



ENERGY 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 energy conservation through:

- Efficient use of energy;
- Innovative projects to reduce energy demand;
- Switching of energy sourcing towards renewables.

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

Background of the Issue

All forms of energy use have some form of environmental impact. The direct burning of coal, gas and oil releases carbon into the atmosphere, contributing to climate change, as does the use of electricity when it is sourced from power stations using these fuels. Nuclear power creates radioactive nuclear waste which requires storage for thousands of years. And these forms of energy also consume finite fossil fuel and uranium resources. That is why the use of energy obtained from renewable sources* is seen as a more favourable alternative, although it has to be recognised that even renewables have some detrimental impacts on the environment in terms of aesthetic impacts on the landscape and the loss of vital habitats.

As populations continue to grow and technologically develop, demand for (and the price of) energy will only increase, resulting in greater competition between industry, transportation, domestic use, etc. That is why improved efficiency in the use of energy is

seen as key in ensuring our long-term capability to satisfy societies' ever-growing demand.

How it Relates to JSW

As one of India's leading conglomerates within the steel, energy, cement and infrastructure sectors, all of JSW's activities use energy to a greater or lesser degree, and whilst we have always sought to minimise our use of energy, we recognise that we have a moral, social, and economic need to do much more.

In pursuance of our stated commitments to switch to renewable sources of energy and use it in efficient and innovative ways, 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 nature and scale of all energy use (including transport) at our sites.

To do this we will:

- Undertake a rigorous assessment across all our sites to determine how much energy is used, how it is used, and where that energy comes from;
- Develop programmes for each site to:
 - Minimise energy demand by maximising the efficiency of energy use within processes and across our sites;
 - Explore alternative fuels for transportation of people, goods and raw materials;
 - Explore alternative, renewable sources of energy;
- Develop a long-term energy sourcing strategy as a Group to place greater emphasis on the sourcing of renewable energy;
- Monitor the amount of energy we are consuming, and the sources of that energy, on a regular basis to see how we are progressing, and reporting on this progress to our stakeholders.

In the meantime:

We aim to continue our current efforts to minimise the amount of energy we consume.

To do this we will continue to:

- Exploit existing opportunities to minimise energy use on our sites;
- Work with our suppliers and customers to explore all avenues to reduce energy use through our supply chains, through our production processes and through the products we supply;
- Educate our employees about the impacts of excessive energy use so they can, with our help, minimise their own impacts both at work and at home;
- Support research into the development of new and innovative technologies within our industries that will contribute to reductions in energy use.

We aim to promote the use of renewable energy and the efficient and innovative use of energy 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 energy sourcing and use;
- 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 energy sourcing and use, is evaluated;
- Encourage those suppliers and business partners whose attitudes and performance most closely matches our own aims and aspirations.

We will continue to be fully committed to our statutory and voluntary obligations relating to energy sourcing and use.

These include:

- All local and national statutory regulations relating to energy sourcing and use;
- Reporting of our performance on the issue of energy through GRI (Global Reporting Initiative) and against the United Nation's Sustainable Development Goals.

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

* Renewables include wind power, solar power, geothermal, biomass, hydroelectric and hydrokinetic.