



WATER RESOURCE MANAGEMENT POLICY

PREFACE

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As part of our efforts to deliver our Sustainability Vision, we at JSW Cement Limited (**'JSW'**) have established this Policy to demonstrate our commitment to preventing water scarcity through:

- Careful sourcing of water;
- Efficient and innovative use of water.

In furtherance of this commitment, the Board of Directors has adopted this 'Water Resource Management Policy'.

Background of the Issue

Whilst water is abundant across the planet, clean and safe freshwater suitable for drinking, cooking, bathing and growing food is a scarce resource, especially in certain parts of the world. An absence of clean and safe freshwater, and associated problems with sanitation, also significantly increases the risk of illness and disease, especially for the very young and very old.

As populations continue to grow and societies develop, demand for (and the price of) scarce water resources will only increase, resulting in greater competition between the demands of industry, agriculture and domestic households.

How it Relates to JSW

All JSW's activities involve the use of water to a greater or lesser degree, and many of our sites operate in regions that are classed as 'water-scarcity*'. Even though cement manufacturing process is not water intensive, Water is a scarce resource and it will become scarcer in future. Whilst we have always sought to minimise our use of water and have always worked within any relevant regulatory framework relating to water abstraction and use, we recognise that we have a moral, social, and economic need to do much more

In pursuance of our stated commitments to become water positive, to source water carefully and use it in efficient and innovative ways, we have adopted a number of aims towards which we will strive. These aims are supported by a range of actions and improvements through which those aims are to be achieved.

We aim to gain a full and detailed understanding of the nature and scale of all water use at our sites.

To do this we will:

- Undertake a rigorous assessment across all our sites to determine how much water is used, how it is used, and where that water comes from;
- Evaluate the impacts that our water use has on the wider community in which we operate, engaging with local stakeholders to do this;

- Evaluate the risks associated with water scarcity (to our sites, our local communities and to the wider catchments) and develop programmes for each site to:
 - Minimise water demand by maximising the efficiency of water use within processes;
 - Explore alternative sources of water which will reduce the negative impact of non-availability of water on our sites and our water demands on the wider community;
 - Explore opportunities to re-use water within our processes.
 - Mitigate the wider impacts water scarcity
- Monitor the volumes of water we are consuming on regular basis to see how we are progressing, and reporting on this progress to our stakeholders;
- Deploy water related interventions not just within our operations but also in our communities through CSR to achieve our commitment towards water positivity.

In the meantime:

We aim to continue our current efforts to minimise the volumes of water we consume.

To do this we will continue to:

- Exploit existing opportunities to minimise water use on our sites;
- Exploit existing opportunities to reuse and recycle water within our processes and across our sites;
- Work with our suppliers and customers to explore all avenues to reduce water use through our supply chains, through our production processes and through the products we supply;
- Educate our employees about the causes and impacts of excessive water use so they can, with our help, minimise their own impacts both at work and at home;
- Support research into the development of new and innovative technologies within our industries that will contribute to reductions in water use.

We aim to promote the careful sourcing and efficient and innovative use of water across all our suppliers and business partners.

To do this we will:

- Define and openly share in a Code of Practice the minimum expectations we have of our suppliers and business partners in relation to tackling water scarcity;
- Establish a detailed and transparent process through which the attitudes, risk profile and performance of each and every supplier and business partner with regards to a range of sustainability issues, including water scarcity, is evaluated;
- Encourage those suppliers and business partners whose attitudes and performance most closely matches our own aims and aspirations.

We will continue to be fully committed to our statutory and voluntary obligations relating to water resource management.

These include:

- All local and national statutory regulations relating to water sourcing and use; □ Reporting of our performance on the issue of water usage through GRI (Global Reporting Initiative) and against the United Nation's Sustainable Development Goals.

The achievement of our aims and the delivery of the improvements to achieve them and the fulfilling of our compliance obligations will all be managed through the Sustainability Framework that JSW is committed to implementing and maintaining across all our sites.

*Water scarcity occurs when the demand for water exceeds the available freshwater resources during a certain period or when poor quality restricts its use. Water scarcity causes deterioration of freshwater resources in terms of quantity (aquifer over-exploitation, dry rivers, etc.) and quality (eutrophication, organic matter pollution, saline intrusion, etc.)