

STATEMENT OF SUSTAINABILITY

The Board of Directors of SCAN Associates Berhad acknowledges the importance of business sustainability in ensuring long term corporate growth and profitability.

In doing so, the Board has formalizes its business strategies to generate a maximum increase in company, clients and employee value by embracing opportunities and managing risk from environmental and social developments. To a certain extent in business practices, sustainability is closely related to corporate social responsibility.

Four (4) focus areas below are the key elements to achieve sustainability:

- Sustainable development
 - the need to balance the corporate need for economic growth with environmental protection and societal development
- Corporate social responsibility
 - to incorporate corporate social responsibility practices/tools in a business model to strategize sustainability
- Stakeholders engagement
 - the engagement of various stakeholders, internal and external is important to understand their concern and need and the impact on business
- Corporate accountability
 - to ensure business practices that provides a legal and ethical basis for the company to report its impact on society and environment, apart from financial performance

The company's strategies for sustainability shall revolves around:

- Operational risk management
 - to ensure lower cost and risk of compliance
- Resource productivity
 - costs are reduced through process efficiency
- Sustainable workforce
 - to reach out to the talent in the right market and provides foresight to meet the changing requirements of employees
- Sustainable consumption
 - to generate brand value and retain customer loyalty through sustainable operation and to increase revenue with new market penetration

The Board formalises the Group's strategies on promoting sustainability as part of its business plan and strategic thrusts on 13 December 2012. The Board will continue to strengthen the following initiatives:

- (a) Rationalization and Corporate Structuring;
- (b) Building Image;
- (c) Strengthening and Diversifying Business;
- (d) Building Human Resource Capital.

The Board acknowledges that sustainability has become critical to business strategy and will be taking the following six (6) steps to embed sustainability in its organization:

- (1) Build sustainability into the Company's mission;
- (2) Communicate Board's commitment;
- (3) Build sustainability into risk management;
- (4) Integrate sustainability into business strategy and provide oversight;
- (5) Mandate a committee with sustainability responsibility;
- (6) Report to shareholders on sustainability performance.

The Board will take reasonable steps and are committed to monitor and review the existing policies and procedures in place from time to time to ensure business achieve its sustainability plan.

This statement is made in accordance with a resolution of the Board of Directors dated 24 April 2013.