

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.

■Materials & Part Supply (MPS) Policy

Sanden changed the name of its procurement sections to MPS in June 2005. MPS, which stands for Materials & Parts Supply, encompasses the reliable and efficient supply of competitive materials as well as parts from suppliers to Sanden factories, as well as the supply of products to Sanden customers around the world. As stated in our Corporate Philosophy, to provide customers with the best products, systems, and services, we continually emphasize the concept that, rather than considering purchasing and procurement in isolation, we should always endeavor to procure components based on due consideration of the need to provide products that satisfy customers. Accordingly,

1. Quality—We aim to satisfy customer requirements by providing products of top quality as measured based on a global standard.
2. Cost—We aim to maintain the cost-competitiveness and pricing policies needed to build win-win relationships with global customers.
3. Delivery periods—We aim to schedule deliveries in line with customer needs by building delivery systems that are among the best of their kind anywhere in the world, including purchasing-related quality cost and delivery (QCD) capabilities, and thereby proactively work to satisfy customer requirements.

■Sanden CF Conferences

In February of each year, we hold our Sanden CF conference, standing for "Create Future" conference, to explain our management and MPS policies to our suppliers. In 2008, 135 of our domestic suppliers participated, and, based on the thinking underlying our 21st century corporate concept of "growing globally as a company in the environmental business domain," we worked to enable our suppliers to gain a deeper understanding of our Corporate Philosophy and build even stronger relationships based on mutual trust.

■Joint Improvement Activities with Suppliers

To promote our MPS concept of "the reliable and efficient supply of competitive materials as well as parts from suppliers to Sanden factories, and the supply of products to Sanden's world-class customers around the globe," we are striving to share common values with our suppliers and implement activities that align with our goals. These activities are focused on promoting "innovation in manufacturing goods," primarily through improvements in the manufacturing workplace, and are intended to strengthen competitiveness. The beneficial results of these activities are confirmed in Sanden Group presentations, and they help to stimulate and encourage mutual efforts among Sanden and its suppliers, thus creating a "win-win" environment.



■Policy explanation at CF conference by Mr. K. Suzuki, President



■Holding awards from customers at CF conference