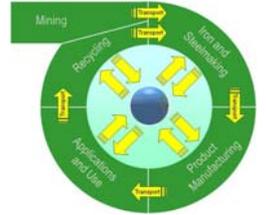




UPDATE ON STEEL STEWARDSHIP FORUM: PROGRESS FOR 2009/10



STEEL STEWARDSHIP FORUM

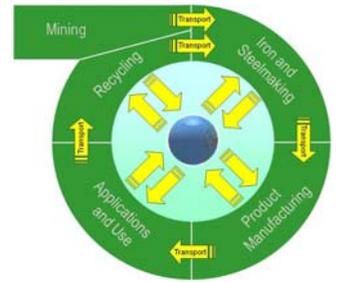




PREPARED BY
STEEL STEWARDSHIP FORUM
AUGUST 2010

STEEL STEWARDSHIP FORUM
SECRETARIAT C/- AUSTRALIAN STEEL INSTITUTE
LEVEL 13, 99 MOUNT STREET, NORTH SYDNEY, NSW 2060
PO BOX 6366 NORTH SYDNEY NSW 2059
T +61 2 9929 6666: F +61 2 9931 6633

SUMMARY REPORT



Background:

Growing environmental awareness and the increasing desire for sustainable economic growth have led to the concept of stewardship whereby a material's characteristics are assessed on the whole of its life cycle and each of the steps in the life cycle are held accountable for improvement in environmental performance.

Because of Steel's pre-eminent position as a material underpinning economic growth it was appropriate that a steel stewardship model be developed, and consequently the Steel Stewardship Forum was formed in 2008. Representatives from industry, government and NGO have initially instigated it and it has since grown to a membership of 12 from a range of steel allied interests.

The purpose of the Steel Stewardship Forum is to:

- maximise the value of steel to society whilst minimising negative commercial, social and environmental impacts across the life cycle
- unite key stakeholders along the steel product life cycle chain within a structured forum
- work as a hub linking information, knowledge, leading practice and activity in the areas of environmental improvement and sustainability across the steel life cycle.

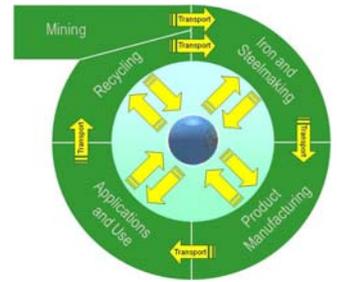
The value in this forum existing is to leverage and link sectoral activity, not only for the benefit of stakeholders within the steel life cycle chain, but also for the benefit of the global community in further maximising the value of steel whilst minimising negative impacts across the life cycle chain. There is no current forum that provides this linkage and function.

Today, membership of SSF comprises:

- Sponsoring Members: OneSteel, BlueScope Steel, BHP Billiton
- Members: Rio Tinto, GHD, CSIRO, HATCH, Minerals Council of Australia
- Associate Member: Crucible Carbon
- Affiliate members: Australian Steel Institute, Steel Reinforcing Institute of Australia, Galvanizing Association of Australia.

The organisation of the SSF is now finalised and preliminary work on the core projects completed enabling a start to be made on them in the coming year.

SUMMARY REPORT



Milestones to date include

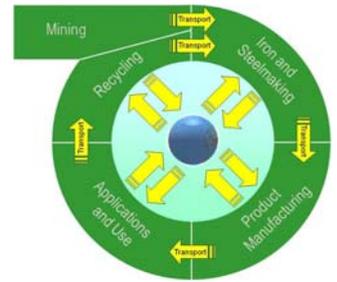
- Finalisation of the Terms of Reference, Constitution and Rules.
- Developing full project briefs with preliminary costings, for the 3 prioritised projects
- Presenting, with the assistance of DRET, to the APEC Mining Ministers meeting in Japan the learning's so far in setting up a stewardship scheme such as this.
- Presentation to Federal Government departments, DRET, DEWHA, DIISR and AusIndustry, on the forum, key projects and funding needs.
- Moving the secretariat and general administration to be a part of the Australian Steel Institute. This gave us a strong link to Australia's peak steel representative body with the additional benefit of reducing our overhead and admin costs.

The Forum has identified two projects of fundamental importance to the stewardship of steel, 'Responsible Steel', and 'The Steel Chain Footprint'. Development of project briefs and draft tender documents for these two key projects will enable a major effort to be made to secure funding in the coming year and to commence the major work of the forum.

Responsible Steel: a steel certification project - developing a clear measurable environmental certification process across the whole of the steel supply chain from mining to scrap recovery, and measuring progress in environmental improvement against a set of agreed benchmarks. To be used as criteria for the supply of steel products into the Australian market. The project is anticipated to take 3-4 years to fully develop.

Steel Chain Footprint Project: a high level input-output mapping of the Australian steel chain to highlight which areas of the steel value chain contribute most in key inputs/outputs relative to resource use and emissions/waste, and to identify current management programs, and environmental 'hot spots' that deserve further sectoral attention by the SSF outside of what specific company's may be able to undertake. This is a 1-year project and acts as an enabler to the Responsible Steel Project.

SUMMARY REPORT



What will be the Outcome of these projects?

- A comprehensive stewardship process that engages companies throughout the supply chain from mining to scrap recovery, measuring progress in environmental improvement against a set of benchmarks.
- This process will be recognised and used as a criteria for supply of steel products into Australian building and infrastructure projects.
- The stewardship process developed will be presented to APEC as ‘best practice’ for the industry in the region

The Steel Stewardship Forum’s aim is to leverage and link activities throughout the whole steel value chain for the purpose of improving the sustainable use of steel in a growing economy,. At present the Forum has a high level of ongoing support from its existing membership and Federal Government departments, however the Forum recognises that other participant companies and organisations in the steel value chain have much to gain from (and contribute to) the Forums success and consequently seeking a wider membership will continue to be a key objective in the year ahead.