

Framework of Our Corporate Philosophy (Aiming to Develop "Global Excellent Companies")

This is the organizational structure of the Company Principles that indicated the starting point for the corporate activities in which Sanden Group intends to engage as a group of "global excellent companies."

Founding Spirit-"Let Us Develop with Wisdom and Prosper in Harmony"

"Let us develop with wisdom and prosper in harmony" means that we should use intelligence in combining our development and pioneering abilities to win prosperity for us all.

Management Principles

- Satisfy our customers' needs with high quality products
- Contribute to the social and cultural improvement of the community through business activities
- Build a company of which all are proud, through the efforts of self-motivated employees

Corporate Philosophy: The Basis for All Corporate Activities

Sanden's Corporate Philosophy comprises a preamble that serves as the starting point for all corporate activities of the "global excellent companies" of the revitalized Sanden Group and designates compliance as the basis for all operations, five universal values common to all peoples of all nations, and five general rules establishing the Company's basic stance toward its stakeholders.

Vision: Early 21st Century Corporate Sanden Vision

The Sanden Group should

1. Constitute companies which prosper
2. Unify the vitality of all employees
3. Positively contribute to the prosperity and well-being of Customers, Shareholders, Suppliers and the Communities throughout the world

GLOBAL EXCELLENT COMPANIES

Sanden Total Quality Management (STQM)

STQM is the actions to accumulate daily efforts of creative improvement while improving the quality of each management and each result, in order to build the company which prospers in the 21st century.

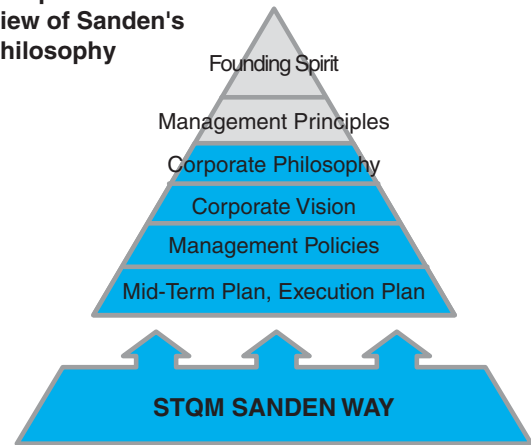
STQM Sanden Way: The Company Code of Conduct

The Sanden Group is guided by "SW23," a set of philosophy, value, and action statements that define the fundamental guidelines for employees worldwide.



Sanden Philosophy Handbook

Comprehensive View of Sanden's Philosophy



CORPORATE PHILOSOPHY



Established: November 1, 2003

The Sanden Group (G-SDC) will observe the following 10 principles in full compliance with the laws and regulations, and rules.

Basic Principles (Universal values shared by the global community)

1 Good Corporate Citizenship and Harmony with Society

We will grow as good corporate citizens, trusted by society and in harmony with the international community.

2 Respect for Human Rights

We will build a corporate culture founded on respect for individuals and human rights.

3 The Environment

We will endeavor to preserve the environment in every aspect of our corporate activities to ensure that future generations will inherit our beautiful, irreplaceable earth.

4 Corporate Ethics

We will conduct our corporate activities in a spirit of sincerity and fairness based on a strong sense of ethics.

5 Safety and Health

We will enable our employees to achieve a healthy lifestyle by creating an environment that assures their health and safety.

Basic Stance toward Stakeholders

6 Customers

We will stand on the admired ability of engineering development and manufacturing, can offer products, systems and services, based on the QUALITY FIRST, that provide constant satisfaction to our customers around the world.

7 Employees

We will grow together with our employees by creating an organizational culture that encourages free and vigorous communication imbued with a spirit of respect for humanity in line with our corporate culture of challenge and innovation.

8 Shareholders and Investors

We will respond to the trust and expectations of our shareholders and investors by expanding the Sanden Group, enhancing our corporate value and making our management more transparent.

9 Communities

We will respect regional customs and cultures around the world and contribute to the social and cultural development of the communities, which we are related with.

10 Suppliers

We will grow together with our suppliers as business partners who provide our customers with the best possible products, systems and services on the basis of fair and transparent relationships.