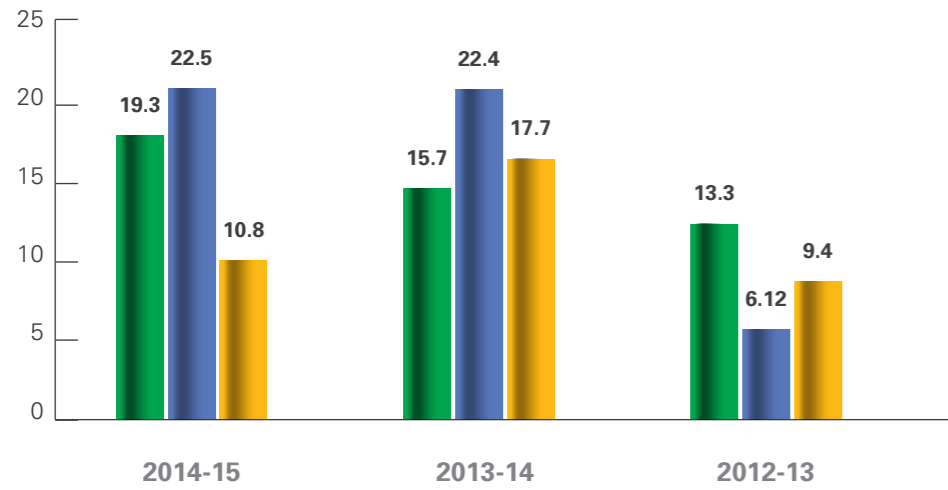




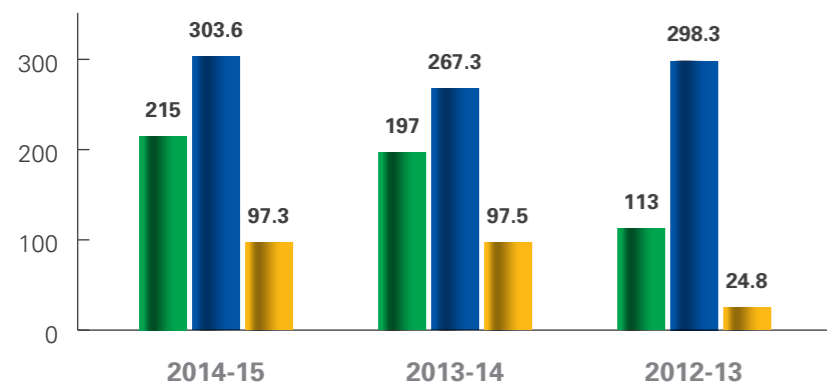
## Emissions

### JSW SL



Emissions of ODS (tonnes of CFC-11eq) are **0.002, 0.099, 0.027** for the years 2014-15, 2013-14 and 2012-13 respectively

### JSW SCPL



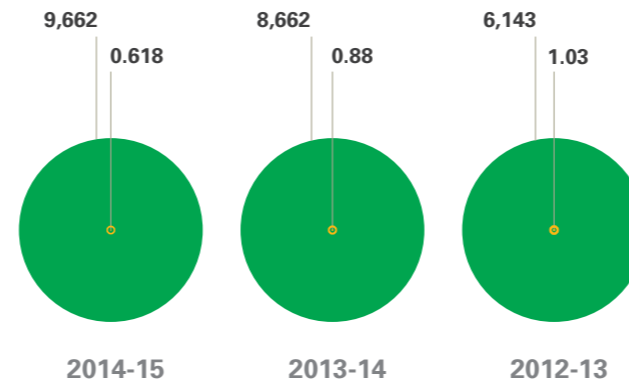
Emissions of ODS (tonnes of CFC-11eq) are **0.11, 0.01, 0.01** for the years 2014-15, 2013-14 and 2012-13 respectively

Emissions for JSW SPCL and ARCL are Nil.

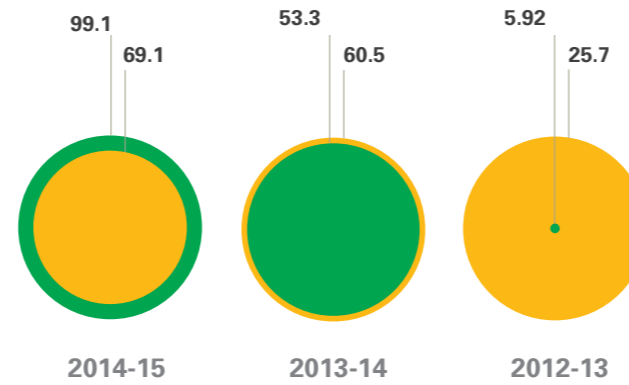
● SPM (000tons/year) ● SOx (000tons/year) ● NOx (000tons/year)

## Waste

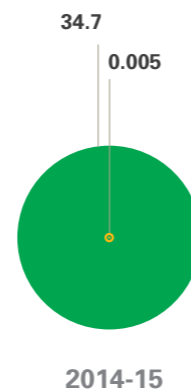
### JSW SL



### JSW SCPL



### JSW SPCL



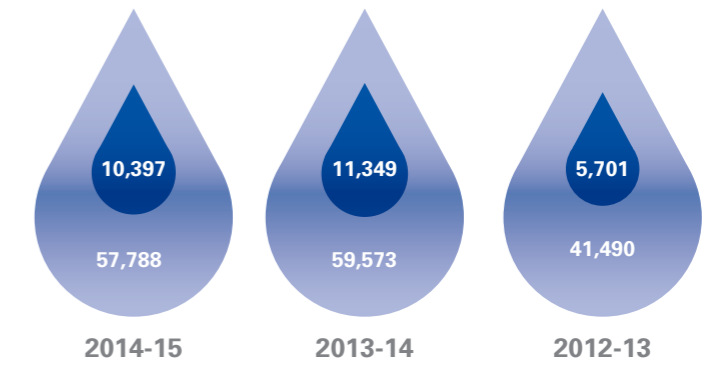
### JSW ARCL



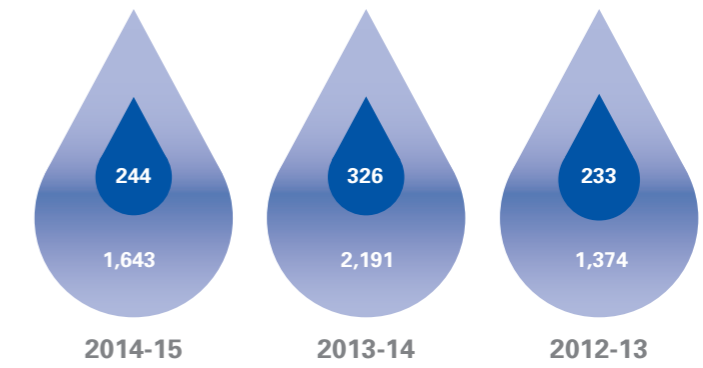
● Hazardous Waste ('000 tonnes)  
● Non-Hazardous Waste ('000 tonnes)

## Water Consumption

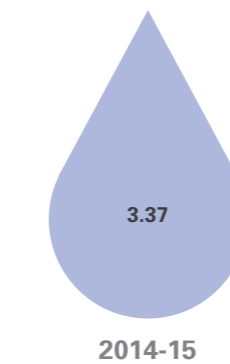
### JSW SL



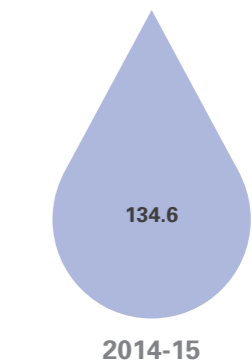
### JSW SCPL



### JSW SPCL



### JSW ARCL



● Total Water Consumption (000 m³) ● Total Recycled Water (000 m³)



## Biological Diversity

Manufacturing operations of JSW Steel do not cause any significant negative impact on biological diversity. JSW Steel expects its suppliers involved in mining and similar operations, with potential impact on biodiversity, to be compliant with applicable laws and take due care of biodiversity. In addition, JSW Steel undertakes activities in and around our manufacturing sites to conserve, preserve and enhance the biological diversity. We are signatories to the India Business & Biodiversity Initiative.

The Vijayanagar Works has implemented a plethora of initiatives to enhance the biological diversity in its neighbourhood. Some of these include setting up a biodiversity park containing medicinal plants on the IUCN red-list [i.e., endangered species], treating the sewage from the township using root zone treatment with the help of select plants, undertaking watershed management programme in the neighbouring villages resulting in multiple crops and improving agricultural yields, extending the green belt in and around the Works area and township, and many more.



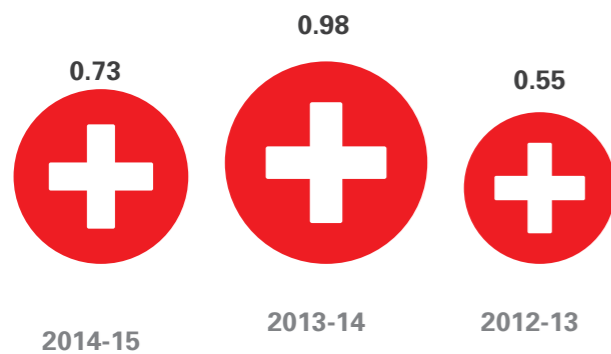
### Improved avi fauna around our Vijayanagar plant

JSW Steel Disseminated traditional irrigation methods for developed green cover on barren hillocks surrounding operations Horizontal Reed Bed system of capacity of 1MLD for treating domestic sewage from Vidhyanagar Township was established. This system is the country's largest reed bed system installed and being operated. This Reed Bed system has an area cover of 25,800 sq m, with 72 different plant species.



## Safe and Healthy Workplace

Lost time injury frequency rate



2014-15      2013-14      2012-13

As per WSA formula

	JSW SL			JSW SCPL			JSW SPCL		ARCL	
	2014-2015	2013-2014	2012-2013	2014-2015	2013-2014	2012-2013	2014-2015	2013-2014	2014-2015	2013-2014
<b>Injuries (Nos.)</b>	77	290	83	7	5	5	0	2	2	1
<b>Injury Rate (per 100 workforce per year)</b>	0.096	0.52	0.15	0.10	0.239	0.234	0	0.61	0.17	0.014
<b>Lost Days</b>	4,931	8,144	1,295	336	364	0	0	104	272	2
<b>Lost Day Rate (per 100 workforce per year)</b>	6.16	14.63	2.27	4.78	17.4	0	0	32.1	22.7	0.03
<b>Man Hours Worked (million)</b>	160.04	111.33	110.2	14.06	4.18	4.27	4.57	0.64	2.39	7.16
<b>Fatalities (Nos.)</b>	11	1	6	1	0	0	0	0	0	0



## Message from Director, Commercial and Marketing

### Responsible Value Chain

At JSW Steel we are excited about the growth we could undertake, and envisage for the days to come. Such uninterrupted growth is only possible in an enabling ecosystem. Our suppliers of input materials, logistic support providers, labour contractors, etc. have all contributed to our success story. Looking ahead, we require them to be even more efficient and resilient enough to address the transforming market place. At all sites and for all our innovative products we had to ensure the enabling ecosystem was a prerequisite. At times we even had to build capacity of the providers of goods, materials and services. Our customers are delighted, and new customers have indicated their trust on us for our dynamism, passion for learning, ability to address the developmental challenges, and roll out new and customised products for the rapidly transforming markets.

*“Our customers are delighted, and new customers have indicated their trust on us for our dynamism, passion for learning, ability to address the developmental challenges, and roll out new and customised products for the rapidly transforming markets.”*

We extend our responsibility beyond our business, and strive to promote responsible behaviour

throughout our sphere of influence. This is most notable in our supply chain which involves mining, transport of bulk material while keeping in mind the sensitivity of impacts to the environment and society, and also activities of our organisation as well as of our suppliers, vendors and contractors. Accordingly, we focus on ensuring that every stakeholder in our value chain conducts its operations in total regulatory compliance and demonstrates responsible behaviour. In FY 2014-15, 83% of all goods were transported via rail, as compared to 76% in FY 2013-14, resulting in significant reduction of footprint.

We follow fair, transparent and non-discriminatory procurement practices. We expect and encourage our suppliers to act in a safe and responsible manner. We specify the mandatory standards that suppliers must adhere to, with specific emphasis to business ethics, human rights, labour rights, safety, health, environmental management and community relations. We take a risk-based approach to supply chain sustainability, identifying the high-risk suppliers with whom proactive engagement is needed. In addition, we work collaboratively with suppliers to identify opportunities to develop and implement safer and more sustainably effective products and solutions.

Our activities aimed at promoting sustainability in our supply chain are complemented by our commitment to promote local procurement. For example, in Karnataka, for the reporting period, we have locally procured goods (excluding iron ore) and services for Vijayanagar Works amounting to 47% of the total procurement costs for the site by value.

JSW Steel strives to create value for our customers through the untiring efforts in product development and innovation. The Company offers a large portfolio of steel products encompassing hot rolled, cold rolled, galvanised, galvalume, pre-painted galvanised, pre-painted galvalume, TMT bars, wire rods, special steel bars, rounds, blooms, and others.

JSW's focus remains to be a supplier of choice, in all markets while improving the well-being of customers and society in general. We are committed to operate our processes and conduct marketing promotions in a transparent and responsible manner by sharing product information. We strive to ensure an efficient customer feedback mechanism and conduct regular customer satisfaction surveys to understand their expectations and concerns. To facilitate this, we have portals for customers and suppliers. While this facilitates procurement and delivery, they are also used to gauge evolving customer requirements and supplier capabilities. With some customers and suppliers we even collaborate and co-create. This

type of innovation has helped in mutual profitability, while also reducing emissions, use of energy and other resources. In addition, a grievance redressal mechanism is available to all stakeholders. Besides resolving the grievances seamlessly, this also provides us an opportunity to engage more closely with our value chain.

Our **Policy on Engaging with and Providing Value to Customers and Consumers** in conjunction with other policies and guidance, steer us through value chain with responsibility.

**Jayant Acharya**

### Responsible Value Chain

We believe that our responsibility to environment, economy and society extends across our supply chain, logistics, immediate customers and end users. Our diligence along supply chain and logistics aids our continued and future uninterrupted operations. Our focus on customers and their continuously evolving requirements helps us to adapt to markets and future proofs our business. Beyond diligence, we also collaborate and co create with our partners to address sustainability challenges.

## Product Stewardship

### Sustainable Steel Production

The Company believes that steel has a major role in assisting the transition towards a sustainable economy where economic growth, conservation of environment and social responsibility work together. Towards this, the Company strives to:

- Ensure resource-efficient and sustainable manufacturing processes and technologies

- Focus on product stewardship throughout the life cycle and provide information on their safe use and recycling

- Review and implement new developments in steel making technologies

- Optimise utilisation of natural resources viz. water, raw materials, energy while focussing to reduce, reuse and recycle opportunities of these resources.

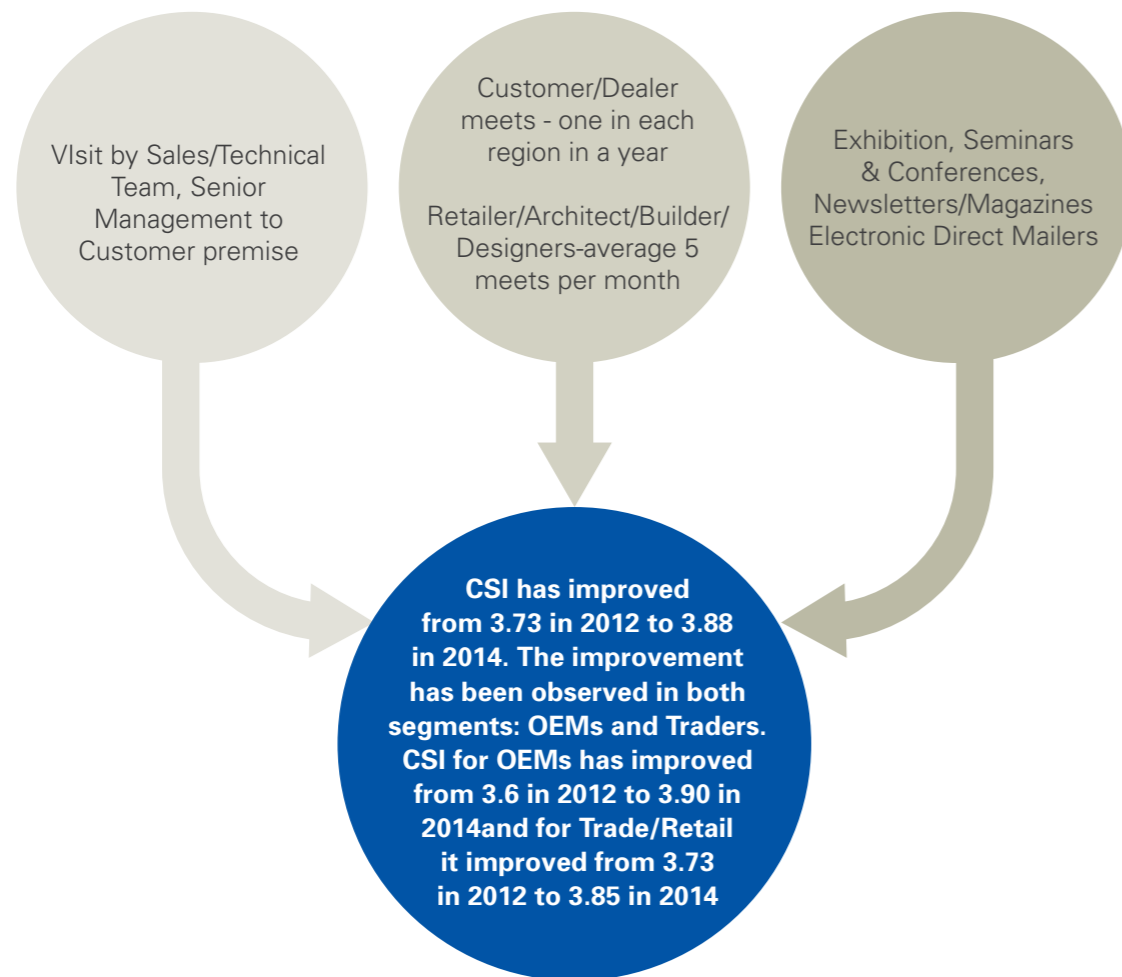


JSW Steel believes that developing sustainable products to reduce the environmental and social impacts is an important element of future-proofing the business. In FY 2014-15, new grades of steel for the automobile sector were developed, such as high-strength low-carbon steel, high-strength low-thickness steel etc. First step in product stewardship is to reduce operational footprint and accordingly, we have achieved during the reporting period:

- Utilising waste heat: 78.3%
- Re-utilising waste gases: over 91 million GJ (98.5% of total waste gases/ energy)
- Scrap recycling: 848,872 metric tonnes
- Waste recycling (hazardous + non-hazardous): over 2.2 million metric tonnes
- Recycling and reuse of wastewater: 10.4 million m<sup>3</sup>
- GHG emissions mitigated through initiatives: over 281,000 tCO<sub>2</sub>e

## Caring For Customers

### Customer Satisfaction



### Customer Speak

*"We are well placed with JSW and we hope to do much more than what we are doing today, almost double our current volume."*

**Umesh Aggarwal**  
Sri Aggarwal Ispat

*"In comparison to other companies, JSW has placed full faith in their Distributors and Dealers. JSW has always stood by us be in during good times or bad. The company has always supported us to grow. We always meet each other as a family."*

**Anil Mendiratta**  
Standard Strips India Pvt. Ltd.

*"JSW has been doing business with us as a family. People are very co-operative. They understand the problems we face on account of our day-to-day business. When people from the Plant, Head Office as well as Branch visit us, it brings people closer."*

**Nand Kishore Aggarwal**  
International Trading Corporation

## Responsible Supply Chain

An effective supply chain management ensures uninterrupted business activity and flexibility. JSW Steel key elements of supply chain include, (i) procurement of key raw materials like, coal, iron ore, lime stone, dolomite, coke etc. (ii) transportation of raw materials (iii) procurement of support services. Raw materials are procured from within the country and also from outside. JSW Steel use ship, rail and road transportation. Also, the company has been able to achieve, reduction in logistical footprint by making conscious efforts to increasingly shift to transportation of raw materials and products within India by rail. In FY 2014-15, about 83% of all goods were transported via rail, as compared to 76% in FY 2013-14.

JSW Steel's code of conduct and our policies related to work conditions, human rights, environment, and safety, are applicable to our suppliers. These form a part of our contract with our suppliers and suppliers from time to time are made aware and assisted in complying with these requirements. Our supply chain audits will have to be further complimented with stress on EHS,

Labor, Human Rights and Societal Impact aspects. Supplier engagement, in the form of interactions and supplier meet, is carried out at JSW Steel. JSW Steel is sensitive to possible impacts of our supply chain on environment, society and economy, and take preventive actions. JSW Steel identifies service providers that potentially could engage in unfair labor practices and monitoring, evaluation of such suppliers, regarding issues related to labor practices including human rights, is made rigorous. During the reporting period, there were no penal actions or notices by relevant regulators, for violation of labor practices in the supply chain. JSW Steel ensures that its suppliers deliver goods and services as per contract and, in turn, are paid, as in contract, on time.

To generate value for local economy and to create positive economic impact, JSW Steel engages with local suppliers. JSW Steel is in the process of setting up a mechanism to define capture and track the extent and type of local suppliers. Presently, JSW Steel identifies and builds capacity of local suppliers, before and during the engagement with them.



## Message from President, Group Human Resources

### Caring, Sharing and Growing

JSW Steel has expanded its production capacity by over ten-fold in the last two decades through the twin route of expansion and acquisition. While expansion involves workers of contractors on the site as well as recruitment of new persons, acquisitions implied addition of work force that had different practices, norms and work culture. This continuous churn is a challenge, and is compounded by the learning needs of a dynamic work force to keep up with changes in technology, product innovation and regulatory requirements, to name a few.

We depend on nearly 12,300 people who have the necessary and relevant capabilities, commitment and enthusiasm to achieve our business goals. Further, we are supported by about 30,500 workers engaged through our contractors.

*"Engaging with employees to shape our business goals and creating a culture that supports these is fundamental to our ability to deliver our commitment to customers. This lies at the heart of everything we do."*

We aim to attract, develop and retain the best human capital by providing a motivating and healthy workplace, identifying and developing talent, and promoting employee well-being. Our priority is to engage effectively with our employees, understand their views, communicate the strategic directions of the Company, respond to their feedback, and implement initiatives to improve. We monitor the engagement with employees and their satisfaction levels through surveys, and assess managers on the experience they create for their team.

Engaging with employees to shape our business goals and creating a culture that supports these is fundamental to our ability to deliver our commitment to customers. This lies at the heart of everything we do. A conducive work environment for diverse people allows us to serve the demanding markets effectively.

In order to sustain a competitive advantage, JSW Steel adopts policies to ensure the well-being of employees. We review the people management practices periodically to ensure they are relevant and employee-friendly. Believing that employees are the most important component for competitiveness, the Company will continue to foster happiness and professional growth for all its employees.

We believe that diverse work force is a key ingredient of an innovative ecosystem, and strive to keep our workplace free from any kind of discrimination. Our advantage is we are a youthful organisation, reflecting the demographic trend of India; employees under the age of 30 years constitute 78% and 61% of the workforce in JSW Steel and JSW Steel Coated Products. We are striving to improve the gender diversity by increasing the recruitment of women at all positions, and providing a friendly, harassment-free work environment bereft of discrimination for employees. The number of knowledge workers in the form of new joiners in 2014-15 was 53%

higher than in the previous year. This allows new ideas to come in, and contributes to our ability to increasingly create and share value.

We enable and encourage our employees to upgrade their skills, enhance professional knowledge through various means such as classroom training, e-learning and field training. Our learning modules encompass functional and management aspects such as leadership, marketing, human rights, ethics, compliance, diversity, sustainability, finance, energy, manufacturing excellence, and several other competencies. The average per capita training hours during this reporting period was 33.6, which is higher than the average for the last 3 years. We encourage innovation at all levels and functions through innovation awards and many other measures to create a supportive ecosystem.

JSW Steel ensures its employees contribute to business decisions through a participatory approach. Employees give feedback through various mechanisms which include interaction sessions, tool-box talks, town-hall sessions, joint



safety committees, etc. The Dolvi Works has a recognised employee association and all non-management employees are free to get affiliated to it. About 12% of the Company's entire permanent workforce is represented through this recognised trade union. Our agreements with the workers include conditions on how they would take the responsibility of safety and health. Our overtime and work allocation practices ensure fair practices are followed. Further, forced labour and child labour are completely avoided. We take care to ensure our security forces are taken care of by following all applicable regulations and respecting human rights.

We look forward to further building a dynamic, passionate, diverse and sensitive workforce - the lever to sustainable business at JSW Steel.

Our **Policy on Employee Welfare** in conjunction with other policies and guidance, guide us in caring, sharing and growing our human capital.

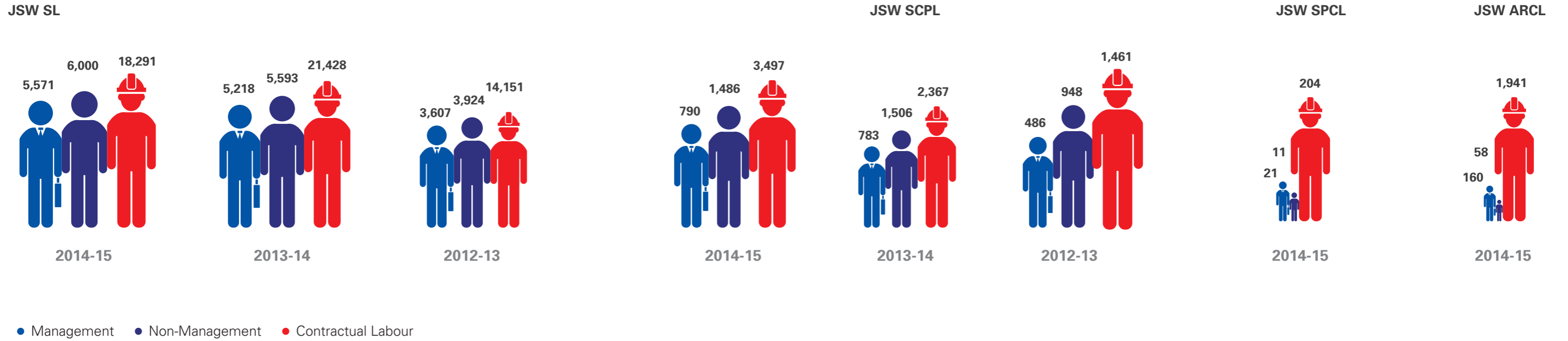
**Yugesh Goutam**



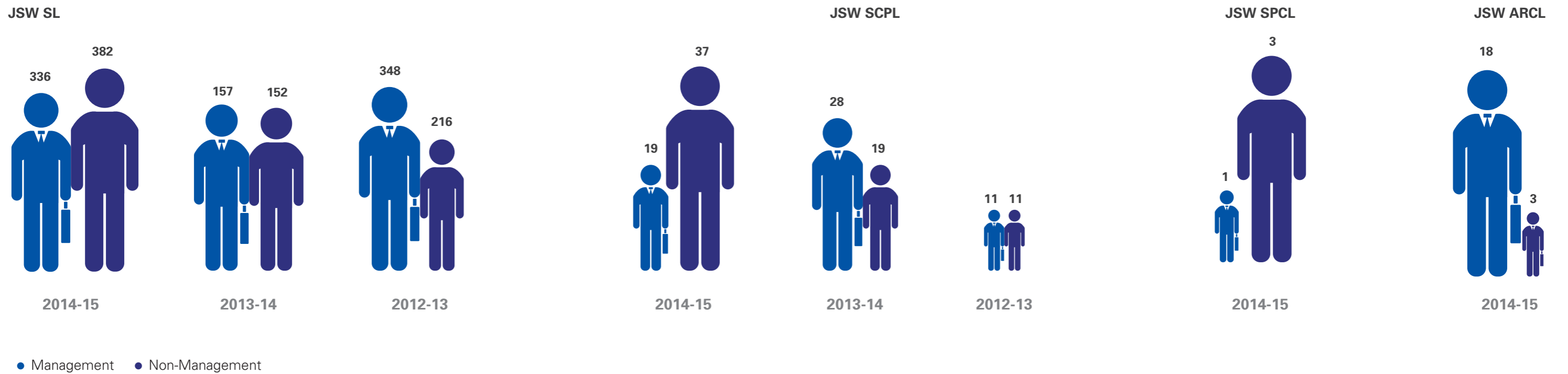


# People & Diversity

## Workforce Breakdown

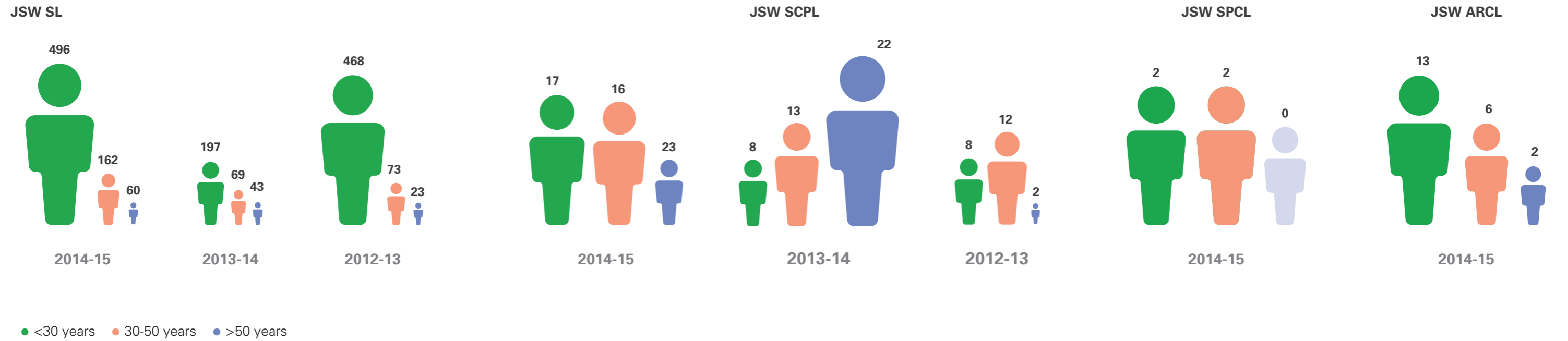


## Workforce Turnover

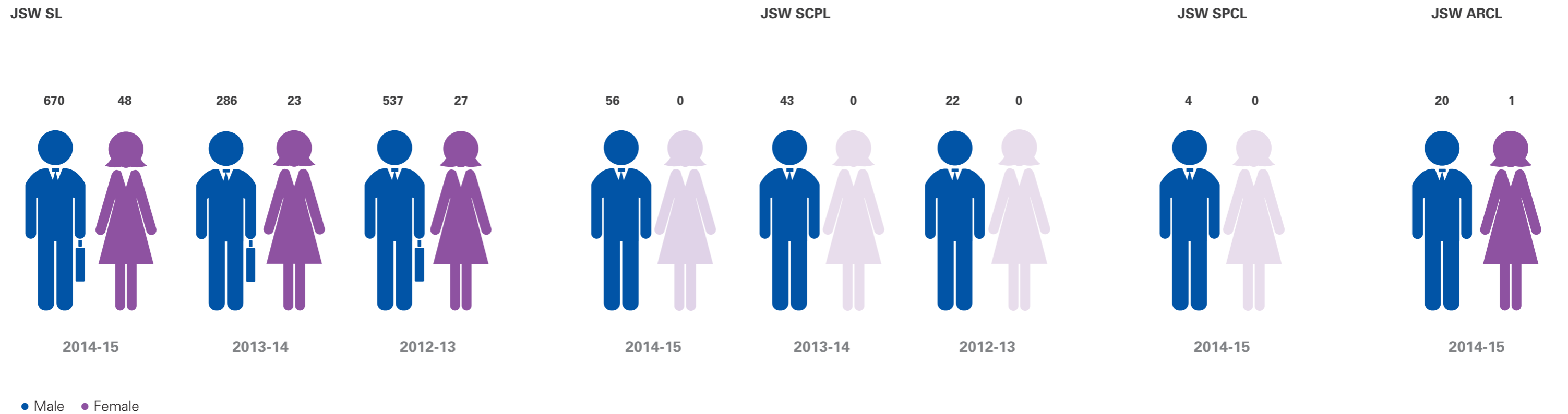




### Workforce Turnover Age-wise



### Workforce Turnover Gender-wise





## Creating a Women-Friendly Work Environment

JSW Steel's commitment towards women is reflected through its Gender Balance Initiative, measures for Legal Awareness for women employees, zero tolerance to sexual harassment at work place and other special training for women employees across the organisation. JSW Steel provides equal opportunity to all employees and strives to increase the number of positions held by women employees every year.

Special programmes on personality development, managerial development and leadership development are being organised for grooming and enhancing the competencies of women employees for positions of higher responsibilities. Special training for women employees were conducted including life enrichment, first aid, life etiquette, among others.

### Exclusive Benefits for Women

- Maternity leave for period not exceeding 12 weeks can be taken before/after the date of the confinement at the convenience of the applicant, at the earliest but not before 6 weeks before date of delivery
- A female employee suffering from illness arising out of pregnancy, delivery, premature birth of child or miscarriage shall, on production of such proof, be entitled to additional maternity leave for a maximum of 30 days

## Passion for Learning

### Enhancing Capabilities and Capacities

The Company has consistently been investing in building and enhancing technical capabilities of its employees. As part of this effort, the Company encourages its employees to acquire skills by participating in sponsored programs both in India and abroad. Simultaneously, the Company also provides multiple learning and development opportunities to its employees to acquire new skills, knowledge and enhance their capabilities.

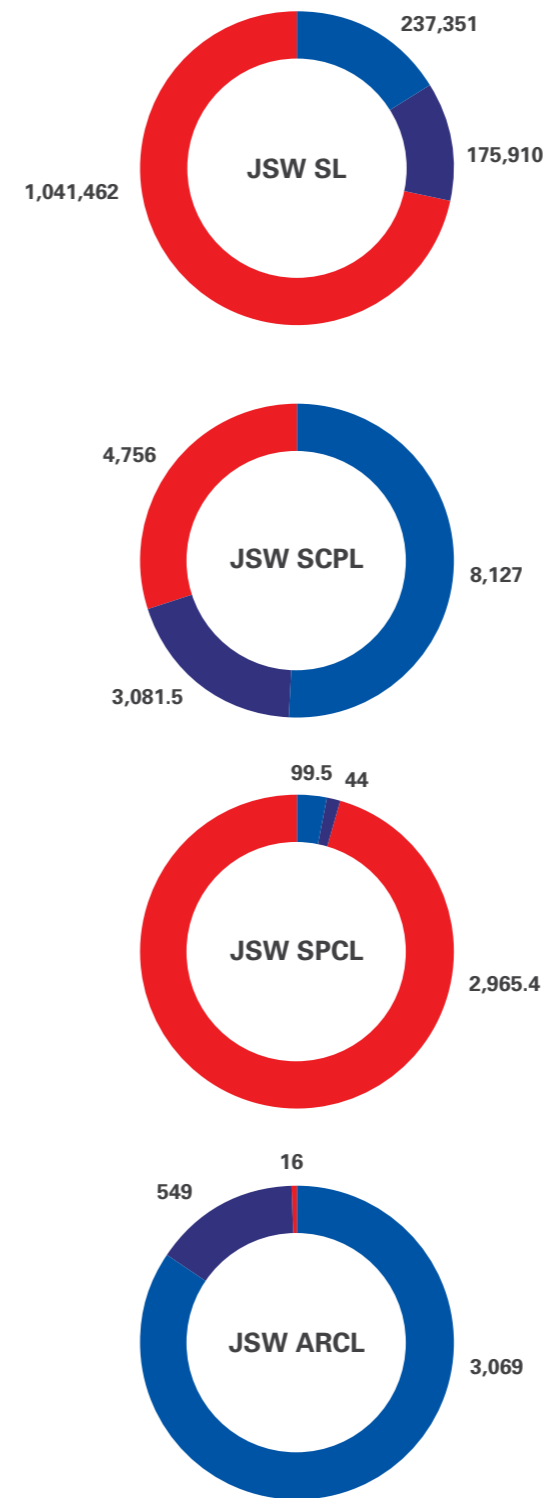
Some of the key training programmes attended by our employees include:

- Management Development Program at Indian Institute of Management, Ahmedabad for selected high potential employees for enhancing their business acumen.
- Young Leaders Development Program: Identification and grooming of high potential managers below the age of 32 years.
- More than 500 technical training programmes were conducted in-house by both internal and external faculty.
- More than 200 behavioral training programs were conducted in-house by both internal and external faculty.
- Tie ups with Premier Institutes for Employee Education: Our tie ups for off-campus B.S. course with BITS Pilani, M. Tech. with IIT Bombay and Post-graduate Diploma in Industrial Safety with RGIST encourage continuous learning and have been received well.

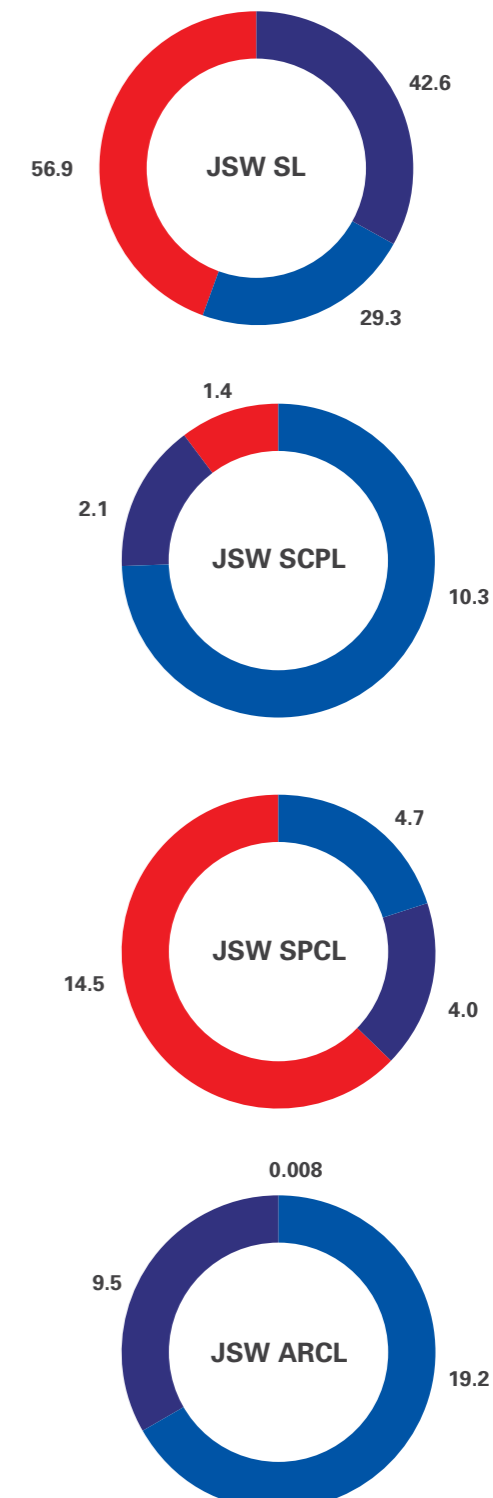
### Encouraging Creativity and Innovation

- A rewards and recognition mechanism is designed to encourage creativity and innovation at work. The idea has been to evolve a culture of creativity and innovation through the use of various mechanisms to recognise employees, either as individuals or as part of a team, for high level performance that facilitate the Company's pursuit of its strategic goals and objectives.
- Apart from the already existing series of awards for Best Employee, Exemplary Work, Best Suggestion, Best Safety Man, Bravery and Courage award, Best QC, Intellectual Property Rights and Award for Best Contractor, a new award called Quarterly Departmental/ Cluster Champions has been added to the glossary of awards this year. The quarterly award of Cluster Champion is given in recognition of self-initiated improvements, Best Safety Practices, Trouble shooting Skills, Innovation & Creativity.
- The innovation awards, at JSW, recognise the best innovations from all the locations of JSW group. The innovation awards have provided a platform to showcase achievements and help in replicating such innovation at other locations. During the reporting period, 21 entries submitted on group level out of which 8 were awarded as best cases on **SMART (Specific-Measurable-Achievable-Realistic-Time-bound Objective)** criteria basis.

### Training Hours



### Training Hours per Capita



• Management • Non-Management • Contractual Labour





## Message from Chief Executive Officer, JSW Foundation

### Empowering and Inclusion

The one word that sums up everything about JSW Steel is “dynamic”. It added capacity in the last one and half decades through a combination of organic and inorganic routes; also, its product range is now very diverse, including value-added products for the small consumers and rural market. JSW recognises the potential outcomes of investing in the community, and consequent mutual benefits that accrue through community cooperation and collaboration.

Our community investments are rapidly becoming strategic, and leveraging much larger resource deployment by linking up with communities and government. The governance and managerial wisdom that it deploys in business is increasingly being applied for social investments and interventions. Accordingly, the Company has identified five specific focus areas for our community development initiatives: Nutrition and Health Care; Water and Sanitation;

*“Our community investments are rapidly becoming strategic, and leveraging much larger resource deployment by linking up with communities and government. The governance and managerial wisdom that it deploys in business is increasingly being applied for social investments and interventions.”*

Education; Skill Development; and Art, Culture and Sports. All these are being undertaken in a project mode and are expected to deliver measurable outcomes. JSW Steel monitors the CSR programmes by both internal and external experts. As per the CSR policy, progress of the programmes is reviewed periodically by the Board-level CSR Committee, as well as the management at the sites.

Each manufacturing site has a dedicated team of development professionals. Advice and insights of expert organisations and individuals are also sought for specific initiatives.

For FY 2014-15 the Company adopted a theme Janam Se Janani Tak - JSW Aap Ke Saath, a long-term commitment to meet the needs, thereby empowering women and children living in the direct impact zone and beyond at all manufacturing sites. A case in point is Vijayanagar where 358 institutional deliveries were undertaken, catalysing the creation of self-help groups (SHGs) benefitting nearly 550 women, and providing quality education to more than 3,500 children.

In the vicinity of our operations we have enhanced the green belt through plantations, and made more water available through water conservation and watershed development projects.

Together, these projects are aimed at alleviating climate and water risks. We propose to extend such activities to encompass the watershed of our water sources, in the near future.

In this report we have presented a summary description of the the positive impacts we have created in each thrust area via our interventions.

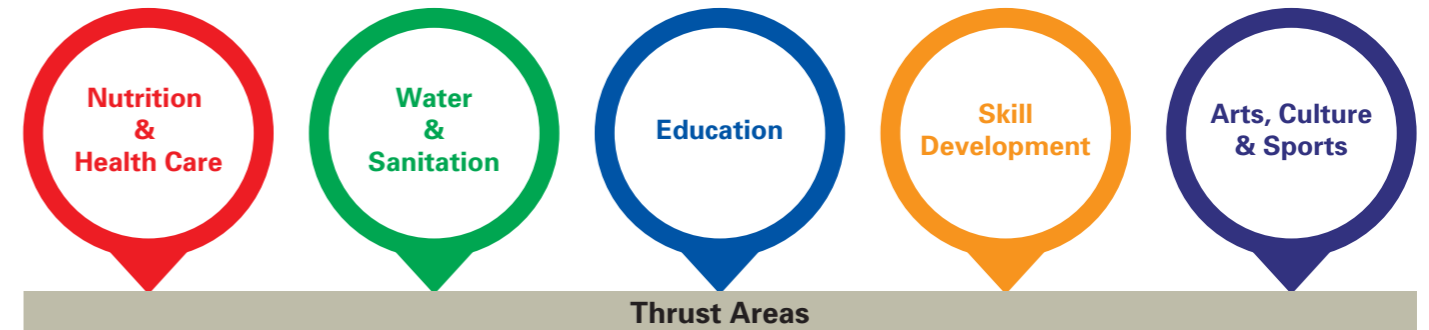
Our approach to social development in conjunction with **CSR Policy**, provide direction to empower communities and work for inclusive development in our neighbouring communities.

**Sumantra Sen**

## Empowering Communities - Harnessing Partnerships

### Our Corporate Social Investment- Thrust Areas

The thrust areas, where community investments are prioritised, are chosen in engagement with the local community and beneficiaries.



JSW Steel has a dedicated CSR team of development professionals at each of its plant locations. It also brings on board the expert organisations and individuals to help run specific initiatives in and around the plants. The Company is also working with the Government to tackle the issue of malnutrition in the states of Maharashtra and Karnataka.



JSW Steel Company's budgeted contribution to community development projects for FY 2014-15 is **₹ 43.70 crores**

JSW Foundation received NASSCOM Foundation award under social innovation category in the year 2014. The award recognized the efforts to empower women through basic computer literacy and job opportunity in Data Halli; approximately **1,500 women have received benefit** so far, presently 95 women associates are working in Data Halli.



## Delivering Measured Outcomes

### NUTRITION

- JSW Foundation has adopted a lifecycle approach where the nutritional status of the child is tracked from foetus (-nine months) till the age of six years (age when the child migrates to school education system from the Anganwadi system).
- Complementing the existing government program to enhance its efficiency
- Use of technology for decision making and appropriate service delivery

**10,000+** children tracked in Maharashtra

Trained **1000** government cadre in Maharashtra

**Location:** Thane and Palghar districts. Plan is to scale up to all JSW locations.

### SAFE MOTHERHOOD

- The emphasis has been on infrastructure development - working towards upgrading the facilities in government run primary care centres to help them provide institutional delivery services to catchment population
- Also facilitating training of ASHAs/Mid Wives/Facilitators and ANMs on counselling relevant for pre and post pregnancy, childcare and nutrition
- Initiation of a 24\*7 call centre (91-9448763456) for mother and child health care

**100%** institutional delivery in DIZ

**Location:** Bellary district, Karnataka. Plan is to scale up to all JSW locations

**1000+** mothers and children benefitted

**800+** infants immunised

- Water access through pipe line and over head tanks
- Water purification through installation of RO plants
- Water conservation via soil & moisture conservation, wretched structures for water retention and ground water recharge

### WATER CONSERVATION

**100+** hectare land under water conservation, to be augmented to **1000+** hectares

**130+** farmers benefitted  
**14000+** fruit tress saplings planted

**Location:** Salem

- JSW Group is aligning its skill development interventions to the National Skill Mission for wider footprint in creating skilled manpower for industries
- JSW is currently approaching skill development in two ways - Establishing and running O.P. Jindal Vocational Training Centre (OPJCs) - Supporting government's industrial training institutes across India

**500+** students completed their respective courses successfully

Also working with **21** government industrial training institutes under PPP

**900+** women trained in tailoring

**80** women engaged in regular stitching of garments

**120** women is going through the three month training tailoring in satellite centres around Vijayanagar

Rural BPO for women benefitted **800+** women

**96** women associates are working at Vijaynagar

Almost **100%** OPJC students are skilfully employed

ITI Nettur in Tamilnadu recently won **ASSOCHAM** for the best PPP model award

The rural BPO at Vijayanagar is called 'Data Halli' has recently received the award of **'Best Social Innovation'** by NASSCOM Foundation

### SWACHH BHARAT

**All Steel Locations**

- Facilitating the construction of individual toilets at home
- Repair and construction of school toilets
- Spread the awareness among communities about sanitation practices

**4000+** individual toilets

**85+** schools toilets

### SKILL DEVELOPMENT

**Location:** Three OP Jindal Vocational training centres (OPJC) at Vijayanagar, Vasind

### HEALTH CAMPS

- General health camps
- Mobile health camps
- Specialised health camps
- Eye check-up camps

**All Steel Locations**

**3000+** people benefitted

### WOMEN EMPOWERMENT

- Empowerment initiatives at SHG level which gives skill inputs on managing accounts and also skills for starting small scale business units through SHGs and thus empower for generating employment at village level

**200+** functional Self Help Groups  
**2500+** Women  
Produced **10000+** packets

**Location:** Bellary district, Karnataka



## Endnote by Chief Sustainability Officer

### Our Priorities for Tomorrow

This report has provided several glimpses of how sustainable development is synonymous with growth at JSW Steel. The way we understand sustainability is about how we continue to carry out various activities in a commercially successful way whilst contributing towards a stronger and more just society, and minimising the environmental footprint.

In other words, sustainability is all about solutions. Every business, especially those that grow, is bound to face challenges and constraints. Success lies in being able to offer breakthrough solutions. JSW Steel's ability to develop solutions lies in the quality of its people, many of whom have been with the organisation for over 20 years. The dedication and passion they demonstrate time and again is testimony to the high degree of motivation that prevails, and the work force is envied across the industry. The passion to excel will always drive further changes,

*"A significant shift has been to view all material aspects of business and relevant initiatives in an integrated manner, and engage effectively with the key stakeholders."*

enabling the Company to scale newer heights of success, as enshrined in the vision, mission and values.

Another factor has been our collaborative approach along the value chain. This led to an increase in the share of value-added products in the overall portfolio. From an environmental perspective, reducing the footprint in operations and products has been the key feature. Finally, in the field of social and community development, providing innovative and holistic yet affordable solutions for the masses has been the highlight.

The need to systematically identify, prioritise and manage risks, and develop opportunities, has come sharply to the fore due to the overall global economic scenario in FY 2014-15. Engagement with internal and external stakeholders and greater experience with the risk management framework have helped the business take better decisions. Consequently, there have been efforts to introduce and strengthen systems and practices for various subjects, including energy management, human capital, safety and community development.

The ultimate aim is to become world-class; be it innovation in steel-making, environmental protection, mainstreaming marginalised sections of the society, or even in governance, transparency and disclosure. In other words, become investor-friendly in order to realise the ambitious growth aspirations. A significant shift has been to view all material aspects of business and relevant initiatives in an integrated manner, and engage effectively with the key stakeholders.

JSW Steel has emerged as a front runner in terms of the number of Industrial Training Institutes [ITIs] it supports in India. This effort to skill the youth helps meet the growing demand of skilled work force, and hence livelihood opportunities. This is one of the many ways in which the Company makes a positive impact.

Vijayanagar Works was bestowed with the coveted Prime Minister's Trophy as the best Integrated Iron & Steel Plant of India, and also recognised as a winner of the CII-ITC Sustainability Awards in 2014.

Our leadership team takes full responsibility, and is accountable for various aspects of corporate sustainability. Going forward, you would witness

sharper focus on the material issues, strategic stakeholder engagement along the value chain, and enhanced integration of sustainability in our business strategy to deliver long term stakeholder value.

**Dr. S. Majumdar**



We welcome your feedback on our Sustainability Report 2014-15.

For any additional information, or to provide feedback on this report, please write to: [suman.majumdar@jsw.in](mailto:suman.majumdar@jsw.in)



## Key Accomplishments

JSW Steel continues to be recognised by the world for its expertise and capabilities. The awards won during FY 2014-15 include the following:

### Platts Global Metal Awards 2015

The Platts Global Metals Awards is modelled after the Platts Global Energy Awards, now in its 17th year.



### Porter Prize 2015

Porter Prize, named after Michael E Porter, Professor, Harvard Business School, living legend and father of modern strategy, propels companies to compete on the basis of value creation, innovation and strategy.



Prime Minister's Trophy

### Site Achievements

1. Vijayanagar Plant won the prestigious Prime Minister's Trophy for excellence in performance of Integrated Steel Plants for the year 2012-13.
2. CII-EXIM Bank Business Excellence Award - 2014, awarded by the Confederation of Indian Industry (CII): Commendation Certificate for Significant Achievement received on November 20, 2014.
3. CII-ITC Sustainability Award 2014: Awarded Commendation Certificate for Significant Achievement received on December 19, 2014.
4. IMC Ramakrishna Bajaj National Quality Award 2014: Won the IMC Ramakrishna Bajaj National Quality Award in the Manufacturing Category award received on March 20, 2015.
5. Salem Plant has won Second prize in IIM Sustainability Award under the Alloy Steel category.
6. Salem Plant has won Gold Trophy from ASSOCHAM for the Best ITI Skill Development through PPP Scheme in India.

### Team Achievements

1. International Convention on Quality Circle Chapter (ICQCC): Gold Award to Innovator Quality Circle Team" from SMS-II received on October 15, 2014 at Sri Lanka.
2. National Convention on Quality Circle (NCQC): Three teams (Innovators - SMS-2, Janani-BF3, and Abhimanyu-BF4) were conferred with Par Excellence award, which is the highest honour in the category and one team (Sarathak-Coke Oven) was adjudged excellent award, the second highest honour and was received on December 22, 2014 at Pune.
3. Chapter Convention on Quality Circle (CCQC) All the teams (Innovators - SMS-2, Janani-BF3, and Abhimanyu-BF4, Sarthak - Coke Oven) were conferred with Gold award on September 7, 2014 at Bengaluru.
4. JSW Steel Ltd., Salem Par Excellence Award from National Convention on Quality Concepts for Six Sigma project

## Independent Assurance Statement

JSW Steel Limited (the Company) has requested KPMG to provide an independent assurance on its Sustainability Report 2014-15.

The Company's management is responsible for content of the report, identification of the key issues, engagement with stakeholders and its presentation.

KPMG's responsibility is to provide limited assurance on the report content as described in the scope of assurance.

The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

### SCOPE OF ASSURANCE

The scope of assurance covers the following aspects of the report:

- Data and information related to the Company's sustainability performance in the period 01 April 2014 to 31 March 2015.
- The sustainability specific data and information covering the Company's operations at Vijayanagar, Salem and Dolvi and its subsidiaries JSW Steel Coated Products Limited, JSW Steel Processing Centres Limited and Amba River Coke Limited.
- The Company's internal protocols, processes, and controls related to the collection, collation, and reporting of sustainability performance data.
- The Company's approach to identify material issues and engage with its stakeholders.

### EXCLUSIONS

The assurance scope excludes;

- The Company's financial performance;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;

### INDEPENDENCE

Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, including not being involved in writing the report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

### RESPONSIBILITIES

Our responsibility is to express our conclusions in relation to the assurance scope listed above. We conducted our engagement with a multidisciplinary team including specialists in ISAE 3000, stakeholder engagement, auditing environmental, social and economic information and with experience in similar engagements. JSW Steel is responsible for developing the report contents. JSW Steel is also responsible for identification of material sustainability issues, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This assurance statement is made solely to JSW Steel



in accordance with the terms of our engagement. Our work has been undertaken so that we might state to JSW Steel those matters we have been engaged for. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than JSW Steel for our work, for this statement, or for the conclusions we have reached. By reading this statement, stakeholders accept and agree to the limitations and disclaimers mentioned above.

#### METHODOLOGY ADOPTED FOR ASSURANCE:

We conducted our review in accordance with International Standard on Assurance Engagements (ISAE 3000), "assurance engagements other than audits of review of historical information" issued by International Audit and Assurance Standards board. The process of assurance involved -

- Discussion on sustainability with senior executives at the different plant locations and at the corporate office to understand their perspectives, expectations and future plans
- Site visits to the operational locations at Vijayanagar, Salem and Dolvi and subsidiaries JSW Steel Coated Products Limited located at Tarapur, Vasind and Kalmeshwar, JSW Steel Processing Centres Limited located at Vijayanagar and Amba River Coke Limited, located at Dolvi on a quarterly basis for
- Testing reliability and accuracy of data on a sample basis
  - » Understanding technical values considered
  - » Assessment of the stakeholder engagement process through interactions with relevant internal stakeholders and review of relevant documentation
  - » Review of the processes deployed for collection, compilation, and reporting of sustainability performance indicators at corporate and plant level. Appropriate documentary evidence was obtained to support our conclusions on the information and data verified. Where such documentary evidence could not be collected on account of confidential information our team physically verified the documents.

#### OBSERVATIONS

Our observations are as follows:

- JSW Steel has started taking steps to increase awareness on sustainability reporting across the organisation.
- JSW Steel has initiated the process for systematic stakeholder engagement and materiality assessment.
- The data management system could be further improved to identify responsibilities of monitoring and review which will help enhance the reliability and accuracy of data reported.

#### CONCLUSIONS

On the basis of our assurance methodology, nothing has come to our attention that would cause us not to believe that:

- The report does present JSW Steel's sustainability performance covering its operations as mentioned in the scope.
- Material issues that have impact on JSW Steel and are of interest to its stakeholders have been highlighted in the report.
- The report meets the requirements of A+ application level of GRI G3.1 Guidelines on Sustainability Reporting.

#### Santhosh Jayaram

Director  
KPMG India  
June 4, 2015

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## NVG Mapping

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## SDG Mapping

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## WSA Indicators

	Units	Industry Average	2014-15	2013-14	2012-13	2011-12	2010-11
Investment in new processes and products	% of Revenue	7.5	0.05	0.06	0.62	7.90	0.17
Economic Value Distributed	Billion USD	954	7.78	8.04	6.79	6.09	4.79
Economic Value Distributed	% of Revenue	97.30	95.7	97.31	94.45	89.28	73.75
Employee Training	Training Days/ Employee	6.5	4.20	6.08	9.42	7.17	4.42
Lost-time Injury Frequency Rate	Injuries / million hours worked	1.4	0.55	2.55	0.73	0.99	2.19

## Abbreviations

- » ASSOCHAM: The Associated Chambers of Commerce of India
- » BF: Blast furnace
- » BPO: Business process outsourcing
- » CCQC: Chapter Convention Quality Circle
- » CII: Confederation of Indian Industry
- » COG: Coke oven gas
- » CSR: Corporate Social Responsibility
- » EHS: Environment, Health and Safety
- » GHGs: Greenhouse Gases
- » GJ: Giga Joules
- » GRI: Global Reporting Initiative
- » HRC: Hot rolled coils
- » ICQCC: International Convention on Quality Circle Chapter
- » IFAC: International Federation of Accountants
- » JSW ARCL: JSW Amba River Coke Limited
- » JSW SCPL: JSW Steel Coated Products Limited
- » JSW SL: JSW Steel Limited
- » JSW SPCL: JSW Steel Processing Centres Limited
- » KPIs: Key Performance Indicators
- » MLD: Million litres per day
- » MTPA: Metric tonnes per annum
- » NCQC: National Convention on Quality Concepts
- » NGOs: Non-governmental organisations
- » NVG: National Voluntary Guidelines
- » ODS: Ozone Depleting Substances
- » OEM: Original equipment manufacturer
- » SDGs: Sustainable Development Goals
- » SEBI: Securities and Exchange Board of India
- » SHG: Self –help Group
- » SMART: Specific-Measurable-Achievable-Realistic-Time-bound Objective
- » SMS: Steel melting shop
- » tCO<sub>2</sub>e: Metric Ton of Carbon Dioxide Equivalent
- » TMT: Thermo Mechanical Treated
- » TPM: Total Productive Maintenance
- » TQM: Total Quality Management
- » VFD: Variable Frequency Drive
- » WSA: World Steel Association