



CLIMATE CHANGE
POLICY

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PREFACE

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As part of our efforts to deliver our Sustainability Vision, we at JSW Steel Limited (**'JSW'**) have established this Policy to demonstrate our commitment to:

- Preventing the causes of climate change;
- Mitigating and adapting to the impacts of climate change; and
- Creating resilience to climate change.

In furtherance of this commitment, the Board of Directors has adopted this 'Climate Change Policy'.

Background of the Issue

Climate Change is best defined as the large-scale, long-term shift in the Earth's weather patterns and average temperatures. Such changes, which can cause more intense and frequent weather events such as floods, droughts and heatwaves, can have profound effects on people and their communities. In addition, rising global temperatures increase the melting of polar ice-caps and glaciers, resulting in rises in global sea levels that can threaten low-lying countries and cities.

There is now overwhelming scientific evidence to suggest that increased levels of carbon dioxide, methane, nitrous oxides and other greenhouse gases in the atmosphere, generated by human activities such as the burning of fossil fuels (coal, oil, gas), form a 'blanket' around the planet, trapping heat from the sun and causing the Earth to become warmer.

How it Relates to JSW

As one of India's leading conglomerates within the steel, energy, cement and infrastructure sectors, many of our activities result in the generation of greenhouse gases that are emitted into the atmosphere. Whilst we have always sought to minimise these emissions and have always worked within any relevant regulatory frameworks relating to carbon management and climate change, we recognise that we have a moral, social, and economic need to do much more.

In pursuance of our stated commitments to prevent, mitigate, adapt to and create resilience to climate change, we have adopted a number of aims towards which we will strive.

These aims are supported by a range of actions and improvements through which those aims are to be achieved.

We aim to gain a full and detailed understanding of the size and nature of our carbon footprint.

To do this we will:

- Undertake a rigorous assessment of the carbon footprint of all our sites to determine where our carbon emissions are coming from;
- Establish and commit ourselves to a quantified progressive emission reduction targets;
- Monitor our carbon footprint on an annual basis to see how we are progressing, reporting on this progress to our stakeholders;
- Develop a long-term programme to manage our carbon footprint.

In the meantime:

We aim to continue our current efforts to reduce our contributions to the causes of climate change.

To do this we will continue to:

- Identify all the opportunities that exist to minimise emissions, including:
 - Progressively replacing old equipment on our sites with new, efficient options;
 - Adopting innovative, resource-efficient and low-carbon technologies and solutions;
 - Working with our suppliers and customers to explore all avenues to reduce emissions;
 - Educating our employees about the causes and impacts of climate change so they can, with our help, minimise their own impacts both at work and at home;
 - Supporting research into and development of cleaner technologies within our industries;
- Develop improvement plans and providing resources for each site aimed at exploiting the opportunities we identify.
- Work to progressively increase our electricity use from renewable energy sources;

We aim to promote climate change prevention across all our suppliers and business partners.

To do this we will:

- Define and openly share in a Code of Practice the minimum expectations we have of our suppliers and business partners in relation to climate change prevention;
- Establish a detailed and transparent process through which the attitudes, risk profile and performance of each and every supplier and business partner with regards to a range of sustainability issues, including climate change, is evaluated;
- Encourage those suppliers and business partners whose attitudes and performance most closely matches our own aims and aspirations.

We aim to do what we can to help mitigate the effects of climate change in our local communities, helping them to adapt to the impacts that climate change will bring.

To do this we will:

- Support local projects that aim to reduce or offset carbon emissions;
- Support local stakeholders in efforts to identify potential climate change risks and mitigation/adaptation solutions;
- Support research and development into how climate change impacts may be best mitigated and how society can best adapt to future impacts;
- Report our efforts relating to this aim, be that at a site-level with our local communities, and at a corporate level with our wider stakeholders.

We will continue to be fully committed to our statutory and voluntary obligations relating to climate change.

These include:

- Building climate resilience in line with India's Nationally Determined Contributions to the Paris Climate Change Agreement and the National/State Action Plans on Climate Change;
- All local and national statutory regulations relating to climate change prevention, mitigation, adaptation and resilience;
- Reporting of our performance on the issue of climate change.

We will prohibit the use of any new HCFCs or HFCs within any of our plants*.

The achievement of our aims and the delivery of the improvements to achieve them, the fulfilling of our compliance obligations, and the enforcement of our prohibitions will all be managed through the Sustainability Framework that JSW is committed to implementing and maintaining across all our sites.

* where such gases continue to be used in old equipment, this equipment will be closely monitored for leakages and the replacement of the equipment will be prioritised. This is in addition to our commitment to uphold the ban on the use of CFCs within any of our plants.