

Australian Steel Institute (ASI) Environmental Sustainability Charter (ESC) Revision



Stakeholder information guide for the revision of ASI's
Environmental Sustainability Charter (ESC) to the *Steel
Sustainability Australia (SSA)* certification program.

Document date: 15 November 2022

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Environmental Sustainability Charter (ESC) Revision



Considers ESG sustainability impacts across entire supply chain



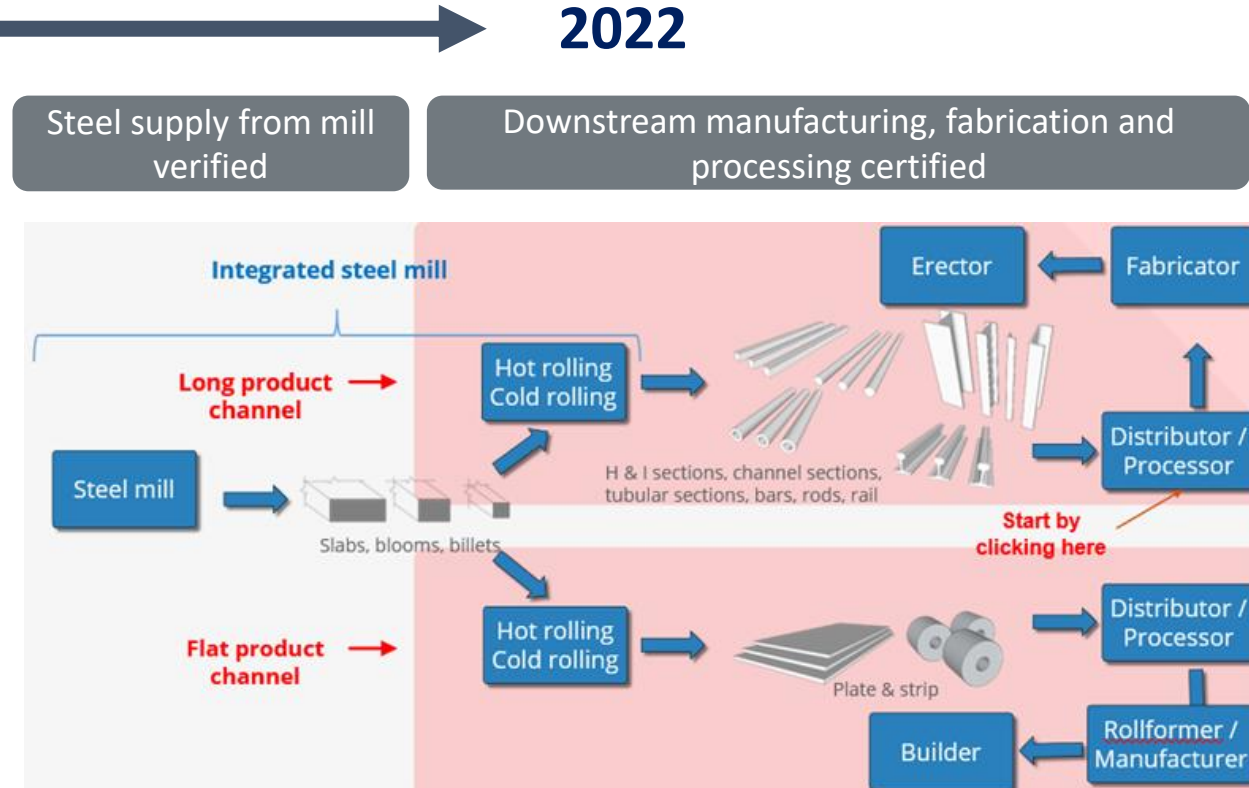
2022



ASI ENVIRONMENTAL SUSTAINABILITY CHARTER

2011

Assesses environmental impacts for steel fabrication



ASIs Environmental Sustainability Charter (ESC) Revision



- The Australian Steel Institute's (ASI), *Environmental Sustainability Charter* (ESC) is undergoing an in-depth revision to;
 - (a) align with Green Building Council Australia's (GBCA) revised Green Star rating tool and their Responsible Products Framework (RPF)** which focusses on more rigorous social and environmental criteria
 - (b) meet current and future expectations of multi-dimensional sustainability (ESG) within the steel supply chain**, including the demand for lower-carbon or more sustainable building products
 - (c) support our members** with a program that allows recognition of compliance to these values.
- In the latter half of 2022, the former ESC will be **re-branded** and transitioned to the revised certification program, *Steel Sustainability Australia (SSA)*.
- The SSA program has been undergoing development in consultation with key stakeholders since February 2021 (refer to page 12). **ASI will continue to consult with stakeholders on the finalisation of the SSA program and its transition from ESC.**

Proposed SSA Governance Structure



The Australian Steel Institute (ASI) – Owner

Steel Sustainability Australia (SSA) – Program Manager and Certifying Body

Steel Sustainability Australia (SSA) Certification Program

SSA Independent Governing Committee

SSA members/certified companies

Member Sites 1,2,3 etc

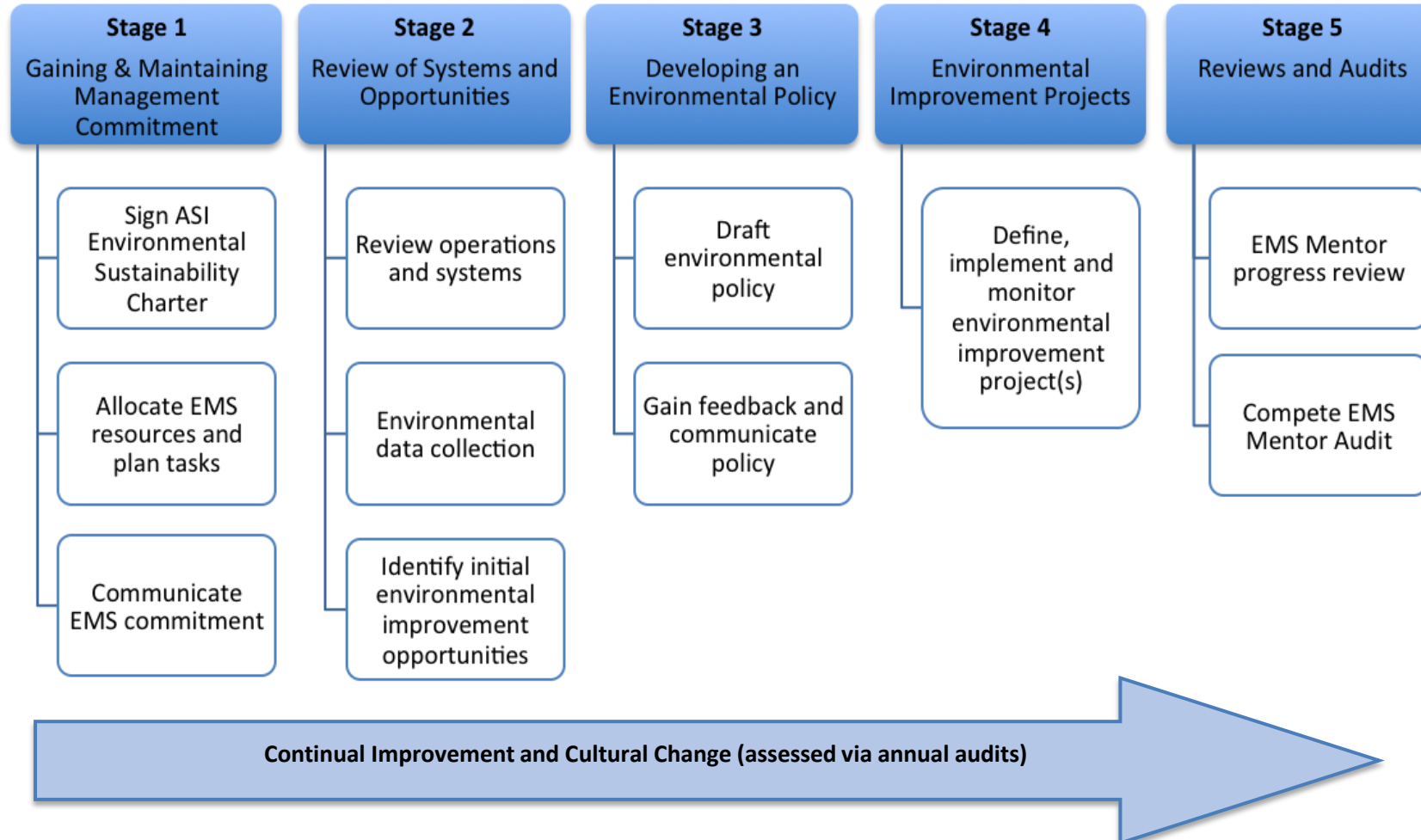
External auditor recommends certification status to ASI-SSA (certifying body)

Key changes between ESC and SSA program

Program features	ESC	SSA
Membership base	Fabricators only	Fabricators, rollformers, reinforcing, manufacturers
Certification model	Bronze to Platinum performance bands	L1, L2 & L3 tiers of compliance
Steel supply requirements	Not verified	ESG requirements to be met by steel feedstock suppliers
Assessment criteria	Environmental management only	Wholistic ESG impact
Access to GBCA Green Star credit points	1 point under the 'As Built' rating	More Green Star Points under the revised 'Green Star Buildings' rating tool
Audit conditions	Annual desktop	Annual desktop
Member benefits	Access to EMS Mentor (online EMS)	Access to sustainability resources

Environmental Sustainability Charter (ECS) - Current Program

Current Certification Criteria via EMS Mentor...



- Bronze, Silver, Gold or Platinum bands of certification available—assessed at annual audit.

Proposed Steel Sustainability Australia (SSA) Program



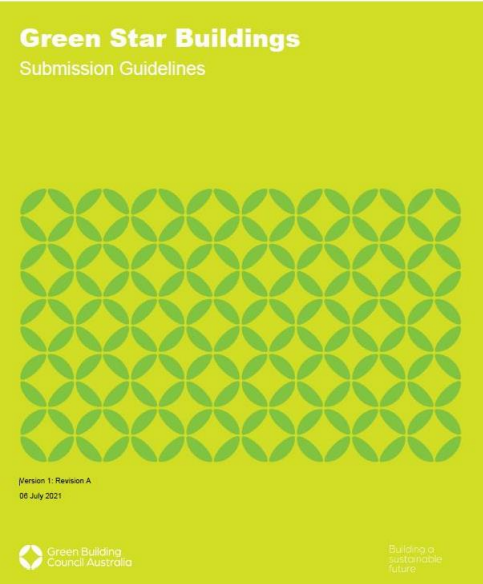
Compliance to criteria is third-party audited and certified annually

Principle	Credit	Level 1	Level 2A	Level 2B	Level 3
Governance	1.1 Business Integrity	✓	✓	✓	✓
	1.2 Management Systems	✓	✓	✓	✓
	1.3 Stakeholder Engagement	✓	✓	✓	✓
Responsible	2.1 Environmental Management	✓	✓	✓	✓
	2.2 Environmental Product Declaration		✓		✓
	2.3 Health Impacts Disclosure			✓	✓
Healthy	3.1 Paints and Coatings		✓	✓	✓
	3.2 OH&S management	✓	✓	✓	✓
	3.3 Procurement OH&S Assessment			✓	✓
	3.4 Modern Slavery			✓	✓
Positive	4.1 Responsibly Sourced Steel	✓	✓	✓	✓
	4.2 Carbon Emissions Reduction				✓
Circular	5.1 Resource Management		✓	✓	✓

- **4 certification pathways** - replaces ESC bands of performance
- **Level 1:** most basic form of certification, similar to ESC certification
- **Level 2:** additional requirements that comply with industry expectations and receive “Good Practice” recognition for the structure under GBCA’s Green Star Buildings rating tool
- **Level 3:** aspirational level of SSA certification aiming to address industry leadership, or “Best Practice” under the Green Star Buildings rating tool.

Note: the proposed program is in draft and is subject to change based on consultation with GBCA and other stakeholders.

Green Star Buildings – Responsible Product Framework



Recognising responsible products

Our new framework encourages action today to create opportunities for future transformation in four distinct building components.



Responsible

Responsible structure

Responsible envelope

Responsible systems

Responsible finishes

Responsible

your product's impacts and content are transparent and meet high standards

Healthy

your product is low or non-toxic and drives valuable social outcomes

Positive

your manufacturing process avoids significant environmental impact, and delivers net zero products

Circular

your product is ready for low-carbon production and the circular economy

Leadership

rewards additional achievement for issues critical to the built environment

SSA proposed program to contribute to Responsible Product Values (RPVs) under the Responsible Structure credit



For more information on the Responsible Product Framework, refer to: [GBCA's Responsible Product Framework webpage](#)

Proposed SSA Certification Rules and Procedures



Rules and procedures are in development...the key procedures and rules proposed are listed here

- SSA members (“applicants”) are certified to either SSA level 1 or 2 or 3 on audit– replaces ESC bands
- Certification status dependent on a mandatory *annual* desktop audit. There will be an allowable selected timeframe from joining SSA to complete audit, otherwise members will be removed from SSA public directory (regardless of payment status).
- Certification validity: 12 months based on certification date.
- Formalised non-conformance management: guidance notes will outline major and minor n/cs for criteria
 - Certification only awarded if no outstanding *major* n/cs (auditor manages close out)
 - Major n/cs must be rectified within 2 months of audit report. Minor n/cs within an agreed timeframe but at least by the time of next audit (12 months) otherwise escalates to major n/c.

Proposed SSA Certification Rules and Procedures



- Multi-site certification: The specific conditions of multi-site certification under SSA is under consultation but fees will be based on a cost recovery model.
- Transition plan ESC>SSA
 - Current members: 2022 FY audit certifies to current ESC – valid until 30 June 2023. Members have from SSA release date (late 2022) until 2023 audits (May-June 2023) to prepare for certification to SSA level 1, level 2 or level 3.
 - New members audited to SSA on joining. Membership will be charged on anniversary joining date and no longer aligned to FY

SSA Pricing model



AUSTRALIAN STEEL INSTITUTE

- 1 x joining fee (one off) - will be charged again if company resigns and re-joins after 6 months
- 1 x annual fee (re-occurring) - charged based on level of certification chosen each year.
- Tiered pricing structure (by level of certification).
- ASI members and non-ASI member rates applied
- Price increases based on cost recovery

SSA certification level	SSA joining fee (one off)	SSA annual fee	Additional Audit (per site)
Level 1	Current fee + > for cost recovery	Current fee + CPI + > for L1 audit costs	C1
Level 2	Current fee + > for cost recovery	Current fee + CPI + > for L2 audit costs	C2
Level 3	Current fee + > for cost recovery	Current fee + CPI + > for L3 audit costs	C3
Cost inclusions	set up of company in SSA management system and training	Annual membership fee including 1x audit for chosen site	C= Cost recovery associated with costs for servicing additional site (audit plus admin)

SSA Program Development Process and Timeline

Key:

Completed

In progress/
upcoming



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Keep Informed....

Please visit www.steelsustainability.com.au.

For any enquiries, please contact ssa@steel.org.au.