



## GUIDING PRINCIPLES

The Company's philosophy is that our real strength in the marketplace is the quality and dedication of our employees. Working together, we enhance each other's skills, making the whole greater than the sum of the individual parts. In order to facilitate this, the following Guiding Principles are an integral part of our daily life here at Carpenter Co.:

1. The Company must be an integrated force of people and capital dedicated to seeking mutual advancement.
2. The creation of value must be the end result of everything the Company does.
3. The path of excellence is our way.
4. The Company has to be completely dedicated to furthering its customers' interests if its own interests are to be served. We must always remember that:
  - a. Our customers demand quality products.
  - b. Our customers must have timely deliveries in full accordance with their instructions.
  - c. Our customers require us to keep our costs down so that we can price our goods at a level that enables them to remain competitive in their business.
5. Each of us must constantly be aware of the necessity to eliminate or avoid waste in all its ugly forms.
6. Each of us must respect the individual.
7. Every person in the Company should maintain a cordial relationship with each of his/her fellow employees. There must be no aggression within the Company.
8. Every one of us must acquire new knowledge and abilities in order to create new opportunities for oneself and the Company.
9. The Company must operate on the leading edge of technology of our business.
10. We must do the best we can to serve ourselves, but we should not forget that in the final analysis, we serve society whose approval of our actions forms the basis for the existence of our Company.