

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



MAY 2022



What is the ESC?

The Environmental Sustainability Charter (ESC) is a certification scheme developed by the 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) across the broader steel supply chain and support our members with a program that demonstrates compliance to this
- align with the Responsible Structure credit under GBCA's revised Green Star rating tool

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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 members with a program that recognises compliance to sustainability expectations.

The SSA program will offer;

- a tiered certification model to cater for 3 levels of achievement across the steel supply chain. Level 1 and 2 will be active in the first release (2022), and Level 3 will be released in a further iteration.
- compliance to broader sustainability indicators including environmental, social and governance (ESG) requirements for steel manufacturers and for downstream fabricators, rollformers, and reinforcing members
- alignment to the new Green Star tool by complying to steel supply requirements under the Responsible Products Framework, allowing certified SSA suppliers to contribute up to 5 Green Star credit points towards the structure

Principle	Criteria	*RPV	Level 1	Level 2	Level 3
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 Chemicals of Concern	1		✓	✓
	3.2 Manufacturer OH&S management	2		✓	✓
	3.3 Modern Slavery	-		✓	✓
Positive	4.1 Steel Supply	-		✓	✓
	4.2 Energy Use Reduction	1		✓	✓
Additional criteria to be determined		5			✓
*RPV Total			1	10	15

*RPV = Green Star Buildings Responsible Product Value

As the majority of impact is in semi-finished steel manufacturing, steel suppliers will be required to provide evidence towards criteria 2.2 EPDs (L2) and 4.1 Steel Supply.

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.

Members will have from the release date of SSA (late 2022) to next year's audit (Apr-June 2023) to prepare for their chosen level of SSA certification (Level 1 or 2).

What value does SSA bring for members?

- 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 between 1-5 Green Star credit points towards the structure credit on a project
- Access to a new and improved online EMS
- Cost savings for members by implementing operational efficiencies
- Member benefits such as Life Cycle Analysis tool at reduced rates (SSA Level 3)