

THE
VALUE
OF
OUR
VALUES ▶▶

val•ue \ val-yü\

noun

**1 the esteem that something is held to deserve;
the importance or preciousness of something**

**2 a person's principles or standards of behavior;
one's view of what is important in life**

HELPING OUR CUSTOMERS GROW

Helping you grow means leveraging the core values on which our company was founded and built: Customer Focus, Quality, Integrity, Respect for the Individual, Innovation, and Continuous Improvement. Our values have value, to our associates, our distributors and their associates, our customers, and their customers. Throughout the world, in good times and bad, our associates are steadfastly committed to living these values, to prove our value.

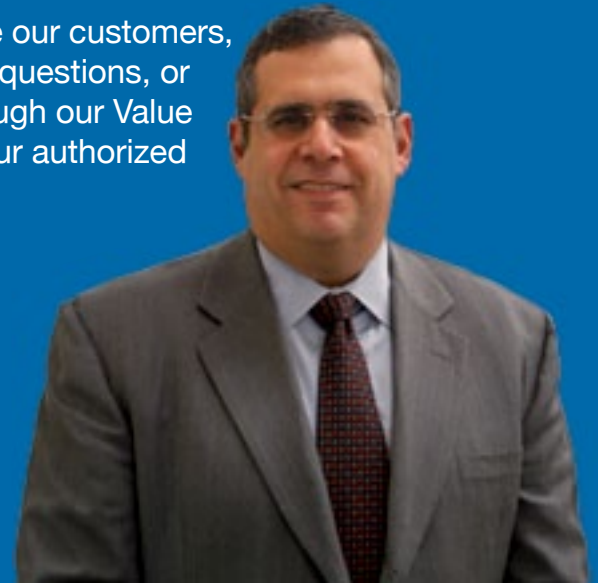
Because of our dedication to Customer Focus, we help you contend with ever-tighter budgets and fewer resources. We help ensure product availability through vendor-managed inventory and emergency delivery. We provide support such as eBusiness solutions, engineering services, and our new Swagelok University. Customers can depend on the Swagelok brand to consistently provide extraordinary Quality in all our products and services. For us, Integrity means choosing to do the right thing with courage and character. We value Respect for the Individual, so we foster an environment where people are trusted and treated fairly. Our focus on Innovation has expanded our offering to include new services and new products. And as a result of our Continuous Improvement, we continually strive for improvements each day and for greater efficiencies in our operations, allowing us to invest more in our people and operations.

This book is about our values, and the value they provide our customers, their customers, and society as a whole. If you have any questions, or would like to see an example of how we bring value through our Value Impact Partnership (VIP) presentation, please contact your authorized Swagelok sales and service representative.

Sincerely,



Arthur F. Anton
President and Chief Executive Officer



OUR VALUES

Customer Focus

- ▶▶ Create value for the customer to create value for Swagelok

Quality

- ▶▶ Provide high value and high performance in our products, processes, and services

Integrity

- ▶▶ Choose to do the right thing with courage and character

Respect

- ▶▶ Commit to the success of each associate through an environment where people are trusted, respected, and treated fairly

Continuous Improvement

- ▶▶ Systematically and consistently do things better

Innovation

- ▶▶ Challenge conventional wisdom to create new value for the customer

THEIR VALUE

Our core values are pillars upon which our company was built. And they're the fuel for where we are going. Everything we do, everything we make, everything we have to offer comes from these core values. Our values are not reactive, but are the underlying threads woven into the fabric of our 60-plus-year culture. It's not enough to recognize them. We have to understand, internalize, and live them. Because our values are not just words on paper. They're who we are.

Practiced correctly, our values are contagious.

Throughout this book, you will see how our values have been practiced, championed, and how others have benefited from them. And that's really why we're dedicated to our values. Because the value of our values is that they don't just benefit our company. They benefit our customers and our customer's customers, too. And the more we can share our values, the stronger we all become.

CUSTOMER FOCUS

Everything that we do every day at Swagelok is focused on improving service to you as our customer. In particular, we focus on being flexible and adaptive, as well as timely and responsive.

Our regularly stocked products are available all over the world, in multiple end connections, sealing materials, port options, and configurations. But if you do not find what you want in our product literature, we may still be able to help.

Throughout the world we have field engineers and technology centers for the purpose of collaborating with you to provide specially designed solutions, including panels and other assemblies, which some customers have requested when their staffing has fluctuated, especially during an economic downturn.

We recently increased our product offering with a complete line of Coreflex™ series hose – and we will continue to increase our product offering still more. Even if you require a fluid system component that we do not manufacture, we may be able to procure it for you through our Axess® service or by other means.

The Value of **CUSTOMER FOCUS**

UNI-SOLAR® faced an aggressive deadline to meet high-quality thresholds for their next manufacturing advancement in flexible photovoltaic laminates. Swagelok was there to expedite the process with on-site technical support and a customized assembly that improved the company's production process.



“ In today's world, technology changes at the speed of light. The Swagelok team showed they can keep pace. They truly understood our needs on-site and came back with something faster and smarter, bundled with total support. ”

Gary Di Dio
Plant Manager, *UNI-SOLAR*®
Rochester Hills, Michigan, U.S.A.

QUALITY

Extraordinary quality is our promise. We design and manufacture products to the highest standard, without exception. We provide services that are exceptional – that exceed your expectations.

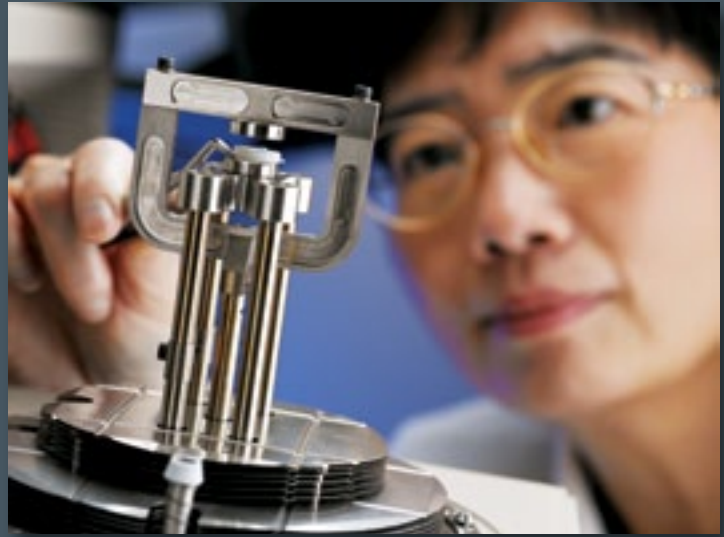
In our design and manufacturing process, we build in quality checks at every key point along the way, including simulated computer modeling, electron scanning of raw materials, dimensional testing, and even non-functional appearance inspections.

But we do not stop there. We want our products to help your systems perform at optimum efficiency. So we provide training in component installation. And, at your request, we will audit your fluid systems for inefficiencies, calculate your energy losses, and recommend improvements. Our goal is zero customer disappointments, that is, every product that goes out the door must be free of defect.

Recently, we implemented our Swagelok Quality System (SQS) throughout our global distribution network. Compatible with ISO 9001-2000, SQS ensures that whatever service or product you receive from our more than 200 authorized sales and service centers – from billing to training, kitting, or managed inventory – you will receive consistent, high-level quality.

The Value of QUALITY

SAFC Hitech, an innovator and manufacturer of specially designed chemicals, has been relying on Swagelok for the safe containment and management of chemicals for more than 30 years. The company values Swagelok Company's reliable products, stringent quality checks, close collaboration on new designs, speed, and responsiveness.



“ **The hardware we employ for our packaging systems has to be well designed and of the highest quality to absolutely ensure the integrity of our high purity materials contained inside is guaranteed. The valves that control the release and metering of these high purity materials are absolutely critical. That's why we rely on Swagelok.** ”

Dr. Peter Heys
Research and Business Development Manager
SAFC Hitech
Bromborough, United Kingdom

INTEGRITY

Integrity is about doing the right thing, every time, with courage and character.

Our products are tested and tested again. And when we assign performance ratings, you can be sure they are well qualified and reliable. That way, we know that our products will be safe and will perform at the rated level. When we provide technical advice, it will be truthful advice – advice that is in your best interest. It will be concerned with safety and efficiency. Our communications will continue to be forthright, given what we believe to be an accurate portrayal of issues, even if unpopular.

Integrity is about thinking beyond the immediate sale. It's about knowing your field well, and knowing the customer's business and challenges. Ultimately, it's about the success of the customer's business.

We demonstrate this commitment every day through the actions of our associates, distributors, and their staff. It's honest communication about delivery times from your customer service representative. Even monitoring inventory turns on your site so you're not paying for product before you absolutely have to.

The Value of **INTEGRITY**



At Swagelok, moments of integrity are not cause for celebration, but rather the code of conduct expected of associates. Every day, Swagelok sales and service centers defy conventional practice and recommend products and services that put less money in their pockets, but better solutions in place for the customer. This was the belief of our founder, the reality of today, and a commitment to future generations.

“ We’re always going to represent the honest and ethical way of doing business with our customers. It’s about providing the best value solution each and every time. ”

Craig Jennings
Principal
Capital Valve & Fitting Co., Inc.
Baton Rouge, Louisiana, U.S.A.

RESPECT

“Respect for the individual” is our commitment to a culture in which people are trusted and treated fairly. We listen and learn from each other. Each voice is important.

We also respect you as our customer, and the constraints and pressures that you are working under. We are listening to you, and trying to improve the way we do business.

We know that you are answerable to others in your organization who demand documentation of our value. That’s why we implemented our Value Impact Partnership program, which systematically calculates the value of your particular relationship with Swagelok and your authorized sales and service center, and delivers it in a cost-savings report.

We know also that seamless electronic transactions are important in many organizations. Our robust e-procurement capabilities enable easy integration with your enterprise resource planning (ERP) system, as well as international marketplaces, such as Ariba® and cc-chemplorer®, or live links for punch-out or round-trip programs.

The Value of **RESPECT**

Advanced Micro-Fabrication Equipment Inc. (AMEC), a new semiconductor production equipment company specializing in developing and manufacturing advanced wafer fabrication solutions, required a business partner that could provide highly technical problem solving, together with flexible local delivery and consignment of inventory on site in China.



“ From the excellent local support Swagelok sales and service centers have provided, it is clear that Swagelok is committed to bringing its ‘unfailingly reliable’ products and services closer and closer to the customers around the world. ”

Vic Meksavan
Managing Director, Global Material Operations
Advanced Micro-Fabrication Equipment Inc.
Shanghai, China

CONTINUOUS IMPROVEMENT

Continuous improvement is the art of changing for the better. It's a value we take to heart, from our shop floor associates to our senior executives and sales team.

We introduced our Swagelok® tube fitting in 1947, but since then we have continued to improve it, with major changes to ferrule geometry and metallurgy introduced in 2000. Today, we are in the process of rolling out the fitting in more materials and sizes, including exotic alloys for sour gas applications in oil and gas exploration.

In our services, we strive to improve customer convenience. We know that having the right product in the right place at the right time is everything. It matters always, but especially in a down economy. This is a time when all suppliers should step it up logistically. And we are committed to doing so, with our unique combination of a strong central organization and local support through authorized sales and service centers on five continents.

Over time, we have discovered a way to serve the unique needs of large construction projects that operate from multiple locations across the globe. We formed Swagelok Capital Projects Company (SCPC), a wholly owned subsidiary, to create a single Swagelok contact to coordinate communications, product delivery, and invoicing for global projects.

The Value of **CONTINUOUS IMPROVEMENT**



Imtech Industry, Analyser Systems, an independent systems integrator that supplies pilot plants, analyzer and metering systems to major oil and gas companies, has been depending on Swagelok components and superior service for more than 25 years.

“ A key to supplying international projects is effectively staging out the work and keeping to the schedule. Swagelok’s inventory management solutions help us do just that. ”

Johan la Grand
Procurement
Imtech Industry, Analyser Systems
Tholen, The Netherlands

INNOVATION

We believe in innovation, the attempt to bring new ideas into practice, to change how the world works.

In good economic times and bad, we put significant resources behind our research and development. That's why we are a thought leader in metallurgy and corrosion issues, and why we hold more than 200 patents worldwide.

Of course, our innovations exist only to advance your innovations. The knowledge that we acquire is for our customers, and we are always looking for opportunities to share that knowledge through collaboration on new designs or challenges.

Our state-of-the-art resources facilitate shared innovation. Our laboratories are equipped for prototyping and special reliability testing. And computational fluid dynamics (CFD), finite element analysis (FEA), and computer-aided design (CAD) are among the computer modeling tools that expedite the design process and help to visualize and test a new design before we make up the physical prototype.

We recently channeled our technology into two new services. Swagelok Energy Advisors, Inc. provides on-site audits of steam systems, addresses all types of steam system problems, and provides comprehensive hands-on steam system training. And our surface-hardening services are available to treat finished stainless steel components, endowing them with hardness comparable to tool steel.

The Value of INNOVATION



The SAT12[®] process is a method of enabling austenitic stainless steels to absorb massive amounts of carbon without carbide formation, dramatically improving hardness and other performance characteristics. For this innovation, Swagelok was awarded the 2006 ASM International Engineering Achievement Award.

“ Arguably, this is one of the most significant breakthroughs in materials science in many decades, as well as one with many extraordinary technological implications. ”

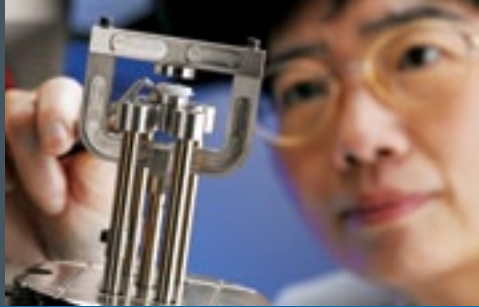
Arthur Heuer, Ph.D., University Professor and Kyocera Professor
of Materials Science and Engineering
Case Western Reserve University
Cleveland, Ohio, U.S.A.

Our Values

BROUGHT TO LIFE

Now is a critical time for many companies. We all want to contain our costs. But we also want to do all we can for our valued customers. So we are asking, “What could we be doing for you that we are not already doing?” We want to do more.

Swagelok’s Value Impact Partnership (VIP) is an opportunity to evaluate our benefit to you. We prepare a cost-savings report that calculates the financial value of the services that we provide to your company at all its locations. Some Swagelok services are value-adds. Some may require a fee. But all yield a value in excess of their cost to you. Our cost-savings report captures that value as an itemized statement that can be shared throughout your organization. On the following pages are some of the line items in a cost-savings report.



- ▶▶ Consignment – Inventory on your premises but not on your books until you need it.
- ▶▶ eBusiness Solutions – Electronic ordering and payment, downloadable CAD templates on the Web, integration with your ERP or marketplace.
- ▶▶ Emergency Delivery – Products and back-up equipment delivered quickly in urgent situations.
- ▶▶ Energy Management – Auditing your plant and calculating the cost of energy leaks.
- ▶▶ Engineering Services – On-site engineering support, special product configurations, new product development, collaboration on special design problems or challenges.
- ▶▶ Equipment Services – Swaging units, tube benders, hand tools, or orbital welding equipment provided on loan or in emergencies.
- ▶▶ Integrated Services – Design and custom fabrication of fluid system component assemblies.




- ▶▶ Just in Time Delivery – Product delivery just when you need it, not before.
- ▶▶ Kitting – Grouping and packaging of products, organizing inventory, simplifying ordering.
- ▶▶ Product Evaluations – Testing and evaluation of Swagelok products to ensure the right match between product and application.
- ▶▶ Summary Billing – Record keeping of all products ordered with a consolidated statement at the end of the month.
- ▶▶ Steam Audits and Training – Evaluating your steam systems, calculating costs associated with inefficiencies, providing recommendations, and educating your team.
- ▶▶ Swagelok Weld System Training – Training in GTAW orbital welding.
- ▶▶ Vendor Managed Inventory – Managing inventory on your site so the components you need are always available.



A VALUABLE CONVERSATION

You may have a need that we do not know about yet. And we may have a solution that you are not benefiting from yet. Let's talk about how we can foster an even stronger relationship and look ahead to a brighter future. Please call your authorized sales and service representative to set up a time for a meeting.



Our values support our company vision—truly understand our customers’ needs and act on them. They also support our mission to apply our collective talents with understanding and passion to improve each day. And they drive home our commitment to prove the value of our values within our business and the community at large.



Swagelok®

www.swagelok.com