

The Environmental Sustainability Charter (ESC) is transitioning to *Steel Sustainability Australia (SSA)*



NOV 2022



What is the ESC?

The Environmental Sustainability Charter (ESC) is a certification scheme developed by the Australian Steel Institute (ASI), in conjunction with the Green Building Council of Australia (GBCA) to identify and assess environmentally sustainable steelwork suppliers against industry best practice in steel processing. It was designed for steelwork fabricators to demonstrate continual improvement in the environmental management of their steel processing operations. Performance is documented through an online environmental management system (EMS) which is verified annually by a third-party auditor and certified to a level of performance. An ESC-certified steel supplier attributes 1 credit point towards a Green Star project under GBCA's Green Star Design and As Built rating.

What is Changing and Why?

The ESC, which has been operating for over 10 years is undergoing an in-depth revision and will be transitioned to the **Steel Sustainability Australia (SSA)** certification program in late 2022.

The revision to the SSA program aims to;

- Respond to the increasing demand for more sustainable, and responsibly sourced materials in the construction industry
- Meet current and future expectations of multi-dimensional sustainability (ESG) requirements across the broader steel supply chain and support participating steel suppliers with a program that demonstrates compliance to this
- Align with GBCA's revised Green Star Buildings tool, rewarding SSA certified suppliers with Green Star points



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The new *Steel Sustainability Australia (SSA)* program

Procurement contracts are increasingly calling up certified ratings for materials. SSA supports our steel suppliers with a program that recognises compliance to sustainability expectations.

The SSA program will offer;

- A tiered certification model providing 4 pathways to achieve certification. Levels 1 and 2 (2A and 2B) and 3 have varying compliance requirements, allowing applicants to build on sustainability credentials
- Compliance to broader sustainability indicators including environmental, social and governance (ESG) requirements for steel producers and for downstream fabricators, rollformers, and reinforcing processors
- Alignment to the revised Green Star tool by complying to the Responsible Products Framework, allowing certified SSA suppliers to contribute up to 5 Green Star points* towards the structure on a project

* Refer to the GBCA website for further information on Green Star ratings

Transition from ESC Certification

Current ESC members, and new members joining until SSA release will be certified to the existing ESC until 30 June 2023.

ESC members will have from the release date of SSA (late 2022) to next year's audit (April-June 2023) to prepare for their chosen level of SSA certification (Level 1, 2A, 2B or 3).

Principle	Credit	RPV	L1	L2A	L2B	L3
Governance	1.1 Business Integrity	-	✓	✓	✓	✓
	1.2 Management Systems	-	✓	✓	✓	✓
	1.3 Stakeholder Engagement	-	✓	✓	✓	✓
Responsible	2.1 Environmental Management	1	✓	✓	✓	✓
	2.2 Environmental Product Declaration	4		✓		✓
	2.3 Health Impacts Disclosure	1			✓	✓
Healthy	3.1 Paints and Coatings	1		✓	✓	✓
	3.2 OH&S Management	1	✓	✓		✓
	3.3 Procurement OH&S Assessment	1			✓	✓
	3.4 Modern Slavery	2			✓	✓
Positive	4.1 Responsibly Sourced Steel	2	✓	✓	✓	✓
	4.3 Carbon Emissions Reduction	1				✓
Circular	5.1 Resource Management	1		✓	✓	✓
RPV Total		15	4	10	10	15

Note: The proposed SSA program is subject to change based on consultation with GBCA and other stakeholders.

As the majority of impact is in semi-finished steel manufacturing, steel producers will be required to provide evidence towards criteria 2.2 EPDs (L2A) and 4.1 Responsibly Sourced Steel.

What are the Benefits for SSA Certified Suppliers?

- Provides assurance to customers that the steel supply is reducing its environmental and social impact
- Competitive advantage for members enabling them to stay current in the market
- Ability to contribute to up to 5 Green Star points* towards a project
- Potential cost savings by identifying and implementing operational efficiencies
- Access to sustainability resources

