

Environmental Improvements Activities

Establishment of the Kurita Group Environmental Policy

The Kurita Group's environmental improvement activities include initiatives to reduce internal water and energy use and waste emissions. They also include activities to reduce the environmental impact of customers' plants and business sites using the technologies, products, and services related to water and the environment that the Kurita Group has developed over many years.

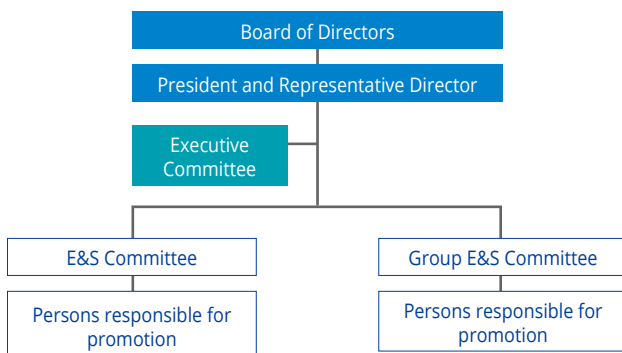
In the fiscal year ended March 31, 2018, the Kurita Group defined its Environmental Improvement Activities as 1) activities that adhere to environment-related laws and regulations in each country and region where the Group conducts business, 2) initiatives to resolve global issues related to water and environmental sustainability through business activities, and 3) disclosure of information related to 1) and 2), and dialogue with customers, suppliers, employees, shareholders, investors, and local communities regarding the activities. Based on this definition, we also revised our Basic Environmental Improvement Policy and formulated the Kurita Group Environmental Policy.

Promotion Structure

The Kurita Group has established the E&S Committee, which is chaired by a director of the Company, and the Group E&S Committee, chaired by the same director and composed of representatives of domestic Group companies. These committees oversee environmental improvement activities in the Kurita Group. The committees formulate unified medium-term goals for the Kurita Group's environmental improvement activities and action plans for each fiscal year. Personnel responsible for promotion are designated by the committee chair to promote initiatives for achieving the targets of the environmental improvement activities at their assigned company or organization. They report the status and results of the activities to the E&S Committee.

The E&S Committee confirms stakeholder expectations and concerns, and reports these to the Company's Board of Directors along with the activity results for the overall Kurita Group.

Environmental Improvement Activity Promotion Structure



Customers' Environmental Improvement Activities

In our customers' environmental improvement activities, we work to reduce the environmental impact at customers' plants and business sites using the Kurita Group's technologies, products, and services. Based on the social issues outlined in the SDGs, the Kurita Group aims to contribute in its business field – "water and the environment" – and provides customers with solutions on the themes of "saving water," "saving energy," and "reducing waste." To ensure that our activities are effective, we collect data on the quantitative reduction in environmental impact from the customers' adoption of our solutions under an index of our own called "environmental benefits for customers."

Furthermore, the Kurita Group has defined products, services, and contract businesses that promote creation of shared value with society as "CSV businesses," and is working to develop them. CSV businesses have been identified in each Kurita Group company based on the following selection criteria.

CSV Business Selection Standard

- 1) Business that contributes greatly to themes defined in the CSR Policy
- 2) Business with a high level of competitive advantage and novelty
- 3) Business that serves the public interest to a high degree (contributes greatly to SDGs)

Internal Environmental Improvement Activities

The Company's internal environmental improvement activities aim to reduce environmental impact while adhering to the environmental laws and ordinances of each country and region that apply to the Kurita Group's business activities. In the fiscal year ending March 31, 2019, the companies of the Kurita Group established target values for the following items and are taking steps to reduce them. The denominators used for per-unit results are selected as the most relevant indicator for environmental impact at each company and business site, such as production volume or floor area.

Improvement Targets

Initiative	Target
Water intake	Per-unit water intake – less than the previous fiscal year
CO ₂ emissions	Per-unit CO ₂ emissions – down 1% year on year
Industrial waste emission	Per-unit industrial waste emission – less than the previous fiscal year

Please see the following website for the Kurita Group's environmental activities.

 [CSR Activity Environmental activities](http://www.kurita.co.jp/english/csr/csr_activity/environment/index.html)

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Example of Initiatives:

Saving water at Kurita Chemical Manufacturing Ltd.'s Ako plant

Kurita Chemical Manufacturing Ltd. is a manufacturing base for water treatment chemicals in the Kurita Group. The company's Ako plant manufactures water treatment chemicals mainly for customers in West Japan. The Ako plant uses a large quantity of pure water as a raw material for water treatment chemicals in liquid form and for washing water treatment chemical containers. It therefore has a water treatment facility for manufacturing pure water.

Kurita Chemical Manufacturing Ltd. conducted a review of its facilities for important utilities for its business activities, such as water and electricity, in the fiscal year ended

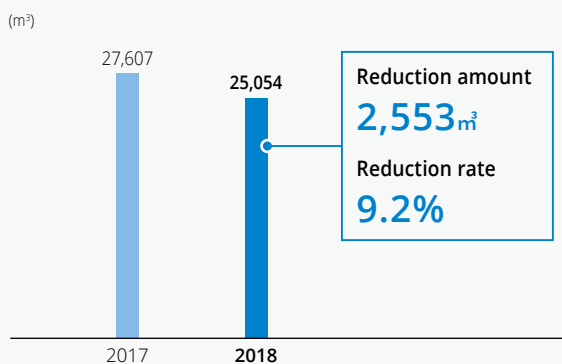
March 31, 2018. As part of this review, it introduced Kurita Water Industries' pure water supply service "KWSS."

"KWSS" collects remote monitoring and operation data online and conducts water treatment facility operation management and maintenance based on real-time trend management and alarm analysis. By introducing "KWSS," Kurita Chemical Manufacturing Ltd. was able to achieve proper facility maintenance and reclaim and reuse wastewater that was previously discarded from the pure water production facility, which led to a reduction in water intake volume.



Pure water production facility managed by KWSS

Water input volume at Ako plant*



* Fiscal years ended on March 31

Certification Acquisition Status

The Kurita Group acquires ISO 14001 certification, mainly at business sites that have a heavy environmental impact, and then operates in line with that management system.

Acquisition of ISO 14001 Certification

Company	Office
Kurita Water Industries Ltd.	Shizuoka, Yamaguchi, Toyoura, Tsuruga plants
	Kameyama Sub-branch
	Sakai Sub-branch
Kurita Chemical Manufacturing Ltd.	Head Office, Ako plant
Kurita Buil-Tech Co., Ltd.	
Kuritaz Co., Ltd.	
Kuritec Service Co. Ltd.	
Kurita-GK Chemical Co., Ltd.	
Kurita Water Industries (Dalian) Co., Ltd.	

As of March 31, 2018

Company	Office
Kurita Water Industries (Jiangyin) Co., Ltd.	
Hansu Co., Ltd.	
Kurita Europe GmbH	Ludwigshafen
	Viersen
Kurita Turkey Kimya A.S.	
Kurita do Brasil LTDA.	
Hansu Technical Service Ltd.	
Kurita (Singapore) Pte. Ltd.	
P.T. Kurita Indonesia	