



2024

Environment and Social Policies and Positions of JSW Steel



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Overview Environment and Social Policies and Positions of JSW Steel

Environment:

As a responsible organization, we understand the significance of nurturing a safe and pristine environment and safeguarding the invaluable ecosystems that support us. Following a proactive approach, we have embraced innovation, incorporated cutting-edge technologies, and implemented operational changes to mitigate long-term environmental risks and promote sustainability.

Through the establishment of a robust Environmental Management System (EMS), we demonstrate our commitment to being a leader in sustainability practices. Our continuous efforts focus on reducing emissions, efficiently managing water resources, and minimizing waste generation. Dedicated to advancing on the path of decarbonization, guided by well-defined targets, we strive to be a recognized advocate for sustainable practices in our industry.

Environment Management at our sites:

We have developed policies and standards for each area of environment management e.g. Energy, Water, Waste water, Air emission, waste management, raw material conservation, biodiversity and climate change. These policies and standards are implemented effectively through training, establishing guidelines and standard operating procedures, internal audit and external assurance.

Commitment to achieve Net Zero by 2050

As one of India's major steel producers, we are committed to addressing climate change concerns and have taken decisive steps to ensure a low-carbon future. To achieve this goal, we have formulated a comprehensive roadmap outlining our strategies and plans. Climate action is a top priority for our

organization, and we have implemented a robust climate governance structure to facilitate effective and efficient climate action.

2030 Target: We are committed to reducing specific CO₂ emission intensity to less than 1.95 tCO₂/tcs and achieving carbon neutrality at JSW Steel Coated Products.

JSW Steel is committed to achieve Net Zero by 2050.

In March 2021, we made a commitment to endorse and uphold the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). By aligning with these recommendations in its four pillars, we aim to enhance our understanding of the potential impact of climate change and make well-informed decisions regarding current and future decarbonization strategies.



Energy:

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

Our standard on energy aims to implement our energy policy through following means:

- create a comprehensive understanding of the nature and scale of all energy use (including transport) and how to measure them;
- establish the processes and mechanisms to manage our energy use; identify opportunities for energy reduction and the exploration of alternative sources of energy, and realize those opportunities.



Raw material conservation:

JSW makes use of a wide range of finite raw materials, and whilst we have always sought to use raw materials as efficiently and thoughtfully as possible. We aim to continually evaluate environment and social impact due to use of raw material, develop and deliver plans to efficiently use raw materials and improve positive social and environmental impact through innovation and engaging with suppliers.

Water resource management:

All JSW steel's activities involve the use of water to a greater or lesser degree, and many of our sites/projects operate in regions that are classed as 'water-stressed'. Whilst we have always sought to minimize our use of water and have always worked within any relevant regulatory framework relating to water abstraction and use. Fresh water consumption and waste water recycling are our key KPIs to deliver our commitment to use water resource efficiently. We continue to monitor national policies on water related matters and anticipate future risk by conducting scenario analysis to evaluate water related risk and to develop mitigation plans.

Air pollution

As a responsible organization, we are dedicated to preventing and mitigating air pollution by enhancing the efficiency of our operations and reducing emissions. We strictly adhere to emission regulations, ensuring our emissions remain within legal limits and continually strive to surpass these standards. Moreover, we acknowledge our responsibility towards the communities we serve and recognize the need to go above and beyond in fulfilling our commitments. We are committed to invest in state of the art technologies to reduce air emissions.

Waste management

In pursuance of our stated commitments to prevent, reuse, recycle and, where necessary, responsibly dispose of solid waste, we have adopted a number of aims towards which we will strive. Waste management aims include following:

- continue our current efforts to minimize the amount of waste we produce and reuse or recycle that waste we cannot avoid.
- to promote waste prevention, reuse, and recycling across all our suppliers and business partners, adopting the principles of a circular economy;
- to continue to be fully committed to our statutory and voluntary obligations relating to waste.



Biodiversity

We aim to achieve “No Net Loss (NNL)” of biodiversity at all our operations. We have identified the protected areas, regions with high biodiversity value, and endangered species in the vicinity of our business and project developments, and will use this information as important sources for developing, implementing, and monitoring each project’s biodiversity management plan. We shall ensure that we do not significantly convert or degrade or adversely impact to world heritage sites, Ramsar sites or a designated protected area including natural and critical habitats if they are established within, around or adjacent to our existing worksites.



Mergers and Acquisition

Our due diligence process is designed to ensure, so far as is possible, that JSW’s business decisions concerning acquisition, divestment or joint venture arrangements are taken from a position of knowledge and understanding. In

particular, the sustainability agenda (incorporating environmental, social and governance (ESG) issues) presents particular risks and opportunities, which must be factored into the overall assessment of any proposed transaction.

Environmental Product Declaration (EPD) Certification

JSW Steel has also obtained Environmental Product Declarations (EPDs) – Type III eco-labelling for all 14 finished products from our three integrated steel plants. We have also obtained EPDs for all finished products from our downstream plants. The use of EPDs empowers us to effectively communicate quantified environmental information to customers, providing reliable, standardized, and comprehensive insights into the product's lifecycle.

SOCIAL:

Safety and health policy:

We are committed to providing a healthy and safe working environment for our employees, contractors, business associates, visitors on-premises, and above all, communities impacted by our operations. We have stringent safety systems in place to achieve our zero-harm vision. These processes are, to a large extent, tech-enabled and leverage real-time data, and are guided by the principle of shared responsibility. From a governance standpoint, our senior management, along with key plant personnel, assumes overall accountability for ensuring that the appropriate safety policies, procedures and safeguards are put into practice. Safe Operation is the most critical to our success. JSW Group is committed to the effective delivery and continual improvement of its Occupational Health and Safety (OHS) management system across all our sites globally and shall ensure that:

- Each of our site develops a culture where all its people and stakeholders take responsibility for the health and safety of themselves and others
- Appropriate resources shall be provided to meet our health and safety commitments
- JSW's leadership, HODs, line management, employees are responsible for ensuring they proactively identify, manage and eliminate hazards and reduce risks in the workplace
- All OHS risks shall be assessed, managed, recorded, monitored and reported
- Appropriate information, instruction, training and supervision shall be provided to employees and contractors
- Employees & contractors shall raise safety issues and concerns through their line-managers/supervisors/HODs
- OHS performance goals shall be set and met periodically to promote continuous improvement
- Each of our site shall provide an effective OHS management system that drives continual review and improvement, in-line with ISO 45001

We delivered a range of programs to help us understand and manage effectively the OHS risks we face and improve the sites in which we operate:

Performance Management:

JSW has improved its systems and processes to measure, monitor, manage & continually improve OHS performance including hazard identification and risk mitigation. We have also updated our suite of management information

dashboards to continually improve awareness & management of OHS risks including:

- Harmonized OHS Key Performance Indicators (KPIs) across all our sites globally
- 20+ Site-level KPIs including Leading & Lagging Indicators being tracked by our leadership
- A formal Group-level, Business-level and Site-level Annual H&S Priorities and targets
- Site-level Safety KRAs with weightages in Variable Pay Performance factor with annual target of a minimum 20% reduction in lost time injury frequency rate (LTIFR)
- Individual Safety KRAs for employees with incentives for enhanced safety performances

Training & Competency Development:

We have developed and implemented an improved health and safety training and awareness programme for all our workforce, ensuring roles and responsibilities were clear and understood.

- o Leveraging technology, 5 new E-learning on High-Risk Standards were introduced
- o Customized Modules on Working at Height, Lock-out Tag-out (LOTO), Confined Space, Permit to Work, Personal Protective Equipment (PPEs)
- o Training Modules include Safe Work practices and explains why they are so important for preventing serious injuries in our workplace

o E-Learning modules - 45,800 training units have been completed since its launch

o Site-level OHS Training & Competency matrix post detailed needs assessment

o Safety Champion Certification Program for line managers launched which has carefully benchmarked leading global Health & Safety qualifications, to ensure a contemporary learning experience in line with recognized global best practices.

Safety Observations

JSW expects all levels of management and employees to not only anticipate hazards, but also to address them and stop employees if they deem a work environment or task to be unsafe

Safety Observation (SO) program is a great way of engaging the workforce. Guarantor is in the process of further strengthening the impact of SO Process by focusing efforts where they matter, expanding the conversation, and making SOs more personal and positive for our workforce. Its mandatory for the leadership team to conduct mandatory shop floor walkthrough & identify unsafe acts & conditions.



Contractor Safety Management

JSW is committed to work closely with the contractors to build a Safety culture at the frontline, aiming to improve safety performance

Revamped Contractor Safety Management program is being implemented across our Sites to provide quality assurance, evaluate contractor performance at defined intervals to provide feedback, lessons learned and a basis for improving Health & Safety performance and future contractor selection

The program is also designed with the process of capturing contractors' non-conformances and delivering systemic corrective actions based on identifying the root cause and having a closed loop feedback process

We have also launched JSW CARES 'Contractor Assessment and Rating for Excellence in Safety', a progressive capability building tool for our contractors to improve and excel in their respective safety management system and performance.

10 JSW Critical Safety Rules

All JSW employees, business associates & contractors are required to comply with the recently launched "10 JSW Critical Safety Rules". These rules cover the most critical safety practices to achieve a notable reduction in injuries & illness. This is a real opportunity for discussion, identifying points for improvement and communication about safety behaviors with our workforce.

Link for JSW 10 Critical Safety Rules video
<https://www.youtube.com/watch?v=aWIVty63Z58>

Human Rights

We will continue to be fully committed Universal Declaration of Human Rights (UDHR), the Core Conventions of the International Labor Organization (ILO), The United Nations Guiding Principles on Business and Human Rights, UN Global Compact ten principles and all national statutory regulations relating to human rights protection and the eradication of discrimination. This includes the right to life and physical safety, freedom of ideas/expression/religion, freedom of association, work and home life balance, guarantee of privacy, food and water safety and security, prohibition of torture/slavery or forced labor, the right to fair and decent working conditions, and the right not to be subject to unfair discrimination.



Policy on human rights

we have committed to the following aims:

- 1) to gain a full and detailed understanding of our current position with regards to our management of human rights;
- 2) to continue to protect human rights and reinforce the culture of inclusivity and equality within our organization;
- 3) to promote the protection of human rights and the creation of a culture of inclusivity and equality across all our suppliers and business partners;
- 4) to do what we can to protect human rights in our local communities;
- 5) to be fully committed to our statutory and voluntary obligations relating to the protection of human rights;
- 6) to prohibit within any of our plant:
 - o Any acts of discrimination;

- o Any form of commercial relationship with any supplier, customer, business partner or other entity that has been found guilty of any violations of human rights or breaches of international humanitarian law; and
- o Our involvement in any activities which can contribute to armed conflict or human rights abuses outside of India, especially in conflict-affected and high-risk areas.

Focused areas:

1) Prohibition of Child labour and Forced Labour:

- The site/project does not employ workers under 15 years of age for light work and 18 years of age for hazardous work;
- The site/project, or any recruitment agencies it uses, does not:
 - o Require workers to pay recruitment fees or lodge money deposit;
 - o Do not require workers to pay deposits, employment fees or costs to the organization upon commencing employment;
 - o retain identity cards, salary, benefits, passports, travel documents or other personal items to continue working for the organization or without which workers cannot leave employment;
 - o Withhold wages or bonuses;
 - o Does not make deductions from wages for disciplinary measures or other deductions not authorized by national law;
 - o All work is performed voluntarily and freedom of movement of workers in the workplace

2) Prohibition of Discrimination:

-In relation to discrimination (in all its forms), all sites/projects shall ensure that:

- The site/project prohibits discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity, religion, disability, family status, social origin, etc.
- Employment-related decisions concerning hiring, wages, promotion, access to training, discipline, retirement and termination, and the subsequent treatment of employees, are based only on unbiased criteria, and are not linked to any discriminatory characteristics;
- The site/project prohibits discrimination or adverse actions against worker representatives or employees for participating or refraining to participate in lawful trade union activities.

3) Freedom of Association and the Right to Collective Bargaining:

All sites/projects shall ensure that:

- The right of freedom of association and collective bargaining is respected;
- The site/project prohibits discrimination, harassment, intimidation, retaliation or adverse actions against worker representatives or employees for participating or refraining to participate in lawful trade union activities.

4) Fair and Safe Working Conditions:

All sites/projects shall ensure that workers are provided safe, suitable and sanitary work facilities. Sites to establish effective health and safety procedures which comply with industry, national and international standards. Site Senior management representative is

responsible for safe and healthy work environment. Provide necessary training, personal protective equipment's, provide safe drinking water for workers and facilities for clean and sanitary food storage and eating. Our sites implement special health and safety precautions for pregnant women, young workers and employees with disabilities

5) Fair remuneration and working hours:

All sites/projects ensure that:

- The length of the working week is limited to numbers as prescribed by local regulations;
- Overtime is not compulsory;
- Workers are given reasonable breaks and rest periods
- All workers are paid annual leave in line with national/local regulation
- Sites ensure to pay at least legal minimum wages as per national/local regulation
- Overtime is remunerated at a premium rate
- Pay workers in monetary means only and in full
- There are no deductions from wages for disciplinary measures or other deductions not authorized by national law.

6) Security Practices:

Our security arrangements are in accordance with international principles for law enforcement and the use of force. Security practices respects human rights and public freedom. We select private security firms based on information about professional ability, level of staff training, quality of equipment, past involvement in human rights abuses and other relevant criteria as defined by national/local regulation



7) Protection of local community's human rights:

We support project that aim to tackle issues that impinge upon any human rights of local people. We support national projects and initiatives that focuses on protection of freedom, improving health and education, eliminating discrimination and lifting communities out of poverty

8) Protection of human rights across our supply chain:

Our supplier code of conduct which sets minimum expectations we have of our suppliers and business partners in relation to the protection of human rights. We support them to comply with the same.

9) Conflict-affected and high-risk areas:

JSW also prohibits the involvement in any activities which can contribute to armed conflict or human rights in conflict affected and high-risk areas

Human right due diligence process

JSW Steel human rights violations to prevent and to mitigate their negative impact, and if necessary, conducts an HRDD to fulfill its commitment to human rights protection. The due diligence procedure includes identifying and evaluating an actual/potential human rights impact, responding to the identified issues, documenting the response measures, and communicating with the stakeholders about how it was handled.

An HRDD takes the following into consideration:

- Adverse impacts related to human rights that may occur directly or indirectly in our business management activities and business relations.
- Various factors, such as, historic cases of human rights abuse in the geography, sector and within the business human rights related risks, regulatory landscape, our policies, local political and economic circumstances and cultures.

Due diligence process and response mechanism

We follow below steps to understand actual or potential impact on human rights due to activities of JSW Steel.

- Conduct desktop exercise to identify potential human rights issues through corporate whistleblower mechanism, site level grievance mechanism, adverse media monitoring for the company and suppliers, ESG rating agency reports,

Health and Safety performance audits, ESIA of major expansion projects, internal audits, supplier ESG self-assessment/audits, external assurance of integrated reports, ISO certification audits and legal cases filed against organization.

- Engage external and internal stakeholders to understand their views
- Quantify potential or actual high human rights risk based on scale, scope, Irremediability and likelihood. The risks having “High” rating are considered “Salient Human Right risk” for the site.
- Fix responsibility and implement corrective/preventive actions to mitigate real or potential adverse human rights impacts. We involve relevant stakeholders and vulnerable groups while implementing corrective/preventive actions
- Review risk assessment and evaluation based on actual incidents of human rights violation on ongoing basis.
- In cases of actual adverse impact, efforts should be made, either alone or in collaboration with other relevant entities, to correct/eliminate adverse impact. Allocate necessary budgets, monitor progress and effectiveness of actions taken.
- Develop internal competency of responsible personnel by providing necessary human rights training
- One of the salient human rights risk identified is Child Labour. We have put robust systems in place to ensure no child is employed at our sites. The preventive actions include:

- display of our policy “No child labour” at prominent places at the site,
- identity verification using at least two government issued documents,
- include questions to indirectly verify age of the applicant at the time of interview,
- ongoing monitoring by vigilance teams,
- development of reporting mechanism to report suspected child labour case,
- SOPs in place for rescue and rehabilitation of child in case of reporting of any incident related to child labour. The rehabilitation covers social rehabilitation, educational rehabilitation and economic rehabilitation
- Suppliers to confirm compliance with our supplier code of conduct (incorporated in following sections of this document) before commencing any work/services

Communication with stakeholders

We communicate with all stakeholders accurate, balanced and complete information about actual and/or potential adverse impacts and mitigating actions we have taken, through

- Periodic stakeholder engagement meetings as a part of our stakeholder engagement plan,
- Feedback to grievant through grievance redressal mechanisms in case issue is not registered anonymous manner,
- Official company website,
- Integrated annual report.

- Additionally, employees and contractors are informed through internal communication notes.

Human Capital Development:

We deeply value the dedication and unwavering efforts of our employees who have been instrumental in driving our growth. We foster a culture of excellence and actively invest in nurturing the skills and capabilities of our workforce, enabling their personal and professional growth. Our commitment to providing a supportive work environment, combined with the implementation of industry-leading practices, positions us as an employer of choice.

Performance review and career development

All our employees are eligible for annual performance review and career development reviews. At JSW Steel, ESG (Environment, Social and Governance) is a mandatory Key Result Area (KRA) in the performance assessment process for the top leadership team, including executive directors. The achievement of ESG targets directly impacts their overall performance rating and subsequently influences their annual Variable Pay/

Performance Bonus, and salary increases. These targets cover areas such as safety, environment, community well-being, product stewardship and good governance. These parameters account for approximately 15-20% of the variable compensation.

JSW Steel has introduced Digital and Classroom trainings to develop women on Leadership skills, Behavioral, Domain Expertise and Cross Functional competencies. Further, targeted and specific programs around career mobility through job rotations, cross functional business critical projects are actively promoted by JSW Steel

We have following programmes to ensure we identify and develop new leaders at various levels:

- Future fit leaders
- Senior leadership development programme
- JSW Young leaders programme
- JSW Technical leaders programme



We provide our employees with an effective development journey with leading global universities to enhance their skills and capacity building through customized and best-in-class curriculum. Our objective is to create measurable career development outcomes. These initiatives are supported by the internal stakeholders and/or the line manager and assisted by an external coach. The key elements of the Individual Development Plan (IDP) are to be aligned with career goals and organizational objectives. There are frequent

checking's that are enabled in the IDP journey to ensure enough traction and progression towards career goals.

We support higher education programmed, which include full-time courses, certifications and training programmed such as;

Full-time courses

- Bachelor's programmed in Manufacturing/Process Technology from BITS Pilani: To provide our employees an opportunity to enhance their technical knowledge, upgrade their qualification and keep pace with organization's technology growth; Made available for Diploma Entries (L03T Entry)
- Master's programme at IIT Bombay – For Graduates Entries (L08T Entry)
- Sponsorship for Graduate Rotation programme entries for full-time MBA in national or international institutes

Diversity, Equity and Inclusion:

We embrace diversity and inclusivity in our workforce, fostering equal opportunities for all, regardless of gender, age, ethnicity, religion, or background. Our recruitment policy champions a rich tapestry of talent, uniting individuals from diverse areas of expertise, cultures, and age groups. Through our comprehensive strategy, we forge an inclusive workforce, empowering women and minority groups to actively contribute and thrive. We have conducted several immersion workshops for our leaders and beyond bias programmes for our employees. We have also established a robust Policy on Equality Diversity and Inclusivity. Our target is to achieve 33% women at the general engineering and management trainee levels.



Recruitment and Selection

The success of any D&I initiative is crucially dependent upon its hiring and staffing philosophy. A conscious effort is made to attract applicants from different diversity dimension groups to achieve and maintain a workforce that shows diversity across levels and functions. Search firms and talent acquisition teams are asked to provide diverse candidates for short listing. Talent Acquisition team ensures diversity on interviewing panels, staffing / hiring managers are educated on the impact of bias.

JSW Supplier Code of Conduct:

The Supplier Code of Conduct (Code of Conduct) provides the basic rules that suppliers and subcontractors (collectively, Suppliers) that supply products and services to JSW should follow. The Code of Conduct

encompasses the areas of Compliance management, Environment, Human rights, Labour rights and Business Ethics.



Key principles of code of conduct are

Compliance Management

1. **Statutory Compliance:** Suppliers shall comply with all applicable statutory laws, rules, and regulations including applicable export law and regulations including US Export control regulations. Suppliers shall maintain records of all licenses, permits, approvals, necessary for conduct of its business, and furnish copies of same whenever requested. Suppliers are

advised to develop internal systems to track change in the regulations and respond to the same.

2. **Statutory notices:** Suppliers shall inform JSW of any notices, penalties or other sanctions issued or imposed for violation of existing laws and regulations.

3. **Tax evasion:** JSW shall not tolerate unlawful tax evasion or the facilitation of unlawful tax evasion. The Suppliers must not directly or indirectly engage in, or facilitate the engagement by others in, the deliberate and fraudulent diversion of funds from a tax authority. The Suppliers shall ensure the same of their agents, subcontractors, intermediaries and workers by adopting, maintaining and implementing reasonable processes that prevent such conduct.

4. **Quality Assurance:** The Suppliers shall comply with the quality assurance plan of JSW and shall ensure that the quality of supplies and services provided to JSW are of a good quality as per industry standards. The Suppliers shall take prior consent of JSW before procuring supplies that are to be provided to JSW, unless instructed otherwise in writing. In cases where an approved list of vendors, make or sub- Suppliers is provided by JSW, the Suppliers shall endeavor to adhere to such list with a view to maintain the quality and the specifications with respect to the products and services. Any deviation from such quality assurance plan or list provided shall be communicate to JSW at the earliest instance and the decision of JSW in this regard shall be final and binding.

5. **End user information, Sanctions and Dealings with Embargoed Entities:** The Suppliers acknowledges that all business and other dealings, direct and indirect with embargoed entities are expressly prohibited. The Suppliers is responsible for screening all client / end user with which the Suppliers plans to do business or other dealings against the lists of embargoed

/ restricted entities maintained by the U.S., E.U. and U.N. and any other applicable jurisdictions.

Environment

1. **Environment Protection:** Suppliers shall ensure compliance with existing legislations and regulations regarding the protection of the environment and promotion of good environmental practices. Suppliers should adopt the precautionary approach principle on environmental hazards. It is advised that Suppliers should develop and adopt comprehensive environmental protection policy to shoulder greater environmental responsibility and promote the diffusion of environmentally-conscious culture within their organizations and their value chains. It is desirable that Suppliers plan to adopt life cycle-based approach and associated practices.

2. **Management of Hazardous Materials:** Suppliers shall ensure that chemicals and other materials posing hazards to human health and environment are identified and managed responsibly through their safe handling, movement, storage, recycling, reuse, or/and disposal.

3. **Waste and Effluent Management:** Suppliers shall ensure that the wastewater and solid waste generated from operations, industrial processes, and sanitation facilities are monitored, controlled, treated, and disposed of responsibly in accordance with the norms prescribed by the appropriate authorities or bodies.

4. **Energy Use:** Suppliers shall monitor and track energy usage and take necessary steps to improve energy efficiency. It is advised that appropriate steps be taken to diversify their energy-mix by adoption of renewable energy sources to minimize reliance on fossil fuels.

5. **Water Use:** Suppliers shall only extract water from the legally authorized sources. It is advised that Suppliers adopt and promote recycling and reuse of

water and improve water efficiency. It is desirable that water conservation interventions such as rainwater harvesting be adopted wherever feasible.

6. **Responsible Production and Consumption:** Suppliers are advised to take proactive steps to promote responsible production and consumption. Phasing out of harmful materials and use of raw materials less harmful to environment shall be promoted wherever possible. It is desirable that Suppliers promote recycling and reuse of materials and products.

7. **Air Emissions:** Suppliers shall ensure consistent monitoring and tracking of Greenhouse Gases (GHGs) and other air emissions such as volatile organic compounds (VOCs), aerosols, corrosives, particulate matters, ozone depleting substances, and combustion by-products generated from their operations. Suppliers shall responsibly comply with the emission regulations and norms specified by the appropriate regulatory authorities. It is advised that Suppliers develop and adopt interventions to reduce harmful air emissions.

8. **Ecosystem:** Suppliers shall take necessary steps to minimize their impacts on ecosystem and thereby contribute towards preservation and restoration of biodiversity. It is desirable that Suppliers adopt measures to avoid deforestation and contribute to the protection and restoration of forests and natural habitats.

9. **Resource Efficiency:** Suppliers shall ensure and promote resource efficiency i.e. designing products and processes in a way that allows more efficient usage of raw materials and water.

Human Rights

1. **Protection of Human Rights:** Suppliers shall support and respect the protection of internationally recognized human rights. Suppliers are advised to adopt/endorse Universal Declaration of Human Rights (UDHR).

2. Promotion of Humane Treatment: Suppliers shall ensure dignified and respectful treatment of all within the workplace. Suppliers are advised to develop and adopt systems and processes to prohibit the use of threats of violence, verbal or psychological harassment or abuse, physical abuse, and/or sexual exploitation and abuse by any of their employees, contractors, parent company, and/or other business associates.

3. Indigenous Culture: Suppliers shall ensure that their operations are conducted in a manner that indigenous people, minorities (cultural, linguistic and religious), and local communities are not adversely affected. Suppliers shall take proactive steps to preserve local culture and community.

4. Local Communities: Suppliers shall take necessary steps to minimize or eliminate adverse impacts of its operations on the local communities. Suppliers shall undertake broad-based stakeholder consultations and ensure local community participations for identifying their needs and understanding their grievances. Suppliers shall commit themselves for socio-economic upliftment of the local communities.

Labour

1. Freedom of Association and Collective Bargaining: Suppliers shall recognize and respect employee rights to associate freely and to collective bargaining. Proactive steps shall be taken to promote fair working conditions as guided by the international conventions as applicable.

2. Freedom of Speech and Expression: Suppliers shall ensure an enabling environment in which all employees enjoy the fundamental right to freedom of speech and expression subject to the limitations of public order and morality.

3. Forced and Compulsory Labour: All forms of forced and compulsory labour shall be strictly prohibited. Suppliers shall ensure that their workforce is free from victims of human trafficking. Suppliers are advised to develop and

adopt systems and practices to identify and take prompt corrective actions in any such instances.

4. Child Labour: Suppliers shall prohibit employment of:

- Children below 14 years of age or a higher age in case it is determined as the minimum age of employment or that of compulsory schooling by prevailing national regulations
- Adolescents under the age of 18 for hazardous and/or dangerous nature of work Suppliers are advised to establish systems and processes to reliably verify identity and age of their employees through verification of nationally accepted documents/ reports.

5. Discrimination: Suppliers shall eliminate all forms of discrimination at workplace on the grounds of race, colour, age, gender, sexual orientation, religion, ethnicity, political opinion, nationality, social origin, disability, family status, or any such grounds as may be recognized under the applicable national laws as discriminatory. Suppliers are advised to take proactive steps to ensure equality of treatment in respect of employment and opportunity including but not limited to recruitment, promotion, training, remuneration and benefits.

6. Wages, Working Hours and Other Conditions of Work: Suppliers shall ensure adherence to the prevailing regulations concerning working hours, overtime allowances, leaves and other entitlements of their employees. Suppliers shall ensure that their employees are paid directly in legal tender at the regular intervals (not exceeding one calendar month). Such payments shall be fair and in compliance with the minimum wages determined by the prevailing regulations. It shall be ensured that no unauthorized deductions are effected into the wages paid. Any deduction to this regard shall be informed, in prior, to the workers in writing. The wages, hours of work and other conditions of work provided by Suppliers should be consistent with the best

conditions prevailing locally. Suppliers are advised to maintain a well-managed, documented record of wages paid to its employees and retain it for a reasonable period.

7. Occupational Health and Safety and Industrial Hygiene: Suppliers shall take reasonable steps to ensure that:

- Buildings and other infrastructure are built in accordance with the prevailing norms and are free from hazards to human health;
- Their manufacturing sites have appropriate preparedness and emergency response protocol to mitigate internal and external disasters including but not limited to natural calamities, industrial accidents, fire hazards, etc.;
- The workplaces, machinery, equipment, and processes under their control are safe and without risk to human health;
- All chemical, physical, and biological substances and agents are managed appropriately and responsibly in accordance with the prevailing regulations so as to reduce or/and eliminate risks and hazards to human health, community, and environment;
- Adequate protective gears are provided to their employees or any other person exposed to hazards arising out of operations, conducted by the Suppliers, posing risks to the health;
- Monitoring and reporting of occupational injuries and any other reportable incidences are done appropriately and effectively. In case of such incidences, Suppliers shall take prompt and necessary corrective actions to eliminate such risks and shall report such actions if asked by JSW or any such relevant authority.

8. Protection of Vulnerable Groups: Suppliers shall take necessary steps to protect the interests of vulnerable people such as children, older people, persons with disabilities, migrant workers and any such people who are

affected by or have the potential to affect the operations of Suppliers or/and JSW.

Business Ethics

1. Prohibition of Corrupt Practices: Suppliers shall ensure adherence to the highest standards of moral and ethical conduct, prevailing regulations, and generally accepted good business practices. Suppliers shall take proactive steps to eliminate all forms of corrupt practices such as bribery, fraud, cheating, or any other practice considered illegitimate. Suppliers are advised to make anti-corruption an integral part of employee learning and development system. The Suppliers and the associates of Suppliers shall not indulge in any corrupt practices defined under laws of International trade government authority / organization including Indian Prevention of Corruption Act, 1998, Prevention of Money Laundering Act 2002 (PMLA), US Foreign Corrupt Practices Act, The UK Bribery Act, 2010. The Suppliers and the Business associates of Suppliers shall not directly or indirectly use the consideration paid by JSW to facilitate money laundering or terrorism funding.

2. Conflict of Interest: Suppliers must promptly communicate to JSW any instances that may have the potential for a conflict of interest. Suppliers shall disclose if any of JSW's personnel, officials, staff, or professionals under any contract with JSW may have an interest of any kind in the Supplier's business. Suppliers are advised to conduct due diligence for any possibility of conflict of interest.

3. Gifts and Hospitality: Suppliers shall not offer any kind of gifts, free goods, services, or any other hospitality to any of our personnel, officials, staff, or professionals under any contract with JSW. Suppliers must disclose promptly any such requests made by any of JSW's personnel, officials, staff, or professionals under any contract with JSW.

4. Post-employment Restrictions: Suppliers shall not offer any kind of direct or indirect employment to any of JSW's personnel, officials, staff, or professionals under any contract with JSW who are actively engaged in procurement process with them for a period of one year following separation from JSW.

5. Business Conduct: Suppliers shall ensure timely provision of the goods and services of good quality at a competitive price. JSW shall ensure that Suppliers have requisite authorizations to access or use JSW's assets, properties, information, and intellectual rights for official purpose only, as per the terms of the contract entered into. Suppliers shall ensure that JSW's resources are not misused or abused beyond the terms of the contract.

6. Information Security: JSW's trade secrets and intellectual properties shall be protected by our Suppliers to avoid any harm to our competitive advantage. Suppliers shall comply with all privacy and information security laws and regulations as applicable. Suppliers are advised to adopt reliable and robust information security system to avoid any inadvertent loss of information or data, and to protect themselves and JSW against any malicious attempts to breach data security. The Suppliers and the Business associates of Suppliers shall ensure that it has adequate systems in place to protect and safeguard any personal or sensitive personal information that it will be dealing with and shall at all times be compliant with the data protection regulations applicable to it in the relevant jurisdictions where it operates or conducts its business.

7. Ethical Competition: Suppliers shall comply with all anti-trust and competition laws as applicable and shall not indulge in any anti-competitive practices whether by itself or in combination with other entities. Suppliers are advised to participate actively in relevant forums to collaborate and cooperate for fair competition.

8. Responsiveness: Suppliers shall disclose any violations of prevailing regulations and laws observed or reported to relevant stakeholders and take prompt corrective actions. It is advised that Suppliers plan for non-financial disclosures in accordance with the globally accepted standards, if not being done already.