Environmental Policy

JSW recognizes that as a responsible member of society it has an important duty to operate in harmony with the environment. We also engage in business with the aim of contributing to ecologically sustainable development of society through production activities that respect environmental integrity, and by develop-ing environmental preservation technologies.

In recognition of the importance of activities in promoting environmental management, we obtained ISO14001 certification for the Muroran and Hiroshima Plants in 1998 and the Yokohama plant in 2006, and continue to take steps toward maintaining more effective environmental controls. Furthermore, JSW Group companies Meiki Co., Ltd., YPK Co., Ltd. and Fine Crystal Precision (S.Z.) Co., Ltd. have also obtained ISO14001 certification.

Action plan

- 1. We aim to carry out environmental tasks in an organized way, and to implement environmental preservation activities continuously.
- 2. We will set appropriate objectives and targets for reducing the burden our activities impose on the environment with conserving biodiversity.
- 3. We aim to provide society with products and services that contribute to the preservation of the environment.
 - We endeavor to increase the social value of our products in terms of environmental protection, safety and hygiene.
 - (2) We will provide products and services that reduce environmental loads by obtaining a clear grasp of environmental needs and developing technologies.

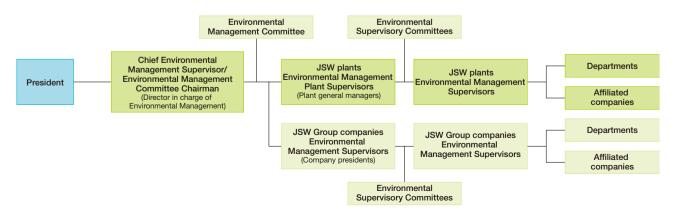
Common policy for business facilities

Taking into consideration respective business activities, local communities and the surrounding environments, each plant operates by setting out its own environmental policy, objectives and targets drawing on methods compliant with international standards. Toward such ends, JSW plants continually strive:

- 1. To respect laws and regulations and agreements we have concluded with external parties
- 2. To prevent pollution and reduce and appropriately treat waste, and to conserve the ecosystem
- To improve "resource productivity" through implementation of energy efficiency, resource efficiency, and recycling
- 4. To inform employees and other companies residing within our facilities of our policies and require their cooperation

Environmental Management Structure

The Environmental Management Committee, headed by the director in charge of environmental management, determines matters such as annual environmental management policies and programs of environmental activities for the whole company. Each plant has its own Environmental Supervisory Committee which promotes environmental management activities and works hand in hand with other Group companies including affiliates to reduce the environmental impact of the company's activities.



Medium-Term Plan for Environmental Management Activities (Fiscal 2013–2017)

We have been actively engaging in environmental management initiatives on a companywide basis since drafting our initial medium-term environmental action plan back in fiscal 2001.

With fiscal 2012 marking the final year of our Medium-Term Plan for Environmental Management Activities for fiscal 2009 to 2012, each of our plants pursued initiatives geared toward achieving targets of the plan.

With regard to the observance of laws and regulations, we implemented environmental patrols at environmental-related facilities, plants, and other sites in the vicinity, and confirmed that all environmental preservationrelated laws and regulations are being observed, and that the environmental management system is functioning properly. To effectively communicate the results of the environmental patrols, we have been carrying out training programs for employees, including those of our affiliates and collaborating companies.

In April 2013 we set out on environmental management initiatives under our fourth Medium-Term Plan for Environmental Management Activities. The newest plan, which covers fiscal 2013 to 2017, is geared toward environmental activities for the entire JSW Group, and in particular encompasses Group operating bases outside the realm of our plants in Muroran, Hiroshima and Yokohama. As with the previous medium-term environmental plans, this plan also sets forth quantitative targets that we are working to achieve in terms of lower consumption of energy and other resources, and in regard to recycling initiatives.

Environmental Preservation Activities

The following section introduces a number of initiatives from among JSW's wide range of environmental preservation activities.

Safety and disaster prevention activities

At each of our plants, we comply with laws and regulations and also conduct regular disaster prevention activities to ensure their preparedness in the event of a future calamity. We have also formed fire brigades that are to be called into action should fire, earthquake or other potential catastrophe strike, and are accordingly training these crews to minimize any adverse impact that might emerge under such scenarios. Furthermore, to ensure that we are able to swiftly



and adequately minimize any risk of contamination in the event of a hazardous substance spill, we have set up and documented response procedures and communication channels involving equipment, facilities and initiatives geared toward conceivable environmental outcomes. We have also been pursuing ongoing education and training in this regard to bolster our disaster-readiness and response capabilities.

Each of our plants initiates periodic environmental patrols designed to verify the control status and surveillance data relating to specific air- and water-related facilities, pretreatment facilities, oil-water separation tanks and other such facilities.

Community contributions

Our Hiroshima Plant has been holding biannual spring and autumn cleanup campaigns since 2003 to help rid the vicinity around the facility and nearby commuting routes of trash. Meanwhile, our Yokohama Plant also conducts a cleanup campaign along the main streets in the vicinity of that facility in April each year, as part of its contribution to the surrounding community. We are committed to ongoing involvement in these activities going forward.

