised a 'gotong-royong' to help flood victims.

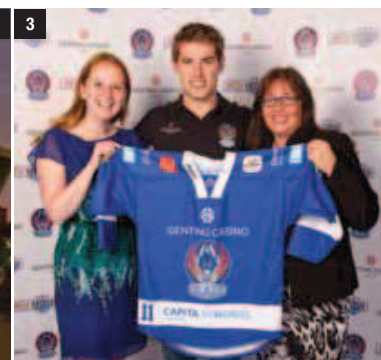
An annual We CARE thank you party themed 'Back to 70s' was held to give recognition and reward to its volunteer members, with 16 individuals given special recognition and also the title of Ambassador for year 2012.

1 In aid of charity - GENM's Senior Management at the annual Kuala Lumpur Rat Race.

2 Winners of the National Youth Day 2012 Lion Dance competition held in Putrajaya.

3 Participants of the 'Malaysia Truly Asia' Contemporary Art Tourism 2012 competition, which was open to slow learners and physically disabled individuals.

4 We CARE team members organised a gotong-royong to help flood victims in Terengganu.



UNITED KINGDOM

ENVIRONMENT

Genting UK continued to maintain a strong focus on its environmental responsibilities in 2012. In July 2012, we were awarded the Carbon Trust Standard for the second consecutive year, which demonstrated our excellent achievement in energy awareness and management.

Our capital investment projects include the Energy Efficient Lighting and Building Management systems. These involved the use of state-of-the-art devices such as to reduce electricity consumption along with the continual monitoring and reporting of energy usage.

We delivered further annual Energy Management workshops to all casinos thus ensuring staff fully understand the energy reports they receive, how to use them to improve energy efficiency and to assist in achieving our environmental goals.

We continue to reduce the amount of refuse sent to landfill and work closely with our contractor to monitor monthly landfill costs, adjusting the number of refuse collections to reduce the transport miles. A total weight of 709 tonnes was collected in 2012, a reduction of 21.2% compared to 899 tonnes in 2011. Recycling performance increased to 63.1% in 2012 from 58.0% in 2011.

We also recently implemented a new call logging system for our casinos for placing call outs for breakdown of equipment or failure of building infrastructure including heating, ventilation and air conditioning. This system has led to significant reductions in wrong trade attendance and subsequently reduced abortive mileage by our support contractors.

We are presently developing a carbon footprint calculation to enable us to model the energy efficiency of all future developments.

MARKETPLACE

Player protection is a key focus at our casinos. In early 2012, we welcomed representatives from GamCare (an independent charity that offers advice and counselling to problem gamblers) into the casinos to audit our social responsibility procedures. Staff at ten of our casinos were interviewed by GamCare to assess their knowledge of responsible gambling. Once again, we were awarded the GamCare Accreditation for our commitment and the informed and educated attitude displayed by our staff.

We support and voluntarily contribute to the Responsible Gambling Trust (RGT) which raises money and funds projects to research, educate and treat those who may be vulnerable, thereby minimising the level of problem gambling.

We also ensure that our customers have a memorable experience through the Signature Service Scheme, with customer feedback encouraged and acted upon, and individual staff members being rewarded for high levels of service when appropriate.

WORKPLACE

Employees are an integral part of the business and as at 31 December 2012, we have approximately 3,900 employees.

During 2012, we introduced the very first Genting Staff Attitude Survey; a completely confidential survey operated by an independent company, through which we were able to gather valuable feedback from employees on a variety of topics. The information provided enabled us to introduce numerous improvements; the most significant being the introduction of Listening Events. The events, which encourage employees to share their views with us on a regular basis, have proved very popular.

Throughout 2012, new Learning and Development initiatives led by Genting Academy were fully underway within the organisation. These initiatives targeted improving leadership and management skills across the business. Genting Academy Online was also rolled out, with a variety of important training courses now available for staff to complete online.

We continue to develop our internal Gaming Training processes to support the recruitment and training of trainee gaming staff and have recently appointed the role of Gaming Training Manager to ensure that a consistent approach towards training is adopted across the organisation and gaming skills are of the highest of standards. A new scheme to attract and develop external recruits with significant management experience was put in place and a number of recruits are now undergoing training to become gaming managers.

1-2 Genting UK invested in Energy Efficient Lighting and Building Management systems which help reduce energy usage and carbon footprint.

3 Genting Casino Coventry was the main sponsor of Coventry Blaze Elite League Ice Hockey team for the 2012/2013 season.

Sustainability Report



We have a history of providing employment to people local to our clubs as part of our commitment to support the local community. For our recent new opening in Sheffield, we held several recruitment open days, with the support of the local Job Centre, to attract and employ local residents.

We also work with local colleges, in conjunction with recruitment centres, to provide local candidates with comprehensive training and a guaranteed interview for a position in our business upon completion of their course. A total of 160 new employees joined the Group, with the majority being locals.

In 2012, 23 teams took part in the Staff Annual five-a-side Football Tournament held at Star City, Birmingham. There is also a Staff Social Fund which can be used for external social events and team building activities throughout the company.

The 2012 Senior Management Conference was held at the Hilton Hotel Glasgow on 8th March 2012 under the 'Investing in our Future – Making a Return' banner. Over 80 senior managers and directors were joined by President and Chief Operating Officer Peter Brooks and Chief Executive Dato' Lee Choong Yan to celebrate the achievements of 2011 and hear about future plans. Attendees were then given the opportunity to explore Glasgow with a 'Team Building Taxi Challenge', followed by an awards dinner.

COMMUNITY

We believe in supporting the local communities. In addition to being the Official Main Sponsor of Aston Villa Football Club, we are now also the main sponsor of the Coventry Blaze Elite League Ice Hockey Team.

Once again we made a significant annual donation to support research, education and treatment of problem gamblers through the RGT. We also supported various national charities including BBC Children In Need, Macmillan Cancer Support, RSPCA and St Basil's in Birmingham.

We sponsored the Genting Cup five-a-side football tournament which saw over 600 teams taking part across 34 centres in England and Scotland, with the final held at the Aston Villa ground.



Our staff members are encouraged to reach out to smaller local charities that work hard in their local communities. For example, we hosted a poker night in Blackpool for 'Signing in the Community' and provided fun casino gaming such as in Birmingham Star City which held a charity dinner to raise money for the Acorns Children's Hospice. Individually, staff took part in half marathons in aid of the Duchess of Kent House Charity in Reading, hill walks in aid of St Basil's in Birmingham and bike challenges in aid of Scottish charity Maggie's. One staff member took six months off to cycle 9,000km through Europe in aid of Cycle for Africa.

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

UNITED STATES OF AMERICA – NEW YORK

Resorts World Casino New York City (RWNYC) upholds the principles of environment and community activism. We recognise the fundamental rights and responsibilities that our business has to the community within which we operate and remain focused on the needs of our stakeholders such as customers, community, business partners and employees.

ENVIRONMENT

Environmental protection serves as an intrinsic part of our corporate values and business practice. During the year, we strove harder in our commitment to protect nature particularly through compliance with relevant legislation and regulations, reducing pollution, effective waste management as well as ongoing monitoring and improvement of our environmental performance. We have also added recycling boxes to all administrative areas.

MARKETPLACE

We endeavour to use local suppliers whenever possible and have created good business relationships with New York state-certified minority- and women-owned businesses.

RWNYC is committed to promoting responsible gaming by our guests. Our employees are trained to recognise and react when guests are having problems, and to strictly enforce minimum legal wagering ages established by law.

We also administer a Self-Exclusion Program in collaboration with the New York State Division of Lottery. We work with agencies including the New York Council on Problem Gaming and comply with all relevant underage and problem gambling legislations and regulations. We also adhere to approved codes of practice and publicise such initiatives to our employees, customers and the community in order to take a proactive approach to alleviate problem and underage gambling.

- 1 Genting UK made a charitable donation for every penalty kick past the legendary England goalkeeper Peter Shilton during an Aston Villa game.
- 2 Mr. Michael Speller, President (2nd from right) and Mr. Christian Goode, Chief Financial Officer (2nd from left), celebrate the 1st Anniversary of Resorts World Casino New York City along with Assemblyman Phillip Goldfeder (3rd from left), Senator Joseph Addabbo (far right) and representatives of Toys for Tots.



WORKPLACE

Our workforce reflects the diversity of the borough we call home. We practice a culture of inclusion in our recruitment, training and talent development approaches. Our staff members consist of 90% minority males and females, with 63% coming from Queens.

RWNYC employee training programmes include our signature staff mission, GAME - Get Connected, Ask and Discover, Make it Memorable and Encourage Return. We support our staff by offering frequent follow up classes on coaching and development, policy and procedure as well as prevention of sexual harassment.

COMMUNITY

As part of our commitment to ensure that the surrounding community shares in the success of the video lottery facility, RWNYC contributed 1% of net profit before State and Federal taxes to assist local nonprofits that will work for the benefit of Queens' community projects.

On our first anniversary, we donated over US\$500,000 to 33 local organisations such as the South Queens Boys and Girls Club, the YMCA and Toys for Tots. These organisations offer services in support of children's health, education, battered women, counselling for the under-employed and food pantries.

Our strong commitment to the Queens community showed during the aftermath of Hurricane Sandy. RWNYC hosted several relief agencies including the Federal Emergency Management Agency, the Red Cross, New York Sanitation Department and the Kentucky Baptist Convention (Kentucky Disaster Relief). The Red Cross positioned area distribution centres and teams in our parking lots and have remained on our property since the disaster.

RWNYC staff helped thousands of victims of the storm by forming rescue teams, clean-up crews and serving meals for the homeless and displaced at local community shelters. RWNYC donated US\$270,000 through the United Federation of Teachers. This donation provided backpacks filled with supplies for 4,500 middle schools students who were affected by the storm.

UNITED STATES OF AMERICA - MIAMI

We recognise the fundamental responsibility that our organisation has to the community in which we operate. We are committed to being a responsible corporate citizen, positively impacting our neighbourhood by encouraging and enabling our employees to volunteer for community events and providing much needed funding for programmes that are essential to maintaining and improving the fabric of the community.



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:

- Protect the environment by striving to prevent and minimise 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 have created a business environment that is conducive to partnering with local business, specifically certified minority- and women-owned business. We track overall purchases on a monthly basis, identifying opportunities to do business with local firms that operate and live in the same community as we do. Further, we are currently working with local non-profit organisations to identify qualified minority firms that we can utilise for the development of Resorts World Miami.

WORKPLACE

Our workforce reflects the diversity of the community at large. That 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. We expect to continue and expand this commitment as the development of Resorts World Miami progresses.

COMMUNITY

As part of our commitment to the community, we provided over US\$100,000 of funding to local non-profit organisations in 2012. Some of the organisations that received this funding include Make A Wish Foundation, the Overtown Youth Center and Camillus House which provides humanitarian aid to homeless and indigent members of the Miami community.

We also encouraged our employees to offer their time and talents at local organisations that needed volunteers or a work force to accomplish their goals. In 2012, our employees spent over 1,000 hours working with non-profit organisations on various initiatives such as toy drives and back to school campaigns.

A detailed Sustainability Report can be accessed on our website at www.gentingmalaysia.com

1 Resorts World Casino New York City's chefs distributing food to Hurricane Sandy victims.

2 Resorts World Miami's Mr. Danny Domínguez and Hilton Hotel General Manager Mr. Ray Valentino volunteering at a toy drive.

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 recommendations as set out in the Malaysian Code on Corporate Governance 2012 ("MCCG 2012") except where stated otherwise.

A. PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

The Board has nine members, comprising two Executive Directors, one Non-Independent Non-Executive Director and six Independent Non-Executive Directors. This composition fulfils the requirements mandated by the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") which stipulate that at least two (2) Directors or one-third of the Board, whichever is higher, must be independent. The Directors have wide ranging experience and all had occupied or are currently occupying senior positions in the public and/or private sectors. A brief profile of each of the Directors is presented on pages 10 to 14 of this Annual Report.

The Board has overall responsibility for the proper conduct of the Company's business and has formally adopted a Board Charter in November 2012 that clearly sets out the respective roles and responsibilities of the Board and the management to ensure accountability. The Board Charter is made available on the Company's website and will be periodically reviewed and updated to take into consideration the needs of the Company as well as any development in rules and regulations that may have an impact on the discharge of the Board's duties and responsibilities.

The Board has adopted the following responsibilities to facilitate the Board in discharging its fiduciary duties in respect of the Group:-

- Reviewing and adopting a strategic plan for the Group
- Overseeing and evaluating the conduct of the Group's businesses
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks
- Establishing a succession plan for senior management
- Overseeing the development and implementation of a shareholder communication policy for the Company
- Reviewing the adequacy and the integrity of the management information and internal controls system of the Group
- Formulation of corporate policies and strategies
- Approving key matters such as financial results as well as major investments and divestments, major acquisitions and disposals and major capital expenditure in accordance with the limits of authority

The Chairman ensures the smooth and effective functioning of the Board. The Chief Executive is responsible for the vision and strategic directions of the Group as well as initiating innovative ideas to create competitive edge and development of business and corporate strategies. He is assisted by the President and Chief Operating Officer for implementing the policies and decisions of the Board and overseeing the day-to-day operations of the Group.

The Board has a formal schedule of matters specifically reserved for its decision, including overall strategic direction, annual operating plan, capital expenditure plan, material acquisitions and disposals, material capital projects and the monitoring of the Group's operating and financial performance.

The Board meets on a quarterly basis and additionally as required. Quarterly Meetings are scheduled in advance annually for the Directors to plan ahead of their schedules. The Board reviews, amongst others, the performance of the Company and its major unlisted operating subsidiaries, risk management and compliance reports and approves the quarterly results of the Group. The Board tracks the performance of the management against the annual plan submitted for each financial year.

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. Tapping into the advancement of information technology, the Company has implemented the delivery and supply of information for Board meetings electronically.

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. The Company Secretary, who is qualified, experienced and competent, advises the Board on any updates relating to new statutory and regulatory requirements pertaining to the duties and responsibilities of Directors. The Company Secretary organises and attends all Board and Board Committee meetings and ensures meetings are properly convened and that accurate and proper records of the proceedings and resolutions passed are taken and maintained at the Registered Office of the Company.

During the year under review, four meetings of the Board were held and all Directors have complied with the requirement in respect of board meeting attendance as provided in the MMLR.

The details of Directors' attendances are set out below:

Name of Directors	Number of Meetings Attended
Tan Sri Lim Kok Thay	4 out of 4
Tun Mohammed Hanif bin Omar	4 out of 4
Tan Sri Alwi Jantan	4 out of 4
Mr Quah Chek Tin	4 out of 4
Tan Sri Clifford Francis Herbert	4 out of 4
Mr Teo Eng Siong	4 out of 4
General (R) Tan Sri Mohd Zahidi bin Hj Zainuddin	3 out of 4
Dato' Koh Hong Sun (Appointed on 23 July 2012)	2 out of 2
Mr Lim Keong Hui (Appointed on 23 July 2012)	2 out of 2

The Articles of Association of the Company provide 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 provide that a Director who is appointed by the Board in the course of the year shall be subjected to re-election at the next Annual General Meeting to be held following his appointment.

CORPORATE GOVERNANCE (cont'd)

A. PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (cont'd)

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.

The Directors observe the Company Directors' Code of Ethics established by the Companies Commission of Malaysia ("CCM") which can be viewed from CCM's website at www.ssm.com.my

The Company recognises that any genuine commitment to detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees can report their concerns freely without fear of reprisal or intimidation. To this end, the Company has adopted a Whistleblower Policy which is disseminated to employees.

The Group is committed to operating in a sustainable manner and seeks to contribute positively to the well-being of stakeholders. Details of the Group's key corporate responsibility activities in 2012 can be found in the Sustainability Report on pages 28 to 35 of this Annual Report.

B. PRINCIPLE 2: STRENGTHEN COMPOSITION

Formal Board Committees established by the Board namely the Audit Committee, Nomination Committee and Remuneration Committee assist the Board in the discharge of its duties. Three out of six of the Independent Non-Executive Directors participate in the Audit Committee and Nomination Committee. Two of the six Independent Non-Executive Directors also participate in the Remuneration Committee.

The Nomination Committee has been established since 2002 and the members of the Nomination Committee comprising entirely Independent Non-Executive Directors as set out on page 9 of this Annual Report. The existing responsibility of the Nomination Committee prior to the MCGG 2012 is to identify and recommend to the Board suitable candidates for appointment to the Board and Board Committees.

In line with the MCGG 2012, the Terms of Reference of the Nomination Committee had been expanded during the financial year ended 31 December 2012 to include additional responsibilities namely succession planning for Board and Senior Management and training for Directors. The revised Terms of Reference of the Nomination Committee are set out below:-

- (a) To identify and recommend to the Board suitable candidates for appointment to the Board, taking into consideration the candidates':
 - skills, knowledge, expertise and experience;
 - professionalism;
 - integrity; and
 - in the case of candidates for the position of independent non-executive directors, the nominating committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.
- (b) To recommend to the Board, candidates for appointment to Board Committees.
- (c) To review and recommend to the Board, the Board's and senior management's succession plans.
- (d) To review and recommend to the Board, the training programmes for the Board.

The Nomination Committee met once during the financial year ended 31 December 2012.

The Chairman of the Nomination Committee, Tan Sri Alwi Jantan (email address: alwi.jantan@genting.com) has been designated as the Senior Independent Non-Executive Director identified by the Board pursuant to Recommendation 2.1 of the MCGG 2012.

The members of the Nomination Committee would meet up with the potential candidates to assess their suitability based on a prescribed set of criteria. Potential candidates are required to declare and confirm in writing, amongst others, his/her current directorships, that he/she is not an undischarged bankrupt, or is involved in any court proceedings in connection with the promotion, formation or management of a corporation or involving fraud or dishonesty punishable on conviction with imprisonment or is subject to any investigation by any regulatory authority under any legislation. Further, candidates being considered for the position of independent director are required to declare and confirm their independence based on the criteria set out in the MMLR.

On appointment of new Directors, the management would facilitate the Directors' induction by providing the Directors with relevant information about the Group and encouraging them 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 2012, 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.

The Group strictly adhered to the practice of non-discrimination of any form, whether based on age, gender, race or religion, throughout the organisation. This included the selection of Board members. In addition, the Group believed it is of utmost importance that the Board is composed of the best-qualified individuals who possess the requisite knowledge, experience, independence, foresight and good judgment to ensure the Company has an effective composition of the Board that is confident in its ability to discharge their duties effectively in the best interests of the Company and shareholders.

The Remuneration Committee has been established since 2002 and the members of the Remuneration Committee comprising two independent non-executive Directors and one executive Director as set out on page 9 of this Annual Report. The Remuneration Committee 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.

CORPORATE GOVERNANCE (cont'd)

B. PRINCIPLE 2: STRENGTHEN COMPOSITION (cont'd)

The Remuneration Committee is also responsible for the administration of the Executive Share Option Scheme for Eligible Executives of Genting Malaysia Berhad and its subsidiaries which had expired on 11 August 2012.

The Remuneration Committee met two times 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 MMLR of Bursa Securities.

C. PRINCIPLE 3: REINFORCE INDEPENDENCE

The Board noted Recommendation 3.2 of the MCCG 2012 that the tenure of an independent director should not exceed a cumulative term of nine (9) years. The Board is of the view that the ability of long serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service or any pre-determined age. Their long service should not affect their independence as they are independent-minded and had provided the necessary checks and balances in the best interest of the shareholders. From the date the Independent Directors were appointed, they had provided an undertaking to Bursa Securities confirming and declaring that they are independent directors as defined under paragraph 1.01 of the MMLR of Bursa Securities. The Board agreed that ultimately the Independent Directors themselves are the best person to determine whether they can continue to bring independent and objective judgment to board deliberations.

In line with Recommendation 3.1 of the MCCG 2012 whereby the Board is required to develop criteria to assess independence of directors, the Board had adopted the same criteria used in the definition of "independent directors" prescribed by the MMLR but excluding the tenure prescribed by MCCG 2012. Therefore, Recommendation 3.2 of the MCCG 2012 (assessment criteria for independence of directors should include tenure) and Recommendation 3.3 of the MCCG 2012 (the Board is allowed to seek shareholders' approval for independent directors after 9 years tenure to remain as an independent director) do not arise.

Accordingly, Tan Sri Clifford Francis Herbert who has been an Independent Non-Executive Director of the Company since 27 June 2002, will continue to be an Independent Director of the Company, notwithstanding having served as an independent director on the Board for more than nine years.

For the financial year ended 31 December 2012, each of the six Independent Non-Executive Directors had provided an annual confirmation of his independence to the Board based on its policy on criteria of assessing independence in line with the definition of "independent directors" prescribed by the MMLR. The Board had assessed and concluded that the six Independent Non-Executive Directors of the Company, namely Tan Sri Alwi Jantan, Tan Sri Clifford Francis Herbert,

Mr Quah Chek Tin, General (R) Tan Sri Mohd Zahidi bin Hj Zainuddin, Mr Teo Eng Siong and Dato' Koh Hong Sun continue to demonstrate conduct and behavior that are essential indicators of independence, and that each of them is independent of the Company's management and free from any business or other relationship which could interfere with the exercise of independent judgment or the ability to act in the best interest of the Company. Each Independent Director has undertaken to notify the Board of any changes to the circumstances or development of any new interest or relationship that would affect their independence as an independent director of the Company. The Board will promptly consider that new information in reassessing the Director's independence.

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. Given that there is a balanced Board with six experienced Independent Directors representing more than 50% of the Board and the presence of Tun Mohammed Hanif bin Omar as Deputy Chairman, there is a strong independent element on the Board to exercise independent judgment. Tan Sri Lim Kok Thay has considerable experience in the Group's businesses and provides leadership for the Board in considering and setting the overall strategies and objectives of the Company. The Board is of the view that it is in the interest of the Company to maintain the above arrangement so that the Board could have the benefit of a chairman who is knowledgeable about the business of the Group and is capable to guide discussion and brief the Board in a timely manner on key issues and developments.

D. PRINCIPLE 4: FOSTER COMMITMENT

In line with Recommendation 4.1 of the MCCG 2012 whereby the Board should set out expectations on time commitment for its members and protocols for accepting new directorships, each Director is required to notify the Chairman of the Board prior to accepting directorships in public and public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction. The Chairman of the Board shall notify all the Board members before accepting directorships in public and public listed companies incorporated in Malaysia as well as directorships in corporations with similar businesses operating in the same jurisdiction. The notification will also include an approximate indication of time that will be spent by the Directors on the new directorships.

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.

During the financial year ended 31 December 2012, the Directors received regular briefings and updates on the Group's businesses, operations, risk management, internal controls, corporate governance, finance and any new or changes to the relevant legislation, rules and regulations.

CORPORATE GOVERNANCE (cont'd)

D. PRINCIPLE 4: FOSTER COMMITMENT (cont'd)

The following are the courses and training programmes attended by the Directors in 2012 :

COURSES	NAMES OF DIRECTORS							
	Tan Sri Lim Kok Thay	Tun Mohammed Hanif bin Omar	Mr Quah Chek Tin	Mr Teo Eng Siong	Tan Sri Clifford Francis Herbert	Gen. (R) Tan Sri Mohd Zahidi bin Hj Zainuddin	Dato' Koh Hong Sun	Mr Lim Keong Hui
Shell General Business Principles and Code of Conduct by Puan Rodziah Zainudin					√			
Financial Institutions Directors' Education Elective Program : Corporate Finance for Directors by The ICLIF Leadership & Governance Centre/Bank Negara Malaysia		√						
Inaugural Tun Abdul Razak Lecture on Moving Forward : Political, Social and Economic Approaches Corporate Governance programme for Directors - Assessing the Risk and Control Environment (Participated as a Speaker)					√			
4th Annual Corporate Governance Summit Kuala Lumpur 2012 - "Bringing Asia onto the Board" by Asian World Summit Sdn Bhd			√			√		
Talk on "The Case for Diversity In The Boardroom" by CSR Asia			√					
The Role of Corporate Governance in Creating Effective Boards by University of Malaya					√			
Advanced Risk Recognition by AmBank Group Organizational Development					√			
Roles and Responsibilities of a Bank Board Following The Global Financial Crisis by AmBank Group Learning & Development		√						
TEDMED 2012	√							√
Panelist on Corporate Governance - The Competitive Advantage by Minority Shareholder Watchdog Group					√			
Seminar on Corporate Governance - The Competitive Advantage by Minority Shareholder Watchdog Group				√				
Accounting & Regulatory Updates, Basel III Framework, Banking Banana Skin Survey, Future Trend in Banking by PricewaterhouseCoopers						√		
Investor Relations and Financial Communications by Bursatra Sdn Bhd		√						
Creating Cross-Border Champions by The ICLIF Leadership and Governance Centre		√						
Bursa Malaysia's Governance Programme Series - Role of the Audit Committee In Assuring Audit Quality by Malaysian Institute of Accountants			√	√				
Financial Institutions Directors' Education Program Forum Official Launch on "Corporate Governance : Do we need it?" by Dr Youssef A. Nasr					√			
Case Studies for Boardroom Excellence : Related Party Transaction - Doing It Right For Results by Bursatra Sdn Bhd						√		
Bursa Malaysia's Half Day Governance Programme on "Corporate Governance Blueprint and Malaysian Code on Corporate Governance 2012"			√		√			
The Malaysian Code on Corporate Governance 2012 - The Implications and Challenges to Public Listed Companies by Malaysian Institute of Corporate Governance & Federation of Public Listed Companies Bhd			√		√			

CORPORATE GOVERNANCE (cont'd)

D. PRINCIPLE 4: FOSTER COMMITMENT (cont'd)

COURSES	NAMES OF DIRECTORS							
	Tan Sri Lim Kok Thay	Tun Mohammed Hanif bin Omar	Mr Quah Chek Tin	Mr Teo Eng Siong	Tan Sri Clifford Francis Herbert	Gen. (R) Tan Sri Mohd Zahidi bin Hj Zainuddin	Dato' Koh Hong Sun	Mr Lim Keong Hui
31st Management Conference (Plantation Division) by Genting Plantations Berhad - Managing the Workforce to Achieve Higher Productivity - "Inspire to Motivate" by Yg Bhg Tan Sri Dato' Seri Dr Salleh Mohd Nor						√		
Malaysian Code on Corporate Governance 2012 by KPMG			√					
27th National Economic Briefing Conference by Malaysian Institute of Economic Research (MIER)		√						
Malaysian Code on Corporate Governance - Challenges to PLCs & their Boards by KPMG			√					
"Human Capital Management In The Boardroom" by The ICLIF Leadership & Governance Centre		√						
Board Excellence by PricewaterhouseCoopers						√		
Forum on Islamic Banking by Professor Dr. Asyraf Wajdi Dusuki						√		
Sultan Azlan Shah Law Lecture - 2012 by D.Y.T.M. Raja Nazrin Shah Sultan Azlan Shah						√		
Handling Press Conferences, Media Interviews and Tricky Media Questions by S. W. Chan						√		
Essential Elements of an Effective Audit Committee by MAICSA						√		
2013 Budget Dialogue by Persatuan Ekonomi Malaysia					√			
"The Key Components of Establishing and Maintaining World-Class Audit Committee Reporting Capabilities" and "What Keeps an Audit Committee Up at Night?" by Bursa Malaysia Berhad		√						
Rebuilding Trust in the Financial Sector by Datuk John Zinkin						√		
Financial Institutions Directors' Education Program Forum Breakfast Talk - Global Consumer Banking Survey 2012 - The Customer Takes Control by Ms Beatriz Sanz Saiz & Mr Chow Sang Hoe, Ernst & Young					√			
Tan Sri Lim Goh Tong Public Lecture 2012 on Macroeconomic Challenges in the US, Europe and China by Professor Jeffrey D. Sachs	√	√	√	√	√			
Market Landscape and Innovations in Private Education in South East Asia by The Parthenon Group			√					
24th Senior Managers' Conference 2012 of Genting Malaysia Berhad : "Go for Gold" by Mr Robert Chaen of ChangeU Group Sdn Bhd	√		√	√		√	√	√
"IFRS Convergence in Malaysia : MFRS Framework" by Ernst & Young			√					
Corporate Integrity System Malaysia (CEO Dialogue Session) by Bursa Malaysia Berhad							√	
Malaysian Code on Corporate Governance 2012 - Implications and Challenges to the Board of Directors by Bursatra Sdn Bhd							√	
Directors' Continuing Education Forum 2012 - Corporate Fraud in Malaysia and Fraud Control Health Check					√			

Tan Sri Alwi Jantan had not attended any training in 2012 as he had attended similar courses in the past. He kept abreast with the rules and regulations through the updates mentioned above and read widely to enhance his knowledge and skills.

E. PRINCIPLE 5: UPHOLD INTEGRITY IN 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 prospects.

The Audit Committee, amongst others, has been delegated with the responsibility to review the quarterly reports of the Group, focusing particularly on:

- (a) changes in or implementation of major accounting policy changes;
- (b) significant and unusual events; and
- (c) compliance with accounting standards and other legal requirements.

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 Financial Reporting Standards and International Financial Reporting Standards 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 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 113 of this Annual Report.

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.

The Audit Committee had reviewed the suitability and independence of external auditors and recommended their re-appointment for the financial year ending 31 December 2013. The external auditors had provided a confirmation of their independence to the Audit Committee that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The policies governing the circumstances under which contracts for the provision of non-audit services could be entered into and procedures that must be followed by the external auditors have been submitted to the Audit Committee.

F. PRINCIPLE 6: RECOGNISE AND MANAGE RISKS

The Board is responsible for the Group's risk management framework and system of internal control and for reviewing their 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 provide 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.

A Statement on Risk Management and Internal Control which provides an overview of the state of internal controls within the Group is set out on pages 45 to 46 of this Annual Report.

G. PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Board observes the Corporate Disclosure Guide issued by the Bursa Securities which can be viewed from Bursa Securities' website at www.bursamalaysia.com as well as adhering to and complying with the disclosure requirements of the MMLR.

The Group acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. The Company holds separate quarterly briefings for fund managers, institutional investors and investment analysts after each quarter's financial results announcement.

The Group maintains a corporate website at www.gentingmalaysia.com which provides information relating to annual reports, press releases, quarterly results, announcements and investor presentations. In line with the MCCG 2012, the Board Charter, Memorandum and Articles of Association of the Company and other relevant and related documents or reports relating to Corporate Governance would be made available on the aforesaid website.

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

H. PRINCIPLE 8: STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

The Company's Annual General Meeting remains the principal forum for dialogue with shareholders. Shareholders are encouraged to participate in the proceedings and ask questions about the resolutions being proposed and the operations of the Group.

The Board has identified Tan Sri Clifford Francis Herbert (email address: clifford.herbert@genting.com) to whom concerns may be conveyed.

CORPORATE GOVERNANCE (cont'd)

H. PRINCIPLE 8: STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS (cont'd)

The current minimum notice period for notices of meetings is as prescribed in MMLR and the Board is of the view that it is adequate. However, the Board notes the recommendation of the MCCG 2012 to serve notices for meetings earlier than the minimum notice period and will endeavour to meet this recommendation for future meetings.

The rights of shareholders, including the right to demand for a poll, are found in the Articles of Association of the Company and a copy has been made available on the Company's website. At the 32nd Annual General Meeting of the Company held on 13 June 2012, the Chairman had notified the shareholders of their right to demand a poll vote at the commencement of the Annual General Meeting.

The Board has taken the requisite steps to look into adopting electronic voting to facilitate greater shareholder participation at general meetings and to ensure accurate and efficient outcomes of the voting process.

I. 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 103 to 106 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 2012 are as follows:

Schedule of Share Buy-Back for the financial year ended 31 December 2012:

Month	Number of Shares Purchased & Retained As Treasury Shares	Purchase Price Per Share		Average Price Per Share*	Total Consideration
	'000	Lowest (RM)	Highest (RM)	(RM)	(RM million)
June 2012	10	3.57	3.57	3.60	0.04
December 2012	500	3.43	3.47	3.47	1.73
Total	510				1.77

* Inclusive of transaction charges

During the financial year, all the shares purchased by the Company were retained as treasury shares. As at 31 December 2012, the number of treasury shares was 265,607,400.

(iii) Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company and/or its subsidiaries, directors or management by relevant regulatory bodies, which were material and made public during the financial year ended 31 December 2012.

(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 had been allotted 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 11 August 2012, being the date of expiration, 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 all these Options had been exercised.

During the duration of the Scheme, a total of 80,910,000 Options were granted to Eligible Executives of which 68,889,000 Options had been exercised and 12,021,000 Options had lapsed.

The Scheme expired on 11 August 2012 and there were no Options granted under the Scheme during the financial year.

This statement on Corporate Governance is made in accordance with the resolution of the Board of Directors dated 10 May 2013.