ENVIRONMENTAL MANAGEMENT

As a responsible member of society, JSW regards operating in harmony with the environment as an important corporate responsibility. In our pursuit of production activities and environmental technologies that respect environmental integrity, we engage in business activities that contribute to the ecologically sustainable development of society.

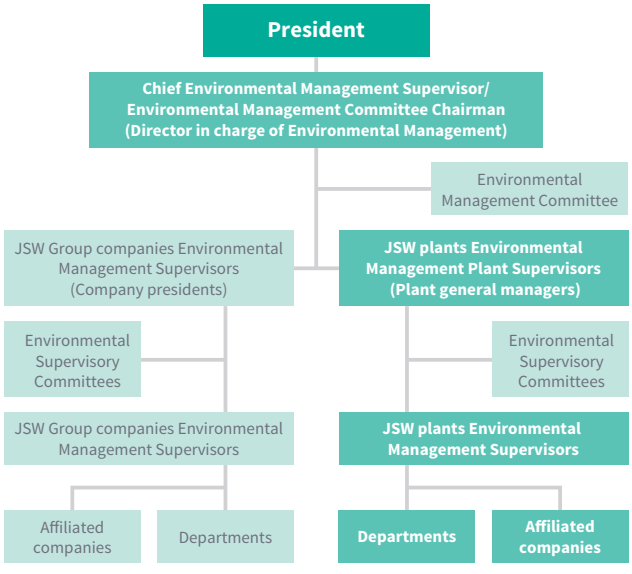
Action Plan

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.

(1) 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.

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.



ISO 14001 Certification Progress

The Company's Muroran, Hiroshima, and Yokohama plants and its Group companies, Meiki Co., Ltd., Fine Crystal Precision (S.Z.) Co., Ltd., and NIKKO-YPK SHOJI CO., LTD., have obtained certification under ISO 14001, an international standard for environmental management systems.

We leverage third-party certification bodies and internal inspections to conduct checks at least once annually to ensure that ISO 14001-certified business sites are endeavoring to maintain and improve their environmental management systems.

The Company and Group companies have adhered strictly to laws and ordinances, and there were again no violations in fiscal 2015.

ISO 14001 Certifications of Business Sites

Business Site	Certification Date	Current Certification Body
Muroran Plant	December 18, 1998	Lloyd's Register Quality Assurance
Hiroshima Plant	December 18, 1998	Japan Quality Assurance Organization
Yokohama Plant	September 4, 2006	Lloyd's Register Quality Assurance
Meiki Co., Ltd.	March 4, 2005	ASR International Corporation
Fine Crystal Precision (S.Z.) Co., Ltd.	March 7, 2007	Intertek
NIKKO-YPK SHOJI CO., LTD.	February 7, 2005	Japan Value-Added Certification Co., Ltd.

Business activities and environmental impact

In the process of manufacturing activities related to our core business sectors, steel and energy products business and industrial machinery products business, the environmental impact status is shown below.

We measure both inputs (consumption of energy, water, and the like) and outputs (such as waste, carbon dioxide, and water resulting from manufacturing processes), and use the data in our environmental improvement activities.

INPUT

Materials
- Metals (including steel, non-ferrous metal)
- Plastics
- Rubber, timber, etc.

Energy
3,633 TJ

Chemical substances
5,835 t

Water
24.09 million m³

MANUFACTURING

Steel and energy products
- Forged steel components for nuclear power reactors
- Monobloc rotor shafts
- Turbine casings for thermal power generation
- Reactors for petroleum refineries
- Clad steel plates/clad steel pipes
- Wind Turbines

Industrial machinery products
- Twin-screw extruders
- Single-screw extruders
- Film and sheet equipment
- Electric servo drive molding machines
- Blow molding machines
- Magnesium alloy injection molding machines
- Excimer laser annealing systems

OUTPUT

Total waste volume
112,648 t

Waste emission volume
12,874 t

Recycling volume
99,773 t

89% of total waste volume is recycled

CO_2 (from electric power and fuel)
226,871 t-CO_2

CO_2 (from domestic transportation)
2,555 t-CO_2

Chemical substances (amounts emitted and transferred)
236 t

Waste water
17.96 million m³

Eco-friendly product

Electric servo drive molding machine

Boasting world-class performance, our lineup of molding machines delivers clamping force of between 35 tons and 3,000 tons. Moreover, the use of a high-performance servo motor for the driving mechanism through our own control systems, ensure consistent molding quality. Variation in molding quantity achieves an 80% improvement in performance compared with conventional hydraulic servo drive molding machines, while minimizing defective units and reducing material usage. On the energy-efficiency side, we have achieved major reductions in power consumption (between one-third and one-half) compared with hydraulic servo drive molding machines thanks to a high-efficiency power transmission mechanism and power regeneration function. The medium-sized J-ADS Series, launched in March 2015, allows power consumption reductions of around 10% compared with the existing J-AD Series thanks to use of energy-saving injection cylinders.