

3.0 QA (quality assurance) at KRT

QM system according to ISO 9001:2000

- 3.10 Our procedure
- 3.110 Our company profile
(see section 4.0 Company history)
- 3.120 Program and policies
- 3.130 Concept and company policy
(quality / security / environment)
- 3.140 Organisation / responsibilities *(separate document available on demand)*
- 3.150 General procedures *(separate document available on demand)*
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- 3.170 Our management system,
organisation, validity and implementation



3.120 Company program and policies

3.121 Initial situation

Branch: Sewer renovation for private persons and public authorities

- > *KRT is fully integrated and established in the market.*
- > *KRT is well known in the branch.*
- > *KRT is innovative and continues to search for new markets.*
- > *KRT continues to search for new technical advances.*
- > *KRT has a very good infrastructure*
- > *KRT has state-of-the-art technology*
- > *KRT has well-trained and highly skilled employees both in the field and in the office.*

Swiss markets

- > *Bern, Basel, Zurich, Sempach, Pontresina*
- > *Architects, plumbers, public authorities, property managers, private house owners*

International markets

- > *Europe: France, Germany, United Kingdom, Italy, Portugal, Spain*
Middle East: UAE (United Arab Emirates)
Asia: China, India
- > *Agents, subsidiary companies, public authorities*

3.120 Company program and policies

3.122 Position in the market

- > *KRT is well-positioned in the market and has a large number of regular customers.*
- > *The company attaches a great deal of importance to highly skilled personnel who can work in a team. This means that KRT is in a position to offer the best possible price/performance ratio. In the market this is recognised and rewarded. HIGH STANDARD WORK ALSO HAS ITS VALUE.*
- > *KRT will not do a job at any price and has a reputation for quality. Working together with KRT means **quality, trust and partnership**.*
- > *KRT provides its customers with excellent consultation and services, with uncomplicated operation. These are appreciated by customers and they create a climate of trust.*
- > *KRT keeps to its promised deadlines and employs the best possible equipment and materials and provides efficient and clean operations.*
- > *Thanks to its well-organised team, KRT is able to short-cut complicated communication paths and react quickly to provide professional services.*
- > *Due to the foresight and efforts of its CEO, Hansruedi Petermann, KRT is active outside Switzerland. Hansruedi Petermann communicates with the company's competitors and observes the market closely in order to keep a few steps ahead.*
- > **KRT's policy is to avoid low price solutions. The company policy is to cooperate with its customers and to consider them as partners. This is valid both in Switzerland and abroad.**

3.120 Company program and policies

3.123 Company goals

- > *We intend to continue the build-up of our market position at home and abroad.*
- > *In the home market it is necessary to maintain our market share and to add to it.*
- > *We have to take other regions of Switzerland into consideration and to develop them with carefully prepared campaigns.*
- > *We should continue to extend our markets abroad. We need to find new partners. However, we should concentrate more on trade with products as well as with services.*
- > *We intend to continue our expansion – while still taking employees and infrastructure fully into consideration.*
- > *Partnerships and mergers with competitors could be considered in order to make full use of market potential and synergy (cost reduction). However, in all cases KRT keeps full control.*
- > *KRT's big advantage is its healthy base and thanks to its flexibility combined with steady growth, the basic structure has been maintained. This situation is vital in order to hold its position in the market successfully.*

3.130 Company concept and policy (quality / security / environment)

- *We intend to remain as an independent company.*
- *We shall maintain our leading position with innovation and technology and all our efforts are aimed at keeping this position.*
- *We stand for flexibility, transparency, and speed.*
- *We encourage a high level of responsibility with individuals and management. This provides us with the basis to further develop and improve the company.*
- *We apply actively our practical management system, which we continuously check and improve for efficiency and effectiveness.*
- *We cooperate closely with our customers as partners and provide technical consultancy. This permits us to maintain customer satisfaction at a high level and even to improve it.*
- *We keep our quality at a high level and improve it continuously with the help of cooperation with selected suppliers and partners.*
- *We employ qualified personnel and, with the aid of continuous further training, we meet our own high expectations.*
- *We ensure a high level of safety for our employees and third parties.*
- *We ensure that all our services are environmentally friendly.*

Our guiding principles

Independence at work, openness and honesty in relations, mutual respect, appreciation of a job well done and openness form the basis of our cooperation. In one word "trust".

In this connection: a spoken promise has the same value as a written one.

3.140 Organisation / Responsibility

| Main Courses - Detail Courses | Position | Responsible Person | Working Instruments (Detail Regular) |
|---|-----------------|--------------------|---|
| 1. Direction | - | H.R. Petermann | MHB 0 Grundlagen |
| Administration Official (KRT Kanalsanierungstechnik AG) | VR | H.R. Petermann | VR-Basics |
| 1.1 General Management / Quality Responsible (KRT Kanalsanierungstechnik AG) | GL / QB* | H.R. Petermann | MHB 1, F-File GL |
| 2. Improvement (KVP) | - | - | - |
| 2.1 Project Management / Entwicklungen | PJM | H.R. Petermann | MHB 2, File GL |
| 2.2 Error Management | FM | S. Cahenzli | MHB 2, A-File QM |
| 2.3 Improvement Management | VM | S. Cahenzli | MHB 2, A-File QM |
| 3. Performance | - | - | - |
| 3.1 Business Sector 1 Engineering and Trade | GB1 | H.R. Petermann | MHB 3.0.1 / F-File GB1 |
| 3.2 Business Sector 2 Pipe Renovation | GB2 | H.R. Petermann | MHB 3.0.2 / F-File GB2 |
| Location Küssnacht am Rigi (KRT Kanalsanierungstechnik AG) | GF2-KN | H.R. Petermann | MHB 3.0.2 / NB Branch |
| Branch Luzern / Sempach (KRT Kanal-Service GmbH) | GF2-LU | S. Cahenzli | MHB 3.0.2 / F-File Luzern |
| Branch Zürich (KRT Kanal-Service GmbH) | GF2-ZH | S. Cahenzli | MHB 3.0.2 / NB Branch |
| Branch Pontresina (KRT Kanalsanierungstechnik AG) | GF2-PA | H.R. Petermann | MHB 3.0.2 / F-Ordner NB Branch |
| Branch Leopoldshafen (KRT Kanalsanierungstechnik AG) | GF2-LH | H.R. Petermann | MHB 3.0.2 / F-Ordner NB Branch |
| Location Basel (KRT Kanalsanierungstechnik GmbH) | GF2-BA | P. Kraus | MHB 3.0.2 / F-File Basel |
| Location Bern (KRT Kanal-Service GmbH) | GF2-BE | H.R. Petermann | MHB 3.0.2 / F-File Bern |
| 4. Services | - | - | - |
| 4.1 Controlling- Financing- und Accounting | CFR | O. Wespi | MHB 4.1 / A-File CFR |
| 4.2 Personnel Matters | PWE | H.R. Petermann | MHB 4.2 / A-File PWE |
| 4.3 Secretary | SEK | G. Affentranger | MHB 4.3 / A-File SEK |
| 4.4 Marketing | MK | H.R. Petermann | MHB 4.4 / A-File MK |
| 4.5 Logistics | LOG | P. Markzoll | MHB 4.5 / A-File LOG |
| 4.6 Informatics / EDV | EDV | O. Wespi | MHB 4.6 / A-File EDV |
| 4.7 Infrastructure & Safety | I&S | W. Frei | MHB 4.7 / F-File I&S |
| 4.8 Quality Management | QM | S. Cahenzli | MHB 4.8 / A-File QM |

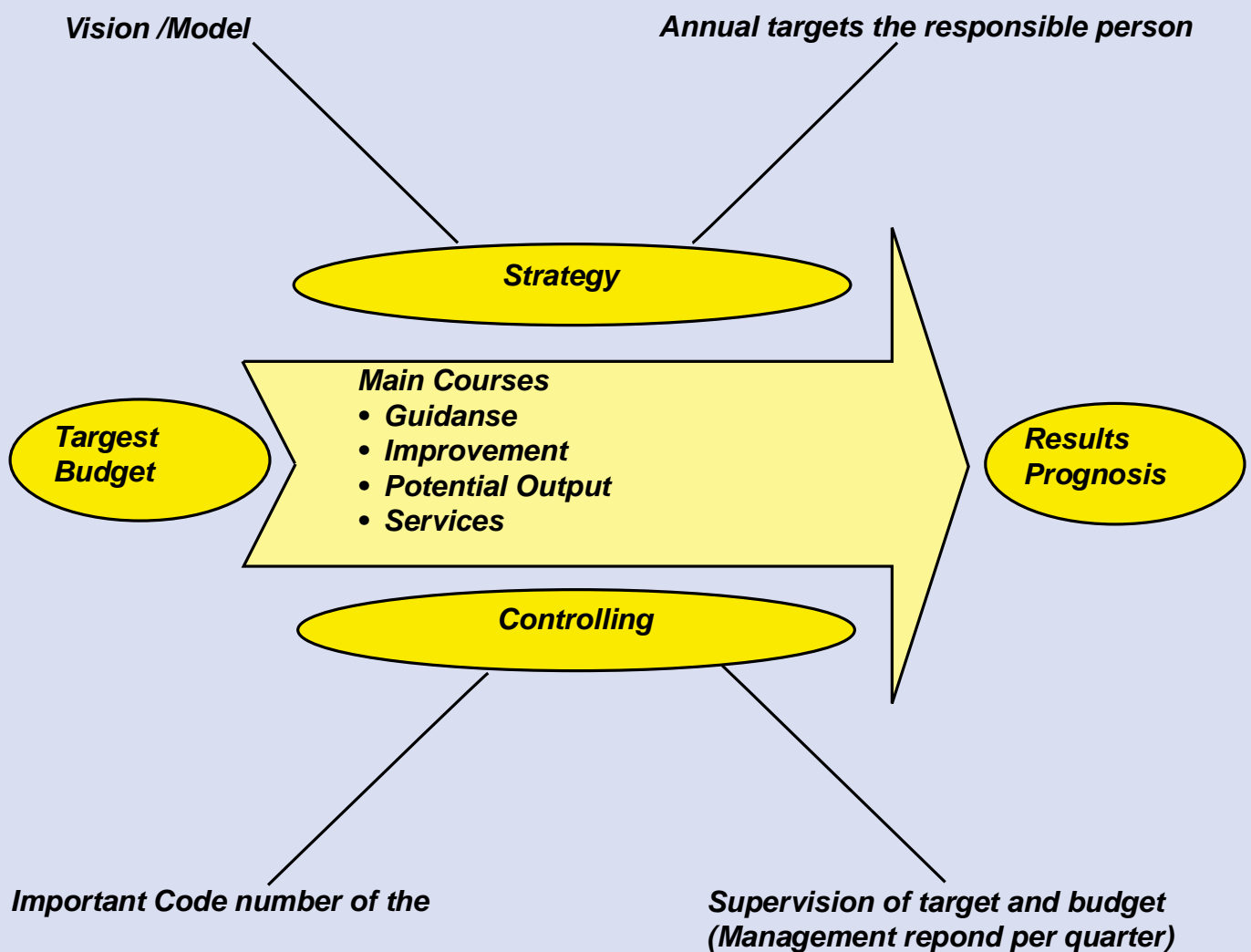
General Management

- H.R. Petermann

Leading Team

- H.R. Petermann
- S. Cahenzli
- O. Wespi

3.150 General Course Circle



3.160 Data Compiling

- 3.161.0** *Order recording data*
- 3.161.1** *Customer statements*
- 3.161.2** *Object data*
- 3.161.3** *Calculation basis*
- 3.161.4** *Executing companies / subcontractors*
- 3.161.5** *Execution dates*
- 3.161.6** *Description of works*
- 3.161.7** *Checklist installation*
- 3.161.8** *Checklist documents*
- 3.161.9** *Checklist AVOR*
- 3.161.10** *Checklist material ordering*
- 3.161.11** *Checklist sleeve joints rehabilitation*

- 3.162.0** *Excuting of preparatory works*
- 3.162.1** *Recording of condition, general*
- 3.162.2** *Data recording*
- 3.162.3** *Calibration data*
- 3.162.4** *Recording of construction KS*
- 3.162.5** *Water analysis*
- 3.162.6** *Building ground*
- 3.162.7** *Lateral construction*
- 3.162.8** *Installation details*
- 3.162.9** *Water holding measures*
- 3.162.10** *Equipment and current requirements for Water holding*

- 3.163.0** *AVOR*
- 3.163.1** *Equipment investment*
- 3.163.2** *Personal investment*
- 3.163.3** *Detail program*

3.160 Data Compiling

- 3.164.0** *Execution / Data capture*
- 3.164.1** *External hose production*
- 3.164.2** *Internal hose production*
- 3.164.3** *Hose impregnation*
- 3.164.4** *Hose transport*
- 3.164.5** *Installation data Inliner*
- 3.164.6** *working data Robot works*
- 3.164.7** *Working data sleeve joints rehabilitation*

- 3.165.0** *Quality checking*
- 3.165.1** *Hose checking*
- 3.165.2** *Resin checking*
- 3.165.3** *Performance checking*
- 3.165.4** *Visual checking*
- 3.165.5** *Tightness test*
- 3.165.6** *Material checking*
- 3.165.7** *Checking of supplementary works*

- 3.166.0** *Data composition*
- 3.166.1** *Completeness check*
- 3.166.2** *Document compsition*

3.170 Organisation, validity and introduction of our management system

This management manual and all other documents belonging to it contain our management instruments. They are valid without reservations for the whole KRT group of companies (KRT-Kanalsanierungstechnik AG and all the KRT subsidiaries).

The management system that we employ is based on the ISO 9001 standard. However, it has been implemented according to our operational plans (see title page) Our operations and controlling (management report) are drawn up according to the European TQM model (EFQM model) and they cover all elements.

Company management implemented this management system.

Sempach 1st January 2003

*HR. Petermann
Chief Executive Officer / quality manager*