Australian Steel Institute







Agenda





1. What has changed and why

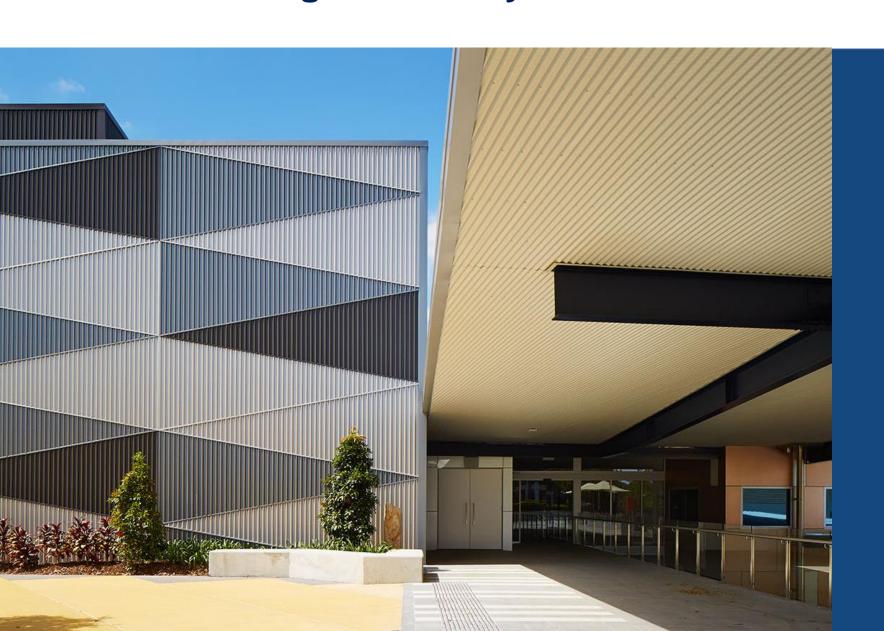
2. Steel Sustainability Australia

- i. Key changes between ESC and SSA program
- ii. Objectives, aims and purpose of SSA
- iii. SSA Assessment and Levels of Certification
- iv. The Applicant Process
- v. SSA Rules and Procedures
- vi. SSA Benefits

3. For more information







Introduction to Steel Sustainability Australia (SSA)





The definition of sustainability has become more holistic

SUSTAINABLE GALS DEVELOPMENT GALS











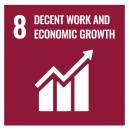
SUSTAINABLE CITIES

SUSTAINABLE CITIES
AND COMMUNITIES

















definition of sustainability has been adopted globally

demonstrate that a more holistic

17 United Nations SDGs



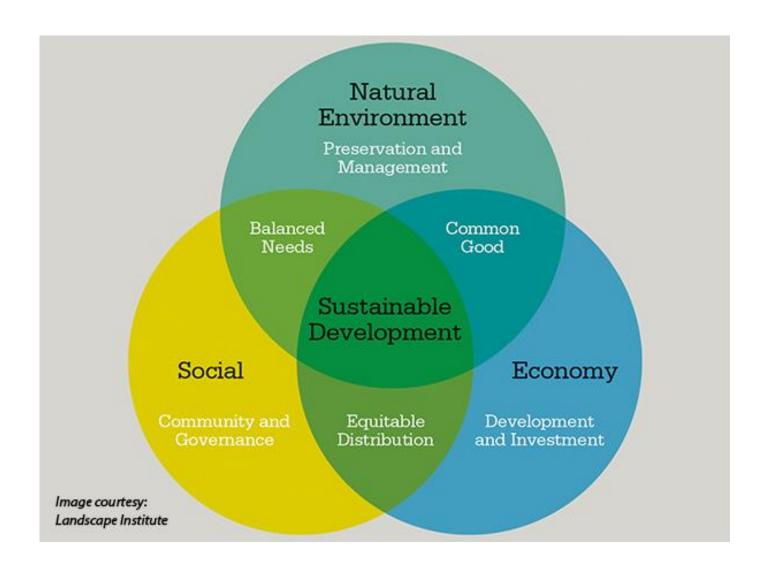


Image source: United Nations





Businesses now are using ESG measures as evidence of progress



ESG: Sustainable development is the intersection of a preserved natural environment, healthy people and communities with good governance structures and a strong and sustainable economy





The construction industry has a huge impact on sustainable development

Globally (OECD countries) the built environment is responsible for;



25-40% of total energy use



30-40% of global GHG emissions



30% of raw material use



30 to 40% of solid waste production and....



People spend almost 90% of their time in buildings

(Supply Chain School of Sustainability)

This presents both a <u>challenge</u> and an <u>opportunity</u> for the construction industry.



Photo by Maxim Tolchinskiy on Unsplash



Photo by Matthew Henry on Unsplash

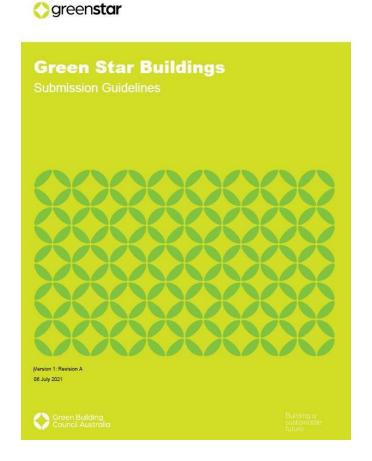




In response, the GBCA has evolved its Green Star rating

Green Star Design & As Built v1.3

Recognised product certifications, and life cycle assessment or best of class key materials. (timber, steel, concrete, PVC, finishes, furniture)



Embodied carbon and responsible products by building function





GBCA's Responsible Products Framework aims to...

"to reward products that have lower environmental impact, are transparent, respect human rights, are taking action to reduce carbon content, and that are part of a circular economy"



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 program contribute to Responsible Product Values (RPVs) under the Responsible credits







The ASI has adapted its certification program to keep the steel value chain relevant



Assesses environmental impact for structural steel fabrication



The new certification program for the whole industry

- Developed in 2010 by ASI in conjunction with GBCA to recognise sustainable structural steel fabricators
- Focus on continual improvement projects in environmental management
- Exponential growth: 75 fabricators certified
- ESC specified by government departments and Tier 1 builders

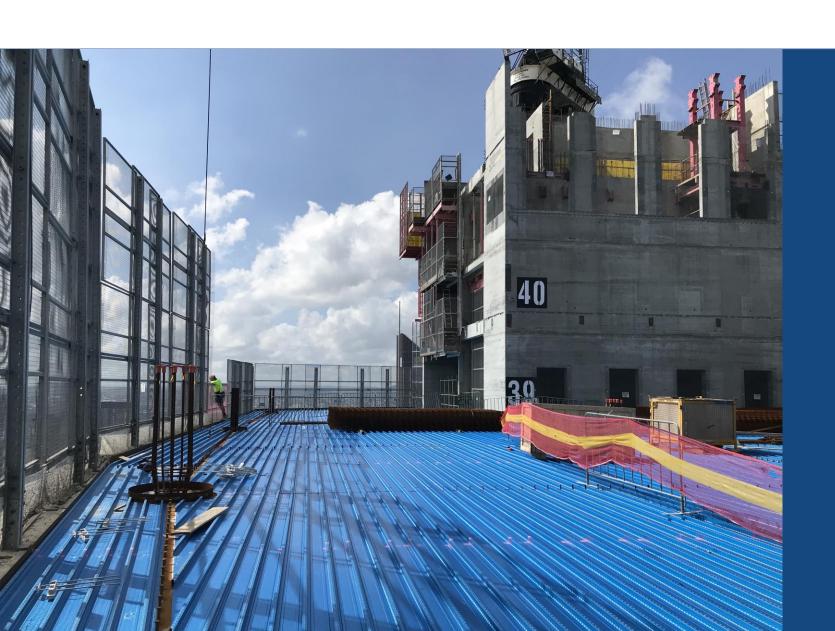


Considers ESG
sustainability impacts
across the entire supply
chain

- Requirement for a steel specific program that assesses ESG impact across the entire value chain
- SSA Developed over the last 2 years with thinkstep-anz based on GBCA's Principles
- Released in Jan 2023







Introduction to Steel Sustainability Australia (SSA)

Key changes between ESC and SSA program





Program features	ESC	SSA			
Certified companies	Fabricators only	Fabricators, rollformers and other manufacturers, reinforcing, distributors			
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 every FY	Annual desktop every 12 months			
Audit documentation	Managed via EMS Mentor on ASI website	Managed via the new SSA website tool			





The objective of the SSA certification program is to:

Support the responsible manufacturing of steel and steel products in Australia by providing a holistic, best practice standard to assess sustainability performance in the manufacturing and processing of steel across the value chain.





To achieve this, the SSA program aims to:

- Supersede the ASI Environment Sustainability Charter (ESC) with an up-to-date best practice sustainability standard for steel manufacturing and processing,
- Meet current and future expectations of ESG sustainability performance, including the demand for low-carbon or sustainable construction materials
- Provide specifiers, engineers, builders and government with the means to identify sustainable steel suppliers through transparent and consistent measurement of environmental, social and health impacts across the entire steel value chain
- Support the steel industry with a program that raises and promotes sustainability credentials





The SSA Program...

- ✓ Engages the entire value chain by certifying downstream steel businesses such as fabricators, roll formers, and reinforcing processors, and verifying upstream steel producers against best practice environmental, social and governance (ESG) indicators
- ✓ Assures certified steel suppliers and their products are sustainably manufactured and processed and are sourced through responsible and ethical supply chains
- ✓ Promotes steel as a sustainable material choice, supporting mega trends such as embodied carbon reduction and circularity/circular economy
- ✓ Is a recognised initiative under <u>Green Building Council of Australia's (GBCA)</u>

 <u>Responsible Product Framework</u>, rewarding points under Green Star rating tools













The SSA Program assessment is based on GBCA's RPF Principles but is steel focused



Principle	Credit	RPV	L1	L2A	L2B	L3
Governance	1.1 Business Integrity1.2 Management Systems1.3 Stakeholder Engagement		✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓
Responsible	2.1 Environmental Management2.2 Environmental Product Declaration2.3 Health Impacts Disclosure	1 4 1	√	✓ ✓	✓	✓ ✓ ✓
Healthy	3.1 Paints and Coatings3.2 OH&S Management3.3 Procurement OH&S Assessment3.4 Modern Slavery	1 1 1 2	✓	✓ ✓	\ \ \ \ \ \	✓ ✓ ✓
Positive	4.1 Steel Supply Sourcing4.2 Carbon Emissions Reduction	2	√	√	√	✓ ✓
Circular	5.1 Resource Management	1		√	√	√
RPV Total		15	4	10	10	15

^{*}RPV – GBCA's Responsible Product Value. Refer to the GBCA website





Levels of Certification

Certification to each SSA level have corresponding Responsible Product Values (RPVs) that meet the requirements of the 4 Green Star Responsible Products Credits in the Green Star Buildings rating tool.



Level 1: The entry level of SSA certification requires compliance to best practice governance, environmental and OHS management criteria and verifies the steel feedstock is sourced from a "responsible" steel manufacturer or producer. This will not qualify as 'Good Practice' under the framework but can be combined with other valid certifications to achieve Green Star credits.

Level 2: Certification to levels 2A or 2B build on the requirements of Level 1 and assure compliance to additional environmental, health and social impact assessments via two pathways; 2A certification, where a verified product-specific EPD can be provided and 2B certification, where a verified product-specific EPD cannot be provided. Level 2 certification achieves 'Good Practice' recognition (10 RPV).

Level 3: The aspirational level of certification assesses extended compliance requirements to achieve 'Best Practice' recognition (15 RPV) under GBCA's Responsible Products Framework providing varying 'Responsible Credits' in the Green Star Buildings rating tool.





The SSA applicant process is as follows:



- SSA Applicants are subjected to an annual, sitebased desktop audit conducted by an independent auditor to assess compliance to the requirements relevant to the chosen level of certification (SSA L1, 2A, 2B or 3).
- The audit assesses the management systems, and on-site operations and practices in manufacturing the finished steel product.

For more information on current fees visit <u>www.steelsustainability.com.au</u>

SSA Certification Rules and Procedures





The SSA rules and procedures are as follows:



- SSA members ("applicants") are certified to either SSA level 1 or 2 or 3 on audit
- Certification status dependent on a mandatory annual desktop audit and is site specific. All main manufacturing sites to be certified under SSA
 - ✓ Multi-site certification: two different pricing options available
- Certification validity: 12 months based on certification date. Membership will be charged on anniversary joining date and no longer aligned to FY
- Formalised non-conformance management:
 - ✓ Certification only awarded if no outstanding *major* non-conformances (auditor manages close out)
 - ✓ Major non-conformances must be rectified within 2 months of audit report. Minor non-conformances within an agreed timeframe but at least by the time of next audit (12 months) otherwise escalates to major non-conformance

SSA Benefits





The SSA certification program offers benefits for Suppliers, Specifiers and Procurement Professionals

For Steel Suppliers:

✓ Competitive Advantage	✓ Promotes Your Brand
Suppliers can quote with confidence on projects with sustainability specifications. Listing of SSA Suppliers available on website	Promotes to potential clients your company's sustainability credentials
✓ Best Practice Sustainability	✓ Independent Auditing
Demonstrates and provides assurance that your operations are meeting best practice sustainability performance expectations	Certification to the SSA program is assessed by independent auditors
✓ Tiered Level of Achievement	✓ Green Star Points
✓ Tiered Level of Achievement The program offers 3 varying levels of achievement, making the certification journey easier	✓ Green Star Points Contribution of Green Star Credit points* on a Green Star project
The program offers 3 varying levels of achievement, making the	

^{*}Varying Credit points gained in the 'Responsible' category depending on SSA level of certification. Refer to the <u>GBCA website</u> for information on Green Star ratings.

SSA Benefits





The SSA certification program offers benefits for Suppliers, Specifiers and Procurement Professionals

For Specifiers & Procurement Professionals:

✓ Access Sustainable Steel Suppliers Allows project owners to identify sustainable steel suppliers who can deliver projects to the desired specification. Listing of SSA Suppliers available on website	 ✓ Best practice for ESG performance across entire supply chain Certifies compliance to ESG sustainability indicators across the entire steel value chain in one program, setting a best practice sustainability standard for steel suppliers and their products 		
✓ Transparency of Measurement The SSA certification program's transparent measurement of the ESG impacts of products and processes provides assurance that the steel supply is reducing its environmental and social impact	✓ Green Star Points SSA Certified Suppliers contribute varying Green Star Credit points* on a Green Star project		
✓ Responsibly Sourced Products Ensures the steel supply is responsibly sourced from manufacturers that are actively managing the environmental and social impacts of their steel manufacturing operations	✓ Independent Auditing Certification to the SSA program is assessed by independent auditors		
✓ Developed by Sustainability Industry Leaders The SSA certification program was developed with assistance from thinkstepanz, one of the region's leading sustainability consultancies	✓ Backed by ASI Backed by the Australian Steel Institute, the peak industry body representing the entire steel supply chain, who manage a range of other compliance solutions including SCA and ShedSafe		

^{*}Varying Credit points gained in the 'Responsible' category depending on SSA level of certification. Refer to the GBCA website for information on Green Star ratings.





For more information...

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Thank you.