

# The Environment

## 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 the sustainable development of society in harmony with the ecosystem through production activities that respect environmental integrity, and by developing environmental preservation technologies.

In recognition of the importance of activities in promoting environmental management, we obtained ISO14001 certification for Muroran and Hiroshima Plants in 1998 and Yokohama plant in 2006. We have maintained the certification to this day.

### 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 our product's social value to in terms of environmental protection, safety and hygiene.
  - (2) We provide products and services to reduce environmental loads by obtaining a clear grasp of environmental needs and technical development.

### Common policy for business facilities

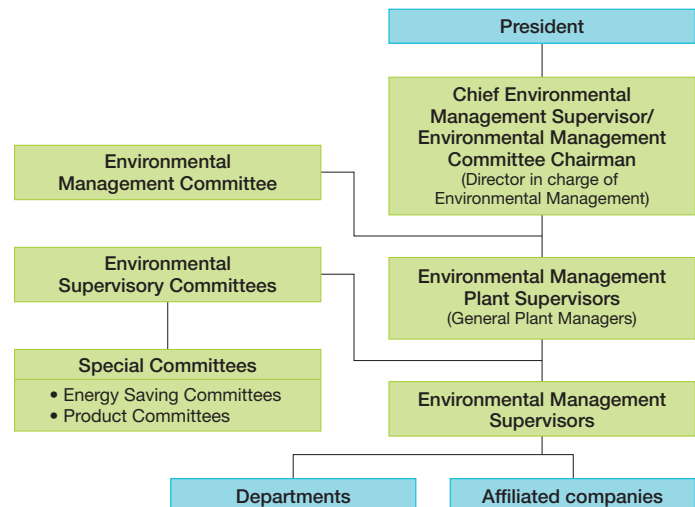
Taking into consideration its business activities, the local community and the surrounding environment, each plant operates by setting out its own environmental policy, objectives and targets using methods compliant with international standards.

1. Respect laws and regulations and agreements we have concluded with external parties.
2. Prevent pollution and reduce and appropriately treat waste, to conserve the ecosystem.

3. Improve "resource productivity" through implementation of energy efficiency, resource efficiency, and recycling.
4. Inform employees and other companies residing within our facilities of our policies and require their cooperation.

### Environmental Management Structure

The Environmental Management Committee was formed as a decision-making organization regarding environmental management. The Chief Environmental Officer serves as the chairman of this committee, which holds meetings twice a year. Various issues are examined at these meetings, such as proposals concerning environmental management, policy for the environment, and an action plan. Each plants has its own Environmental Committee, which promotes environmental activities and deals with other group companies.



## Medium-Term Action Plan for Environmental Management Activities (Fiscal 2009–2012)

We are promoting environmental management activities at our Muroran, Hiroshima and Yokohama plants. Social awareness has changed greatly regarding the need to deal with such issues as the mitigation of climate change and efficient use of resources.

We are working to attain the targets in our medium-term plan for environmental management activities covering the period from fiscal 2009 to 2012. In 2011, measures were taken at each plant to meet these targets.

With regard to the observance of laws and regulations, we implement environmental patrols at environmental-related facilities, plants, and other sites in the vicinity. We confirm that all environmental preservation-related 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 carry out employee training programs for affiliates and collaborating companies, as well as at our headquarters.

## Environmental Preservation Activities

The following section introduces some of JSW's wide range of environmental preservation activities.

### Reducing atmospheric emission of nickel compounds

After guideline values for nickel compounds were established by the government in September 2003 to reduce health risks, we installed new equipment at our Muroran Plant in each relevant division including the copper and forging division, beginning with the installation of gas cutting equipment on the plant docks in 2004. In conjunction with this, we have taken steps to improve work, processes, and equipment, and have nearly completed the installation of a series of equipment to improve the workplace environment of the scrap cutting plant (started up in 2010) during cutting operation. Thus far, the plant has operated below the established limit values.

Working together with the local municipal government since 2005, we have created our own voluntary controls and taken action. We have taken steps to reduce the amount of dust generated in the plant by installing dust collectors designed to create a better environment for the new equipment.



### Safety and disaster prevention activities

We regularly implement environmental patrols at each plant to verify management status and audit data relating to specific air- and water-related facilities, pretreatment facilities, oil-water separation tanks and other facilities.



### Community contributions

As part of our social contribution activities, we conduct a cleanup campaign along the main streets in the vicinity of our Yokohama Plant in April each year.

The cleanup campaign is conducted along roads between a nearest Station and our Yokohama Plant's main gate. Employees collect empty cans and pick up plastic bottles and cigarette butts. The trash is then separated and disposed of. We intend this to be an ongoing activity.

