



SINAK[®] *Corporation*

Sustainability Report
2007-2008



ABOUT THIS REPORT

This Corporate Sustainability Report focuses on SINAK's social, environmental, health and safety performance during 2008-2009. It is prepared to meet the specific needs of our shareholders, stakeholders, and others specifically interested in sustainability. This report is prepared using the Global Reporting Initiative (GRI) G3 sustainability guidelines. We are continuing to enhance our ability to collect, monitor, and analyze data and expect more comprehensive data in future reports. Recognizing the growing interest in sustainability, SINAK intends to produce a Communication on Progress report on an annual basis. This report provides a summary of the sustainability performance and practices of SINAK Corporation. We expect feedback from our principle stakeholders to which we will respond in our next report. Our stakeholders consist of our shareholders, our employees, the blenders, shippers, creditors, clients and local communities in which our business interacts.

External report assurances were not sought for this report but may be appropriate for future reporting. The boundary of this report is limited to SINAK's governance body, employees and facilities. Our goal in the future is to incorporate inputs from some of our other stakeholders. Questions concerning this report should be directed to Patrick Taylor, Manager of Technical Services- Patrick@sinak.com.



Mills Peninsula Hospital. Burlingame, CA

*SINAK® VC5™ being applied to save over 13.5 million liters of water as opposed to using the water cure method**

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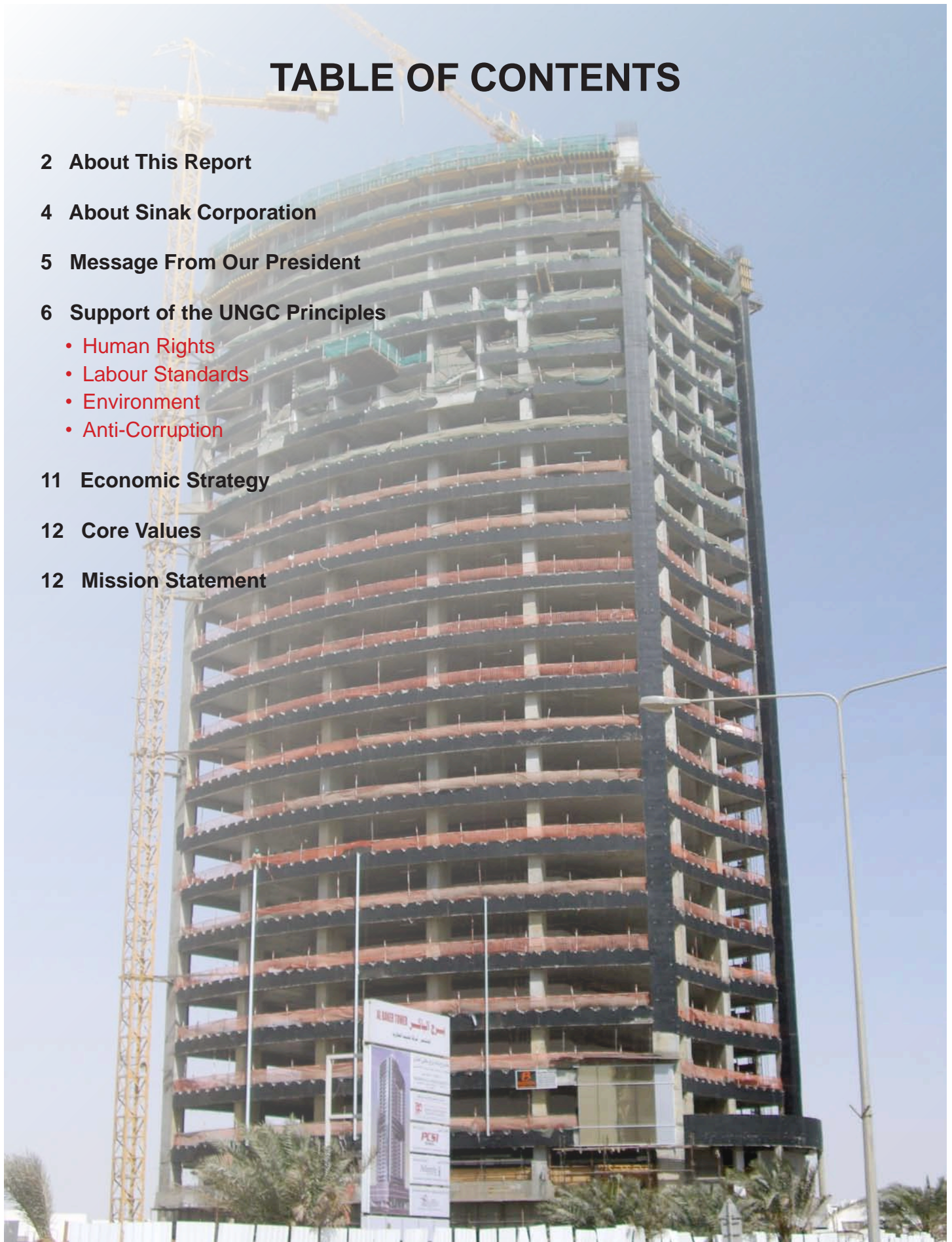
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ABOUT SINAK

SINAK is currently operating from two principle locations - one in the United States and its newest office in Qatar. SINAK's corporate headquarters is located at 1949 W. Walnut Ave. San Diego, CA 92101.

SINAK Corporation is well known for its unique line of products for treating concrete and masonry. The line ranges from products for concrete curing, waterproofing, vapor emission and alkalinity control, to a high performance resurfacer.

Founded as a partnership by Bob and Craig Higgins in 1979, the primary focus at first was on waterproofing concrete parking decks and bridge decks, a natural emphasis from their construction background. By the time the company was incorporated in 1983, the early products had proven their value by excellent performance in curing, waterproofing, chloride ion protection, freeze-thaw protection, increased abrasion resistance, reconsolidation, and environmental stain protection. The first R & D effort on vapor emission control had been completed and P-105 was on the market for vapor emission and alkalinity control.

Shortly thereafter, in searching for a formula effective against alkali-aggregate reaction, the HLQ (hydrolized lithium quartz) line of products was developed and tested with marketing starting in 1988. The HLQ products have proven themselves over the years and have extended many of the earlier benefits for concrete, to include masonry and most types of stone. The lithium technology developed by SINAK has also enabled proven products for waterproofing and hardening stucco and for vapor emission control. We are pleased to announce that we have received GREENGUARD® certifications for all of our curing, waterproofing and vapor emission control products.



North South Road Project. Oahu, HI

SINAK® Lithium Cure™ being used in place of white pigmented cures, eliminating carbon emissions.

In 1993, SINAK completed research and development of RELAY™, a surfacing product. RELAY™ mixture is a primerless system that will adhere to virtually all types of substrate to produce a new, waterproof, bondable surface compatible with all types of coatings and adhesives. It will feather to a “zero edge” without losing strength, flexibility or adhesion.

A MESSAGE FROM OUR PRESIDENT

SINAK is a privately owned and operated corporation currently moving into an array of global markets. As our corporation begins its expansion into these new markets we are aware of our potential to impact new economies and environments. SINAK is dedicated to having a positive impact on our stakeholders, the environment, and our employees, as well as producing profits. SINAK has developed environmentally sound products and will continue researching to improve its products, in line with our long-term commitment of being at the forefront of technical development in our industry. Along with the development and marketing of unique high-quality, environmentally friendly products, SINAK has worked hard to develop a reputation as a no-nonsense, say-it-like-it-is company with a solid technical foundation for solving and preventing problems. We feel a great sense of duty to keep it that way as we move into new markets and undertake the responsibility of continuing to be a sustainable corporation.

It is our intention for 2009-2010 to continue expanding our knowledge on being a responsible, sustainable global corporation. We plan to investigate auditing systems to ensure and encourage open communication with our blenders and distributors.

We support the UN Global Compact and will continue to follow internationally agreed upon environmental, labor, human rights expectations and anti-corruption laws. We believe that we provide products that are beneficial for the encouragement and expansion of new infrastructure in safe and environmentally responsible ways. It is also our practice to encourage this growth while respecting fair labor practices with all our stakeholders.

This is a continuation of our journey and we learn more each day as our work for social and environmental responsibility develops. This is our first report on sustainability. It feels a bit strange to formalize our natural long-standing moral and social standards into a relatively rigid format for reporting purposes, but we will get better at it in the future. We value feedback and appreciate the time you have taken to read about our company.

S.S. Kuerbis

Support of the 10 Universal Principles: United Nations Global Compact

At SINAK Corporation we support and uphold the 10 Universal principles set forth by the UNGC covering Human Rights, Labour Standards, Environment and Anti-Corruption. Incorporating the principles into our Corporation commits us to our employees and their families and to our community by being a responsible company.

Human Rights

Principal #1:

Businesses should support and respect the protection of internationally proclaimed human rights:

We are committed to the highest standards of human rights protection. And although our Board of Directors has ultimate responsibility for decision-making and for compliance with all human rights laws and regulations applicable to our business, it is in the corporate culture at SINAK that no matter the seniority, every employee has the right to speak-up on any situation or in house issue that they are concerns them. The results are seen at the office in that every employee enjoys a positive workspace each day.



Emirates Environmental Group May 2008 Can Drive in Dubai, U.A.E

Principal #2

Make sure that they are not complicit in human rights abuses:

As we grow and expand into new markets we will continue to support and respect the protection of internationally proclaimed human rights regulations and make sure our employees on every level are never complicit in human rights abuses.

Labour Standards

Principal #3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

SINAK Corporation operates within the labour laws that allow freedom of association, including the right to engage in collective bargaining. We encourage every employee to be involved in our sustainable development program. Our employees are expected to carry out their work according to the highest ethical standards. All of our employees will be provided with a copy of the code of ethics provided by our Board of Directors.



Principal #4:

The elimination of all forms of forced and compulsory labour.

SINAK is an equal opportunity employer. We offer all of our employees a competitive salary and benefit package. This package includes a basic salary, medical insurance, and the opportunity to earn a performance bonus. SINAK has a very low level of turnover, which we believe speaks to our high level of work ethic as well as providing a supportive and safe work place.

Principal #5:

The effective abolition of child labour

SINAK Corporation does not and will not employ children for labour. We will continue to encourage all of our stakeholders to adhere to the highest standard of decent work and labour practices.

Principal #6:

The elimination of discrimination in respect of employment and occupation

Regardless of gender, race, religion or physical disability SINAK Corporation provides a supportive and safe work place in accordance with all applicable equal opportunity laws and regulations.

Environment

At SINAK, our commitment to the environment has been integrated in our products as well as our corporate culture. We support a precautionary approach to environmental challenges. We commit to undertaking initiatives to promote greater environmental responsibility, which has been exemplified by our constant research and development to find the most efficient bio-friendly technologies.

Principal #7:

Businesses should support a precautionary approach to environmental challenges

With the introduction of biodegradable packaging (totes) in 2006 we have been able to reduce the consumption of plastics and steel thereby reducing landfill waste.

Principal #8:

Undertake initiatives to promote greater environmental responsibility

In May of 2008 SINAK Corporation entered into a rigorous testing process by an independent certifier recognized by the United States Green Building Council. In September of 2008 SINAK proudly announced that the clear treatments submitted had passed the testing and were officially GREENGUARD Indoor Air Quality Certified®.

Since January of 2007 SINAK Corporation has been a member of the Emirates Environmental Group participating in Clean-Up and recycling activities along with community lectures. In May of 2007 in Dubai SINAK Corporation teamed with Oryx Enterprises for a community lecture, hosted by the Emirates Environmental Group, entitled "Building Without Depleting Water Resources Or Polluting The Environment". The lecture focused on the Middle East and North Africa region's rapid construction pace, the amount of water consumed for construction in the region, the effects of such water usage and a way in which to reduce consumption. The same lecture was given in Qatar in November of 2007 at the "Better Buildings" conference hosted by Friends of The Environment. SINAK Corporation supported the Exclusive Agent in Qatar at the 4th Regional Conference on Protecting the Gulf Environment conference in April 2008 when this same lecture was presented.



SINAK and Oryx Enterprises, W.L.L. exhibit at the 4th Regional Conference on Protecting the Gulf Environment conference in April of 2008

Principal #9:

Encourage the development and diffusion of environmentally friendly technologies

Shortage of water is a major constraint for development in the Arab World. It is a challenge to bridge the gap between the increasing demand and the decreasing supply of water. The average annual increase of demand for water in the Arab world is 6% per annum compared to the 3% global average. 40% of the water demand in the Middle East comes from the industrial and municipal sectors due to the construction boom underway.

SINAK currently offers products that allow dramatic water savings. With our stance on the environmental friendliness of our products the application procedures and techniques are always being improved. This has a positive effect on waste reduction, labor costs and the environment.

Anti - Corruption

Principal #10:

Businesses should work against all forms of corruption, including extortion and bribery

Fair dealing is at the heart of the SINAK Corporation Mission Statement. SINAK's code of conduct will be expanded to incorporate a policy covering anti-corruption, extortion, bribery and conflict of interest. All of our employees will be provided with a copy of the code of conduct provided by our Board of Directors which will be reviewed and accepted by each employee.



UPS World Hub. Louisville, KY

*SINAK® WCE™ being used to save over 19 million liters of water as compared to water cure method**

CORPORATE GOVERNANCE

Along with our strategic business planning we plan to further develop a strategic reporting direction. It is a short term goal to put policies and procedures in writing that incorporate the 10 UNGC principles taking into account what is reasonable for our operation at this time.

As our company's future grows so does our strategic direction; SINAK is committed to developing a company-wide awareness program to increase the effectiveness of our reporting process.

ECONOMIC STRATEGY

We are unable to provide a detailed financial breakdown. However, at SINAK we understand that our financial success affects our employees, community, stakeholders and shareholders.

CORE VALUES

Environment: We manufacture products that promote environmental sustainability – such as providing products that in their nature save water.

Team Work: Our team is supportive of each member's efforts, loyal to the company and one another, and members each other both personally and professionally.

Customer Service Excellence: We are dedicated to satisfying customer needs and honoring our commitments to them.

Integrity: We act honestly and with integrity, not compromising the truth.

Passion for Results: We have pride and show enthusiasm and dedication in everything that we do. We are committed to selling and delivering high quality products and services.

Open Communication: All team members are encouraged to openly share their opinions and views.

MISSION STATEMENT

To develop, manufacture and market a unique family of products that protect, enhance and extend the life cycle of various surfaces in an environmentally friendly manner. To maintain a sterling reputation for integrity and fair dealing and to provide superior technical support and customer service to ensure proper product application.



Christopher High School. Gilroy, CA

*SINAK® VC5™ being used to save in excess of 13.5 million liters of water vs. water cure method**



Villa Project. Doha, Qatar

*SINAK® S-102™ being used to save over 11.4 million liters of water vs. water cure method**