



worldsteel
Sustainability Charter

Sustainability Charter
Explanatory document

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1. Introduction

Sustainability is a business requirement and no longer optional. Ethical and socially responsible companies need to be able to demonstrate to their stakeholders how they perform and where they are heading regarding many aspects of environmental, social and economic governance.

worldsteel has taken a new purpose-driven and action-oriented approach to encourage steel producers to be proactively engaged in worldsteel's sustainability programmes and to continue to progress in their sustainability journey.

The updated worldsteel Sustainability Charter published in 2022 includes 9 principles covering the areas of environment, social, governance and economics (ESGE). Each principle is accompanied by relevant objectives and criteria, which form the basis for the revised Charter. Each steel producing member company of worldsteel who provides evidence regarding the 20 criteria will subsequently be recognised as a Charter Member for a 3-year period. Associate members need to provide evidence they are aligned with the 9 Principles.

The revised Charter is a step forward in harmonising existing worldsteel sustainability activities, including the 8 Sustainability Indicators, worldsteel day for safety and health, the LCI data collection programme, the annual Steelie Awards and finally, the Sustainability Champions Recognition Programme.

The Charter aims to be inclusive of all worldsteel members despite diverse and varying geographical and cultural backgrounds, business structures and stakeholder requirements.

The focus of the Charter is on alignment with widely agreed and practiced sustainability goals and actions. Importantly, worldsteel Charter Membership is not a certification scheme and should not be represented as such, and worldsteel will not be validating the information submitted by members. For specific data collection projects, worldsteel staff carry out significant data quality checks.

2. Objectives

The aim of the Charter is:

- to reflect the evolving business environment and the increasing sustainability awareness of the industry;
- to respond to increasing pressures and sustainability expectations from society, including customers, NGOs, investors, the local community and other external stakeholders;
- to promote alignment with current sustainability initiatives and standards, including the UN Sustainable Development Goals;
- to address the increasing importance of several key issues that have not previously been covered by the principles, such as climate change and supply chain management; and
- to reaffirm the steel industry's commitment to sustainability and demonstrate the industry's willingness to work towards higher standards.

3. Charter Membership eligibility

For steel companies and national and regional steel associations to be eligible to become a Charter Member, the following criteria must be met:

- Steel companies must be a member of worldsteel.
- Companies must provide evidence relating to all the 20 criteria – full details are provided in the Criteria Specification document.
- National and regional associations do not need to meet the 20 criteria but should demonstrate that they are active in each of the areas covered by the 9 principles.

Consideration for eligibility takes place every 3 years. worldsteel members can become a Charter Member outside of the regular 3-year update but will need to re-apply to become a Charter Member during each regular 3-year update to the Charter. A Charter logo for the eligible years will be provided for member use.

Charter Membership is an eligibility criterion to become a worldsteel Sustainability Champion.

4. 2022 – 2024 Charter Member

- The first version of the revised Charter was published in March 2022 and is updated when new members join.
- Application for Membership consideration can be submitted anytime of the year but the membership will be valid until the end of the official 3 year cycle (starting in 2022) only.

Performance related to the previous year or most recent year available will be used as the basis for consideration.

- Members corporate logos will be displayed on the Charter Member page on worldsteel.org as soon as their application has gone through the consideration process and is accepted.
- While Charter membership is valid for 3 years with no annual consideration process, members are expected to participate in each of the annual worldsteel data collection activities for the 8 Sustainability Indicators as well as worldsteel day for safety and health every year.

5. Criteria

The table below lists each of the principles and their specific criteria for which evidence will need to be provided in order for a company to be considered for eligibility for Charter Membership. Further details are provided in the Criteria Specification document. The criteria marked in bold are part of currently existing sustainability related programmes at worldsteel. Assuming a company participates in each of the data collection programmes with worldsteel, no further data provision is required for those criteria.

	Topic	Principle	Criteria
1	Climate action	Proactively address climate change and take effective actions to minimise the industry's GHG emissions.	1. CO₂ emissions or energy consumption data provided to worldsteel or national governments.
			2. Plans and goals established for CO ₂ /GHG emissions reduction.
2	Circular economy	Maximise the efficient use of resources throughout the life cycle of steel products and support society to achieve a circular economy.	3. LCI data provided to worldsteel and/or available through certified environmental declarations.
			4. Data on co-products, landfilled and incinerated material provided to worldsteel.
3	Environmental care	Conduct operations in an environmentally responsible manner.	5. Investment and/or implementation of environmental site-related improvement projects undertaken.
			6. Information published on air pollutants and on water use.
			7. Use of an environmental management system.
4	Safety and Health	Maintain a safe and healthy workplace and act on health	8. Safety data provided to worldsteel.
			9. Use of a safety and health management system.

		and safety incidents, risks and opportunities.	10. Safety performance statistics published. 11. Participation in worldsteel day for safety and health.
5	Our people	Enable our people to realise their potential while providing them with an inclusive and fair working environment.	12. Employee training time provided to worldsteel. 13. Human resource management policies in place.
6	Local community	Build trust and create constructive relationships with local communities.	14. Community engagement, investment, and/or involvement in CSR activities.
7	Responsible value chain	Lead responsible business practices through the value chain.	15. Use of supply chain and/or procurement management codes or systems.
8	Ethical & transparent operations	Conduct operations with high standards and transparent processes.	16. Code of business conduct in place. 17. Publication of Sustainability or CSR report. 18. Stakeholder engagement and communications.
9	Innovation and prosperity	Pursue innovations for technologies and products to achieve sustainable economic development.	19. Investment in new processes and products (CAPEX + R&D) data provided to worldsteel. 20. Economic Value Distributed (EVD) data provided to worldsteel.

6. Contacts

For more information on Charter Membership, please contact one of the following:

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