

## Initiatives on Safety

### Basic Approach

The Kurita Group recognizes that due to the nature of its business, employees are faced with safety risks on operation sites for manufacture and delivery of water treatment chemicals or assembly, delivery, and installation of water treatment facilities. We have therefore positioned “occupational health and safety as the top priority in operating business.” We are working to ensure the safety and support the health of Kurita Group officers and employees, as well as employees of subcontractors to create working environments where they can work with confidence.

### Structures and Policies for Occupational Health and Safety

The Company and its domestic Group companies have established an occupational health and safety structure based on labor safety laws and regulations such as the Industrial Safety and Health Act.

Specifically, each office and division of the Company and its domestic Group companies establishes a Health and Safety Committee which promotes worksite health and safety. These committees are directed and controlled by the Headquarters Health and Safety Committee, which is chaired by the general manager of the Group Administrative Division, allowing us to develop and enhance safe and healthy work environments. A department has been established to promote safety within the worksite, and it supports on-site safety initiatives as well as planning and taking measures to prevent work-related accidents. The department also follows up on the activities of the Health and Safety Committee.

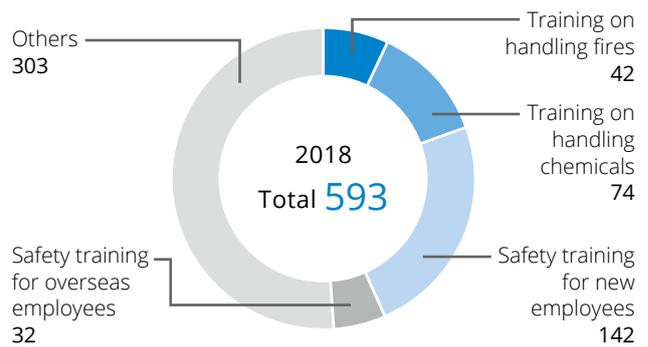
In the fiscal year ended March 31, 2018, the Health and Safety Committee stated the direction for its initiatives as, “every one of us must have a sense of danger and establish the behavior of thinking for ourselves to remove any potential risks.” As such, we have endeavored to prevent work-related accidents and to promote health management and so forth.

### Initiative to Prevent Work-Related Accidents

Taking into consideration previous work injuries, the Kurita Group set preventing chemical-related injuries and falls as priority issues, outside experts and the Company’s responsible departments conducted safety patrols, and efforts were made to discover and eliminate risks at worksites and raise the safety awareness of employees and subcontractors. In safety patrols, worksite safety measures and other aspects were evaluated by points, then the results were reported back to employees and subcontractors and improvements and remedies of the indicated items were carried out. In the fiscal year ended March 31, 2018, 515 safety patrols were conducted in total, including 6 patrols by outside experts and 8 patrols at overseas sites for the first time.

The Group also provided various education opportunities to enable individual people involved in on-site construction work, including subcontractors, to try to prevent workplace accidents. We also held study sessions for acquiring the Company’s inhouse qualifications. These included the introduction of an experiential safety education program for new employees in an effort to increase their sensitivity to risks. In addition, in the Company’s water treatment facilities business, divisions involved with manufacture, construction and maintenance held “safety conferences” with participation from subcontractors as well. At the safety events, outside lecturers provide safety lectures and we take steps to increase safety awareness using case studies of accidents. We shared the issues with relevant parties through the safety events, including similar initiatives at overseas work sites, which helped to foster a shared awareness.

### Safety Education Results (Numbers of Participants and Number of Qualified Personnel after Training)



### Health Management

At Kurita Water Industries, we ensure that all employees receive regular health exams, and all employees who handle items such as organic solvents and designated chemicals receive special health exams. The participation rate in regular health exams in the fiscal year ended March 31, 2018 was 100%. The main efforts related to reducing long work hours include a “no overtime day” and the maximum hours that the Company’s facilities can be used were set in 2016. In our efforts to prevent mental health issues, we held lectures on mental health and events related to health 57 times in the fiscal year ended March 31, 2018. In addition, we conduct a Stress Check, which is a survey given to all employees for promoting self-awareness, carried out under the guidance of the stress check systems designed by the Ministry of Health, Labour and Welfare according to the Industrial Safety and Health Act. In the fiscal year ended March 31, 2018, 99.2% of employees took the Stress Check.

# Initiatives on Quality

## Quality Management

The Kurita Group has established the “Kurita Group Product Quality Policy” and continuously promotes quality improvement activities in an effort to raise the quality of the products and services it provides to customers. The basis of this policy is the “Kurita Group will speedily provide our customers with products and services that can meet their quality expectations, thereby winning unshakable trust.” To provide products and services that are trusted by customers and to fulfill our social responsibilities in conducting our business, we have established goals for conducting quality activities that take into account observance of laws and regulations, safety and quality, and environmental impact.

To improve quality, each Group company has built and operates a quality management system. In addition, we constantly monitor the current quality level through self-inspections, surveys by the person in charge of promoting quality improvement activities or their designated person, and feedback of opinions and requirements from customers. Improvements are to be made each time an issue is recognized.

Please see the following website for our product quality policy.

### Kurita Group Product Quality Policy

<http://www.kurita.co.jp/english/csr/group/materiality/customer/index.html>

## Outline and Structure of Our Quality Management System

The Company has built systems for quality management covering all stages from development to manufacture and supply of products, and is working to improve quality. For quality management related to development, the Solutions Business Committee screens the development themes of products, technologies, and business models and the specific details of the decided themes are set by the Research and Development Division and the Solution Business Division. For quality management for the stages from manufacture to provision of products, the Quality Management Committee is established within the Engineering Division to oversee the quality improvement activities of each organization. The Company has also created systems for autonomously carrying out continuous quality improvements and maintains quality management systems.

### Initiatives in the Fiscal Year Ended March 31, 2018

#### 1. Conducting CS Survey

The Kurita Water Industries’ Engineering Group continued to conduct CS surveys of customers who have purchased large water treatment plants, and in the survey, customers evaluated the plant in terms of 8 items, including specification, quality management, and construction. The Group continually works to revise and improve various items, including its operations procedure manual and specification sheets, that are based on the results of the survey.

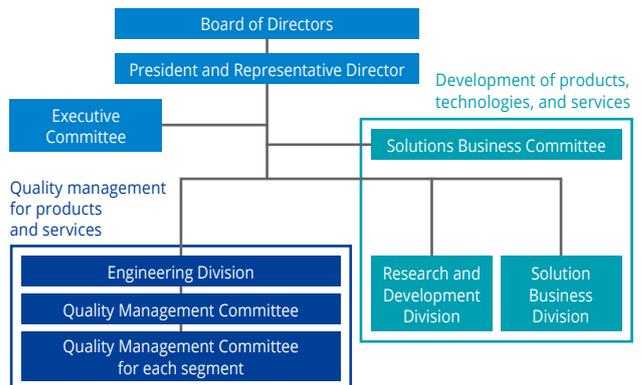
#### 2. Providing Training to Improve Knowledge and Skills

In order to raise the quality of services provided to customers, Kurita Water Industries offers employees training to improve their knowledge and skills. For the water treatment chemicals business, the Company provides training to employees of not only Kurita Water Industries but also its domestic Group companies and agents that conduct the same operations. For the water treatment facilities business, the Company provides training internally and for its domestic Group companies and overseas local staff, including technical training, such as courses on water treatment and waste water treatment, as well as safety and legal training.

#### 3. Sharing Problem Information Database

Problems that arise prior to delivery to customers and complaints from customers are entered in the in-house “problem information” database and that information is shared throughout the Company in an effort to prevent the occurrence of similar problems.

### Control Structure of Quality Management System



## ISO 9001 Certification

To encourage continuous quality improvements, the Kurita Group is promoting acquisition of ISO 9001 certification at companies that have production processes involving procurement, manufacture, and processing to provide products and services.

### Acquisition of ISO 9001 Certification

(As of March 31, 2018)

Kurita Water Industries Ltd.	Kurita Europe GmbH (Ludwigshafen)
Kurita Chemical Manufacturing Ltd.	Kurita Europe GmbH (Viersen)
Kuritec Service Co. Ltd.	Kurita Iberica SL
Kuritz Co., Ltd.	Kurita Turkey Kimya A.S.
Kurita Engineering Co., Ltd.	Fremont Industries, LLC
Kurita-GK Chemical Co., Ltd.	Kurita do Brasil LTDA.
Kurita (Taiwan) Co., Ltd.	Kurita Water Industries (Suzhou) Ltd.
Kurita Water Industries (Dalian) Co., Ltd.	Hansu Technical Service Ltd.
Kurita Water Industries (Jiangyin) Co., Ltd.	Kurita (Singapore) Pte. Ltd.
Hansu Co., Ltd.	P.T. Kurita Indonesia