InfraBuild

Building futures through sustainable steel

Sustainability Report **2021**

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Foreword

A message from Vik Bansal CEO and Managing Director

It is with great pleasure that I present InfraBuild's Sustainability Report 2021.

Without a doubt, 2021 continued to present a range of challenges, such as COVID-19 and an increased awareness on climate change and the importance of embracing sustainability as part of business strategy. Like all good companies, we have reflected on our role as a company for all stakeholders, including the environment and the communities in which we operate.

We have renewed and reinvigorated our corporate strategy that aligns our operations and brands to a shared mission – Building futures through sustainable steel. We have provided clarity on why we exist, how we are going to create a clear competitive advantage in line with why we exist and what we need to do every day to ensure it actually happens. In doing so, we have a refreshed vision, and have clarified our values expectations, operating model, and organisation structure. Everyone at InfraBuild is empowered to be the best they can be through their craft.

I passionately believe in us and I'm excited about the journey ahead as we collectively take InfraBuild from a good company to a great company.

Sustainability is our lens

Decarbonisation of the steel industry is a topic of much discussion both here in Australian and internationally. The steel industry is a known driver of economic strength and growth. Our stakeholders expect that we have a clear plan and a journey to be carbon neutral – we have commenced that work.

InfraBuild is redefining steel as a green building material and is helping companies everywhere improve the sustainability credentials of their projects. We are committed to the role played by steel in the circular economy, including the promotion of the recovery, reuse, and recycling of steel and other products.

We aim to lead change in our industry in a way that contributes to a strong Australian economy, vibrant local communities, and a healthier planet.

Vik Bansal
CEO and Managing Director, InfraBuild

InfraBuild at a glance

1#
largest Australian
long products
steel manufacturer

2ND largest
scrap recycler in Australia

1.4
million
tonnes
of **recycled steel** per
annum in **Australia**

Australia's only
vertically integrated
scrap recycler and EAF
steel **manufacturer**

over
5,000
employees

35
Recycling and brokerage sites

113
Retail and processing sites

150+
locations
Australia wide

Premier supplier to industry & customers – supporting over
15,000
wholesale and retail customers

100+
years of
continuous manufacturing

trusted **steel supplier**
to engineering, construction, residential and non-residential construction in **Australia**

Our Good to Great Journey

This year we revised our strategic direction – making conscious, deliberate choices to continue finding ways to be better, work smarter and offer a superior customer experience. We're on a journey from being a good company to becoming a great one.

We are committed to creating value for all our key stakeholders and continuing to lead the way to making sustainable steel in Australia – and in the process, building strong, local communities and economies across the country.

Our size, scale, footprint, infrastructure and manufacturing, processing and distribution capability puts us in an enviable position. But on top of that, the discipline that comes from our new operating model and focus which will turn these inherent strengths into a true and long-lasting competitive advantage.

We have set ourselves very clear goals to support our competitive advantage and focus our attention on achieving our business objectives and social aspirations. We call this 2 5 10 by 25.

By 2025, our goal is to achieve:

- <2 TRIFR
- $5 billion revenue
- 10% EBIT margin

With clear performance targets established, we are explicit in applying customer-centric decision-making to optimise market opportunities at all levels every day.

Our performance scorecard will be measured and tracked continuously through metrics on people, market, assets and financials. With these underpinning mechanics and processes, our business has the rigour to shift gears even further in the months and years ahead.

Our continuous improvement mindset will fuel our ambition to create excellence in steel manufacturing – we will strive for commercial excellence coupled with capital discipline. This will ensure we deliver optimum results while managing our capital astutely.

A reinvigorated commitment to commercial excellence coupled with a focus on delivering our customers with lower embodied products and construction solutions will position us well for success in the evolving marketplace.

We are nation builders – we've been doing it for more than a century and look forward to continuing to play a critical role in shaping modern Australia.

We are building futures through sustainable steel.

We are committed to creating value for all our key stakeholders and continuing to lead the way to making sustainable steel in Australia.

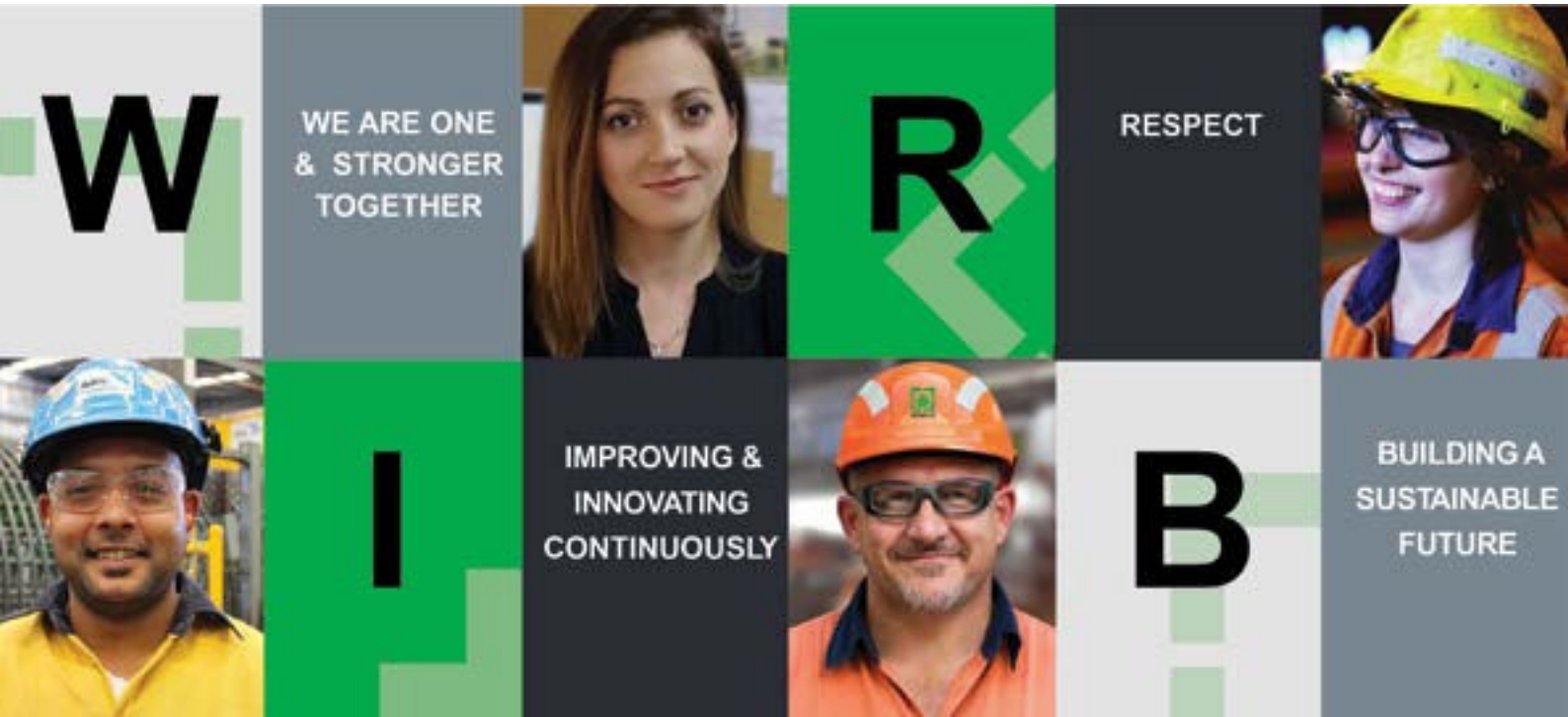
We Are InfraBuild

Our vision is to be a company where employees feel proud to work, customers are delighted to interact, investors want to invest, and the community sees us as a good corporate citizen with an enviable reputation.

To support our vision, we are guided by our values. We Are InfraBuild (WRIB) defines who we are, what we stand for, how we behave and how we do business. For us they mean:

We will leverage our customer relationships, recycling footprint, manufacturing infrastructure and distribution reach to create an enduring competitive advantage that enables our mission.

We back the inventiveness and vision of our people, their diversity, their dedication, drive and passion. From our local teams supporting the construction of homes and schools and hospitals, to supplying reinforcing and structural solutions to nation building roads, tunnels and airports - decades of knowledge and passion are forged into everything we do.



Our operations

With over 100 years of continuous operation, InfraBuild is Australia's largest vertically integrated steel manufacturing, distribution and recycling business, providing solutions for commercial and residential construction, large scale and nation-building infrastructure, and the rural and mining industry.

We are Australia's largest processor and distributor of steel long products, including reinforcing bar, reinforcing mesh, tubular and hollow sections, merchant bar and wire products.

We are one strong enterprise!

Recycling

As part of InfraBuild's integrated local supply chain, our recycling operation contributes around 1.4 million tonnes each year of recycled metals into our steelmaking operations. We are an industry leader in the supply of processed ferrous scrap products to our domestic steel mills in Sydney and Melbourne. In addition we have an extensive non-ferrous business that supplies both domestic and international markets with high quality products for recycling.

With 26 recycling facilities around Australia, and a large scrap metal dealer and transport network that we partner with, our national footprint provides metal recycling solutions to a broad range of scrap metal generators, including households, local government, mining, demolition, and waste companies to provide local recycling solutions. In addition we have recycling facilities in Poland and the USA.

Manufacturing

We have an integrated steelmaking and manufacturing network, comprising two electric arc furnaces (EAF) and four rod and bar rolling mills with manufacturing sites in Victoria and New South Wales. We supply a range of products to steel distributors nationally, including our own branded distribution and reinforcing retail businesses. Products marketed include rod, bar, and structural steels.

InfraBuild's wire team operates three wire mills and is Australia's largest manufacturer of wire for construction, manufacturing, and rural applications. Waratah Fencing and Cyclone Fencing are InfraBuild wire product brands with national distribution through regional outlets supplying agricultural products, including fencing, silos, and hardware.

Distribution

From our manufacturing sites on Australia's East Coast, we supply a range of steel products to distributors and processors nationally.

InfraBuild's reinforcing team is a full-service reinforcing supplier to tier 1 builders and mega infrastructure projects across Australia. Along with our ARC business, InfraBuild supplies quality, innovative solutions from prefabricated reinforcing to patented high-strength steel and state-of-the art BIM modelling, we enable the safe, efficient and sustainable construction of Australia's infrastructure and built environment.

InfraBuild Steel Centre and our supporting brands Midalia, Tonkin and Steelforce supply customers in key industries including engineering, infrastructure, commercial and residential construction, fabrication, manufacturing, mining and rural.

Our brands

InfraBuild
Building futures through sustainable steel

ARC
THE AUSTRALIAN REINFORCING COMPANY

AustubeMills
SHAPING POSSIBILITIES

Cyclone

EMRAILS
THE AUSTRALIAN RAIL STOCKIST

MATTHEWS
METAL MANAGEMENT

MIDALIA STEEL

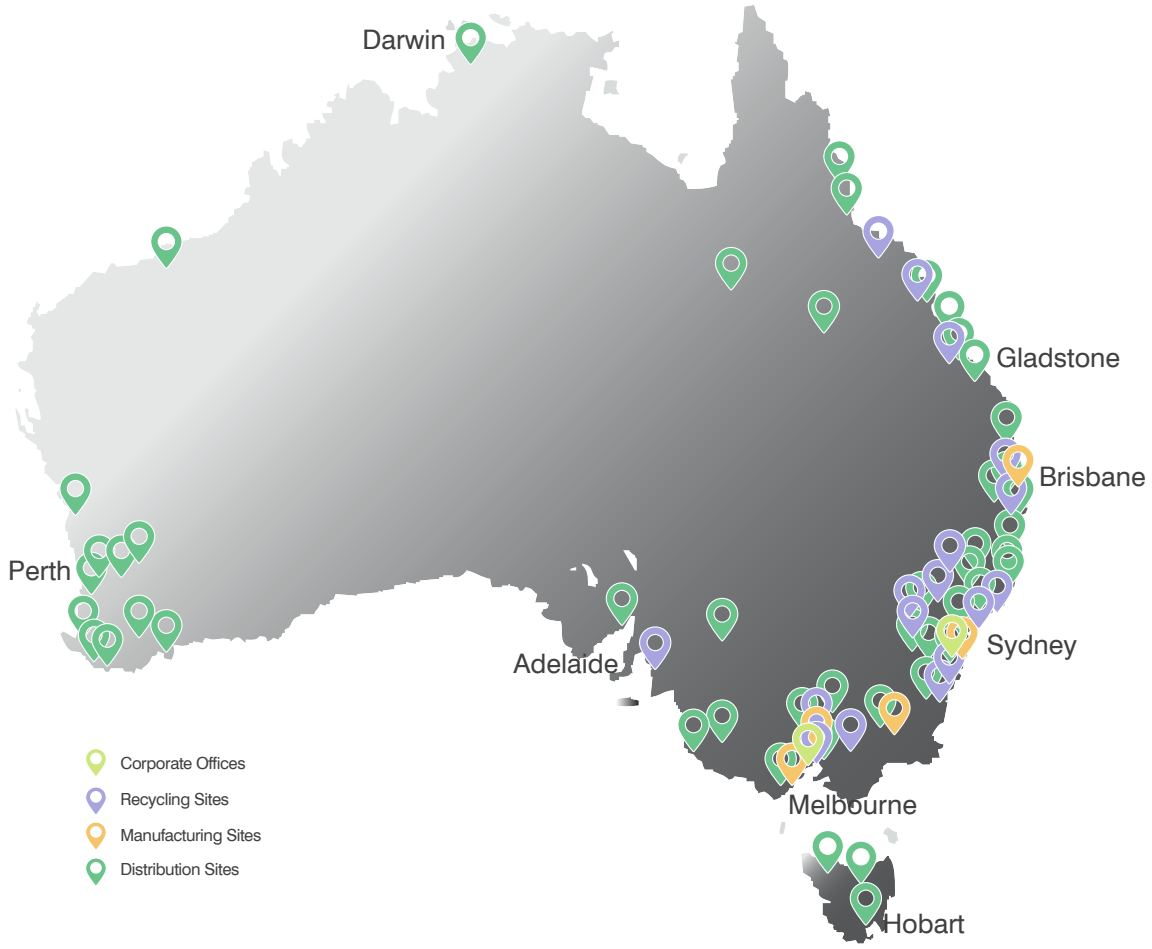
STEELFORCE

TONKIN
STEEL
THE STEEL SUPERMARKET

WARATAH
FIRST - BECAUSE IT LASTS.

Where we do business

Our extensive national network employs more than 4,000 people in 150 locations across metropolitan and regional Australia. That network consists of our recycling assets, steel manufacturing, rod, bar and tube mills, and widespread distribution and processing hubs. Additionally, our global footprint includes recycling centres in the US and Europe, trading offices in India and Hong Kong and a manufacturing centre in China.



8
manufacturing sites

28
recycling sites

3
corporate offices

113
distribution branches

Building futures through sustainable steel

To leverage our strengths, we will demonstrate rigour in the following areas:

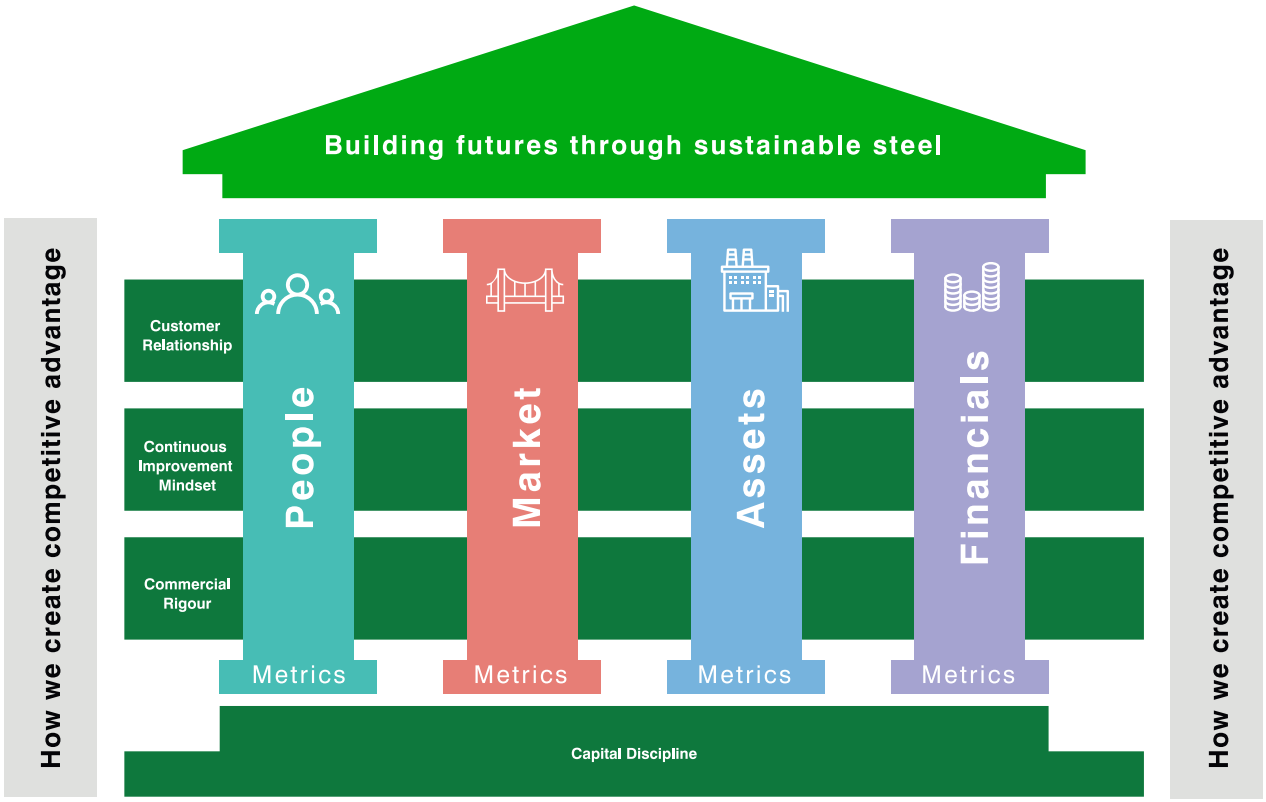
Customer focus through customer-centric decision making. Our ability to service and engage with our customers at all levels every day, and how we fare in our daily "moments of truth".

Continuous improvement mindset to create excellence in manufacturing. Be the best and most cost-effective steel makers and steel processors in the world.

Commercial excellence to ensure we have a well-crafted and executed "go to market" strategy and integrated planning processes that deliver optimum results. Our people should be regarded as the best in the country when it comes to our commercial acumen. We are clever and we understand our markets very well, but we're not arrogant.

Capital discipline by managing our Capex and working capital astutely to ensure we can grow and invest consistently.

People, Markets, Assets and Financials are the four pillars we use to align recommendations and actions and subsequently key deliverables against strategic initiatives. This approach enables InfraBuild to provide clarity to all internal stakeholders as to their own accountabilities in delivering the plan.



Our material topics

InfraBuild's CN30 (carbon neutral by 2030) objective sets a clear target for InfraBuild to be a low carbon emission, carbon neutral, steel manufacturer by 2030. As part of our journey toward achieving this objective, InfraBuild has made several key decisions to facilitate this.

InfraBuild constituted an Environmental, Social and Governance (ESG) Committee in 2021. This group, comprising senior managers from across the business, is responsible for setting the strategic direction, resourcing, and governance for the sustainability initiatives across InfraBuild.

A separate cross-function Sustainability Group was also formed to provide alignment, collaboration and knowledge sharing across InfraBuild. This Sustainability Group was established to work in small groups on specific projects or initiatives, whilst collaborating across the broader Sustainability Group. Oversight is provided by the ESG Committee.

A key output of the ESG Committee and Sustainability Group is the development of InfraBuild's first Sustainability Strategy. This formative document outlines opportunities for InfraBuild's move to a successful and sustainable low carbon emission, carbon neutral, steel manufacturer by 2030.

InfraBuild is also proud to be launching this, our first stand-alone annual Corporate Sustainability Report (CSR), covering the 2021 calendar year. We see this as an important step in our sustainability journey, by clearly communicating and being transparent around our sustainability vision, strategy and performance.

As part of this commitment, in this CSR we have introduced reporting against the GRI Standards. Our next CSR will incorporate a formal materiality assessment, and in future we will also consider utilising external verification.

Our CN30 Journey

Investors and other stakeholders are increasingly seeking to better understand the implications of climate-related risks on businesses' long-term earning potential and viability.

Climate-related risks include both the risks related to transitioning to a lower-carbon economy and the risks related to the physical impacts of climate change. The work done for the report used the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to inform the assessment

As part of InfraBuild's journey to decarbonisation, a pilot study was conducted in 2020 at the Newcastle Wire Mill based in Mayfield (NSW). The Mill conducts cleaning, coating, wiredrawing, galvanising, and fabrication of wire products, including wire for concrete reinforcing, rural fencing, and manufacturing wire.

The purpose of the study was to:

- Understand the emissions inventory and energy balance for the site
- Understand and refine the implications and opportunities for the site in relation to InfraBuild's CN30 objective
- Identify viable carbon reduction pathways for the site to meet the CN30 objective.

The pilot study informed a series of decisions based on emission reduction potentials, cost implications, achievability ratings and possible time frames for implementation. InfraBuild has now extended the pilot study into the other manufacturing assets.

Our stakeholders

InfraBuild recognises the importance of our stakeholders to achieving our mission of Building futures through sustainable steel, which is underpinned by strong, enduring and enabling relationships and partnerships.

Ongoing and regular stakeholder insight and engagement ensures we are aware of and respond to the needs of our key stakeholders.

Out of our participation in industry, government, and commercial networks, we create forums to better reach people who use our services or are impacted by our operations, including increasing education and awareness on recycling and better use of waste services.

For people living and working in the communities in which we principally operate, we engage through our branches and customer service centres. Our website and social media platforms are designed to ensure our stakeholders have access to current and accurate information they need on our services, products, and activities.

Standards reporting

Environmental compliance

InfraBuild strives to maintain high standards of environmental performance throughout our operations by embedding risk management practices in the way we work. However, incidents and non-compliances do occur from time-to-time.

In the reporting period, there were no fines issued for environmental non-compliance, although there were seven occasions in which environmental laws or regulations, including environmental licence conditions, were not complied with. These incidents were all reported to the relevant regulators at the time and included matters such as:

- Late submission of water testing results
- Minor exceedances of discharge water limits (three incidents)
- A minor oil spill whilst unloading scrap at a Recycling facility
- Deviations from the requirements of the resource recovery order for slag

None of these incidents resulted in measurable environmental harm or material action by regulators. However, a further incident (a fire in the shredder infeed stockpile at InfraBuild's Laverton Recycling site) resulted in a Minor Works Pollution Abatement Notice being issued by EPA Victoria. This paused the receipt of new scrap feed for several days.

Each of these events is an opportunity for learning and improvement, and in all cases, the matters were investigated, addressed at the affected site, and lessons applied across other relevant sites.

Certification

An important way in which we meet our environmental commitments is by having environmental management systems that comply with international standards (ISO14001:2015). During the reporting period, all certified sites achieved recertification against the ISO 14001:2015 standard for Environmental Management Systems. This is important as it is one of the two mandatory compliance requirements for being recognised as a responsible "Steel Maker" in the Green Star "Design & As Built" tool.

Worldsteel Climate Action Programme

InfraBuild provides data to worldsteel Climate Action data collection programme and is covered by company-wide certification, which is important as it satisfies one of the two mandatory compliance requirements for being recognised as a "Responsible Steel Maker" in the Green Star "Design & As Built" tool.

Governance and Risk

Governance

Sustainability is dependent on enterprise risk being identified, addressed and mitigated appropriately. To ensure transparency and accountability, ongoing risk management depends on a robust governance framework.

A pillar of governance for us is a set of core policies, including Environment, Work Health and Safety (WHS), Code of Conduct and Supply Chain and Procurement.

Health, Safety and Environment

Our Health, Safety and Environment (HSE) Council comprises chief operating officers and functional specialists who provide direction and drive improvement within the business. The clear goal of the HSE Council is to deliver zero injuries and occupational illnesses and improve the overall health and well-being of our people.

The HSE Council demonstrates leadership, monitors HSE performance and associated improvement plans, and promotes active participation in the WHS and Environment programs. It enables the sharing of best practice and sponsors recognition of outstanding safety behaviour and leadership.

Be WRIB Safe is the safety standard across the InfraBuild businesses. Each location must have a policy that is appropriate to the nature and scale of activities being managed and that incorporates the principles and objectives of the WRIB Safe Strategy.

Modern Slavery

We are compliant with current Australian legislation regarding modern slavery. The Procurement Policy and Principles reflect that legislation in their supply chain engagements.

Auditing

Auditing of financial accounts plays a key strategic role in our governance framework. KPMG are retained to audit the financial accounts.

Internal

The annual internal assurance program delivers assurance to management of our enterprise risk management system, business risk management, compliance and control assurance, and the effectiveness of its implementation.

External

The internal audit function liaises with KPMG to eliminate duplication and to maximise information flow between the assurance providers.

Risk management

The processes for identifying, assessing, monitoring, and managing enterprise risk are embedded in our operations.

These processes deliver risk management that is capable of promptly responding to and mitigating emerging and evolving risks. Our risk management has a comprehensive framework that delivers:

1. Key risks identification and implementation of mitigating strategies
2. Monitoring of management systems to deliver optimum standards of performance and compliance in operational areas, including safety and environment
3. Identification and remediation of internal control weaknesses
4. Control of financial exposures
5. Systems control to ensure appropriate authorisation and execution of all business transactions.

Group-wide material business risks

The following key business risks have been identified as having the potential to impact our earnings stream. Appropriate management of the identified risks is a priority for the businesses.

Cyclical nature of our industries

Our revenues and earnings are sensitive to the level of activity in the Australian construction, manufacturing, mining, and agricultural industries.

We have a continuous monitoring and forecasting process in place to assess the risk.

Competition

We face import and domestic competition across our market offers. A significant increase in competition, including through imports, has the potential for a material affect – product price and volume. This affects financial and other performance targets for the business.

We are active in monitoring competition outcomes and initiating appropriate reactions.

Dependence on key customer and supplier relationships

We rely on various key customer and supplier relationships, and the loss or impairment of any of these relationships can have a materially adverse effect on our operations, financial condition, and prospects.

For this reason, we optimise customer and supplier relationship management.

Product risk

The company maintains an internal risk management process and follows quality assurance procedures in relation to the manufacture of its products and materials, such as accreditation to internationally recognised standards and ISO for relevant operational functions. Whilst this does mitigate the business position it does not eliminate the potential for claims.

Operational risk

The production and distribution of products involves several inherent risks relating to our manufacturing and distribution facilities. The use of energy (electricity and gas) and water and at times, complicated logistical processes, are contributors to this risk.

Domestic and global conditions

Our financial performance responds to a variety of economic and market conditions, including fluctuations in interest rates, foreign currency exchange rates, inflation, changes in government fiscal, monetary and regulatory policies, as well as commodity prices, industry activity levels, steel prices and margins, and scrap metal availability and pricing. These have the potential to impact our financial position and performance.

As a result, our Treasury directly engages with our operations to monitor and manage these variables.

Managing liquidity and debt level

Our Treasury also directly engages with our operations to address the balance sheet, with a focus on debt levels to reduce interest payments, and raise debt funding to address future liquidity requirements.

People

People are fundamental to our success and prosperity. Our Human Resources team with the support of the Executive Committee develop and deploy initiatives to foster culture, support external communities and develop and reward our people.

WRIB Safe

In our InfraBuild strategy, we have set ourselves a safety goal of < 2 TRIFR (Total Recordable Injury Frequency Rate) by 2025. Our roadmap to get us there is called – We Are InfraBuild Safe (WRIB Safe).

All our safety actions and behaviours are underpinned by our WRIB Safe Strategy to ensure every employee returns home fit and well at the end of each workday.

By working together as one team and respecting one another, we build our safety culture. We take the time to do things safely, to intervene, and to speak up when we notice a risk or hazard.

At InfraBuild, we believe one injury is too many.

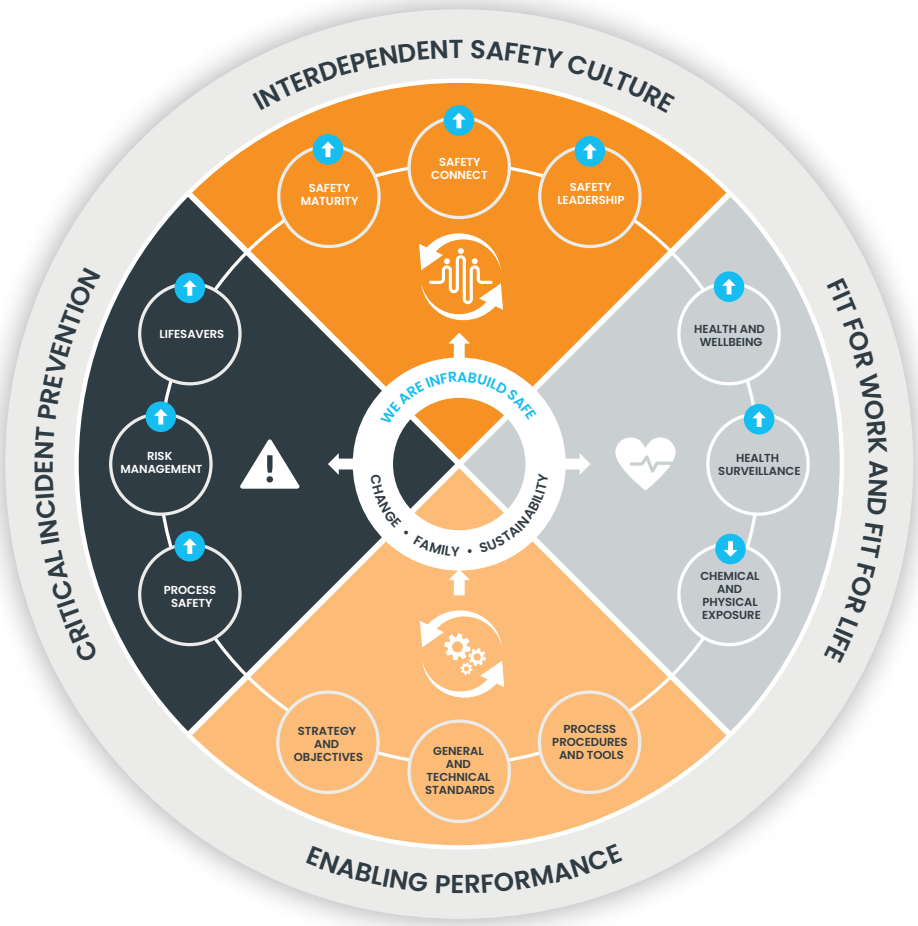
Safety Performance

YEAR	2019	2020	2021
WORKING HOURS	10,703,701	10,874,815	10,792,631
FATALITIES	0	0	0
TRIFR	15.1	11.1	8.5
LTIFR	1.3	1.7	1.3

Critical Risks

The focus and rigor around our industry critical risks and effectiveness of our critical controls has contributed to a reduction of high potential incidents from 18 in 2020 to 11 in 2021. All high potential incidents have been independently investigated and lessons have been shared across all business units.

Safety Pillars



All our safety actions and behaviours are underpinned by our WRIB Safe strategy to ensure that every employee returns home fit and well at the end of each workday. We have four safety pillars that support WRIB Safe:

ENABLING PERFORMANCE	CRITICAL INCIDENT PREVENTION	INTERDEPENDENT SAFETY CULTURE	FIT FOR WORK AND FIT FOR LIFE
We constantly review our processes, procedures, tools and performance to identify and correct deviations and eliminate waste, by promoting organisational learning and identifying best practice we inform the continuous development of our policies and standards.	We maintain a strong focus and discipline on identifying and allocating resources to manage low likelihood but high consequence events through our safety management processes, fatal risk standards and our behavioural Life Savers.	We empower our employees across our operations to stop any job if it is not safe and work together to make it safe to proceed. We work to develop a safety culture of shared vigilance where everyone takes ownership of their own safety and that of their colleagues.	We are committed to increasing the health and wellness of our employees through our occupational health strategies, health surveillance and working to reduce/control physical and chemical exposures in the workplace.

Life Savers

In addition to the focus on our critical controls, last year we have introduced the InfraBuild Life Savers. Our Life Savers reinforce the behaviours we want our people to follow, so everyone can return home safely at the end of the day.

Our Life Savers have been developed after a review of critical incidents in our business and worldwide fatal incident trends. They are intended to develop unconscious safety behaviours and apply to everyone; employees, contractors, service suppliers and visitors.

At InfraBuild, our employees have the authority to intervene and stop unsafe work. They are empowered to:

- Always assess and control the risks – stop work if it is unsafe and make it safe before continuing
- Only enter areas and carry out tasks that they are trained, competent and authorised for
- Report all incidents, with or without injuries, and participate in the investigation
- Always intervene if they observe a person at risk and accept feedback if a person intervenes
- Always use tools and equipment that are in good condition and appropriate for the task
- Always use PPE that is in good condition and appropriate to the hazard
- Be familiar with emergency, evacuation and rescue procedures.

Safety assurance

In 2020, the Health and Safety Assurance Program was impacted with several planned audits suspended due to the impact of COVID and travel restrictions.

Statutory audits were conducted remotely and where required local health and safety resources were used to complete field verification. Internal assurance was mostly reliant on self-assessments conducted by the businesses.

Health and Safety Management System

The improvement in our proactive performance has been facilitated by the introduction of a world-class environment, health and safety (EHS) management software platform, Cority, which has empowered the reporting, transparency and follow-up of all EHS events and actions across the group.

COVID

The COVID-19 pandemic continued to be a challenging time for many people.

Our COVID-19 Advisory Group provides coordinated oversight and governance to our businesses. Our objective was to ensure the safety of employees, customers, and the broader community by implementing COVID-safe practices and procedures in line with public health advice, including localised COVID-safe plans for each of our locations.

We maintained the highest levels of COVID-19 control measures on our sites, including pre-shift temperature testing, physical distancing, split shifts, enhanced hygiene measures, site deep cleans and area capacity limits in line with public health orders. Where appropriate, we introduced Rapid Antigen Testing as an additional preventative health measure within our COVID-safe Plan.

Like all companies, we continue to closely monitor this ongoing challenge. The safety of our people, our customers, suppliers and the community is our priority.

COVID Leave

Special COVID-19 Isolation Leave is available to employees who are either unwell or are required to isolate due to COVID-19. Special COVID-19 Isolation Leave is a period of up two weeks of paid leave and applies when:

- An employee has been diagnosed with COVID-19
- An employee has been in close contact with a confirmed case of COVID-19
- An employee or someone in the employee's household has been directed to self-isolate or is awaiting the outcome of a COVID-19 test
- An employee attending a COVID-19 vaccination appointment.

People and Culture

With more than 100 years' continuous operation, we are deeply rooted in the communities in which we operate and are building futures through sustainable steel.

We believe that our ability to deliver on our vision is defined by our most valuable asset: our people.

Our employee lifecycle ensures the succession platform is set for the future. We attract and select the best, safeguard our people and industry skills , and then invest to ensure our people continue to grow and innovate as we do.

We continue to strengthen our leading positions by ensuring we have a fit for purpose Human Resources framework to achieve our mission in nation building and human progress.

Leading and investing in our people

We strive to attract and develop capable people and afford them a high-performing and motivating workplace. We value leaders who bring out the best in their teams.

Our leaders are responsible for appointing, developing, motivating, and retaining high-performing employees who actively demonstrate our values. We invest in our managers to help them become more effective leaders with our Human Resources (HR) function partnering the business as we attract, retain, and develop talent and support cultural growth.

Our mix of functional specialists, HR business partners and shared services allows us to deliver programs that align to business plans and support specific human capital needs.

Employee engagement

As our business continues to gain momentum, our ability to listen to and improve how we understand and engage with our people is fundamental. We have invested in an employee engagement survey to help us to better understand our people; what is motivating or demotivating them and where we need to focus to enable fulfilling employee experiences.

We have processes in place to proactively manage change in the workplace, with significant focus on employee impact and welfare. We are proud of our efforts in supporting affected employees, including identifying alternative opportunities across the organisation or external to the business aligned to their career and personal aspirations.

Peakon

To help better understand our employee's experiences and engagement levels, the GFG Alliance (of which InfraBuild is a member) introduced and piloted Your Voice powered by Peakon in late 2018. Peakon offers close to real-time, data driven insights to support a more accurate understanding of how engaged our people are, what is motivating (or demotivating them), and what areas need focus.

The platform enables employees to share their voice and feedback instantly and anonymously with their business or function via a simple online survey, that also invites free-form feedback.

Managing performance

We understand the performance of our people is critical to our success, so we work hard to make sure everyone has a clear definition of their role within the business. Our performance approach is simple to understand and is tightly aligned with our business plans. It empowers individuals to understand what matters and how they play a part in delivering business performance.

Remuneration and reward

Our remuneration and reward framework is designed to ensure we are competitive in the various labour markets in which we operate. Our strategy is not just about base pay, it aspires to create a meaningful experience for our people, our pay is competitive against the external market, we pay fairly, regardless of gender or work patterns, and we recognise and reward high performance.

Reward structures are designed to support delivery of business objectives and reflect contemporary remuneration practices. We conduct an annual review of the labour market and compare staff salaries against industry standards. Fifty-Eight per cent of our Australian-based employees are engaged under one of 32 registered Enterprise Agreements (EAs).

InfraBuild operates under the national workplace relations system as a National System Employer.

The national workplace relations system is governed by the Fair Work Act 2009. This system is overseen by the Fair Work Commission and the Fair Work Ombudsman.

Employee relations

InfraBuild is committed to maintaining an efficient, skilled, flexible, and committed workforce through a range of employment practices and arrangements. We take an open and positive approach to employee relations.

We maintain a wide range of policies dealing with various employee rights and obligations that are aligned to the Fair Work Act 2009 and National Employment Standards and other relevant legislative requirements such as workplace behaviour, discrimination, whistleblowing, bullying and harassment.

While most employees are engaged on a full-time permanent basis, a range of alternatives are available to meet specific business requirements. Our Employment Arrangements Policy outlines the general conditions that apply under the various arrangements, including fixed-term, part-time, and casual employment. It also provides guidelines on the use of probation periods, as well as the implementation of flexible work arrangements.

Employees are encouraged to have matters of concern raised and dealt with by their managers, and to seek independent help from HR to resolve should they not be able to with their leader.

Flexible work arrangements

We are committed to maintaining an attractive working environment that supports the work-life balance of employees without compromising our standards of customer service, safety and productivity. Our Employment Arrangements Policy specifies the conditions that apply to flexible work arrangements.

We encourage a healthy work-life balance for employees and offer a range of flexible work options. These includes part-time employment, job sharing, remote working, non-standard hours, paid maternity benefits, career breaks, return-to-work programs, transition to-retirement arrangements and the opportunity to purchase additional annual leave.

Mental health and well-being

One of our values at InfraBuild is Family which to us means we respect each other, and we are stronger together. Mental health and well-being are about showing we care for each other today and into the future.

We know that we all struggle at times in our lives and our focus at InfraBuild is to ensure we have a range of options to support one another and have the confidence and skills to create compassionate connections with those around us. We know that with these skills, those who are struggling can get the help they need.

We approach mental health and well-being in a range of ways for the Individual, Supporting Industry & Workplace Safety.

Employee Assistance Program (EAP)

Employee Assist provides timely intervention to help employees, including our leaders, deal effectively with any difficulties and assist with referrals to other professionals or agencies if longer-term assistance is needed.

Manager Assist provides confidential advice and support for our leaders, line supervisors and HR Business Partners, to support the establishment of clear plans and engagement with employees.

Our Employee Assistance Program (EAP) provider, Converge International, is available to all employees and offers confidential, professional, and free counselling and support in areas such as:

- Marriage and family difficulties
- Interpersonal conflict
- Stress, depression or anxiety
- Alcohol and drug dependencies
- Grief, loss or trauma
- Workplace problems.

I Am Here

At InfraBuild, we want to live our values through our actions every day. Collectively looking after each other to ensure we are getting the help and support that we need is an expression of our values.

I Am Here aims to give our people the courage and skills to support one another's mental health and well-being and, more broadly, to promote a culture of care.

It does this through helping us build a community around the simple but powerful idea that "it's okay not to feel okay; and it's absolutely okay to ask for help".

I Am Here

There are levels within the I Am Here programme - a Tribe member (right) and an Ambassador (left) for the programme once additional training as taken place.

CASE STUDY

Our Values

One of the most passionate ambassadors of the "I Am Here" mental health and well-being program is Sean Aherne from InfraBuild's Rod and Bar manufacturing business in Victoria.

At the 2021 Global Chairman's Awards, Executive Chairman Sanjeev Gupta awarded the prestigious Shine Award to Sean acknowledging his volunteer work as a passionate advocate of the I Am Here program for the past one and a half years.

Before signing up to the program, Sean says he would never have openly discussed his own mental health challenges. After witnessing the devastation caused by the suicide of a co-worker, Sean felt compelled to learn more about mental health. As the father of two sons, Sean also wanted to be better equipped to have open and honest conversations with them about mental health.

Since the introduction of the I Am Here program at our Laverton campus, Sean says he's noticed a big change in the workplace, with people feeling more supported to discuss and seek help when it comes to their mental health.

As an ambassador, Sean, and other members of the program at workplaces across InfraBuild, are always on hand to talk to anyone who may need support or want to learn more about the program.

"We are not counsellors – we are trained as the first point of call to direct people to the appropriate resources.

"There's a lot more to do, but we've come a long way and I know we've made a difference."

"There's a lot more to do but we've come a long way and I know we've made a difference."

SEAN AHERNE – I AM HERE AMBASSADOR, LAVERTON

The Laverton site has a dedicated 'I Am Here' and Wellbeing meeting room. The room is available to everyone who wants to have a private and safe room to talk to one of the I Am Here Ambassadors on the Laverton site.

Diversity and inclusion

At InfraBuild, we encourage equality, diversity, and inclusion among our workforce, and the elimination of unlawful discrimination.

The aim is for our workforce to be truly representative of all sections of society, and for each employee to feel respected and able to give their best. It is always InfraBuild's intent to embrace and enhance a diverse and inclusive workforce by:

- Respecting all facets of diversity. To InfraBuild, diversity refers to acceptance, respect and understanding that everyone is unique, with individual differences. This can be along the dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies
- Committing to ensure all processes relating to the attraction, development, retention, and reward of employees are good practice.
- Create a working environment free of bullying, harassment, victimisation, and unlawful discrimination as well as promoting dignity and respect for all. A workplace where individual differences and the contributions of all staff are recognised and valued.

Women's Network

The Women's Network aims to provide a platform for employees to connect, get to know each other and put actions around gender equality in our workplace.

It is designed to promote a more inclusive and diverse work force that better represents our community. Respectful, inclusive, and diverse teams create significant value for our customers and our business while providing positive benefits for our people.

The Women's Network also serves to facilitate growth opportunities through development opportunities, mentoring, panel discussions and valuable lessons and insights from keynote and guest speakers from inside and outside of our business and industry.

Site celebrations for International Women's Day.

Reconciliation Action Plan (RAP)

We acknowledge the traditional custodians of the lands on which we work and whose customs and cultures have nurtured these lands. We extend our respects to Elders past, present and emerging.

At InfraBuild, we are committed to building and encouraging relationships between First Nations peoples, communities, organisations, and the broader Australian community. As part of this commitment, we commenced our formal RAP process – working with people across a range of roles in our business to identify ways to build upon relationships with First Nations peoples, foster respect, and increase Indigenous employment and procurement opportunities.

We have begun working on some of the fundamental actions that form a RAP, including celebrating and supporting Indigenous events, such as NAIDOC Week.

As our first RAP, it will be what's known as a Reflect RAP and will include several actions across four categories:

Participants at our first RAP workshop session held in Adelaide during 2021.

RELATIONSHIPS	RESPECT	OPPORTUNITIES	GOVERNANCE
Building closer ties with local Indigenous communities and identifying groups or businesses from whom we can learn.	Making the most of our internal platforms to ensure all employees understand why this is an important journey, and participating in external events to support reconciliation.	Identifying where we can be doing more to close the gap, including recruitment, procurement, and partnerships with indigenous businesses.	Providing a framework to ensure we make real progress.

CASE STUDY

Indigenous Supply Australia

A mentoring initiative is helping build business capability and secure a sustainable future for a local Indigenous company.

In February 2021, InfraBuild was approached by Indigenous Supply Australia (ISA) to partner with them to supply steel casing to drilling teams servicing the mining sector.

Established in 2020, ISA is a majority Indigenous-owned and operated Australian business, supplying industrial consumables and services such as labour hire and transport to the mining, oil and gas and construction sectors. ISA is also assisting companies with cultural awareness and sensitivity training and how to build capability and capacity in local communities and Indigenous businesses.

With 100 years continuous operations in Australia, we have been sharing our extensive knowledge and experience with ISA on things such as pricing structures, managing supply chain and inventory demands and marketing their products and services. InfraBuild is also assisting ISA by connecting them to other companies in the sector to enable them to offer a more complete package.

InfraBuild Steel Centre State Manager (SA and NT), Barry Kelly, said the strategic partnership with ISA aligns with InfraBuild's Reconciliation Action Plan to strengthen relationships with First Nations communities and support new initiatives and partnerships.

"Our support of ISA extends beyond a commercial arrangement as we are supporting their aspiration to deliver long-term growth and sustainability – developing career pathways and improving economic outcomes," he said.

"This flows on to support local communities through programs aimed at improving health and education outcomes – something that is important to both of us."

SA/NT State Manager Barry Kelly (left) pictured with Commercial Director at Indigenous Supply Australia, Michael Bourke (right).

Modern Slavery

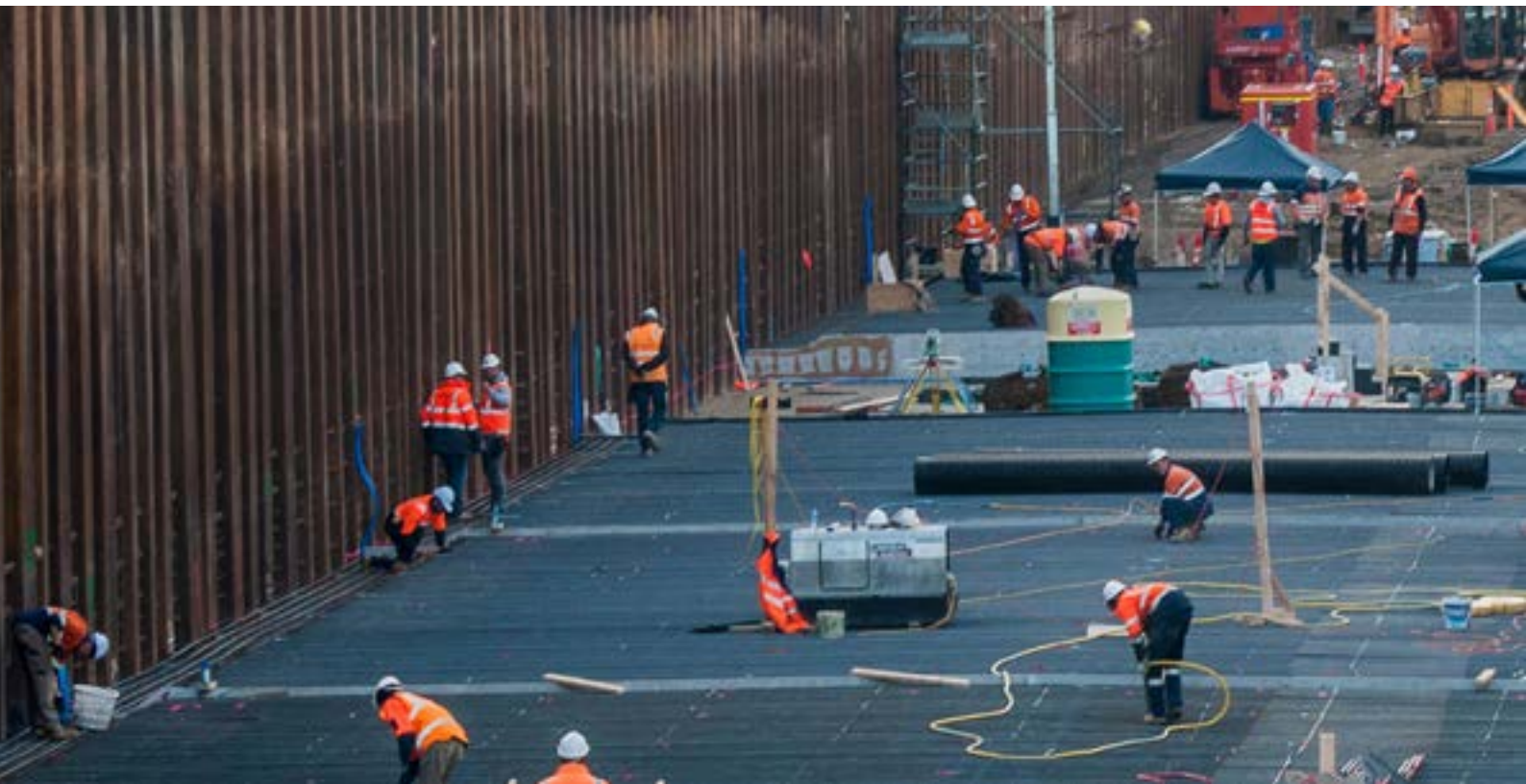
Modern slavery is often difficult to identify in supply chains all over the world but is still prevalent in many industries and countries. While many economies bring people prosperity, many are being affected by the hard reality of human trafficking, child labour, coercion, and other forms of modern slavery.

Throughout 2021, the global pandemic exacerbated issues around modern slavery as communities and countries faced extreme economic and social impact. People who make up the labour forces were even more susceptible to exploitation and human rights abuses as normal market and trade conditions were compromised or disrupted.

InfraBuild's Modern Slavery Statement demonstrates the steps taken in respecting human rights in our operations and supply chain. We believe that all human rights must be respected and that we must address any modern slavery that takes place in the supply chain we form part of.

We recognise that modern slavery is insidious and not always easy to identify in supply chains outside of our direct control, accordingly we are taking a risk-based approach to identify supply chains most likely to be affected.

In 2021, we focused on ensuring that we were able to address the risk of modern slavery in our supply chains – changing systems and processes. Our Modern Slavery Statement includes information and steps taken by InfraBuild and completed in 2021, and future steps that our business intends taking in 2022.



Ethical and sustainable supply chain

InfraBuild purchases its goods and services from various domestic and international suppliers to support its operations.

For the majority of our raw materials, we have a deep understanding of our supply chain and country of origin. There remains a few 'longer' supply chains however that we continue to focus on understanding more deeply.

This helps understand potential supply disruptions or any environmental or social sustainable impact amongst our supply bases. For some spend categories, such as consumables, the mix of products purchased, and the breadth of original equipment suppliers is complex to manage ourselves. For these spend categories, our business partners have principle oversight of security of supply and sustainability matters.

Other purchases are typically services related or have a domestic origin and typically have lower sustainability risks.

InfraBuild has developed a risk framework, which includes assessment by spend category of supplier dependency, and other risk factors such as quality, legal, operational, financial, social, environmental, and reputational risks.

We conduct an annual risk assessment to understand potential supply and sustainability risks. Based on the level of risk we conduct further due diligence and mitigate or manage risks. For our risk assessment, we use the category knowledge within the team and external sources of information - industry reports, category insight reports and some subscription-based services.

We also extensively conduct our own research around key markets impacting our industry and organisation. This insight leads to category strategy recommendations that are syndicated amongst key business stakeholders. Subsequent projects and actions are tracked and reported upon.

In line with InfraBuild's sustainability focus and strategy, InfraBuild procurement is investigating, and prioritising various initiatives based on the impact to our sustainability and decarbonisation objectives as well as ease and speed of implementation. We couple our sustainability focus with working closely with selected suppliers to achieve our targets via a Supplier Relationship Management program.

Community

At InfraBuild, we are inspired by visions of what might be possible – of making our world a stronger, safer, more sustainable, and connected place to live.

We are motivated by the challenge of realising what is possible, from building the cities in which we live, to the infrastructure that powers them. We're there to collaborate and help make possibilities happen.

This extends to the many communities in which we operate. With 100 years of continuous operations and 150 locations across metropolitan and regional Australia, we recognise building strong ties with our local communities is the key to fostering a sense of belonging, building trust, and strengthening our business ties.

In June 2021 Steel and Tube EGM Michael Negri took part in the CEO Sleepout in Sydney. At the time Michael said, "homelessness is unacceptable in a privileged country like ours. We can help both by donating to charities and learning more about the causes and reasons people find themselves in this situation."

CASE STUDY

Zambi Wildlife retreat

InfraBuild is proud to have supported the construction of a new baboon enclosure at the Zambi Wildlife Retreat in Sydney's west.

Zambi is a retreat for exotic animals retired from the circus and entertainment industry, zoos, and private owners. It provides an enriching habitat for big cats and primates and operates a rescue and rehabilitation facility for native, domestic and farm animals.

In October 2020, InfraBuild's Steel Centre Wetherill Park was approached by our long-standing customer, Steel Builders, to provide 7.5 tonnes of tubular product to construct a new baboon enclosure being built by Clarendon Homes.

Steve Tideswell, Sydney Steel Centre Manager, said that InfraBuild's involvement in the project was an extension of its strong networks.

"This was a great opportunity to work with our customers and community in a different kind of construction project," he said.

"We are committed to creating value for all our stakeholders and building strong, vibrant local communities.

"The new enclosure is such a worthwhile initiative. Our steel products are usually used for a range of major infrastructure and construction projects so to see our products used in this way is very gratifying."

The new enclosure is now home to Zambi's six baboons, the eldest aged 23 years, and features protected sleeping quarters, a large-raised platform with thatched roof, walking beams, perches and a waterfall and pond. It has been landscaped with grasses, logs, and boulders to replicate their natural habitat. The enclosure has also been designed to assist carers to maintain a high standard of care.

The new baboon enclosure at the Zambi Wildlife Retreat.

CASE STUDY

Midalia Steel

When brothers Roy and Leon Midalia first started collecting scrap metal in 1951, little did they know their family business would grow into one of WA's largest steel suppliers and a true local success story.

"Being part of the local community and investing in bricks and mortar has been an important part of our long history," Steel Centre Regional and Midalia Steel Manager, Mark Novel said.

"We have always employed local people from each of our regional locations and strongly believe the business is made up of many small businesses who know their customers and know where to deliver."

Not only has Midalia Steel been involved in the construction of DIY projects and critical infrastructure in WA, but we have also been active in the local community.

We have been supporting Landcare in their efforts to reverse the decline of the endangered Carnaby's black cockatoo.

With the loss of breeding habitat, Landcare developed artificial nesting boxes called Cockatubes which are fitted with a solid base incorporating holes for drainage and wood chips to create a dry egg mat. We donated mesh for ladders used by the birds to climb in and out of the Cockatubes.

We have also been helping Men's Shed – a not-for-profit organisation that provides a safe space where men can work on meaningful projects at their own pace and forge new friendships.

We donated steel to the Subiaco Men's Shed to build an entire mezzanine level in its shed – virtually doubling its floor space. All the extra space has been converted into a quiet space and a metalwork room.

We also teamed up with Station Street Men's Shed – donating steel for a volunteer project to build Buddy Benches. The schoolyard benches provide a safe place for students when they are being bullied or are feeling isolated.

Welded mesh steel for ladders enabling acceess for cockatoos into nesting boxes was donated by Midalia Steel.

CASE STUDY

Soldier On

Looking for alternate sourcing opportunities to fill vacant roles within the InfraBuild's recycling team has led to a partnership with the not for profit Solider On organisation.

"We've found that people with defence backgrounds generally fit well within Recycling, particularly from a cultural and safety perspective," HR Lead Business Partner for Recycling, Danielle Cameron explained.

"We reached out to Soldier On to get an understanding of their Pathways Program as we were looking for alternate sourcing opportunities across our business nationally."

That initial contact has since seen InfraBuild Recycling become a Silver Pledge partner of the Solider On Pathways Program.

"We signed a pledge with Soldier On to show our commitment to provide veteran-supportive recruitment, training and workplace culture and demonstrate our commitment to provide employment opportunities for veterans and their families," Danielle said.

Soldier On has a dedicated Pathways Officer who liaises directly with InfraBuild's recycling team on vacancies in the business. Soldier On will then post vacancies on their notice boards and put forward potential suitable candidates.

InfraBuild's recycling team has also participated in a networking event in Newcastle as part of their Soldier On partnership. Networking events are held nationally, and InfraBuild Recycling has committed to taking part wherever possible.

Speaking about the event in Newcastle, Danielle said it gave InfraBuild's recycling team the opportunity to connect with potential candidates, while networking with the Soldier On team and other businesses from within the community.

"It's important to represent InfraBuild in the community and to ensure we educate people about InfraBuild's recycling team and the InfraBuild business as a whole" she said.

Soldier On is a not-for-profit veteran support organisation delivering a range of early intervention services to veterans and their families, including health and wellbeing, employment support, learning and education programs, participation, and social connection.

CASE STUDY

InfraBuild employees share passion for steel

A group of Newcastle high school students are getting an insider's view into the steel industry and potential future career pathways.

Thirty-two Years 9 and 10 students from Callaghan College, Wallsend Campus, Hunter Christian School and St Philips Christian College are working with five InfraBuild employee mentors as part of a 20-week science, technology, engineering, and maths (STEM) -based learning and mentoring program.

The program, run in partnership with CSIRO and Prince's Trust Australia, has been successfully running for two years at the Whyalla Steelworks in South Australia.

Working with the InfraBuild mentors, the students develop STEM-based projects that will benefit their local community.

InfraBuild's Aaron Mahaffey, a Program Mentor and Maintenance Supervisor in the Newcastle Wire Mill, said he was keen to make sure students were aware of the dynamic nature of the steel industry.

"Part of my passion in the steel industry is driven by it being a global industry," Aaron said.

"For this reason, to remain a strong competitive business, you need to be innovative, creative and sustainable.

"There are so many different roles and pathways within the steel industry, not just the shop floor workers making the steel."

The student program supports the development of STEM-related enterprise skills and life-skills, through hands-on activities, industry excursions, STEM projects and mentoring with industry professionals. The program helps students explore career pathways.

Fellow mentor and Newcastle Program Coordinator Anne-Maree Willis said the program was critical to inspire the next generation.

"Manufacturing is no longer seen as a career. I hope the students would gain a greater insight to the variety of options a career can take and that it's okay to try a few things before you land on what you love".

InfraBuild Operating Systems Specialist Will Andrews, another program mentor who has worked within the steel industry for 28 years, said he hoped the program would show students that steel manufacturing could be an exciting and rewarding career choice.

While the program started with face-to-face 1.5-hour sessions, the challenges presented by COVID-19 and lockdown has seen virtual technologies and videoconferencing used to continue the program.

InfraBuild Human Resources Business Partner Kate Murphy, who got involved to help inform young people about potential career pathways, said she was struck by the participating students' intelligence, inquisitiveness, and genuine excitement for learning.

"We would be extremely lucky to have these students in the industry and in the company, in the future," Kate said.

"Over the last few weeks, we have moved our sessions to online whilst we are in lockdown. It is more challenging, however the CSIRO team have done a fantastic job of preparing for us to move online and the students are adapting quickly."

InfraBuild CEO and Managing Director, Vik Bansal, applauded the enthusiasm and participation of the students and mentors involved in the Newcastle program which aimed to support young people to reach their potential.

"Our people are very passionate about what they do and it's terrific that they're able to share some of their talents, knowledge and expertise and hopefully encourage young people to consider the career pathways available in the steel industry," Mr Bansal said.

"A thriving steel industry is critical to manufacturing and nation building in Australia, and through this program young people will get a glimpse at the very rewarding careers that are available within the industry."

The Newcastle program culminated with a showcase and celebration event when students receive recognition of their participation with a certificate and Bronze CREST Award for the successful completion of an inquiry project.

"InfraBuild CEO and Managing Director, Vik Bansal, applauded the enthusiasm and participation of the students and mentors involved in the Newcastle program which aimed to support young people to reach their potential."

Markets

Those responsible for our market strategy and sales functions will continue to focus on delivery and value creation for all key market stakeholder groups – including customers, government and industry influencers. Key to our success will be the ongoing investment into innovation.

This investment will assist us in delivering the market lower embodied carbon products and solutions, product and supply chain traceability and a superior customer experience.

Circular economy and material circularity

The circular economy is a system requiring us to reconsider the entire lifecycle of our products and resources by designing out waste.

InfraBuild as a recycler is committed to its role in the circular economy. This means making use of materials and technologies that extend the lifespan and potential reuse value of the things we produce while minimising unintended waste.

There remains a need to quantify this process so manufacturers can know how circular their products are and what contributes or affects the circularity of these products.

The Material Circularity Indicator (MCI) not only provides a benchmark for improving a product but can add extra value to an EPD, providing a more complete picture of the overall sustainability credentials of that product.

EPDs contribute to establishing a product's overall environmental impact by looking at its entire lifecycle via an internationally standardised approach and independent verification. However, EPDs fall short of quantifying a circular economy approach. This is where the MCI can offer a more complete picture and ensure that circular economy steps are well underway.

The Ellen McArthur Foundation developed the MCI to measure the circularity of products. The MCI's focus is on technical cycles in which products, components and materials are kept in the market at the highest possible quality and for as long as possible, through repair and maintenance, reuse, refurbishment, remanufacture, and ultimately recycling. (Ellen McArthur Foundation 2015)

The MCI is particularly relevant to the building, construction, and infrastructure industries. It encourages more circular design principles from the extraction of raw resources to construction and eventual demolition. This process is demonstrated with the MCI tracking material flows from virgin stock, to use and eventual reuse. It focuses on the materials going in and the waste coming out at each step of a product's lifecycle. It also considers a product's utility when making the calculation, which includes the intensity of use and intended lifespan.

Sustainability specialist thinkstep-anz worked closely with InfraBuild to measure the circularity of the products covered by InfraBuild's five EPDs. As a result, all five EPDs that were released in September 2020 contain MCI results for the various products in these EPDs. InfraBuild was the first business in Australia to include MCI metrics into their EPDs.

While governments are developing circular economy policies and sustainability rating tools, such as Green Star and IS, promote circular actions, it can be difficult to measure progress or performance.

The results of the work undertaken with thinkstep-anz gives InfraBuild a benchmark to quantify each product's circularity. It also identified the key aspects of our operation that affect the MCI result and therefore the opportunities for improvement.

The project helped provide the InfraBuild with a deeper understanding of what circular economy means for us and our customers. We see considerable potential for the results to be incorporated into our EPDs and our sustainability strategy for the future.

Increased use of the MCI as a metric for infrastructure projects will help the industry to improve resource efficiency across the whole life of a project. InfraBuild is playing its part by transparently providing MCI results in all EPDs. This provides InfraBuild with important information for our growing sustainability picture.

InfraBuild's EPDs allow project teams to explore 'circularity at scale' for an entire building or infrastructure project. Although this MCI only applies to one of many products, it is vital information as production shifts from a linear model to a circular one. While complex, the more products that have circularity metrics built in to EPDs, the better the data available for projects to support it.

Gaining this early understanding of this measurable indicator for circularity is an important step in InfraBuild's efforts to support governments and customers as they start to develop and refine their sustainability and Circular Economy strategies.

Traceability: key to sustainable outcomes

InfraBuild is working closely with key industry bodies, regulatory authorities, and supply chain partners to develop best in class traceability capability in the steel sector – giving customers, certifiers, and regulators confidence that the materials purchased match the specification and design intent from both a quality and a sustainability perspective.

Traceability is the ability to identify and trace the history, distribution, location and application of products, parts, and materials – ensuring the accuracy and reliability of sustainability claims. In complex global supply chains, this is becoming increasingly important.

The push for circular supply chains that recapture and reuse raw materials at the end of a product's lifecycle depends heavily on traceability. This is a prerequisite for feeding them back into the conversion process for reuse, recycling, or remanufacturing.

Traceability in steel

InfraBuild is developing a permanent, cost effective and easy to apply identification method so that data can be retrieved non-destructively at any stage during the life of the product.

InfraBuild offers a variety of steel products to market. Physical identification on these products is achieved via rolled in markings capturing product grade and mill information. However, when the steel is embedded in product, such as concrete, there is no opportunity to verify its identity without physically removing the steel from the product to reveal the rolled in markings.

Important data is lost and cannot be linked back to the steel at this stage and detailed analysis of the steel is needed to retrieve the data, including mechanical performance and chemical composition.

The solution being developed will deliver a range of benefits, including:

- Streamlining data flow
- Protecting InfraBuild product by permanently linking documentation and certification to the product
- Providing fast and robust identification of steel to the construction industry at any stage of the construction process
- Providing permanent identification so that data can be retrieved non-destructively at any stage throughout the life of the steel member.

Decarbonisation

Within the Sustainability Strategy, a key element is the focus on decarbonisation. As such, InfraBuild has also developed a Decarbonisation Strategy to give effect to the reduction in our emissions.

Understanding and mitigating our Scope 1 and 2 emissions is a key piece of the work of this Strategy. Scope 1 emissions are generated using fuels and through industrial chemical reactions, while Scope 2 emissions are generated through the consumption of electricity generated offsite.

Given that 76 per cent of our combined Scope 1 and 2 emissions fall within the latter, this is a key area of focus for InfraBuild. Our electricity usage and the related Scope 2 emissions are driving InfraBuild to consider alternative energy sources that can deliver real emission reductions. InfraBuild recognises and acknowledges that our imperative is to deliver real and tangible emissions reductions to become a low-carbon emission steel maker, with offsetting being utilised to address any remaining emissions that cannot be mitigated.

Scope 3 emissions are also referenced in our Decarbonisation Strategy, so we are continuing to engage with our key suppliers and customers to understand the opportunities to address these.

Understanding how all this combines to reduce our Global Warming Potential (GWP) metrics is also important. This GWP metric, also known as the carbon intensity or carbon footprint of a material, is reported in our EPDs. Building contractors, sustainability practitioners, regulators, asset owners and procurement specialists look to understand the sustainability credentials of the materials in projects and use these metrics to inform their decision-making processes.

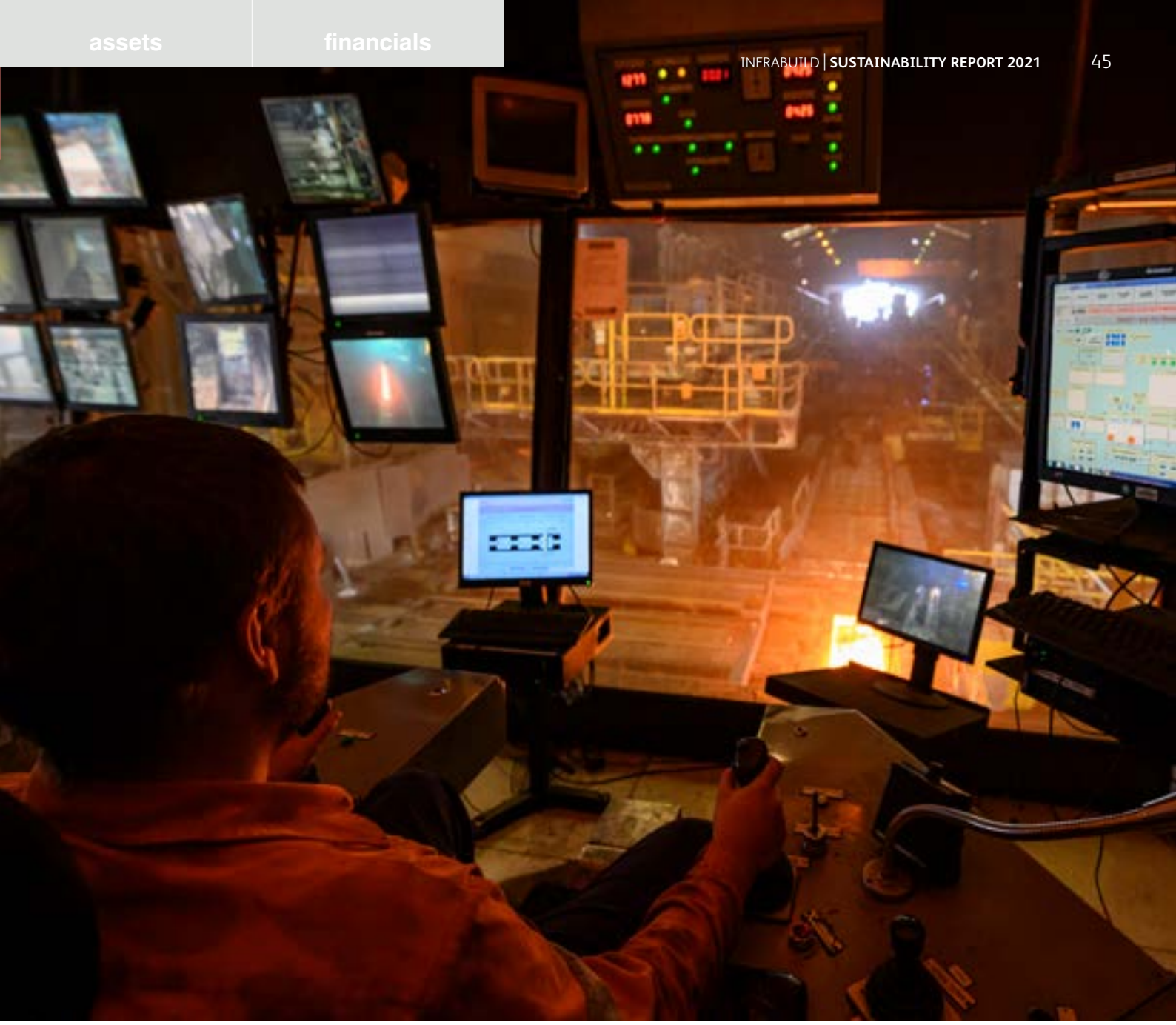
The overarching goals, actions, and recommendations of InfraBuild's sustainability and decarbonisation strategies are designed to position us as a low emission manufacturer, with significant and transparent reductions in the GWP metrics for our steel products.

optimisation and innovation

switch to renewable energy

socially sustainable procurement

market environment and policy settings



Global warming potential

Steelmaking is an inherently energy-intensive process that generates greenhouse gas emissions. Whilst InfraBuild creates steel from recycled scrap through our low carbon emissions steelmaking approaches, emissions are still produced.

Scope 1 emissions are generated using fuels and through industrial chemical reactions, whereas Scope 2 emissions are generated through the consumption of electricity that is generated offsite.

The energy use shown in the tables on the following pages is the total for all energy types, including electricity, natural gas, diesel, and LPG. Because InfraBuild uses the low carbon emissions steelmaking process to produce steel the key energy type used is electricity.

Electricity is obtained from the grid in each state and so is produced from a combination of renewable and non-renewable sources. Because electricity is the key form of energy used by InfraBuild, the main emissions by InfraBuild are Scope 2.

A useful way of understanding greenhouse gas emissions from steel making is through emissions intensity.

This is the tonnes of CO_2 equivalent (CO_2-e) emitted per tonne of steel produced. Using emissions intensity makes it possible to determine whether manufacturing processes are becoming carbon-efficient over time.

Energy efficiency improvements, and emission reduction initiatives all improve emission intensity.

The energy used in the reporting period, and for the preceding four years, is shown in Table 1 for various InfraBuild manufacturing facilities. The energy use shown here is the total for all energy types (electricity, natural gas, diesel, LPG etc).

Table 1: Energy Use FY17-FY21

	FY17	FY18	FY19	FY20	FY21
			(petajoules - PJ)		
Laverton Steel Mill	2.617	3.068	3.187	3.037	3.206
Sydney Steel Mill	2.019	2.220	1.953	2.059	2.154
Newcastle Rod Mill (and Contistretch)	1.176	1.232	1.207	1.165	1.221
Wire Mills (Newcastle Geelong)	0.468	0.528	0.493	0.499	0.480
Austube Mills (Acacia Ridge, Newcastle)	0.091	0.084	0.076	0.073	0.082
Recycling (all sites)	0.277	0.319	0.273	0.242	0.233
Reinforcing and ARC sites	0.172	0.191	0.154	0.154	0.171
Other sites	0.076	0.099	0.157	0.111	0.114
INFRABUILD TOTAL	**6.895**	**7.741**	**7.500**	**7.341**	**7.659**

Electricity is the key energy type used by InfraBuild to produce steel. Electricity is obtained from the grid in each state and so is produced from a combination of renewable and non-renewable sources. Because electricity is the key form of energy used by InfraBuild the main emissions by Infrabuild are Scope 2 emissions. Figure 1 shows the proportion of Scope 1 versus Scope 2 emissions produced by InfraBuild, and the key sources. The detailed Scope 1 and 2 emissions by facility are provided in Table 2.

Figure 1: Scope 1 & 2 emissions by source type

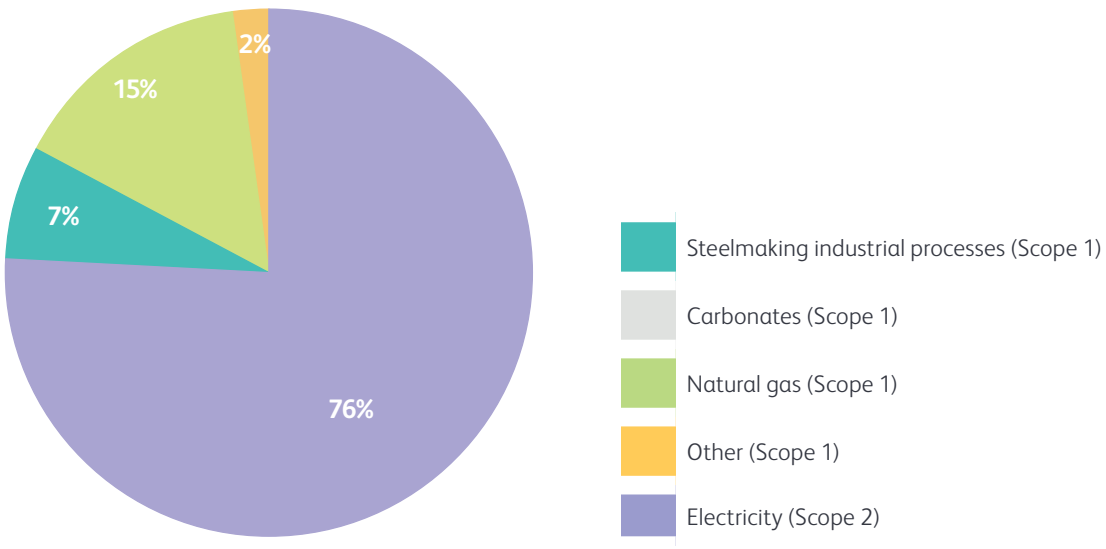
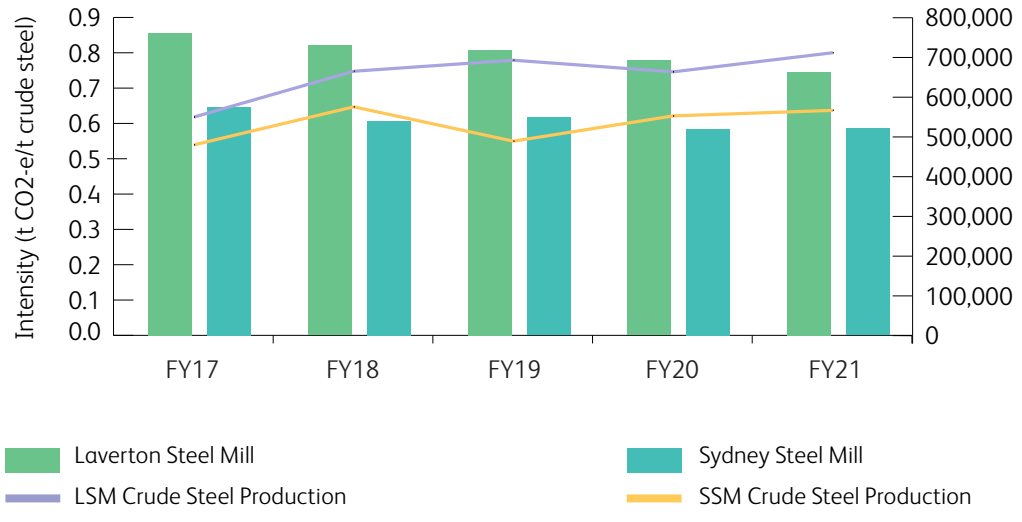


Table 2: Greenhouse Gas Emissions

	Scope 1 Emissions	Scope 2 Emissions	Total Emissions
	(million tonnes CO_2e)		
Laverton Steel Mill	0.113	0.418	0.531
Sydney Steel Mill	0.070	0.262	0.332
Newcastle Rod Mill (and Contistretch)	0.049	0.062	0.111
Wire Mills (Newcastle Geelong)	0.017	0.035	0.052
Austube Mills (Acacia Ridge, Newcastle)	0.001	0.015	0.016
Recycling (all sites)	0.008	0.025	0.034
Reinforcing and ARC sites	0.004	0.025	0.029
Other sites	0.005	0.009	0.014
INFRABUILD TOTAL	**0.267**	**0.851**	**1.118**

A useful way of understanding GHG emissions from steel making is through emissions intensity. This is the tonnes of CO2 equivalent (CO2-e) emitted per tonne of steel produced. Using emissions intensity makes it possible to determine whether manufacturing processes are becoming more or less carbon-efficient over time. The emission intensities of InfraBuild's two steel making facilities are shown in Figure 2.

Figure 2: Greenhouse Gas Emission Intensity FY17-FY21



Energy efficiency improvements, and emission reduction initiatives, all improve emission intensity. One such key initiative that has been recently implemented is the 'Warm Charging Project'. Refer to page 48 for details of this significant improvement initiative.

CASE STUDY

Warm charging project

InfraBuild's electric arc furnaces (EAFs) at Laverton and Sydney melt scrap steel which is then cast into billet. Billets are long square steel bars that are used to create the various final steel products produced by InfraBuild, including reinforcing bar and the rod used to make reinforcing mesh.

During rolling, the billet must be hot enough to be rolled into the final shapes which is achieved by placing the billet in a gas-fired reheat furnace. At this stage, the billet may be warm or hot (having been recently cast), or it may have cooled to the ambient temperature. The initial temperature when it is sent or 'charged' into the reheat furnace makes a significant difference to the time required in the furnace, and therefore the amount of gas used to reheat it to the required temperature for rolling.

Warm charging refers to the practice of minimising the time between the billet being cast and entering the rolling stage of manufacture. If done consistently and effectively, it can deliver significant savings in gas use, and therefore carbon emissions. Warm charging is only possible where the casting and rolling facilities occur at the same site, which is not that case for all InfraBuild facilities where reinforcing products are made.

Warm charging is desirable because it reduces the amount of gas used in making our products. In addition, if these gas savings reach a certain threshold, warm charging may qualify as an 'energy reducing process in steel reinforcement production' under the GBCA Green Star system. This means that additional Green Star points may be available to customers who use these products in their construction projects.

In 2021 a study investigated the actual and potential energy savings through warm charging, and tested whether it delivered adequate gas savings to qualify as an energy reducing process. As part of this study, a baseline was established for gas use when all billet was heated from ambient temperature to the temperature needed for rolling. Data was also collected between July 2020 to March 2021 for various scenarios in which a proportion of processed billet was at ambient temperature, a proportion was warm and a proportion was hot.

The study showed that InfraBuild's current warm charging delivers a significant reduction in energy (gas) use at the Laverton and Sydney rolling mills. However, as noted above, not all InfraBuild facilities have co-located casting and rolling facilities. When factored in, the energy (gas) use reduction across total reinforcing steel manufacture is still significant compared with the requirements for an energy reducing process. This study showed that significant energy reductions are already being achieved through warm charging, and that further focus on better scheduling, and increasing the average charging temperature, will build on that. This work has been verified by an independent assessor and a formal submission for the recognition of warm charging as an energy reducing process has been made.


756963

CASE STUDY

Viribar – low embodied carbon reinforcing bar

Viribar®750 is InfraBuild's new range of high strength reinforcing steels for column fitments.

Delivering an embodied carbon and mass reduction of up to 33 per cent compared to standard 500N fitments, Viribar®750 is more sustainable and can deliver savings in fixing, transport and cranage costs, and is recognised by Australia's peak sustainability bodies. It has the potential to significantly improve the sustainability credentials of construction projects.

Produced in Equivalent Force Capacity diameters to make the direct substitution for 500N fitments easy, it conforms to AS 3600:2018 and AS/NZS 4671:2019. It is also compliant to the National Construction Code (NCC) because it conforms to the Building Code of Australia (BCA).

Viribar®750 is readily identifiable by a unique rolled-in mark that identifies the bar to be 750N material.

As Viribar®750 is directly substitutable for 500N Standard Fitments, in the general case a standard 500N fitment can be substituted with the equivalent Viribar®750 fitment without re-engineering – incurring no redesign costs.

Because Viribar®750 uses less material and energy than its equivalent 500N solution, it is more sustainable than the alternative 500N Standard Fitments. This reduction delivers an embodied energy saving of about 33 per cent.

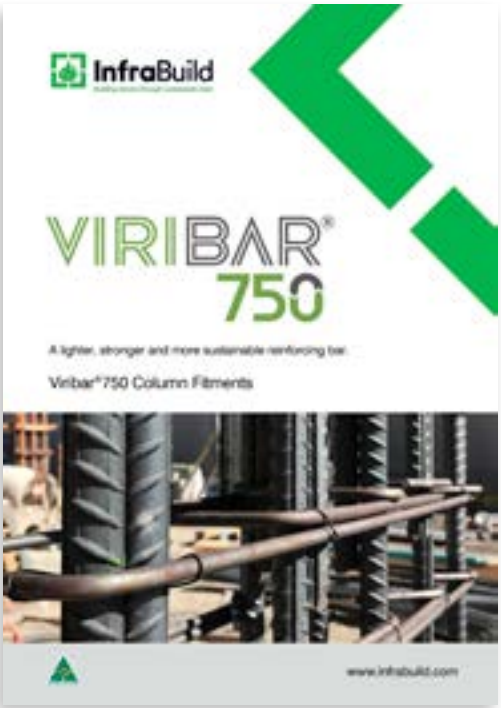
Viribar®750 is also about 33 per cent lighter than its equivalent strength 500N reinforcing bar. This means that compared with the standard 500N bars, it is produced using less energy and raw materials. The lighter product also means that more units can be carried in each truckload and lifted onto the building site with each crane lift.

The Green Building Council of Australia has recognised the improved environmental credentials of Viribar®750 over standard fitments. On Green Star rated projects, it rewards its use in buildings by offering an automatic Green Star point in the Innovation Challenge Credit.

VIRIBAR® 750

Details can be found here: Green Star FAQs - Green Building Council Australia (GBCA)

The Infrastructure Sustainability Council of Australia's (ISCA) IS rating tool also recognises the reduction of raw materials consumed by using Viribar®750 in its Materials Calculator.



Waratah fencing

Waratah is proud to provide its innovative Australian made fencing solution to a significant conservation project.

In partnership with the NSW government, the Australian Wildlife Conservancy (AWC) constructed a 37.2km feral predator-proof fence within Mallee Cliffs National Park, creating a 9,570 ha area of ecologically significant bushland which has now been cleared of feral cats and foxes and will eventually be home to at least 10 regionally extinct mammal species, including the Greater Bilby.

The fencing components used in the exclusion fence at Mallee Cliffs National Park were manufactured in Newcastle NSW. Of particular note for these types of fences is an innovative bracket developed by Waratah to support the so-called 'floppy top', which is the umbrella-like structure of netting at the top of the fence. This stops climbing predators, such as cats and foxes, from climbing over the fence.

The wire netting used for the fence has a 3cm aperture to prevent young rabbits from getting through and is made with Longlife Blue colour wire and supported by Jio steel posts. The fence also has a 'skirt' at the base of the fence to keep feral animals from digging underneath.

Waratah fencing products were also used to create a 480 ha specially designed breeding zone for the bilby, and since the haven was constructed, the AWC has reintroduced bilbies to the wider reserve. Other endangered mammals have also been reintroduced to feral predator-free areas including quolls, numbats, bandicoots, and bettongs. Most of these species have been absent from NSW national parks for more than 90 years – and nearly all are threatened with extinction.

Their return to Mallee Cliffs will help to secure their future and restore several important ecological processes that are vital for maintaining a healthy landscape, such as dispersing seeds and spores, and helping to retain nutrients and water in the soil.

Thanks to Waratah's fencing being used to create this feral predator-free haven, the future of these iconic species in NSW is looking brighter with the population of the Greater Bilby more than doubling at Mallee Cliffs National Park since being reintroduced.

Steel Research Hub

The ongoing collaboration between InfraBuild and the Steel Research Hub is advancing new technologies in Australian steel manufacturing.

The collaboration is part of the Australian Research Council's Research Hub for Australian Steel Innovation (Steel Research Hub) – a five-year research program designed to support a more sustainable, competitive, and resilient Australian steel manufacturing industry.

Led by the University of Wollongong, the Steel Research Hub brings PhD and post-doctoral researchers from nine universities together with nine industry partners, including InfraBuild. Research will focus on projects in areas such as process integration and sustainability, product innovation, industrial transformation, robotics and automation, by-products recycling and digitisation.

The projects will not only futureproof Australian steel manufacturing but also support the next generation of researchers. InfraBuild is committed to working with like-minded stakeholders in developing and adopting new and emerging technologies that support our approach to making low carbon-emission steel products.

InfraBuild's involvement with the Steel Research Hub also supports our efforts in recycling and upcycling scrap and by-products from steel manufacturing – contributing to sustainability in the building and construction industry which plays a strategic role in Australia's nation-building, economic growth, and employment.

Swinburne University of Technology

InfraBuild is teaming up with Swinburne University of Technology (SUT) on two new projects in industrial transformation – focusing on developing sound sensor technology for the control of steel ladles, and data analysis for improving steel products consistency.

The first project aims to address two key issues facing the steel industry: improving the quality of products through better process control; and lowering operating costs through improved measurements. The project will investigate new sensor technology in control systems to improve steel ladle operations using microphones and cameras. It is anticipated this will result in improved competitiveness of the local steel recycling industry and the promotion of metal recycling.

The other project aims to improve the overall consistency of steel products. It will examine data drawn from steel manufacturing equipment, steel products and plant operators at InfraBuild's Laverton operations and develop new technology to automate machine settings and reduce variations in steel billet products.

Deakin University

Two new projects bring together InfraBuild and Deakin University to deliver advancements in both wire and reinforcing products.

The first project aims to improve the life of hot dip coated wire by delivering process and material innovations to InfraBuild's hot dipped coated steel wire products.

The project will initially focus on improving corrosion resistance while maintaining sufficient ductility. Next-generation, environmentally friendly protective coating formulations will also be designed and developed, with a long-term view towards commercial adoption.

The second project on steel reinforcement products will investigate process improvements to optimise strength-ductility balance in reinforcing construction steel products. The project will design alloys to maximise the product performance and conduct industrial trials. It is expected the product advancements will provide the construction industry with lower embodied carbon steel solutions, greater performance and reliability.

Green Building Council of Australia

Established in 2002, the GBCA's purpose is to lead the sustainable transformation of the built environment.

The GBCA Green Star tool is the peak sustainability ratings tool in the building construction market and Green Star is Australia's largest voluntary and truly holistic sustainability rating system for building frames, building performance, building fit-outs and communities.

Green Star aims to transform the built environment by:

- Reducing the impact of climate change
- Enhancing our health & quality of life
- Restoring and protecting our planet's biodiversity and ecosystems
- Driving resilient outcomes for buildings, fit outs, and communities
- Contributing to market transformation and a sustainable economy.

The GBCA also educate industry, government practitioners and decision-makers, and promote green building programs, technologies, design practices and operations. They represent more than 550 members including individual companies with a collective annual turnover of more than $46 billion.

Members include major developers, professional services firms, banks, superannuation funds, product manufacturers, retailers, utilities, and suppliers. InfraBuild has been a member of the GBCA for over 10 years.

Key deliverables

The GBCA provides clear and consistent guidelines in the Green Star tool as to how InfraBuild products and markets can assist customers in gaining Green Star points. Currently, there are two Green Star tools in the market. The Design and As Built tool has been in use since 2014 with the newer Green Star Buildings tool launched in October 2020. These Green Star tools recognise and reward InfraBuild's environmental information and credentials, including:

- EPDs,
- ISO 14001
- Membership of the worldsteel Climate Action Program
- Design optimisation – reduced embodied carbon and higher strength structural steel usage
- Reduced waste
- Energy efficient technologies
- Social sustainability initiatives and policies, such as the Modern Slavery Statement
- Australian Steel Institute Environmental Sustainability Charter, Mark I

Green Star Buildings Tool

InfraBuild has been working as a Future Focus Supporting Partner with the GBCA on the new Green Star Buildings tool released in October 2020.

This latest version provides a new framework and criteria for the design, construction and operations of buildings and assets that it rates. It also provides incentives to reduce the carbon emissions associated with these buildings and assets over time.

InfraBuild is looking to ensure that our customers can economically deliver the highest sustainability outcomes when using InfraBuild products, through our EPDs, certifications, memberships, market offers, and a range of other sustainability credentials that are already recognised in the Design and As-built tool and the Green Star Building tool.

We are also working with the GBCA to understand the developing opportunities in the Green Star Building tool, particularly in the Responsible Structure credit and the associated Responsible Product Values. As part of this work, InfraBuild is assessing the opportunity to have Type I Ecolabels, Climate Active certification, and other recognised initiatives or attributes for our products.

National Recycling Week

InfraBuild celebrated National Recycling Week's 25th anniversary by encouraging all Australians to recover, reuse and recycle all metallic waste.

Every year, InfraBuild Recycling recovers about 1.4 million tonnes of recycled metals for our electric arc furnaces to manufacture the steel needed for residential and commercial construction, and Australia's nation-building and infrastructure projects. It is making a significant contribution to our journey towards making low carbon emission sustainable steel.

Recycling metal reduces pollution, saves resources, and reduces waste going to landfill. The community plays an integral role in providing a sustainable supply of feedstock for our electric arc furnaces to produce steel.

InfraBuild is committed to using new and emerging technologies and manufacturing processes to further reduce our carbon footprint and make sustainable steel. A thriving steel industry, based on a strong foundation of metals recycling, is not only good for the planet but for society and the economy.

VIK BANSAL, INFRABUILD CEO AND MANAGING DIRECTOR

Sorting is not recycling: steel's role in driving a circular economy

I will start with a bold statement – metal is the next global ESG story. Decarbonisation of steel cannot happen without recycling of scrap metal and its participation in the circular economy of steel.

Steel is the building block of any society and with geo-political changes post COVID-19, steel manufacturing is now part of a resilient sovereign infrastructure - no different to water or electricity.

National Recycling Week in Australia during November was the 25th year of the initiative and a time for all to reflect on the impact we have on the planet and environmental sustainability. We are no longer talking about recycling as simply a 'feel good' sentiment, but instead as a 'mission critical' for humanity. While there will be those who get on the band wagon this week and join the chorus, the question to be asked is: 'what are we doing post sorting?' Because sorting is not recycling. Recycling is participation of the resources recovered back into the economy – unless it is done and consumed, we are not doing recycling.

These themes, which are a focus for us every day at InfraBuild, take on extra clarity this year through the lens of the COP-26 event in Glasgow, and the international focus on sustainability and decarbonisation.

The steel industry is rising to this challenge. Ahead of COP-26, the Mission Possible Partnership, through its Net-Zero Steel Initiative (NZSI), released its roadmap for the global steel sector to reach net-zero emissions by 2050. The industry-backed roadmap includes, among other key areas, a focus on bringing zero-carbon primary steel production technologies to market by 2030 and accelerating the growth of scrap-based production.

For some time now, as part of our journey towards decarbonisation at InfraBuild, we have been contributing to the circular economy and a more sustainable society. We are already on the road to making sustainable steel.

Every year our domestic recycling facilities recover about 1.4 million tonnes of recycled metals for our Electric Arc Furnaces (EAFs) to manufacture the steel needed for residential and commercial construction, and Australia's

"For some time now, as part of our journey towards decarbonisation at InfraBuild, we have been contributing to the circular economy and a more sustainable society."

nation-building and infrastructure projects. Through this we make a significant contribution to our journey towards making low carbon emissions steel.

We significantly reduce the amount of scrap steel that is either thrown out or dumped illegally. By upcycling scrap metal through our EAFs in Sydney and Melbourne, we reduce the drain on natural resources, such as iron ore and coking coal, that are required when making primary steel through blast furnace methods.

Recycling one tonne of steel scrap saves 1.5 tonnes of CO_2, 1.4 tonnes of iron ore, 740kg of coal and 120kg of limestone. Globally, around 650 Mt per year of scrap is consumed each year for steel production. This avoids the emission of about 975 Mt of CO_2 annually and significantly reduces the use of natural resources.

With 28 recycling facilities around Australia, we offer local recycling solutions for households, local government, mining, demolition, automotive and waste companies. Our recycling capabilities and service helps everyone participate in the circular economy. We provide a pathway from collection to processing and ultimately transforming scrap metal into a valuable resource and providing a socially, environmentally, and economically responsible alternative to landfill. This extends around the world through our global operations, with scrap metal facilities in the US (Tampa, Florida and LaPlace, Louisiana) and our recycling export terminal in Gdansk, Poland.

Recycling metal reduces pollution, saves resources, and reduces waste going to landfill. Coupled with the fact that steel is recyclable over-and-over again with no loss in quality each time, it's clear that metals recycling is an integral part of the circular economy. It's good for future generations.

We can all help with metals sorting – let us recycle it for you.

Increasing circularity in specialised applications

InfraBuild's steel manufacturing business supplies steel bar products to a range of customers, specialising in the provision of mining solutions to the resources sector. These customers transform the bar to make roof bolts use to support the roof structure of coal mines. The roof support solution is achieved by drilling holes into the roof and filling them with a two-pack grouting system then inserting the bolts which mixes the grout causing it to set.

The traditional HSAC840 roof bolt grade has been manufactured at InfraBuild utilising billet made from blast furnace (BF) manufacturing techniques with a low recycled content, sourced from Liberty Primary Steel in Whyalla.

This material has demanding and stringent mechanical properties requirements to ensure the performance of the finished bolt.

The requirement of the demanding steel properties ensures that the product performs in the potential high-risk end use application it is designed for – supporting underground roof structures.

In December 2019, InfraBuild commenced a project to manufacture this grade at its Sydney Steel Mill – despite it being considered a technically difficult grade to make via an electric arc furnace (EAF) manufacturing process. This created an opportunity to significantly increase the recycled scrap steel content and utilise virtually 100 per cent scrap ferrous feed.

The first stage of the project involved several trial heats to perfect the chemistry needed to manufacture the roof bolts.

The second stage involved working with UNSW's Mining Engineering School to compare the stress corrosion cracking resistance of the EAF produced steel to the BF produced steel. Stress corrosion cracking can lead to premature failure of bolts in some situations leading to an increased risk for miners. The trials demonstrated that the new EAF manufactured product resulted in a finished product which performs at a level which is at least the equivalent of the BF produced version.

However, there remained the question whether the Sydney Steel Mill's caster could produce the new roof bolt in commercial quantities. More trial heats were conducted with gradual improvements each time until the caster team cracked the code – producing a seven-heat sequence and then a ten-heat sequence with no castability issues.

The EAF manufactured product is now being produced and supplied to the market in significant volumes, effectively replacing the BF alternative.

InfraBuild is pleased to have transformed this product to an EAF manufactured feed, considerably increasing the amount of recycled content in the finished product, whilst delivering on our customers' stringent and exacting requirements for the mechanical properties of the product.

Steelmaking slag – a key ingredient in vital construction products

Slag is a co-product of steelmaking and is produced when molten steel is separated from molten silicates and oxides forming a type of artificial rock when cooled. Solidified slag, which looks and feels like rock, can be crushed and screened to various sizes – the same way natural rock is processed after being quarried to make aggregate for the construction industry.

InfraBuild produces about 130,000 tonnes of slag every year that is transformed and repurposed in a safe and sustainable way by substituting it for quarried rock and aggregate where possible. Slag produced by InfraBuild's steelmaking operations is crushed, screened, tested and approved for use in various construction applications, including sealing, asphalt and filter aggregate, road pavement and road base, engineered fill, and as a component of concrete.

Prior to its reuse, the slag is subjected to a variety of safeguards to ensure it presents no environmental risks. There are strict controls on the level of certain elements in slag (such as metals) to prevent leaching into surrounding soils and groundwater once the repurposed slag is in place. These limits, along with sampling and testing requirements, are documented in resource recovery orders in NSW and Victoria. InfraBuild also maintains records to prove ongoing compliance with these requirements which are subject to regular checks by local authorities.

By reusing slag in this way, InfraBuild is producing an essential product for construction while reducing the need for mining and quarrying natural rock – and diverting slag from landfill.

In 2021, all slag produced by InfraBuild was available for reuse with none going to landfill.

Market Engagement

InfraBuild recognises the importance of our stakeholders in achieving our mission of Building futures through sustainable steel which is underpinned by strong, enduring and enabling relationships and partnerships.

InfraBuild understands that cooperation and collaboration with our key stakeholders is vital to building strong relationships. This helps us understand their key challenges, opportunities and motivations and guide us to develop and implement competitive and sustainable solutions.

Victorian government recycled supplier map

InfraBuild has been included in a recently launched Victorian government supplier map aiming to optimise the use of recycled and reused materials.

Available to government, project teams and contractors, the supplier map forms part of the implementation of the Recycled First Policy for Victorian transport projects and Victoria's Big Build.

With InfraBuild's strong and mature footprint around the use of recycled materials and a long-term presence in the Victorian market as a recycler, manufacturer, processor, and distributor of steel, we are pleased to work with the Major Transport Infrastructure Authority (MTIA) to be included in the supplier map.

The supplier map will be used in Victorian transport projects and Victoria's Big Build as well as helping Victoria innovate and grow its domestic recycling capabilities, build local markets, and find new uses for recycled content.

InfraBuild's inclusion further enhances our position in the construction and infrastructure market through our supply of products with a high-recycled content.

Our recycling capability further enhances the circularity of our business by recovering scrap steel at its end-of-life stage.

InfraBuild's Victorian metropolitan, regional and cross-border locations in NSW and South Australia have been included in the supplier map.

Environmental Product Declarations

An Environmental Product Declaration (EPD) is a document that provides environmental information on the lifecycle impacts of products as well as other broader environmental impacts. This information includes the consumption of energy, water, and other resources, as well as emissions per unit of finished product to water, air, and soil.

EPDs are used by sustainability professionals and the construction and infrastructure market to assist with making informed decisions on the environmental attributes of the various products used in construction projects. EPDs are developed and published to an internationally agreed format, including to EN15804 and ISO14025.

InfraBuild recently updated, verified, and rebranded our EPDs which were subsequently published by EPD Australasia in September 2020.

The five InfraBuild EPDs cover a range of Australian made steel products – manufactured, processed, and distributed by InfraBuild and ARC, covering:

1. Hot rolled Structural Steel and Merchant Bar Products (Mill)
2. Hot rolled Structural Steel and Merchant Bar (InfraBuild Steel Centre)
3. Reinforcing Rod, Bar and Wire Products (Mill)
4. Reinforcing Bar and Mesh (InfraBuild Reinforcing)
5. Reinforcing Bar and Mesh (ARC)

Developed in conjunction with thinkstep-anz and independently verified by start2see, each InfraBuild EPD has been updated in line with the required five-year validity, including updated hotspot data covering over 95 per cent of all impacts.

These EPDs supersede the original OneSteel and ARC EPDs published in November 2016.

InfraBuild's EPDs comply with the requirements for valid EPDs as recognised by EPD Australasia. They are also recognised by the Green Building Council of Australia (GBCA) in their respective Green Star Rating Tools, and the Infrastructure Sustainability Council's IS® Rating Tool.

There have also been improvements in the Global Warming Potential (GWP) impact category for both reinforcing bar and reinforcing mesh products available through InfraBuild Reinforcing and ARC. The GWP for these products have reduced by nine per cent and 22 per cent respectively.

InfraBuild is committed to creating a more sustainable future for industry and society. The EPDs are an important part of this commitment. The inclusion of Material Circularity Indicator (MCI) metrics for each product featured in the EPDs provides vital information for sustainability professionals as the business shifts to a more circular production model.

In recognising increasing customer demand for standardisation and greater transparency of our environmental performance, InfraBuild sees the publication of the sustainability credentials of our products as vitally important. The updated EPDs play a major role in the overall approach taken by the business through the environmentally sustainable manufacture and application of its products.

Access the InfraBuild EPDs here

Davina Rooney – CEO
Green Building Council of Australia

"InfraBuild has been an early leader in transparency with their commitment to carbon neutrality by 2030, and is showing an ongoing commitment to sustainability with their updated Environmental Product Declarations. The new suite of EPDs clearly verify the sustainable solutions that InfraBuild are offering to the market."

Carbon offset model

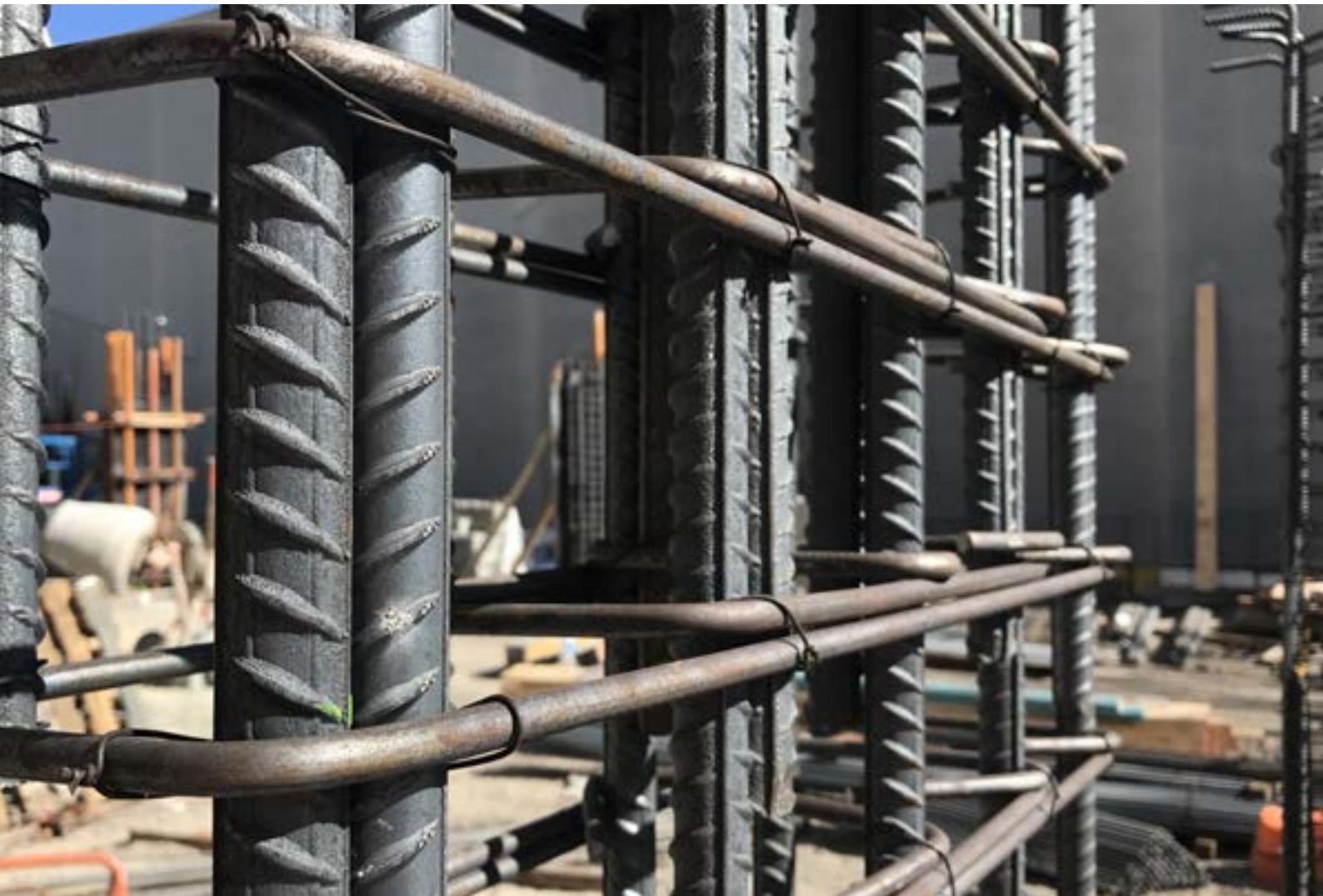
Carbon offsetting is an approach that provides a mechanism for companies and individuals to invest in environmentally sustainable projects that offset emissions generated elsewhere, such as the manufacture of construction materials – including steel.

Our CN30 work is aimed at delivering significant and tangible reductions in our emissions to achieve our low emission goals, with the use of accepted carbon offsets to account for any residual emissions that can't be economically or technologically mitigated.

It is in this context that InfraBuild Reinforcing has been providing carbon offset solutions for Australian construction projects since 2019.

Our Environmental Product Declarations (EPDs) are used to provide an acceptable baseline for the embodied carbon intensity of the reinforcing bar and mesh products used in a project. In conjunction with the material quantities, this allows the embodied carbon footprint of the steel required for the project to be calculated. Agreement is then reached on the level of offsetting required.

InfraBuild Reinforcing has been involved in projects where up to 100 per cent of the embodied carbon content of the reinforcing steel supply has been offset. To deliver a transparent and rigorous solution, InfraBuild Reinforcing generally only purchases Verified Emissions Reductions (VERs) carbon offsets as part of their offer.



Australian Institute of Building Surveyors

The Australian Institute of Building Surveyors (AIBS) is recognised nationally and internationally as the peak professional body representing building surveying practitioners in Australia.

Statutory building surveyors have legislative authority to assess and evaluate plans and designs for proposed buildings, including proposed alterations and improvements, and proposed regulated building use, including proposed changes in use to ensure the plans, designs and use comply with the relevant building standards and statutory regulatory requirements.

Building surveyors ensure that buildings are constructed in accordance with approved plans and in accordance with the National Construction Code and Australian Standards to ensure that they are safe and compliant.

They play an important role in:

- Enforcing the compliance of construction products
- Certifying inspected works as complying with regulatory requirements
- Approving the use and occupation of buildings or parts of buildings in accordance with relevant laws

If the inspected works do not comply with regulatory requirements, use and occupation of the building will not be approved.

InfraBuild engages with the AIBS by providing training and supporting information on the compliance of reinforcing and structural steels to the respective Australian Standards covering structural design and manufacture of these steels.

Travel limitations caused by COVID, restricted InfraBuild to only presenting in person at the AIBS Queensland/ Northern Territory State Conference in Brisbane and the AIBS Professional Development Days in Melbourne and Sydney. Virtual presentations were provided to the AIBS Members that were part of the AIBS State Conferences in New South Wales, Victoria and South Australia.

Infrastructure Sustainability Council

The Infrastructure Sustainability Council (ISC) helps generate social, environmental, and economic returns for society by working closely with industry to embed sustainability in every aspect of its horizontal infrastructure and benefit people living in Australia, New Zealand and beyond.

Infrastructure includes the basic physical and organisational structures needed for society. It is the roads we drive on, the electricity lines that bring us power, and the airports we fly from. ISC is involved with all types of infrastructure, including roads, rail and ports, telecommunications, and utilities, waste, and water.

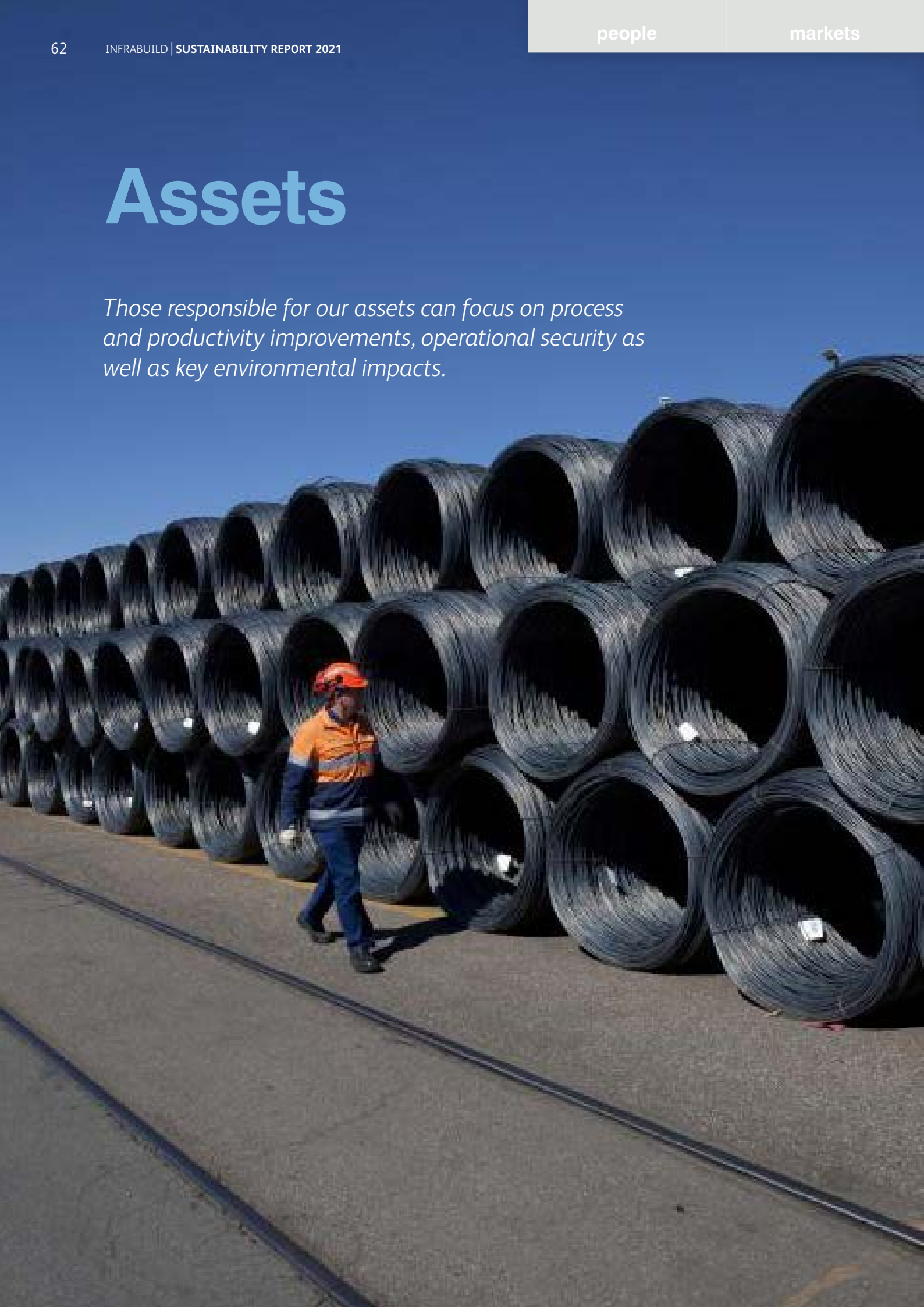
ISC is an influential actor in the infrastructure sustainability market and InfraBuild works with them to:

- Promote positive sustainability outcomes
- Be a platform for standards and compliance
- Provide technical education and design support to the industry
- Promote transparency and traceability in supply chain

InfraBuild has been a member of ISC (previously the Infrastructure Sustainability Council of Australia and Australian Green Infrastructure Council) for more than 10 years.

Assets

Those responsible for our assets can focus on process and productivity improvements, operational security as well as key environmental impacts.



Continuous Improvement

Across InfraBuild's operations, we are committed to a process of Continuous Improvement – it's part of our values. For our steel mills, this means the nonstop pursuit of streamlining processes towards more sustainable operations and manufacturing excellence.

Both Victorian and NSW steel mills are constantly looking for areas requiring improvement in the steelmaking and manufacturing process. By streamlining processes, we can make gains in both production efficiencies and cost savings.

Two recently announced improvements at the Laverton Steel Mill in Melbourne and Sydney Steel Mill at Rooty Hill will have flow-on benefits, improving operational efficiencies and minimising wastage for the business.

For both InfraBuild steel mills, the ongoing continuous improvement strategy is essential. Steel making is a competitive industry with global production of around 1.8 billion tonnes across almost every country.

With a large number of exporters to Australia, continuous improvement is a key factor in maintaining an edge over our competitors.

CASE STUDY

Laverton Rod Mill: improving finishing end speed and throughput

At Laverton's Rod Mill, a long-term bottleneck in the manufacturing process was the finishing end. The problem was the number of hours generated each year through trestle availability delays.

Head of Victorian Rod and Bar Manufacturing, Hercules Van De Merwe explains, "As the Laverton Rod Mill is a single strand mill, all coils produced must be tied by one tying machine. The speed of this machine determines the throughput of the mill in several sections. Consequently, speeding up the tying machine leads to an increase in the throughput of the mill, by reducing the trestle cycle time."

Through the Six Sigma DMAIC (Define, Measure, Analyse, Improve, Control) methodology, the team tasked with addressing the issue identified opportunities for improving the finishing end process.

Reviewing footage gave the team insights into actual process equipment times, while smart pressure transducers also provided process feedback. This resulted in significant step-change throughout the process, and with IO-Link sensors the team were able to optimise the tying machine process, and therefore reduce the cycle time.

The optimised process has reduced the tying machine cycle time from 79.5 secs to 73 secs, resolving the bottleneck at the rolling product finishing end. The result is a minimisation in delays and an improved capacity.

CASE STUDY

Sydney meltshop breaks mould life record

A Six Sigma project at the Sydney Steel Mill was undertaken to extend the life of precision-made copper moulds, which are part of the steelmaking process.

The billet caster pours molten steel into these moulds, which causes a frozen steel skin to form around the liquid core of the continuous strand, like the frozen outer shell of an ice cube.

Over the past five years ongoing efforts have been made by the Sydney Melt Shop to improve the life of these high-cost consumable moulds. The benefits would be cost savings and reducing caster downtime for change-outs.

The team identified several opportunities and solutions, from changing the type of mould lubricant, to installing flow meters to fine-tune mould lubricant use. The team also trialled different suppliers for mould copper tubes and implemented the use of a mould measuring device on every down day to ensure the taper profile remained to specification. These measures, combined with continuous good operational control by shift crews, has resulted in significant benefits.

Overall, the copper mould process is more sustainable: the improvement in mould life has led to lower consumption, and sourcing from a new mould supplier has contributed to savings. In the 2020-2021 financial year, 40 mould tubes were used compared to 81 in FY19-20. It's anticipated there will be an increased benefit for FY21-22 in savings both from a sustainability and maintenance point of view. In addition, a lower strand breakout rate has also been observed.

The benefits of this project are clear when comparing mould life over the past five years:
The average mould life in FY2015 was 161 heats. The average mould life in FY2021 was 573 heats and has continued to improve: our current average mould life in FY21-22 is 766 heats. And a mould life record was achieved in September 2021 of 1,026 heats.

Securing our future

Mayfield acquisition

In 2021, InfraBuild reacquired vital infrastructure for its operations in the Port of Newcastle.

The unique Mayfield site is about one million square metres with 1.8km of direct deep waterfront within the greater Newcastle port precinct and access to important infrastructure. Aside from the port facilities, this includes rail and essential services.

InfraBuild can trace its history to the site back more than a century which now hosts our rod mill, wire mill, slag repurposing area and National Distribution Centre, in addition to several operational and administrative teams.

Ownership of the Mayfield site will help InfraBuild create an enduring competitive advantage and reaffirms our commitment to the local community and key contributor to the local economy.

With 100 years of continuous operation, InfraBuild is Australia's leading vertically integrated steel recycling, manufacturing, and distribution business, providing sustainable steel and steel products for commercial and residential construction, large scale and nation-building infrastructure, primary producers and rural sectors.

Financials

The financial function plays a key role in ensuring that the appropriate funding is available to support investment in our people, assets, and market offer.

Performance highlights

InfraBuild announced a solid operational and financial outcome for the full year ending 30 June 2021, with substantial progress made in lowering operating costs and improving EBITDA margin.

High levels of construction activity were underpinned by government stimulus, domestic spending, dislocation of global supply chains and a preference for locally produced goods. Market fundamentals were strong while a rebound in global economic recovery drove ferrous and non-ferrous scrap to peak pricing and higher intake volumes.

Increased working capital was required to support this higher-than-expected demand and high raw material prices, with a consequent impact on operating cashflows.

Safety performance vastly improved in FY21 in line with InfraBuild's priority to create healthy, safe, and sustainable workplaces.

Revenue	EBITDA	Safety (TRIFR)
FY21 up by **12%**	*FY21 up by* **52%**	*FY21 better by* **20%**

Based on comparison with FY20 results.

Appendices

Appendix 1 – Acronyms, abbreviations, definitions

ARC	Australian Reinforcing Company
BF	Blast furnace
CN30	Carbon neutral by 2030
EAF	Electric Arc Furnace
EBIT	Earnings before interest and taxes
EBIT Margin	A financial ratio that measures profitability by dividing EBIT by sales or net income
EBITDA	Earnings before interest, taxes, depreciation and amortization
EPD	Environmental Product Declaration
ESG	Environmental, social and governance
GBCA	Green Building Council of Australia
GFG	Short for GFG Alliance, the parent company of InfraBuild
GWP	Global warming potential
ISC	Infrastructure Sustainability Council
LSM	Laverton Steel Mill
MCI	Material circularity indicator
NRM	Newcastle Rod Mill
NWM	Newcastle Wire Mill
SSM	Sydney Steel Mill
STEM	Science, technology, engineering and maths
TRIFR	Total recordable injury frequency rate
WRIB	"We are InfraBuild": • We are One and stronger together • Respect • Improving and innovating continuously • Building a sustainable future

Appendix 2 – Sustainability Accounting Standards Board (SASB)

This table provides disclosures against the Sustainability Accounting Standard "Iron and Steel Producers – Industry Standard 2018 - 10".

Measure	Units	SASB Metric	Alignment	FY21	Reference/Comment
Activity metric					
Raw steel production	000 tonnes	EM-IS-000.A	Aligned	1,279	InfraBuild produces 100% of its steel using electric arc furnaces
Workforce Health and Safety					
Fatalities	Number	EM-IS-320a.1	Aligned	0	
Total recordable injury (TRI)	Number	EM-IS-320a.1	Aligned	96	
Lost time injury (LTI)	Number	EM-IS-320a.1	Aligned	14	
TRIFR (TRI per million hours worked)	Rate	EM-IS-320a.1	Aligned	8.89	
LTIFR (LTI per million hours worked)	Rate	EM-IS-320a.1	Aligned	1.30	
Greenhouse Gas Emissions					
Scope 1 GHG emissions	ktCO2-e	EM-IS-110a.1	Aligned	260	
Scope 1 GHG emissions covered under emissions-limiting regulations	%	EM-IS-110a.1	Aligned	100	All Australian InfraBuild sites are subject to the requirements of the Safeguard Mechanism..
Air Emissions					
Oxides of nitrogen	tonnes	EM-IS-120a.1	Partially aligned*	135	*Nitrous oxide and other GHGs are the only air emissions reliably measured for all InfraBuild facilities.
Energy Management					
Net energy consumption	Petajoules (PJ)	EM-IS-130a.1	Partially aligned*	7,341	*doesn't show breakdown between grid electricity and renewables.
Water Management					
Total water consumption	Megalitre (ML)	EM-IS-140a.1	Partially aligned*	2,715	Total water purchased. InfraBuild does not extract water from surface or groundwater sources. *does not inc. % recycled or % from high water stress locations.

Appendix 3 – Global Reporting Initiative (GRI)

General Disclosures		
DISCLOSURE	DESCRIPTION	Data/pg. no reference
GRI 2: General Disclosures	**The organisation profile**	
	Disclosure 2-1 Organisational details	a. InfraBuild Trading Pty Ltd b. Australian Private Company c. Level 27, 8-12 Chifley Square Sydney, New South Wales, 2000 Australia d. Australia
	Disclosure 2-2 Entities included in the organisation's sustainability reporting	a. The index contains reporting for Infrabuild Pty Ltd, including the following entities - Australian Reinforcing Company - Australian Tube Mills - InfraBuild Construction Solutions - InfraBuild Steel and Rod & Bar - InfraBuild Recycling - InfraBuild Wire
	Disclosure 2-3 Reporting period, frequency and contact point	a. Reporting period - 2021 calendar year (except where FY21 is indicated). Frequency: This is the first GRI Index completed by the organisation b. Reporting period - 2021 calendar year (except where FY21 is indicated) c. Report publication data - 4 MARCH 2022 d. Contact point for questions - Steve Porter steve.porter@infrabuild.com
	Disclosure 2-4 Restatements of information	As this is the first sustainability report by InfraBuild there is no restatement of information
	Disclosure 2-5 External assurance	No external assurance has been sourced. It is intended that future reports be externally assured.
	Activities and workers	
	Disclosure 2-6 Activities, value chain and other business relationships	Our Operations (page 9), Our Brand (page 10), Where we do business (page 11)
	Disclosure 2-7 Employees	Employees (page 24)
	Disclosure 2-8 Workers who are not employees	Contractor numbers = 568 (avg per month), 90% male, 10% female average - third=part labour hire FTEs Work performed - General maintenance
	Governance	
	Disclosure 2-9 Governance structure and composition	Our material topics (page 14)
	Disclosure 2-10 Nomination and selection of the highest governance body	Our material topics (page 14)
	Disclosure 2-11 Chair of the highest governance body	Our material topics (page 14)
	Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	Our material topics (page 14)
	Disclosure 2-14 Role of the highest governance body in sustainability reporting	Our material topics (page 14)
	Disclosure 2-19 Remuneration policies	Remuneration and reward (page 26)
	Disclosure 2-20 Process to determine remuneration	Remuneration and reward (page 26)

General Disclosures		
DISCLOSURE	DESCRIPTION	Data/pg. no reference
GRI 2: General Disclosures	**Strategy, policies and practices profile**	
	Disclosure 2-22 Statement on sustainable development strategy	Our material topics (page 14)
	Disclosure 2-23 Policy commitments	Governance and Risk (page 18)
	Disclosure 2-24 Embedding policy commitments	Governance and Risk (page 18)
	Disclosure 2-26 Mechanisms for seeking advice and raising concerns	Peakon (page 24)
	Disclosure 2-27 Compliance with laws and regulations	Environmental compliance (page 17)
	Disclosure 2-28 Membership associations	Market engagement (page 58)
	Stakeholder engagement	
	Disclosure 2-29 Approach to stakeholder engagement	Our stakeholders (page 15) Market engagement (page 58)
	Disclosure 2-30 Collective bargaining agreements	Remuneration and reward (page 26)
Material Topics		
GRI 3: Material Topics	**Disclosures on Materials**	
	Disclosure 3-1 Process to determine material topics	Our material topics (page 14)
	Materials	
	Disclosure 301-1 Materials used by weight or volume	Non-renewable materials used; natural gas, coking coal, diesel, petrol, LPG, acetylene, oil and grease (see below). This is for the following sites: LSM, SSM, NRM, InfraBuild Reinforcing, Recycling, ARC, AusTube, InfraBuild wire (NWM) *Natural gas consumption (MJ) - 3,224,228,136* *Coking coal consumption (t) - 24,321* *Diesel consumption (kL) - 5,088* *Petrol consumption (kL) - 8* *LPG consumption (kL) - 470* *Acetylene consumption (GJ) - 122* *Oil consumption (kL) - 619* *Grease consumption (kL)- 21* Renewables materials used: See "Sorting is not recycling: steel's role in driving a circular economy" (page 54)
	Disclosure 301-2 Recycled input materials used	Renewables materials used: See "Sorting is not recycling: steel's role in driving a circular economy" (page 54)
	Energy	
	Disclosure 302-1 Energy consumption within the organisation	Decarbonisation (page 44)
	Disclosure 302-3 Energy intensity	Decarbonisation (page 44)
	Disclosure 302-4 Reduction of energy consumption	Decarbonisation (page 44)
	Water and Effluents	
	Disclosure 303-5 Water consumption	Refer to SASB table (page 69)
	Emissions	
	Disclosure 305-1 Direct (Scope 1) GHG emissions	Decarbonisation (page 44)
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Decarbonisation (page 44)
	Disclosure 305-4 GHG emissions intensity	Decarbonisation (page 44)
	Disclosure 305-5 Reduction of GHG emissions	Decarbonisation (page 44)
	Disclosure 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Refer to SASB table (page 69)

Material Topics		
DISCLOSURE	DESCRIPTION	Data/pg. no reference
GRI 3: Material Topics	**Waste**	
	Disclosure 306-3 Waste generated	Decarbonisation (page 15)
	Disclosure 306-4 Waste diverted from disposal	Refer to case study (page 49)
	Supplier Environmental Assessment	
	Disclosure 308-1 New suppliers that were screened using environmental criteria	Refer to SASB table (page 69)
Economic Performance		
GRI 201: Economic Performance	**Economic Performance**	
	Disclosure 201-1 Direct economic value generated and distributed	Financials - Performance highlights (page 66)
	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Internal and external audit (page 19)
Social		
GRI 4: Social 2021	**Employment**	
	Occupational Health and Safety	
	Disclosure 403-1 Occupational health and safety management system	WRIB Safe (page 21)
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	WRIB Safe (page 21)
	Disclosure 403-6 Promotion of worker health	I Am Here (pages 27)
	"Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships"	WRIB Safe (page 21)
	"Disclosure 403-8 Workers covered by an occupational health and safety management system"	WRIB Safe (page 21)
	Disclosure 403-9 Work-related injuries	Safety performance (page 21)
	Disclosure 403-10 Work-related ill health	Safety performance (page 21)
	Training and Education	
	Disclosure 404-1 Average hours of training per year per employee	The organisation requires all staff to undertake at least four mandatory online training sessions.
	Forced or Compulsory Labor	
	"Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor"	Modern slavery (page 32)
	Forced or Compulsory Labor	
	Disclosure 414-1 New suppliers that were screened using social criteria	Modern slavery (page 32)
	Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Modern slavery (page 32)
	Marketing and Labeling	
	Disclosure 417-1 Requirements for product and service information and labeling	Environmental Product Declarations (page 59)

Disclosure 2-7 Employees

State	Permanent			Fixed Term			Casual			Grand Total
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
NSW	225	1810	2035	5	47	52		3	3	2091
VIC	91	936	1027	3	19	22				1049
QLD	102	777	879	3	0	3	2	11	13	895
WA	44	171	215							215
SA	21	135	156	1	1	2				157
TAS	9	44	53							53
ACT	3	14	17							17
NT	4	21	25							25
Overseas		2	2							2
Grand Total	**498**	**3910**	**4408**	**11**	**68**	**79**	**2**	**14**	**16**	**4503**

The front cover of this InfraBuild Sustainability Report features the Kwinana Waste to Energy project. InfraBuild played an important role in delivering 3,600t of reinforcing and approximately 1,000t of prefab pile cages to the landmark project in Western Australia.

Innovation delivering energy

The Kwinana Waste to Energy project is a waste processing facility which will use moving grate technology to process approximately 400,000 tonnes of municipal solid waste, commercial and industrial waste and/or pre-sorted construction and demolition waste per annum to produce approximately 36 MW of baseload power for export to the grid.

The facility is an important and significant renewable energy project for Western Australia and Australia. It will be the first thermal utility-scale Waste to Energy facility constructed in the nation, diverting approximately 25 per cent of Perth's post-recycling rubbish from landfill sites.

Avertas Energy Facility taking shape
Cover image credit: Avertas Energy

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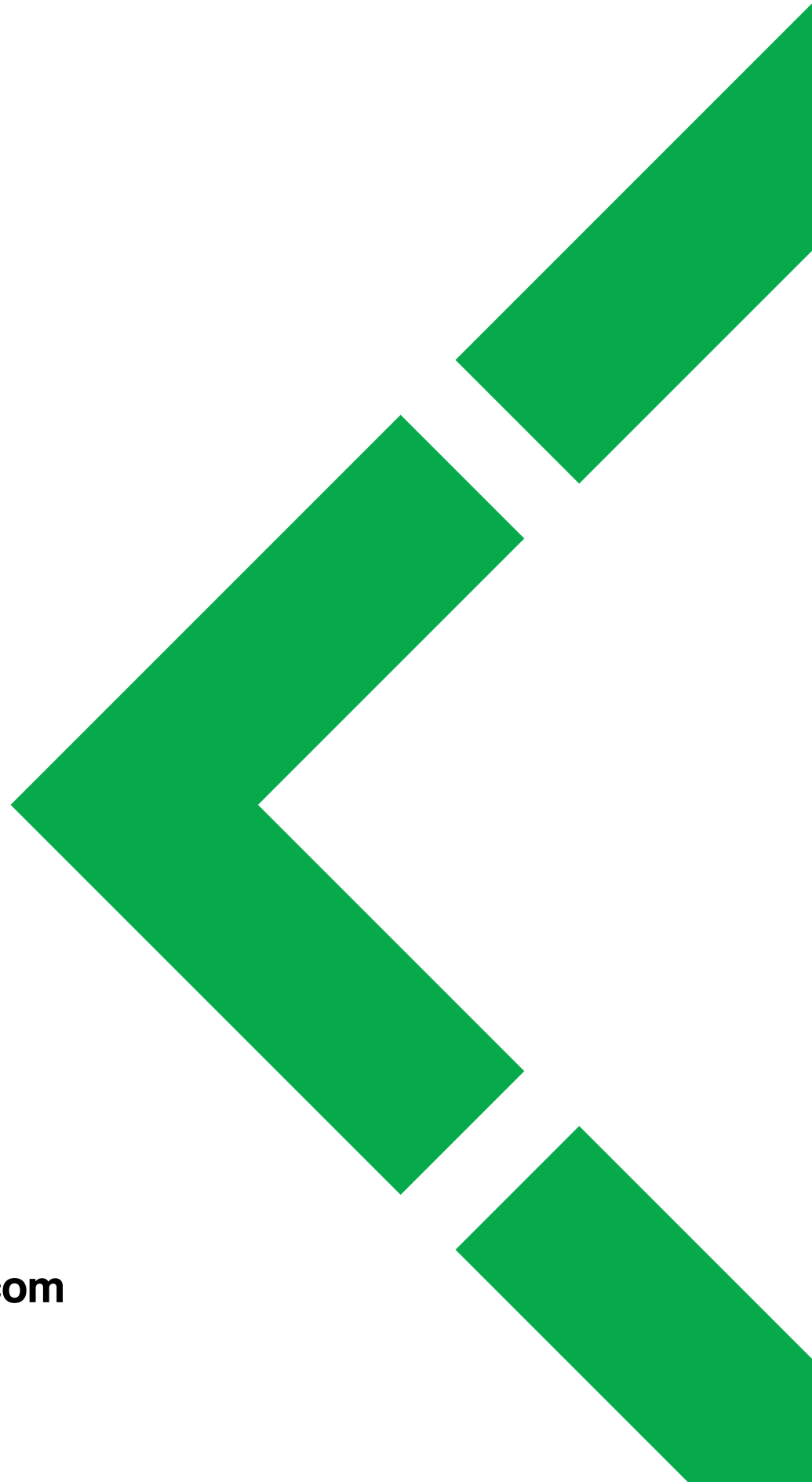
1 InfraBuild Group means Liberty InfraBuild Ltd ACN 631 112 108 and its subsidiaries incorporated in Australia

InfraBuild

Building futures through sustainable steel



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