InfraBuild

Building futures through sustainable steel

Sustainability Report 2022

Acknowledgement of Country

InfraBuild acknowledges Traditional Owners of Country throughout Australia and recognises the continuing connection to lands, waters and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures; and to Elders past and present.

Contents

Foreword

On behalf of the entire InfraBuild team, I am proud to present the company's Sustainability Report for Calendar Year 2022.

With our Good to Great Strategy firmly embedded in the business, the focus for 2022 was to continue to operate safely and drive improved environmental, social and economic sustainability outcomes through internal initiatives and collaboration with our customers, suppliers, communities, governments and key stakeholders.

InfraBuild recognises the role we must play as a carbon intensive business to contribute to Australia's transition to a low emission economy and support our customers and suppliers on their own decarbonisation journeys.

As an electric arc furnace-based steelmaker, InfraBuild's steelmaking process, which involves the recycling of scrap metals to manufacture new steel, positions us well to support the transition to lower embodied carbon materials.

Collaboration with the broader supply chain is also critical to the transformation of the Australian steel industry's value proposition to a more sustainable model, in particular, developing more efficient steel solutions.

We are already working across our entire supply chain to understand respective decarbonisation pathways and develop solutions which can be implemented effectively delivering value to our stakeholders.

Meanwhile, we recognise as an employer of more than 4700 people across the country, we also have an important role to play in contributing to a sustainable future for the nation and the more than 150 communities we operate in.

The first of our four values is 'We Are Stronger Together', which is a nod to our belief that through collaboration between our own people and with external stakeholders, we will be able to contribute more effectively.

Finally, the supply chain disruptions the world continues to encounter have reaffirmed the importance of Australia maintaining a strong sovereign steelmaking capability.

As the largest vertically integrated long steel manufacturer in the country with operations covering recycling, manufacturing and distribution, we have an important role to play in a circular economy, supplying high quality Australian made steel products to a range of industries.

We look forward to working with our customers, suppliers, stakeholders and communities as we continue to employ people, procure services, support local initiatives and play our role in contributing to Australia's efforts as it transitions to a low emission economy.

Dak Patel
InfraBuild Interim CEO and Managing Director

InfraBuild at a glance

Largest
Australian steel long products manufacturer

More than **4,700** employees

1.4mt
of recycled steel per annum in Australia

150+
locations Australia wide

113
Retail and processing sites

Second largest
scrap recycler in Australia

100+
years of continuous manufacturing

Premier supplier to industry and customers, supporting more than **15,000** wholesale and retail customers.

35
Recycling and brokerage sites

Our Good to Great Journey

In our 2021 Sustainability Report, we outlined our revised strategic direction and organisational goals, which were designed to support our competitive advantage and focus our workforce.

The Good to Great Strategy is designed to empower our people to execute on the strategy and drive positive outcomes for our business and the communities we operate in.

Since the launch of last year's report, we have executed on the first year of the Good to Great Strategy.

Most pleasing has been the engagement from our people in living the values and behaviours the strategy instils and their willingness to embrace the initiatives and embed them in our day-to-day operations.

By 2025, our goal is to achieve:

<2	Total Recordable Injury Frequency Rate (TRIFR)
$5	Billion revenue
10%	EBIT Margin

Our Mission

Building futures through sustainable steel

Our mission is our guiding light. It underpins our decision-making and provides our people with a clear direction on where our Good to Great journey is taking us. It is why we exist.

By the very nature of what we do as a recycler, manufacturer and distributor of steel products, we are nation builders.

We have been supplying steel to some of the nation's largest projects for more than 100 years. With steel demand expected to double from current levels by 2050, our role in the future of Australia's built environment remains critical.

The materials we make to contribute to this future and, more importantly, the methods we use to make and distribute them, are central to our ability to contribute to a sustainable environmental, social and economic future.

From an environmental perspective, our electric arc furnace-based steelmaking method produces fewer emissions than traditional blast furnace methods. However, our journey does not end there. We are continually working to further reduce our Scope 1, 2 and 3 emissions in line with our carbon neutral by 2030 (CN30) ambition.

In a social context, we have sites in more than 150 communities across the country, providing materials and solutions which are used to construct local schools and hospitals, transport, infrastructure and agricultural products, and in supporting efforts to protect our native species.

In an economic context, our investment in these communities provides employment opportunities for local people and procurement opportunities for local businesses to secure a sustainable future for them and their families. We make futures possible for all our stakeholders: customers, employees, shareholders, community and society.

This report is designed to illustrate our approach to sustainability in each of these contexts and provides metrics and data against which we measure our performance.

Our values

InfraBuild has four values which guide the behaviours of our people in their interactions with customers, suppliers, shareholders, colleagues, stakeholders and the general public and their approach to work.

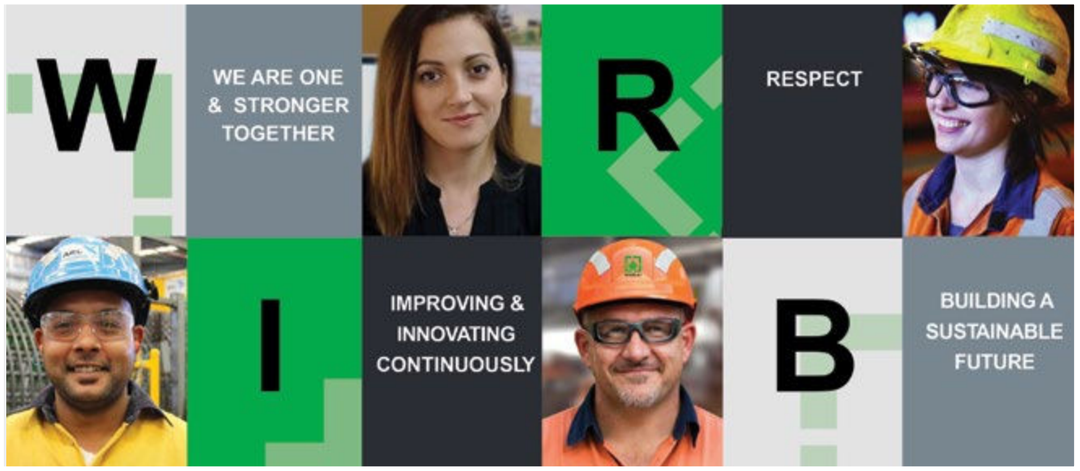
Together, the four values form the acronym WRIB, which has united our business behind the Good-to-Great Strategy. These values are:

We are one and stronger together
We are one InfraBuild and we work together as one team.

Respect
We respect our customers, our suppliers, our shareholders and each other.

Improving and Innovating Continuously
We never stop trying to be better, it's in our DNA.

Building A Sustainable Future
We care about the footprint we leave.



Our vision

Our vison is designed to enable our mission, providing people with a path to delivering on our strategic objectives.

We will 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.

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

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 operations

With more than 100 years of continuous operation, InfraBuild is Australia's only fully vertically integrated steel manufacturer, spanning scrap metal recycling, steel manufacturing and downstream distribution. We provide 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 and processors nationally, including our own branded distribution and reinforcing retail businesses.

Products marketed include rod, bar, reinforcing bar, reinforcing mesh 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.

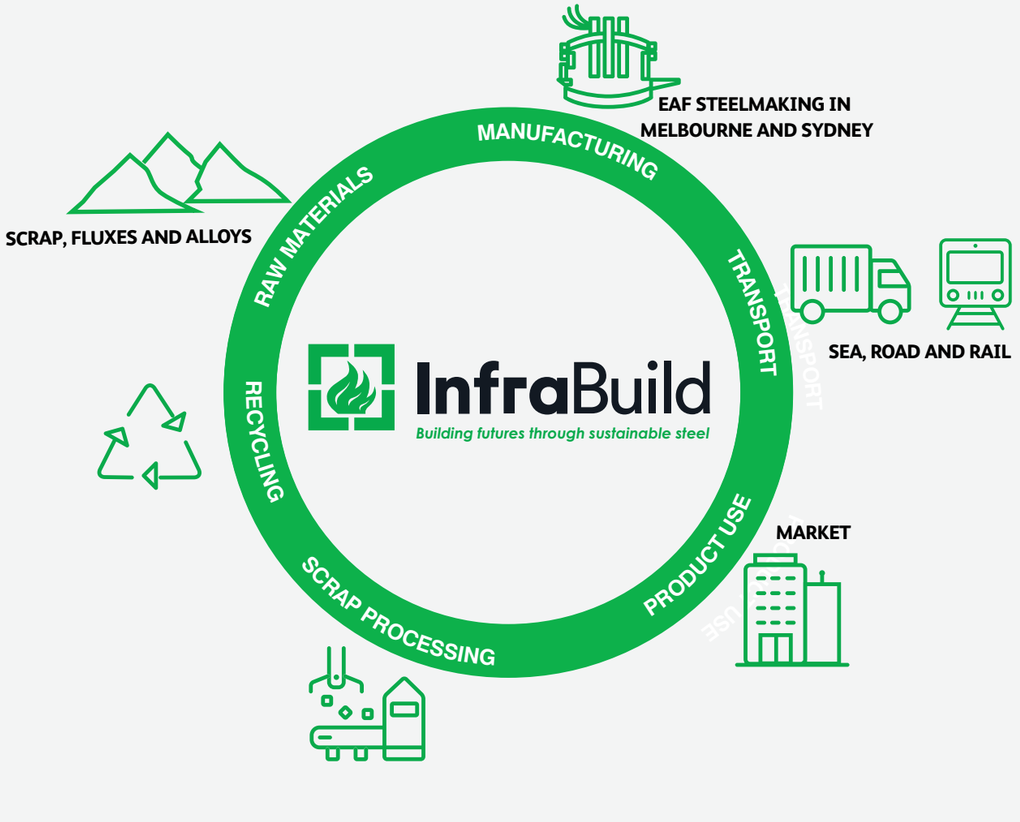
Distribution

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, enabling 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.



InfraBuild Recycling captures **98%** of recoverable metals in the Recycling stream

InfraBuild EAF Meltshops produce **1/3** of the emissions produced by Basic oxygen steelmaking process.

InfraBuild has been supplying steel for over **100 years**

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.

Our locations

Our stakeholders

Our mission of building futures through sustainable steel guides everything we do.

It informs the decisions we make around our products and assets, the investments we make in technology and is central to the culture of our workplaces.

It is also a critical part of our engagement with key stakeholders, including governments, customers, industry associations and the communities we operate in.

The development and nurturing of new and existing relationships, allows us to be aware of, understand and respond to the needs of our key stakeholders.

In 2022, InfraBuild enhanced its engagement with industry, government, and commercial networks.

Focussing on the insights obtained through our Materiality Assessment, we've been able to better reach people who use our products and services, are impacted by our operations, and who are shaping the legislative and regulatory environment in which we operate.

Importantly, InfraBuild looks to ensure we have transparent, robust, verifiable and consistent communications with our stakeholders through our branch and customer service centres, our in-market teams and through our website and social media platforms.

InfraBuild's Materiality Assessment

InfraBuild is committed to conducting business to global environmental, social and commercial standards. InfraBuild's 2021 Sustainability Report, highlighted that we would be undertaking a formal Materiality Assessment in 2022.

A Materiality Assessment provides insight, allowing a deeper understanding of important topics from a broad range of key stakeholders and customers, and facilitates engagement across the ESG areas which matter most to them, and hence provide meaningful guidance to our sustainability journey.

Our first formal Materiality Assessment was completed in 2022 with goals to:

- demonstrate sustainability leadership by engaging key stakeholders in order to understand and prioritise their material issues
- reduce risk by identifying and prioritising significant areas at an early stage
- support the already robust foundations of the InfraBuild Sustainability Strategy through a transparent and repeatable stakeholder engagement process
- tailor our communications around topics that matter most to our stakeholders
- understand and include climate related risk issues as part of our sustainability report.

In conjunction with thinkstep-anz, InfraBuild undertook a comprehensive process to develop and complete our first Materiality Assessment.

As part of this process, a wide range of key stakeholders, both internal and external, were interviewed to understand their key materials issues and from those interviews develop a combined list of material topics.

Following the interview phase, the issues were narrowed down to 26 ESG topics that were identified as being of key importance to the stakeholders. Two parallel activities were then undertaken, one was an online survey where the 26 ESG topics were presented to both InfraBuild employees and an extensive list of our external customers and key stakeholders, for them to rank. The second activity was the InfraBuild Business Impact Workshop, where InfraBuild's senior leadership team ranked the 26 topics in terms of the impact from the businesses point of view.

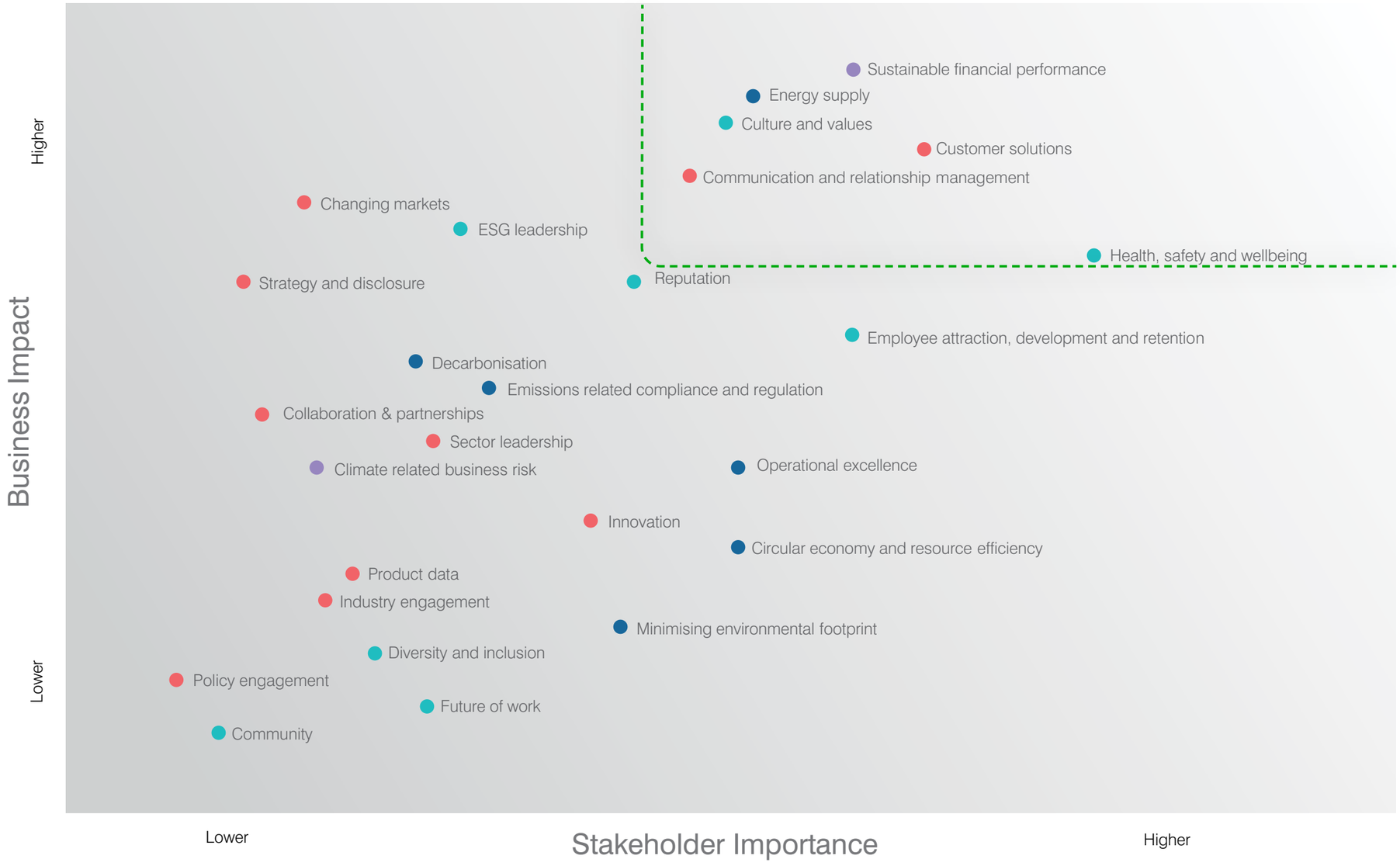
The results of these parallel activities were combined to provide the finished Materiality Matrix and the Materiality Assessment report.

Utilisation of the results, insights and other learnings ensures we have the correct focus on the key material topics so as to continue to add value to all our key stakeholders.

InfraBuild Materiality Assessment Matrix 2022

The six ESG topics in the top right corner in the matrix below have been identified as holding the most value to stakeholders and the highest potential impact on the business.

Whilst InfraBuild will continue to develop initiatives to address all identified issues, particular focus will be applied to the six ESG topics identified below.



Legend:

- People
- Markets
- Assets
- Financial

Note:

Detailed explanations for each of the ESG Topics are provided in Appendix 4.

United Nations' Sustainable Development Goals

The United Nations' Sustainable Development Goals (SDGs) were developed and launched in 2015 by the United Nation's General Assembly.

They comprise 17 interlinked Goals that extend to include 169 Targets and 232 Indicators. Most of the Targets have end dates of 2030, although some have end dates far beyond 2030.

The SDGs provide a framework and strategies that improve health and education, reduces inequality, eliminates poverty and hunger, and spurs economic growth – all while tackling the threats of climate change and working to preserve our oceans and forests.

The 17 SDGs are interlinked and integrated. Progress in one goal will often drive positive outcomes in other goals, and the SDGs recognise the balance needed between social, economic, and environmental sustainability focussed outcomes.

InfraBuild is proud that our sustainability journey contributes in some way to achieving the UN SDGs and endorses the principal ESG domains of governance, planet, people, and prosperity.

InfraBuild fully subscribes to the objectives of all 17 Goals and has identified seven in particular where our work has had most impact.

Key contribution to SDGs

8 DECENT WORK AND ECONOMIC GROWTH

- Partnership with Steel Research Hub
- Reporting against worldsteel Sustainability Indicators.
- Leave entitlements include sick, carer's, parental and compassionate leave
- WHS Policy, ISO Standards and WRIB Safe policy

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- Initiatives and collaborations aimed at improving sustainable consumption and production outcomes
- Reporting of carbon footprint and other environmental indicators via EPDs and Sustainability Report
- Maximising local EAF based production using 100% recycled scrap steel

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Membership of Infrastructure Sustainability Council.
- Membership of Green Building Council of Australia
- Inclusion of Material Circularity Indicators in all EPDs

13 CLIMATE ACTION

- Sustainability Strategy
- Decarbonisation Strategy
- CN30 Objective
- Transparent reporting of GHG Emissions via NGERS, worldsteel and Sustainability Report

3 GOOD HEALTH AND WELL-BEING

- Employee Assistance Program (EAP) helps employees facing mental, physical & emotional health challenges.
- Environmental policies & procedures, and provision of suitable training, safeguards and PPE for all employees.
- "I Am Here" program.
- Yearly influenza vaccinations and COVID-19 vaccination leave

11 SUSTAINABLE CITIES AND COMMUNITIES

- Various InfraBuild material efficiency initiatives, processes and solutions
- EPA compliant testing and reporting process

17 PARTNERSHIPS FOR THE GOALS

- InfraBuild Materiality Assessment
- Partnerships with customers, suppliers, industry, academia, government and so on

Contribution to other global goals

4 QUALITY EDUCATION

- Partnerships with universities supports post-graduate education
- Mentoring with Indigenous Supply Australia
- Mentoring with Prince of Wales Trust and the CSIRO in Newcastle

10 REDUCED INEQUALITIES

- Development of a Reconciliation Action Plan (RAP)
- Partnership with the Soldier On organisation.
- Partnership with Aruma (previously House With No Steps)

5 GENDER EQUALITY

- Anti-discrimination policies promote and support equality in the workplace
- InfraBuild Women's Network

14 LIFE BELOW WATER

- Dedicated and separate water use, recycling and containment systems to separate storm water from industrial water usage
- Eutrophication Potential [EP] metrics and Acidification Potential [AP] reported in EPDs
- Control measures to reuse, recycle and treat water to regulatory requirements

1 NO POVERTY

- InfraBuild will look for opportunities to contribute and have impact in 2023.

6 CLEAN WATER AND SANITATION

- Compliance to ISO 14001 and reporting against regulatory requirements

15 LIFE ON LAND

- Support for Landcare conservation fence project

2 ZERO HUNGER

- Innovative technologies delivering long life fencing solutions
- Fencing solutions that reduce land degradation and stock losses from feral animal attacks
- Protection for endangered native species though predator-proof fencing solution

7 AFFORDABLE AND CLEAN ENERGY

- InfraBuild can power down EAFs at peak-load times, diverting electricity back into the grid
- Decarbonisation Strategy increases development and use of renewable energy
- Ongoing improvement initiatives to increase energy efficiency

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

- Modern Slavery Statement
- Supplier risk assessments
- Anti-bribery and corruption and ACCC training CIPS (Chartered Institute of Procurement and Supply) training

Sustainability Strategy

The imperative to do better and be better is never more important than right now, with the effects of climate change affecting the globe, the built environment and all that inhabit it.

This imperative has many whys; the external motivations of a market that is increasingly focussed on delivering truly long-term decarbonised and sustainable assets; the demands of asset users that buildings be more than just places of work; the financial drivers around being a long-term manufacturer in a global market fraught with high-emission based facilities; increased sustainability orientated obligations imposed on suppliers and supply chains; demands from consumers for reliable and low-cost renewable energy alternatives; the various COP climate initiatives that strive to halt or reverse global warming trends, and the list goes on.

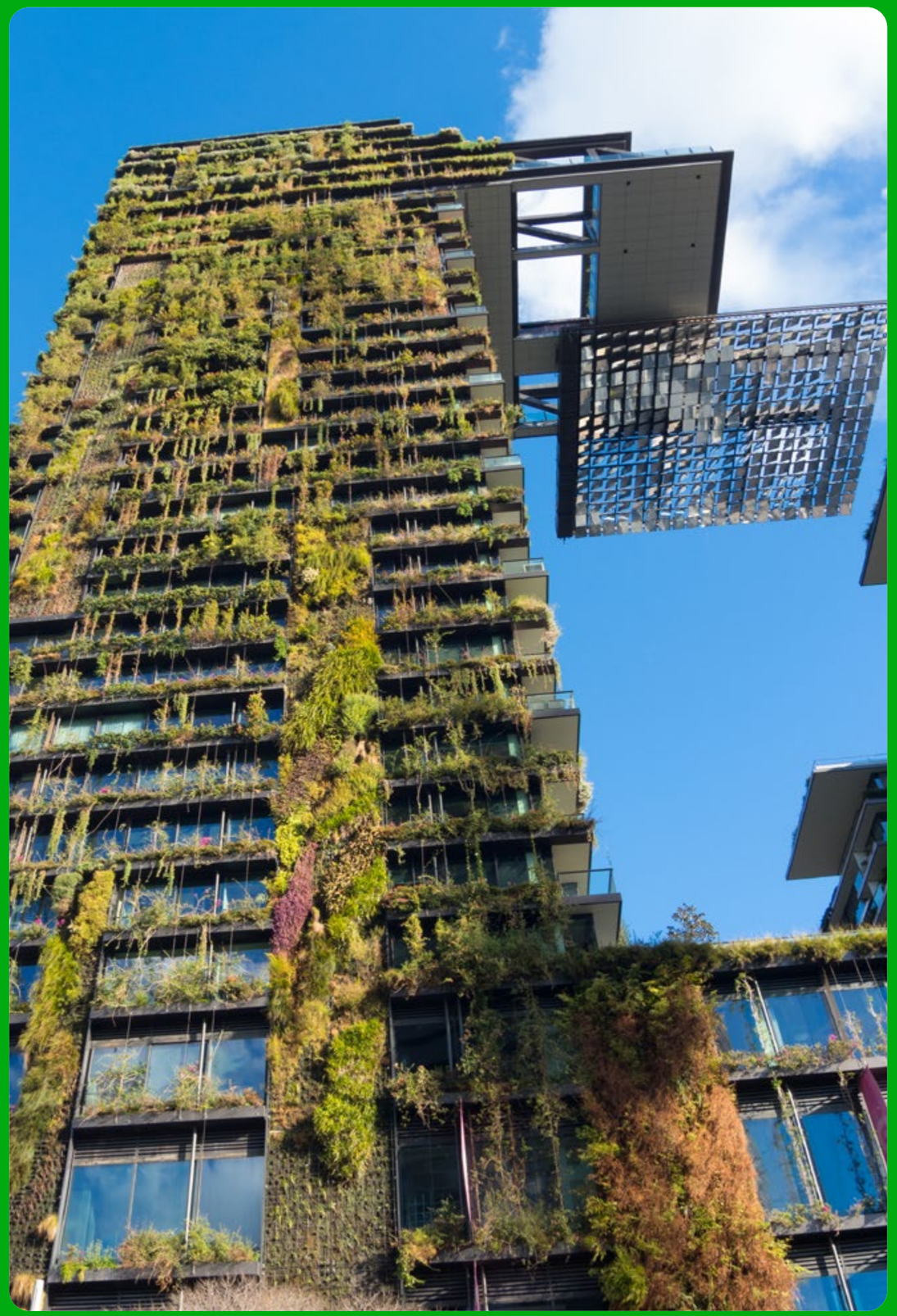
Our ability to provide the market with those superior sustainability outcomes is thus crucial to their success, and indeed ours. All of which is clearly captured in our mission statement of “Building futures through sustainable steel”

There are several key areas of focus that are critical in developing InfraBuild's Sustainability Strategy and these can be grouped under the four key pillars of sustainability.

Each area has its own particular requirements, but it is the collective of these that continues to give life to InfraBuild’s Sustainability Strategy.

Environmental	Economic	Social	Governance
Decarbonisation of InfraBuild’s Scope 1 & Scope 2 emissions in line with, or ahead of, our CN30 objectives	Understanding both the costs and benefits (tangible and intangible) of the initiatives and opportunities	Development and launching a Reconciliation Action Plan (RAP) - Reflect	Transparency and disclosure
Climate Risk and mitigation initiatives	Ensuring that sustainability objectives are suitably resourced.	Adherence to the requirements of the Modern Slavery Act (Federal & NSW)	Ensuring that procurement decisions are made in alignment with this Sustainability Strategy.
			Compliance and reporting
			Organisational structure including oversight/risk management Committees

> “Our ability to provide the market with superior sustainability outcomes is crucial to their success, and ours."



Decarbonisation Strategy

InfraBuild recognises that climate change is a global emergency and is an issue that requires international cooperation and coordinated solutions at all levels.

As a steel maker and construction solutions provider, we have a key role to play. The built environment which InfraBuild primarily services, accounts for approximately 40% of global greenhouse gas emissions (World Green Building Council 2019). To limit global warming to 1.5°C it is essential that buildings and infrastructure decarbonise rapidly. Achieving this goal will require global improvements in construction standards and operational performance. Simply complying with existing building standards will not be sufficient.

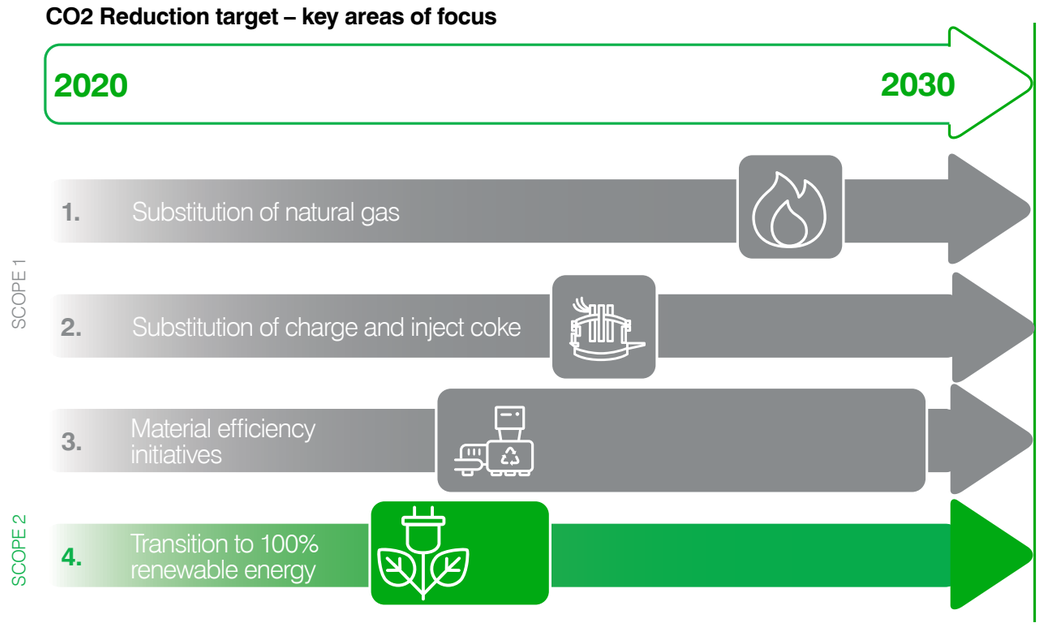
Governments, designers and building owners are beginning to identify suitable low energy building/ infrastructure specifications to support rapid decarbonisation. Governments are revising regulations to align with the required rate of emissions reduction and building owners are beginning to seek net zero developments.

InfraBuild needs to be able to respond to these changing market conditions – ensuring that its market offer delivers lower embodied carbon construction solutions, so as to underpin long term sustainable profitability and ensure its ongoing relevance to the Australian construction market.

Key to our response is a commitment to become a low emission, net zero (carbon neutral) steel manufacturing business by 2030.

InfraBuild is well placed to achieve its CN30 Objective because of the existing EAF based steelmaking position and the ability to eliminate 76% of its combined Scope 1 and 2 emissions by transitioning to renewable electricity. InfraBuild is not limited or constrained to achieving a low emission status by technological initiatives that are not yet proven. That is not to say that the task is easy – the immediate challenge will be the availability at scale or at the right cost point for some of the abatement solutions for Scope 1 emissions. The Decarbonisation Strategy initially focusses on abating InfraBuild's Scope 1 & Scope 2 emissions.

> “ Key to our response is a commitment to become a low emission, net zero (carbon neutral) steel manufacturing business by 2030."



Like many organisations adopting a 'net zero approach', the strategy at this point does not set a clear path to abate InfraBuild's Scope 3 emissions. We have commenced this process however and will continue to work closely with our key suppliers to facilitate abatement opportunities. Technological break throughs and their commercial viability will be critical for many of our suppliers to make a significant step change in assisting us to reduce our Scope 3 emissions.

Becoming a low emission, net zero business means InfraBuild needs to reduce its Scope 1 and 2 emissions as much as commercially, technologically and economically possible by moving its energy sourcing to a zero emission supply position.

This needs to be the main focus, which, in turn, will lower both the reported Scope 1 and Scope 2 emissions as well as reducing the GWP (Global Warming Potential) numbers reported in our EPDs, which represents the embodied carbon intensity of the finished products we produce.

Genuine emission reductions, coupled with innovative product and solution development will position InfraBuld for success via the delivery of low embodied carbon construction solutions - reducing our Customers Scope 3 emissions.

Governance and Risk

Governance structures, policies and systems enable us to deliver the long-term, responsible and positive action that we believe is required to achieve our mission of building futures through sustainable steel.

ESG Committee

InfraBuild's ESG Committee plays a key role in shaping the way in which the business approaches ESG issues and in particular those relating to Climate Change risk.

The purpose of the ESG Committee is to consider the material environmental, social and governance issues relevant to InfraBuild's business activities and support InfraBuild in establishing a position as a global leader in ESG performance as well as understand the expectations of, and create value for, key stakeholders.

The ESG Committee is to assist the Executive Lead Team in discharging its oversight responsibility related to ESG matters, which are defined to include topics such as;

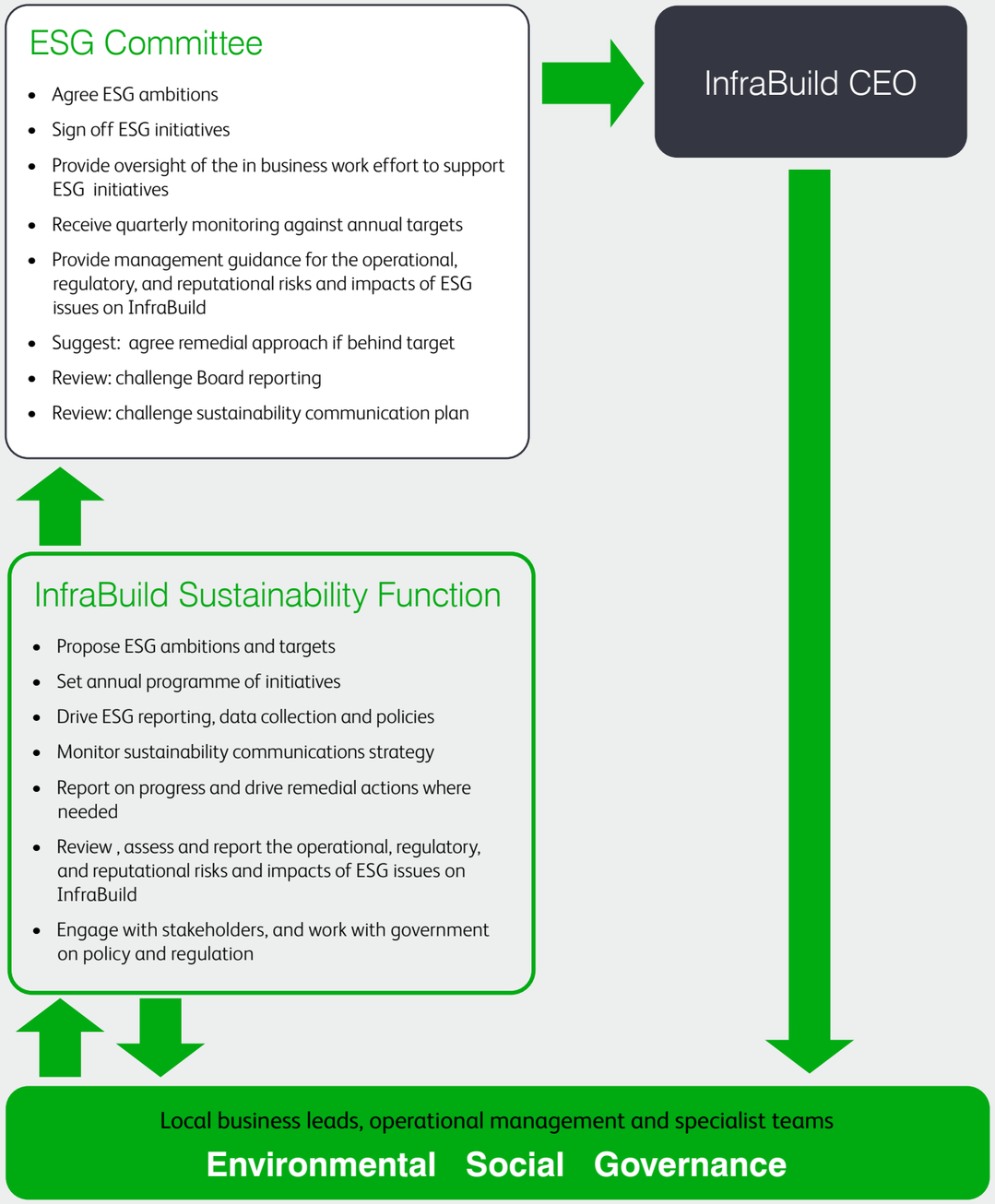
People: Human rights, diversity and inclusion, attraction and retention, RAP, materiality assessment, I Am Here initiative, Communities.

Markets: Market offer credentials – value creation (ESG related), government policy, legislative and regulatory environment, NGO influencers, communications (key stakeholder groups – internal/external)

Assets: Energy and natural resource conservation, decarbonisation strategy and execution, environmental and supply chain sustainability, Carbon Budget establishment and business performance to budget,

Financials: Identification of and approach to climate change risk, standards to report against, carbon pricing and balance sheet management, controls and authority, carbon offset management, alignment of procurement policies to support ESG strategy, CN30 and ESG reporting related capex; and other issues relevant and material to InfraBuild in shaping and executing the InfraBuild ESG initiatives..

Governance Process



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 InfraBuild.

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.

Climate Change Risk

The company is exposed to risks related to climate change. These include; changes in government policy, increasing compliance requirements at Federal and State level, changes in market demand for products with lower embodied carbon, changes in the expectations of financiers and insurers, and new international border tariffs based on embodied carbon. Climate change also increases the risk of extreme weather events that can impact markets such as the rural sector as well as the our site operations, and cause disruption of supply chains.

Statement of environmental compliance 2022

InfraBuild strives to maintain high standards of environmental performance throughout our operations by embedding risk management practices in the way we work. We operate in a challenging environment and despite the deployment of sound risk management processes, incidences and non compliance can occur

In the reporting period a single penalty notice, with an associated fine of $15,000, was issued by the NSW Environment Protection Authority for an environmental non-compliance. This was for inadequate clean-up after a spill of hydraulic oil on unsealed ground at the InfraBuild Recycling Unanderra site. The affected area was subsequently completely remediated. In addition, the area around the hydraulic equipment has been concreted to eliminate the risk of future soil contamination.

There were four other occasions in which environmental laws, regulations or environmental licence conditions were not complied with. These incidents were all reported to the relevant regulators at the time and resolved without monetary penalty. These were:

- Two minor fires at InfraBuild Recycling facilities. One of these resulted in a prevention notice being issued which directed that the fire water, which had all been captured and retained on site, was to be processed through the normal site water recycling system by a certain date. This notice was fully complied with
- A minor exceedance against the parameters of the resource recover order for slag generated at Sydney Steel Mill
- Accidental release of water from a cooling tower to storm water at Sydney Steel Mill

None of these incidents resulted in measurable environmental harm or material action by regulators. 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.

In addition, EPA Victoria was notified of contamination of groundwater by diesel fuel at Geelong Wire Mill. The cause of this is historical (greater than 30 years) and the contamination is contained within the site. Investigation into this issue is continuing.

Safety

Safety is a fundamental part of our Good-to-Great journey; this is evidenced by its inclusion as one of the key metrics in our 2025 goals by way of a target of a Total Recordable Injury Frequency Rate (TRIFR) of less than 2.

TRIFR refers to the frequency of recordable work-related injuries for each one million hours worked.

From the rolling mill floor to our steel distribution outlets and our corporate offices, the safety of our people, customers and stakeholders is paramount and we are pleased to report the business achieved a record safety performance in 2022 (please note safety is reported in FY).

The record performance was headlined by our lowest TRIFR ever at 6.7, which was a 21% improvement on FY21 and 38% on FY20.

We also recorded our lowest Days Away, Restricted or Transferred (DART) ever at 3.8, which is a 31% improvement on FY21 and 51% improvement on FY20.

Both results have been driven by a business-wide commitment to safety, underpinned by promoting a culture of intervention where employees are empowered to call out at-risk behaviours or unsafe conditions to prevent incidents from occurring.

Throughout FY22, 21,000 at-risk behaviours and unsafe conditions were reported across our footprint of more than 150 sites nationwide.

When viewed in the context of the decrease in our TRIFR rate, the fact 32% of employees reported unsafe conditions, and 22% reported at-risk behaviours, shows the culture of intervention is contributing to improved safety performance.

While the FY22 results are a significant improvement on previous years, we must maintain high levels of engagement and intervention in the safety space if we are to achieve our goal of less than 2 TRIFR by 2025.

FTE

4688	Working Hours	LTI	RWI	MTI	LTIFR	DART	TRIFR
2018FY	10,520,165	26	83	54	2.47	10.36	15.49
2019FY	10,703,701	14	112	37	1.31	11.77	15.23
2020FY	10,874, 815	18	66	33	1.66	7.72	10.76
2021FY	10,792,631	14	45	33	1.30	5.47	8.52
2022FY	**11,263,265**	**19**	**24**	**33**	**1.69**	**3.82**	**6.75**

WRIB Safe and Safety Pillars

The WRIB Safe Way, which was published and an accompanying e-learning module launched in 2022, is our roadmap for leaders through our InfraBuild safety strategy as we strive for world-class safety excellence.

The manual is underpinned by the WRIB Safe vision – we want our people and all members of the InfraBuild family to be safe. Every employee should be able to return home safe and well at the end of each workday.

We believe one injury is one too many; our WRIB Safe Way puts a governance framework in place to support our efforts to realise this vision.

Principles

Core to WRIB Safe are our safety principles:

1. All injuries are preventable
2. We are all responsible for safety and working safely is a condition of employment
3. We will stop unsafe work to make it safe and intervene if somebody is at risk
4. We are always alert to hazards and ensure we respond appropriately
5. Housekeeping and training is the foundation to a safe workplace

The four key pillars to achieve our mission are:

ENABLING PERFORMANCE

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.

CRITICAL INCIDENT PREVENTION

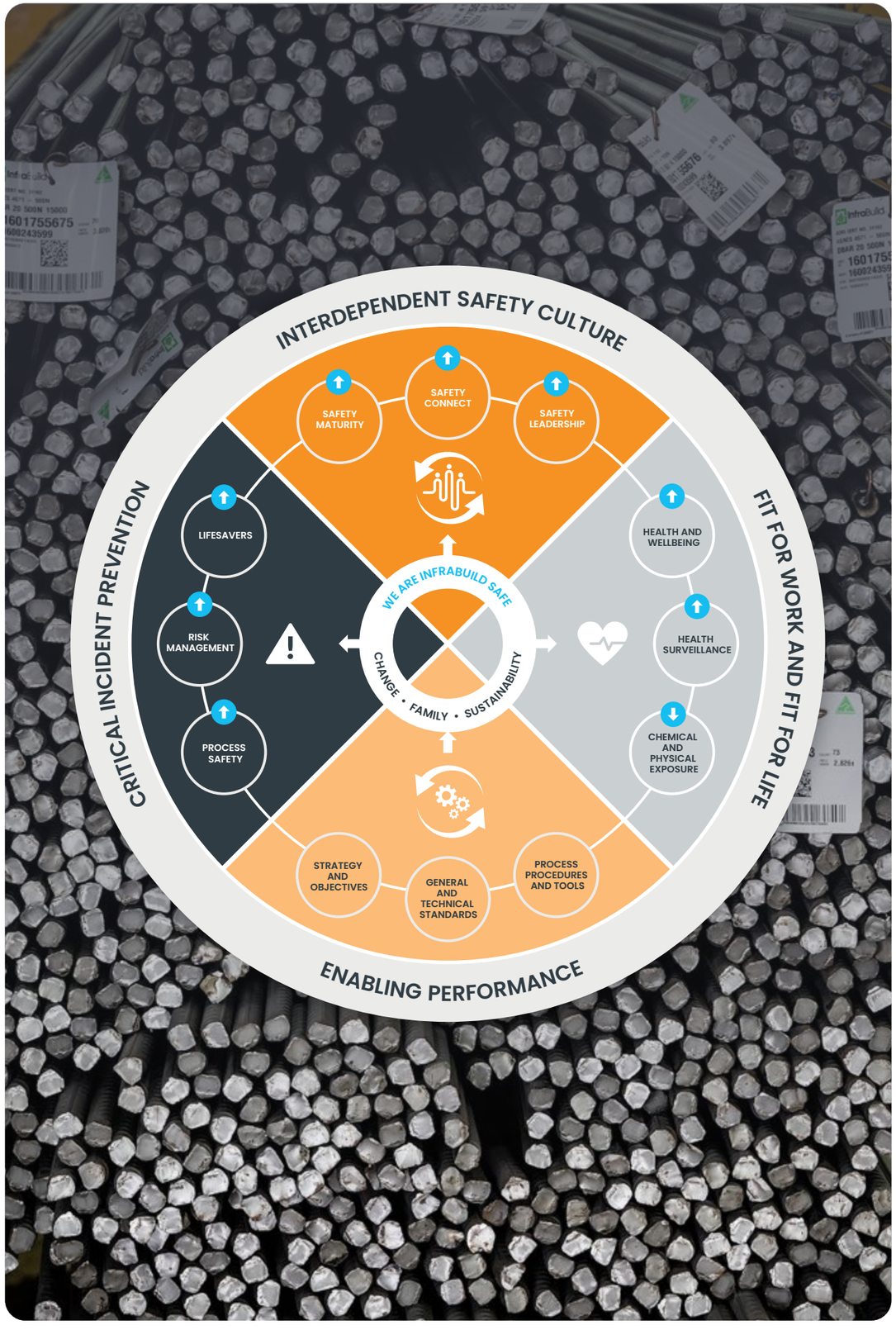
We maintain a strong focus and discipline on identifying and allocating resources to manage low likelihood but high consequence events through our safety management processes, fatal risk standards and our behavioural Life Savers.

INTERDEPENDENT SAFETY CULTURE

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.

FIT FOR WORK AND FIT FOR LIFE

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.



Safety Connect

Safety Connect was launched in 2021 and since then, more than 1,800 employees have participated, representing around 40% of the entire InfraBuild workforce.

Our target was to have more than 50 percent participation rate by the end of 2023 and based on our 2022 result, we are on track.

In some parts of the business, Safety Connect has reached the entire workforce, demonstrating significant effort and commitment from the leaders, the safety team and the broader business to embrace and promote the behaviours it focuses on.

The result has been a significant improvement in proactive reporting, indicating a substantial culture-shift; more people have stepped in to stop an error-likely situation and had the courage to intervene and report it.

> "During the program, I was reminded of why it's so important to look out for not just myself, but everyone on site.
>
> We all have our own reasons for going home safe and mine is having a beautiful wife and two young kids."
>
> **Aaron Mahaffey | Workshop Superintendent Newcastle Wire Mill REMS**

> "It doesn't take much when you actually think about it to step in and say something that can make the difference between someone going home safe or not."
>
> **Andrew Parkinson | Team Leader Prefabrication ARC Wallsend**

Development

When our 'Developing an Interdependent Safety Culture' safety pillar was developed, a key deliverable was to build and implement a behavioural safety program, tailored to our organisation to help build a culture of care across our workforce, and ultimately, improve our injury performance.

The result was Safety Connect and the name was taken from the program's mission to encourage each employee to 'connect' working safely with the things that matter most to them.

Whether it's their family, hobbies, pets, or lifestyle; everyone has a reason for why they need to work safely so they can go home safely each day.

The program educates staff that safety is not just the job of the leader and the safety practitioner, and it's not about just doing a lot of audits and checklists.

At its core, it's about people, leadership, and looking out for our workmates and knowing that our workmates are looking out for us.

We foster this culture by having conversations and coaching one another if we see someone at risk.

People and Culture

Employee Engagement

We have continued to focus on employee engagement and are leveraging technology via our Workday Peakon Employee Voice Platform to gather deeper insights into our peoples' views of the business and their employee experiences – this provides us with an opportunity to use the feedback to inform decision making and better engage with the workforce.

Our commitment to our annual Your Voice employee engagement survey (powered by the Workday Peakon Employee Voice Platform) helps us to better understand our people; what is motivating or demotivating them and where we need to focus our efforts. The platform enables employees to anonymously share their voice and feedback with their relevant Business Unit or Function. To date, we have embedded Your Voice into all Australian businesses and all major European and US businesses.

The intended outcome is for Business Units, Manufacturing Units and Functions to focus on core actions and for individual People Leaders who have a results dashboard to focus on a purposeful local set of actions to foster and shape the culture of InfraBuild.

Our InfraBuild Your Voice employee engagement survey was conducted in May 2022 with the following quantitative insights (with comparative results from the previous survey completed in March 2021):

Participation:
90% vs 55% (Mar 21)

Engagement score:
7.1 vs 7.2 (Mar 21)
vs 7.4 true benchmark

Loyalty score:
6.9 which has stayed flat since Mar 21

89% of males (engagement score 7.1) and **94% of females** (engagement score 7.3) shared their voice across InfraBuild

33,002 written comments from our people with our leaders acknowledging **23,725 (72%)** of comments

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.

We have a clear strategy (Good to Great) and operating model and have defined the pillars around which progress against the strategy in our business is measured; People, Market, Assets and Financials (PMAF) with associated metrics that are also linked to variable reward.

Our performance approach is simple and designed to help our people understand the individual contribution required of them in their role for the business to be successful. 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-seven per cent of our Australian-based employees are engaged under one of 31 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 wellbeing

The mental health and wellbeing of our employees is a key pillar of our work in the People and Culture space and also Safety. At InfraBuild, we wish to make available support and resources so that:

- employees can find help for their own mental health and wellbeing
- employees can receive training to be able to support others who may need help
- employees have access to the best research and education available to support awareness

Like our physical safety initiatives, our mental and health and wellbeing work is underpinned by a mission to have all employees and stakeholders return home safely at the end of the day.

We have programs in place to support the mental health and wellbeing of our employees which provide our people with access to third party assistance services, as well as initiatives which promote an internal culture of creating support networks which colleagues can rely on during times of uncertainty.

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

Our EAP Annual Utilisation Rate is 4.8% (0.6 percentage points higher than industry).

The top 5 issues EAP have supported our employees with are i) relationship/ separation; ii) career transition; iii) drugs; iv) anxiety; and v) job or time pressure.

Between the July-Sept 2022 period, on average, 1.8 hours were used per individual, with face to face as the preferred delivery method.

Our focus is ensuring that our people are aware of the EAP and to encourage help-seeking behaviours across InfraBuild.

CASE STUDY

Mental Health First Aid (MHFA)

InfraBuild is committed to supporting the mental health and wellbeing of our people and empowering our workforce to provide support to their colleagues during times of need.

Fundamental to this is our Mental Health First Aid Australia program, which enables our people to obtain accreditation which equips them with the skills and knowledge they need to be able to support their colleagues in the workplace.

The initiative was first introduced in 2018 by Mike Petrov and Rod Langford, who work in our recycling business unit, and has since been rolled out across other business units.

Since its inception, we now have 105 employees trained in the program to date and 84 employees accredited across our InfraBuild sites in Mental Health First Aid.

The MHFA courses are focused on supporting individuals in the workplace should there be a situation where First Aid is required and to ensure and they feel safe and supported.

The business receives professional support and advice from Geoff Bowser, Clinical Psychologist and Accredited Mental Health First Aid (MHFA™) Instructor, who has now developed a deep understanding of our business.

"Men, particularly older men, find it hard to be vulnerable, ask for help or even start a conversation around mental health… particularly in the workplace," said Geoff.

"With steel being a predominately male-dominated industry, and the value of family being very evident within the Recycling team, there was certainly space for gains to be made here.

"MHFA education training applies an early intervention strategy approach for the training, catching people who are in the early stages of developing chronic problems, as well as those in crisis.

"It was never a tick the box approach for InfraBuild. The intent was to bring real learnings into the business and those who took part in training genuinely wanted to help."

Training sessions have been held at a number of sites across 2022 and this will continue in 2023.

Mike Petrov and Rod Langford

CASE STUDY

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.

InfraBuild launched I Am Here as part of the "Be GFG Safe" global Health & Safety Strategy in July 2020. The "Be GFG Safe" vision is 'We want our people and all members of the GFG/InfraBuild family to be safe, always.

Sean Aherne, who is a Leading Hand Caster and OHS Delegate at InfraBuild, is one of our I Am Here Ambassadors and has played a key role over the past three years in helping to foster a culture where it's okay not to feel ok; and it's absolutely ok to ask for help. He has done this authentically and proactively to create a movement within his site and globally.

In late 2020, we held an 'opt-in Tribe Members session' which was attended by about 65 members. At the session, Sean shared his story – a true act of compassionate connection - which immediately created a sense of 'safety' within the group and enabled others to (contribute and share their own views as well as) gain a sense for how important an awareness of mental health and wellbeing is for us all.

To raise awareness about the program, Sean launched an initiative to provide all Tribe Members and Ambassadors at his Laverton site with IAH branded coffee cups and water bottles respectively – both practical and 'visible' offerings to show a shift in culture and safety.

He also created I Am Here masks during the pandemic to show support for the program and help drive people to have more open conversations. Over the months Sean has designed flyers, driven awareness of the program through the local newsletter, shared regular posts through GFG social media platforms and facilitated a local group to meet on a fortnightly basis in Laverton to continue the momentum.

Sean continued this work in 2022, spreading the I Am Here mantra further and devoting time to helping colleagues understand the importance of mental health and wellbeing and encouraging them to speak up.

Towards the second half of 2022, InfraBuild also partnered with I Am Here to develop a new optional 'Self-Check' tool designed to help our teams become more self-aware and consider their own thoughts and feelings – and more importantly, if they need any help or support.

I Am Here and MHFA continue raise awareness about mental health and wellbeing through regular webinars and workplace platforms and endeavour to improve help-seeking and help-offering behaviours in our workplace.

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 is good practice.
- Creating 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.

Over the last two years, our business has focused on embedding our Good to Great Strategy and operating model. A key focus of the HR strategy this year is to communicate a D&I engagement plan for the InfraBuild business which will cover targeted actions and measures of success across key areas of focus over the next three years.

Women's Network participants

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.

Reconciliation Action Plan

Following extensive work throughout 2022 to develop our inaugural Reflect Reconciliation Action Plan (RAP), InfraBuild, as a member of the GFG Alliance, received conditional approval from Reconciliation Australia for its RAP.

The RAP reaffirms our commitment to further strengthening our relationships with First Nations communities and stakeholders by building on our existing efforts and implementing new initiatives and partnerships.

Our vision is an Australia that respects and appreciates First Nations cultures. One that celebrates their contributions, especially their principles for sustainable use of land, and that champions equal opportunity, inclusion, and representation at all levels.

This plan has been developed in alignment with Reconciliation Australia's RAP framework, specifically the Reflect framework which marks the beginning of our Reconciliation Action Plan Journey.

The RAP will be implemented throughout 2023 with a focus on four dimensions:

Relationships

We are committed to caring for each other, our partners, and our communities in practical ways. We support, respect, and help each other, making integrity and transparency the foundations for our relationships.

We are inclusive, nurturing, and embrace diversity to drive performance and collectively build on our success. We believe that by partnering with First Nations peoples and communities we will be better informed to implement initiatives that deliver change in an effective and culturally appropriate way.

Respect

Across Australia, we operate on traditional lands. We acknowledge this and as such, we are committed to demonstrating and nurturing respect. This is a long-term commitment and aligns with our core value of Sustainability.

We want to actively listen to, and learn from, First Nations peoples – especially when it comes to the land and resources held within. We believe we can grow from hearing stories and that we can show respect through our words and our actions.

Opportunities

We have businesses in all states and territories across Australia. As a large employer, customer, and supplier, we know that we have many opportunities to support First Nations peoples.

In our first RAP, we commit to better understanding employment and procurement challenges and opportunities for developing effective strategies to ensure our workplace reflects the diversity of the communities in which we operate. We want to right past wrongs and effect change for the better, this aligns with our core value of Change.

Governance

Importantly, we appreciate that in conjunction with conviction and passion, we need to implement, with rigor, an inclusive and broadly experienced governance group to ensure we stay focused on our goal to support and realise reconciliation.

This will include the establishment of an RAP Working Group, which will be tasked with leading the implementation of initiatives at our sites across the country, the implementation of a framework to support the effective implementation of the RAP within the business, and ensure accountability through a regular reporting structure.

Modern Slavery

Modern slavery is often a difficult issue to identify in global supply chains and affects the lives of victims in negative and harmful ways. Modern slavery includes violation of human rights such as human trafficking, child labour, debt bondage, forced marriage, servitude, and coercion.

Many governments are taking significant steps to address this issue and InfraBuild supports this. Modern slavery is a violation of a human right and through the identification and assessment of the risks of modern slavery occurring in our supply chains, we support the eradication of this violation.

We aim to ensure that human rights are respected and maintained throughout the world and in particular the supply chains we are part of. We recognise that the practise of modern slavery is insidious and not always easy to identify in supply chains outside of direct control, accordingly we are taking a risk-based approach to identify supply chains most likely to be affected.

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

Throughout FY20, InfraBuild continuously focused on changing our systems and processes, making sure we were able to address the risk of modern slavery.

InfraBuild's Modern Slavery Statement demonstrates the steps taken to respect 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.

InfraBuild acknowledges that modern slavery has emerged as a compliance issue for industry and has been proactive in revising its policies and principles to address changes to Australian legislation.

> "InfraBuild will continue to seek greater transparency of all its supply chains by direct engagement and additional risk identification strategies."

The direct risk of modern slavery in our operations is assessed as low. We have strong human resource processes in place for new starters, vetting new employees, assessing employees' wages and salary agreements, and verifying corresponding payments. Most of our employees are covered by enterprise or industrial agreements. Our employee induction process includes employment checks managed by either our internal or external HR specialists in Australia, and checking that all new employees have the requisite visa status. The employee induction process is designed to ensure that all new employees confirm they have read and understood our policies and standards.

Longer term, InfraBuild will continue to seek greater transparency into all its supply chains by direct engagement and additional risk identification strategies. Furthermore, InfraBuild seeks to partner only with those companies who demonstrate an equal commitment to the eradication of modern slavery.

As part of this work, InfraBuild works with external providers including Ecovadis and Equifax to conduct the risk assessments of our supply chain.

Ethical and sustainable supply chain

Modern Slavery in our supply chain is assessed primarily on country of origin and category risk.

Country of origin risk, adopted from the Global Slavery Index, is based on where our suppliers are located and, if known, the country of our "supplier's suppliers".

Category risk is determined by understanding the level of labour, unskilled labour, and supply chain complexity. Understanding supply chain complexity helps with understanding complex supplier relationships, complex contract structures, and complex supply chains where it's difficult to exactly label a country of origin.

Both the country risk and category risk have been applied to our supplier base to get an overall risk rating per supplier. This overall risk rating is subsequently used to roll out specific initiatives to address modern slavery.

Whilst the risk assessment approach has not changed compared to FY2020, we have made further improvements and refinements.

Improvements include the operationalisation of risk levels to give the procurement professional guidance on assessing risks in a spend category. This supports a consistent risk rating across different spend categories. Additionally, the risk assessment has been reviewed in its entirety, including a risk assessment of sub-category level. This has resulted in a more accurate and realistic risk assessment. Consequently, additional suppliers have been identified as a potential risk for modern slavery.

Our procurement personnel undergo continual training to the required timeframes to ensure that they understand and meet the necessary regulatory requirements, as well as working on key achievements and planned projects for the upcoming financial year. Procurement managers include proposed actions in relevant category strategies and work plans. All personnel are required to participate in the classroom training and individual ethical procurement training and certification. Procurement managers responsible for spend categories with a higher risk profile are more closely involved in addressing modern slavery issues. Additionally, every year we cover a key focus area, which for FY2020 emphasised updating our terms and conditions and contracts with high risk suppliers. FY2021 centred on supplier self-assessment and evaluation

During FY2021, InfraBuild has not received any reported concerns of modern slavery practices, nor did it identify any instances of modern slavery in its operations or amongst our suppliers. Even though no cases have been reported, we continue to promote the awareness of modern slavery, support our staff in the identification of modern slavery as well as mitigation and management.

We continue to work on initiatives as defined in our roadmap:

1. Continued roll out of contracts across our supply base and communication of our Supplier Standard creating awareness and action.
2. Auditing potential high risk suppliers ensuring compliance to our contracts and Supplier Standard.
3. Active business stakeholder awareness and engagement in our annual modern slavery risk assessment.
4. Review and implement systems to support the identification, management, assessment and reporting of modern slavery risks.
5. Review and engage with partners to conduct supplier modern slavery risks assessment and on-site inspections on our behalf.
6. Continue to embed addressing modern slavery in our structure and develop processes to coordinate, document and track new actions and any incidents.
7. Continue to promote awareness of the FairCall reporting mechanism among our suppliers by providing online information on how to lodge modern slavery concerns. Local community members can also raise concerns through our regional Stakeholder Engagement Managers.

Access the **InfraBuild Modern Slavery Statement**.

Community

InfraBuild operates in more than 150 communities across the country, employing local people, procuring goods and services from local suppliers and supporting community initiatives.

Motivated by our mission of building futures through sustainable steel, we maintain close connections with our communities to foster a sense of belonging, build trust and strengthen our business ties with local suppliers.

This engagement has continued throughout 2022 with InfraBuild participating in a number of community initiatives which range from the supply of materials to community-focused projects, donations to local causes including sports clubs and community groups and procuring services from providers who specialise in providing employment opportunities for people with a disability.

> "Aruma Supported Employee Lucas Hendry really enjoyed working on this project.
> "I enjoy getting a chance to be part of the gardening and landscape industry, working with great team members and being able to work in the west and south-west areas of Sydney," Mr Hendry said."

CASE STUDY

Tree planting

When InfraBuild's Sydney Steel Mill had a landscaping project which required them to go external to source a supplier, the team enlisted local disability support provider Aruma to complete the project.

As part of the project, which saw 60 native Cumberland Plains trees planted in the nearby grounds, the Aruma team completed the planting works and now manages the ongoing maintenance of the trees.

Aruma's businesses, which hire 500 people with a disability across the country, provide a range of services including facility services, medical packs and forensics supplies, commercial laundry and manufacturing.

Aruma Supported Employee Lucas Hendry really enjoyed working on this project.

"I enjoy getting a chance to be part of the gardening and landscape industry, working with great team members and being able to work in the west and south-west areas of Sydney," Mr Hendry said.

"It was interesting to have InfraBuild employees give positive comments on the work we were doing on site and also have them thank us."

InfraBuild chose to work with Aruma because of the opportunities it provides for people with a disability to work across a range of projects in their local communities.

InfraBuild's Executive General Manager of Manufacturing Shane Murphy said the company was proud to be working with an organisation like Aruma, which shares community-minded values.

"InfraBuild's mission is to build futures through sustainable steel. This extends beyond our core businesses of recycling, manufacturing and distributing sustainable steel, and into our role as an employer of local people and our support of hundreds of Australian communities," Mr Murphy said.

"We look forward to working with Aruma on more projects in the future."

For people with a disability who are not able to work without support, Australian Disability Enterprises such as Aruma offer what's called Supported Employment. Visit **Aruma's website** for more information.

CASE STUDY

InfraBuild distribution sites supporting communities

InfraBuild's Connecting Communities program was launched in late 2022 and provides our distribution centres with an opportunity to support and connect with important initiatives in their local communities.

With more than 150 sites across the country, we have an important role to play in contributing to a sustainable economic, social and environmental future for the communities we operate in.

Through initiatives like Connecting Communities, we can play an active role in these communities and support programs ranging from Christmas toy runs and special interest groups to sponsoring junior sporting teams.

One example of the program at work during 2022 was our Toowoomba Steel Centre's donation of $5,000 to the Toowoomba Netball Association to help fund a pathway for Toowoomba players into the Greater Brisbane Netball League. This pathway will help Toowoomba region athletes gain exposure to a consistent, high level of competition currently not available to them in the local competition.

We are proud to be able to support the Toowoomba Netball Association and look forward to working with other local organisations in their respective endeavours to engage people in their local communities.

CASE STUDY

Conservation fencing playing a critical role in the rewilding of native Australian animals.

For over 100 years the InfraBuild Newcastle site at Mayfield in New South Wales has been supporting the Australian agriculture industry through the production of fencing products for Aussie farmers. More recently however, the site has taken up the cause of some of our most endangered and vulnerable native Australian animals by producing fencing for a major rewilding project.

The Wild Deserts project has two large exclusion enclosures, or 'exclosures', in the north-west corner of New South Wales within the Sturt National Park. The massive enclosures measure four kilometres by five kilometres, and InfraBuild's specialised fencing, installed in October 2018, runs 40 kilometres around both sites.

The fencing keeps protected species safely inside the enclosure and keeps pest species such as rabbits, feral cats and foxes out. It is also resistant to damage by other native animals such as wombats and kangaroos that are large enough to easily breach most rural fence designs and leave gaps in which pest species enter.

As part of the Wild Deserts project, native species - some of which had been extinct in the area for over 100 years - have been slowly reintroduced since 2018. This includes the Crest-tailed Mulgara (a relative of the Tasmanian devil), the Greater Bilby, and the Western-Barred Bandicoot, and in June 2022, a second species of bandicoot, the Golden Bandicoot.

All of these species are critical to a healthy desert ecosystem through their digging, which helps water to infiltrate the soil, collecting and distribution of seeds, and spreading and burying of leaf litter.

The ultimate aim of the Wild Deserts project is to release generations of bilbies and other locally extinct mammals back into the wild. Currently the vulnerable mammals are learning to survive in the landscape without the danger of predators however when their population grows, the mammals will be moved into a new area with limited predators, for example a small population of feral cats. It is hoped that they will then learn to become predator-smart and able to survive outside the exclosures. In this way these mammals will then be able to help restore the desert ecosystem in an ongoing and sustainable way.

The Wild Deserts project is a partnership between the University of New South Wales, Ecological Horizons, the NSW Department of Planning, Industry and Environment, and the Taronga Conservation Society Australia.

CASE STUDY

Buddy Benches

Midalia Steel's Welshpool Branch teamed up with the Bassendean Community Men's Shed and the Rotary Club of Morley during 2022 on a program to install Buddy Benches for students at local primary schools.

The benches, which are used by primary schools both domestically and overseas, are designed to provide a safe place for a student to sit and alert other students or teachers they are not feeling comfortable.

The Rotary Club of Morley has facilitated the program, while the members of Bassendean Community Men's Shed have constructed the benches and Midalia Steel, which is a brand of InfraBuild, has donated the steel for the benches.

So far benches have been installed at seven schools with more to be rolled out within the Morley Club's footprint in the coming months.

The program is a great opportunity for our branches to work with groups like Rotary and the Men's Shed to be part of an initiative designed to help young people in our community.

> "The program is a great opportunity for our branches to work with groups like Rotary and the Men's Shed to be part of an initiative designed to help young people in our community."

Markets

The markets in which InfraBuild competes have been strong throughout 2022.

The construction market in particular is expected to remain buoyant into 2023, underpinned by key government infrastructure projects.

The market strength provides a good platform from which InfraBuild can leverage its ongoing investment in innovative lower embodied carbon product solutions and supply chain traceability.

The market is not without its challenges however. Whilst easing, international supply chain disruptions continue to impact the economy. Energy supply and pricing presents an increased risk profile to all manufacturers of construction building materials.

As the economy begins its transition to low emissions, the Government is playing an increasing role, particularly as it introduces changes to legislation and regulatory requirements in the energy and manufacturing industries.

This changing market environment provides opportunity. Our customers are increasingly looking to collaborate with us to deliver improved sustainability outcomes for the built environment and this is providing the impetus to develop enhanced market offers, delivering value and subsequently being their supplier of choice.

Flinders Link Rail Project

Carbon emissions reduction – the Safeguard Mechanism

InfraBuild supports the Australian Government in reforming the Safeguard Mechanism to help Australia reduce its carbon emissions by 43 percent by 2030, and reach net zero emissions by 2050.

The Safeguard Mechanism was established in 2016 to keep emissions from large emitters below an emissions limit (a baseline). It applies to approximately 215 Australian facilities with Scope 1 emissions of more than 100,000 tonnes of carbon dioxide equivalent (CO2-e) per year. The only InfraBuild facility the Safeguard Mechanism applies to is the Laverton Steel Mill (LSM) in Victoria.

In August 2022 the Department of Climate Change, Energy, the Environment and Water (DCCEEW) commenced a process to reform the Safeguard Mechanism. This reform is intended to use the Safeguard Mechanism to require large emitters to reduce carbon emissions to the extent required to meet Australia's reduction target of 43 percent by 2030 and net zero by 2050. The reduction required of large emitters is proportional to their contribution to total emissions.

The reform process commenced with a consultation paper released in August 2022. Following this a series of information sessions and meetings provided the opportunity for stakeholders to understand the proposed changes and provide feedback to Government. InfraBuild was actively involved in this process. The Government considered this feedback and developed a Position Paper that was released in January 2023. The Position Paper proposes the design of the Safeguard Mechanism scheme in some detail.

One of the focuses that InfraBuild had was that any proposed changes would not be detrimental to domestic manufacturers, versus overseas competitors to whom the Safeguard Mechanism does not apply.

Key elements of the proposed scheme that are relevant to InfraBuild are:

- A baseline that reduces by 4.9% each year
- Credits to be earned for each year that the LSM emits less emissions than its baseline
- A requirement to purchase and surrender credits for each year that the LSM exceeds its baseline
- Access to a dedicated fund ($600 million) for trade exposed facilities to support emission reduction initiatives.

InfraBuild is supportive of the intent of the proposed changes in reducing emissions and has been an active participant in the government's roundtable discussions and provided submissions as part of the consultation process. In particular, InfraBuild considers that a level playing field compared with international competitors is vital to put us on a path to meet our 2030 emissions targets.

Final consultation is occurring on the proposed scheme in January and February 2023. The detail of the Safeguard Mechanism reform is expected by March 2023 and the changes are expected to come into effect 1 July 2023.

In future Sustainability Reports, InfraBuild will report in detail on our Safeguard Mechanism performance, including emissions against the LSM baseline and number of credits earned, bought or surrendered.

Product Development

The transition to a low emission economy is a challenge InfraBuild is up for.

We see two major pathways that the domestic steel industry must travel simultaneously to achieving this outcome:

1. The first relates to steelmaking processes and the role of manufacturers in producing lower embodied carbon materials.
2. The second relates to the whole supply chain playing a role in transforming the value proposition with a particular focus on finding ways to provide solutions using less steel.

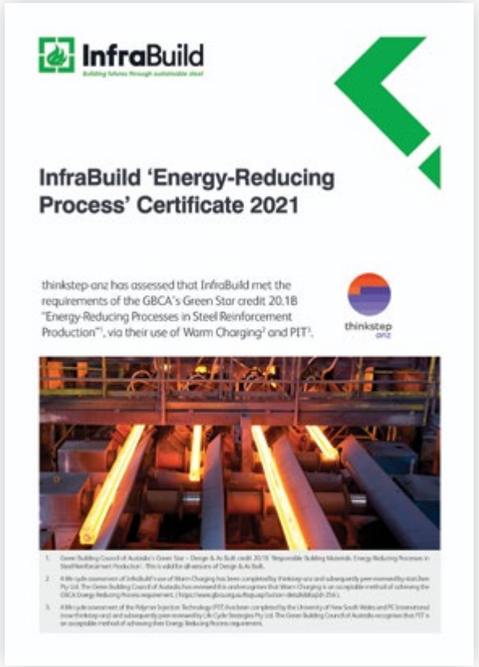
It is this second pathway that is front of mind as we invest in product and solution development.

- InfraBuild recognises that we have a major impact on our customers Scope 3 emissions profile, hence it is our absolute focus to become a net zero steel supplier delivering real value to our construction partner's decarbonisation ambitions.
- InfraBuild is working smarter and more efficiently to deliver lower embodied carbon solutions to our customers – optimising the use of lower carbon intensity steel and reducing the amount we consume and supply. The use of high strength steel coupled with innovative product design will be core to InfraBuild delivering a more sustainable product range – delivering lower embodied carbon solutions.

It's one thing to deliver these outcomes to the market, but it is equally important to our customers that we are able to demonstrate it via digital traceability. As such, InfraBuild also continues to invest in technology to enhance our ability to deliver secure, accurate and timely product data (commercial, material and sustainability credentials) to our customers.

Warm charging delivers Green Star points

InfraBuild is helping the construction industry achieve its sustainability objectives after the Green Building Council of Australia (GBCA) recognised our ‘Warm Charging’ technique that is used at our Electric Arc Furnaces at Laverton (Melbourne) and Rooty Hill (Sydney).


InfraBuild

InfraBuild ‘Energy-Reducing Process’ Certificate 2021

thinkstep-anz has assessed that InfraBuild met the requirements of the GBCA’s Green Star credit 20.1B “Energy-Reducing Processes in Steel Reinforcement Production”[1], via their use of Warm Charging[2] and PIT[3].

thinkstep anz

Generally, once a billet is cast in the EAF steel making process, it can be left to cool before being reheated in a reheat furnace to begin the rolling process.

But InfraBuild’s Warm Charging technique reduces the time billets spend in the reheat furnace, by sending the warm or hot billets straight from the casting mill to the rolling mill. This reduces the energy used to make reinforcing bar and mesh products.

A project, led by InfraBuild in conjunction with thinkstep-anz, developed a submission to the GBCA to seek recognition of Warm Charging as a valid Energy-Reducing Process (ERP) in Credit 20.1B of the Green Star ‘Design & As Built’ tool.

InfraBuild and thinkstep-anz were able to demonstrate to the GBCA that the Warm Charging technique should be recognised as a valid Energy-Reducing Process, as it delivers a tangible saving in the use of natural gas in our reheat furnaces. This not only provides demonstrable reductions in the energy used to reheat billets prior to rolling, but it also reduces the associated Scope 1 emissions and delivers a financial benefit.

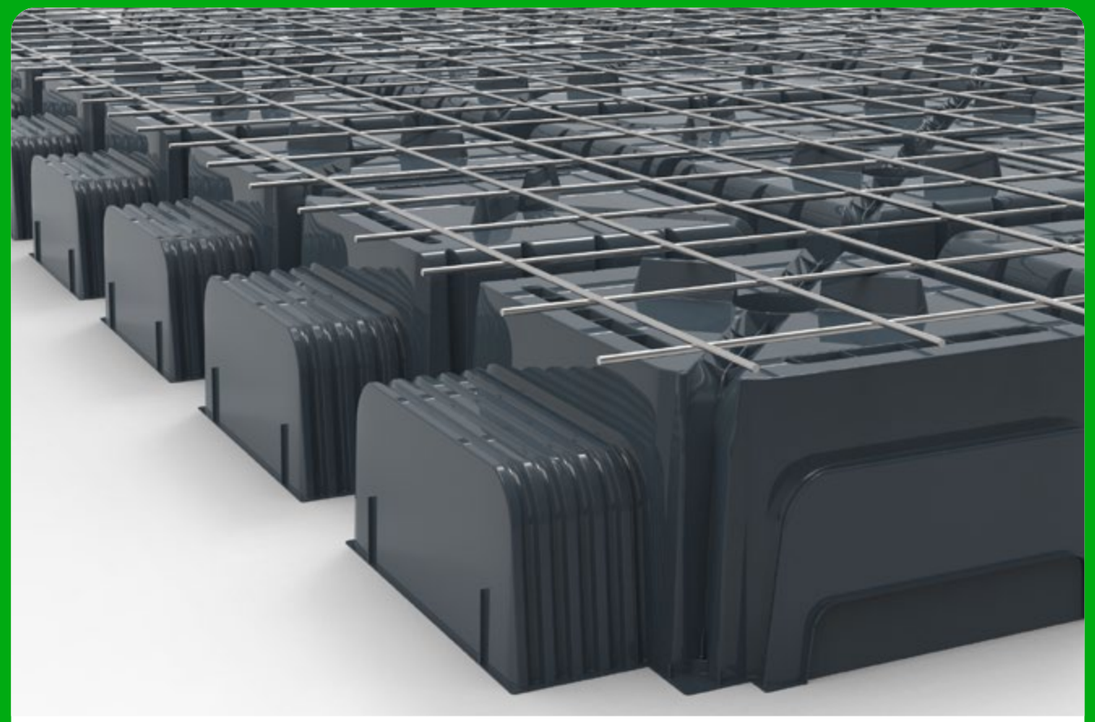
Following the implementation of the warm charging technique, gas usage at the Laverton Bar and Rod Mills dropped by five to seven percent.

The GBCA’s recognition was achieved in March 2022 and is covered in their **FAQ 256**.

This recognition also importantly provides projects rated to the Green Star Design & As Built tool with a pathway to gain one Green Star point through using reinforcing bar and mesh products made by InfraBuild.

InfraBuild produces an ERP Certificate, that is independently assessed by thinkstep-anz, to demonstrate that InfraBuild meets the requirements of Credit 20.1B, which is available **here.**

Gaining the GBCA recognition forms part of InfraBuild’s Sustainability Strategy and is another important step in our journey to decarbonise our products, which aligns to the InfraBuild CN30 Objective of being a low-emission, carbon neutral steel maker by 2030.



CASE STUDY

Lokpod sustainable residential slab building system

In a world first, in FY22 the Australian Reinforcing Company (ARC) launched a highly innovative and sustainable residential slab building system that challenges the traditional slab building process called LOKPOD™.

LOKPOD™ is a game-changer for the construction industry and features a unique design for easy interlocking installation onsite, with each quadrant locking into the next when setting down. It also complies with all relevant Australian construction standards.

LOKPOD is made from recycled polypropylene plastic material sourced exclusively from Australia and is handled and delivered through a local supply chain without packing material. No pallets are used, and only two small straps are used to keep stacks together when transporting the LOKPODs to site. This means that there is close to nil waste in delivering the product to site ready for use.

LOKPOD will divert more than 3,000 tonnes of plastic from landfill each year (per production cell).

LOKPOD is currently being manufactured locally in Western Sydney and a second production cell in Melbourne is coming online in early 2023, resulting in more jobs and fostering economic growth for the communities. This further highlights the sustainable nature of the whole LOKPOD manufacturing process, from factory to site.

LOKPOD was trialled successfully with some of the nation’s largest volume residential builders with resulting feedback resolutely positive and better than we ever could have anticipated. Builders remarked how easy it is to use and considered it a better alternate compared with other offerings on the market.

Please click **here** to watch an animated overview of LOKPOD and visit our corresponding website with benefits, product photos, installation guide, diagrams and more.

Traceability

Traceability – and the continued development of our capabilities – remains a key focus for InfraBuild.

Traceability no longer stops at the mill gate. There is an increasing expectation from customers – and regulators – that they will be able to map the journey of a product we supply from the production line to the hands of the customer.

Over the past 12 months, we have significantly enhanced our traceability capabilities through a targeted program to deliver improved outcomes for customers.

Billet marking

Billet marking is an essential link in the quality chain, providing traceability of steel heat numbers and assisting billet yard operators to safely confirm the right steel grade for the right end product.

In 2022, we implemented a fully automated laser billet marking system, which has unlocked a number of benefits for our Sydney Melt Shop operations and our customers.

Each billet is now uniquely marked with the heat number, strand number, and billet number both as 1-D text for identification by a human and a 2-D data matrix for automated vision systems to read.

The machine readability greatly reduces the risk of steel grade mix-ups by moving from an administrative control to an engineering-controlled system.

The quality of markings has also improved significantly. Markings generated by our previous billet stamper could be variable in quality, particularly due to the impacts of billet surface quality.

The new process also removes two manual processes from the supply chain.

There is no longer a requirement for a caster steelmaker to manually change the stamper number between heats, which reduces the risk of a grade mix up, while the need for yard operators to manually stamp incorrectly stamped billets has also been removed.

Reducing the amount of human intervention required in the billet marking process improves the safety of the process, while also creating productivity efficiencies by removing manual processes.

RFID

When it comes to traceability, data is key.

Data provides our own teams and our customers with the visibility they need to make informed business decisions, and in the case of our customers, informed purchasing decisions with full knowledge of the product's journey across the supply chain.

We have implemented a number of initiatives as part of our efforts to provide customers with the most comprehensive traceability data possible.

One of our 2022 initiatives was a pilot program implementing RFID product tags and readers at our Sydney Steel Mill (SSM). Executing a phased implementation strategy, SSM is now applying RFID encoded tags to product bundles at the tagging bed which are then read and verified as they leave the site via a RFID gantry at the gatehouse.

This innovation will enable productivity and efficiency gains to be realised by dramatically streamlining interaction with data on product tags. The first phase of this project will deliver automation of product leaving the facility with truck manifests automatically verified prior to leaving the site, enhancing stock and data accuracy and real time dispatch notification to customers.

Such functionality is common in other industries such as food delivery and eCommerce, however this will be the first time our own customers have been able to track their deliveries from the mill to site.

The RFID gantry at Sydney Steel Mill

Traditional barcodes compared to RFID

Traditional Barcode

One to one
scan only one item at a time

Line of sight
only items in view can be scanned

Security
barcode can be easily replicated

Read only
print once change not possible

RFID

One to many
simultaneously scan a number of tags

Non-line of sight
can scan items hidden from view

Security
RFID chips contain a unique identifier

Read and write
tags can be updated with new information during supply chain journey

Robotics

The targeted introduction of robotics into the manufacturing process demonstrates how we are successfully creating a collaborative work environment within our workforce. In this environment, robots take on repetitive tasks, streamlining production workflow and eliminating injury risks for our employees. An additional benefit is their ability to perform a highly repetitive task accurately on all occasions.

Fundamental to our efforts to improve data traceability is our investment in a robot tagging machine at the SSM.

The investment reduces the risk of safety-related issues in the dispatch bed and warehouse exclusion zones, where the previous manual tagging process was performed. It also minimises the risk of the bundles being incorrectly tagged and represents a shift from an administrative-controlled environment to an engineering-controlled environment. We are now planning to implement our robotic tagging capability across its manufacturing network.

While the initiative provides productivity and safety benefits to the business, ultimately it is our customers who benefit through enhanced accuracy in data traceability, which enhances confidence in product compliance, order delivery accuracy and accurate sustainability credentials.

Measuring Material Circularity

The circularity of steel is well known and understood, its ability to be recycled over and over again, without loss of quality is part of the reason that it is globally the most recycled material by weight.

In Australia, according to the 2018 National Waste Report, around 90 per cent of all steel is captured at its "end of use" phase and re-enters the recycling supply chain as a valuable input to the EAF manufacturing process, destined to be turned back into new steel.

While steel can and is made using up to 100% scrap steel as the ferrous feedstock, and the recycled content of the new steel can be measured, recycled content only tells part of the circularity story, being as an input.

A more holistic approach is to measure and quantify the circularity of the steel product throughout its entire life cycle. This takes account of not just the recycled steel used to make the new steel product, but indeed all the inputs, including materials (both recycled and virgin) and energy (both fossil-fuel and renewables) used to make the new steel product. It also accounts for the waste outputs throughout the product's life cycle that cannot be viably reused (including during the manufacturing, use and end-of-use phases) and finally the recyclability of the steel at its end-of-life phase.

Quantification of this process is becoming increasingly important, as manufacturers, designers and end users look to understand the circularity of materials and products, and how this circularity can be improved.

The Ellen McArthur Foundation developed the Material Circularity Indicators (MCI) approach to be able to understand and measure the circularity of products. 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, use, and eventual demolition and reuse or recycling. 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.

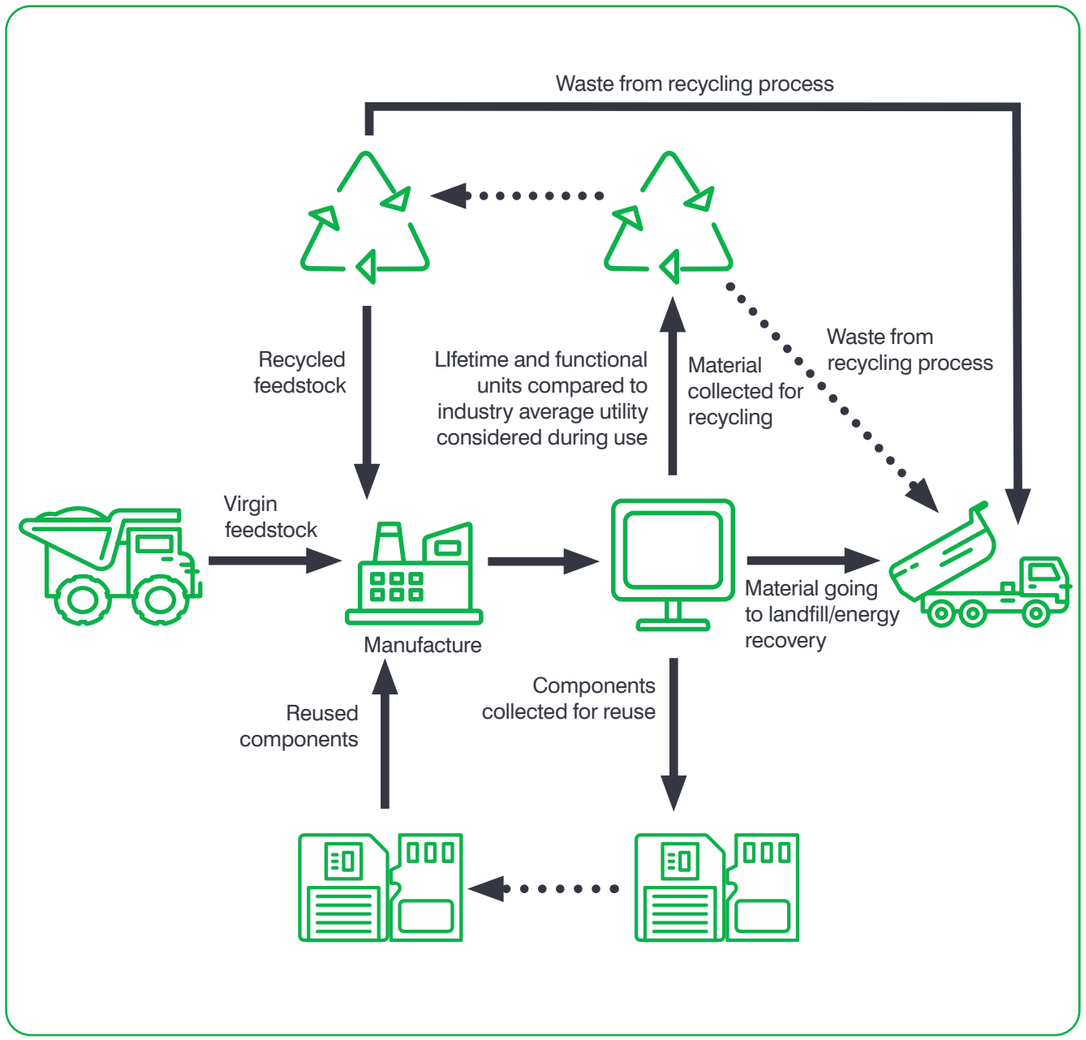
Sustainability specialist thinkstep-anz worked with InfraBuild to measure the circularity of all the steel products covered by InfraBuild's EPDs. All five EPDs that were recently updated in 2022 include MCI results for the products in these EPDs. InfraBuild was the first business in Australia to include MCI metrics into their EPDs.

MCI metrics provide a number between 0 and 1 that can be used to benchmark and understand the circularity of a product, as well as a methodology for improving that circularity over time. MCIs also deliver additional value to an EPD, by providing a more complete picture of the overall sustainability credentials of that product.

As circular economy policies and sustainability rating schemes such as the GBCA Green Star and ISC IS tools develop and promote circular outcomes, InfraBuild through the provision of MCI metrics makes it easier to measure progress , performance and the ability to quantify the circularity of the products used in a project.

The results of InfraBuild's the work with thinkstep-anz delivers a benchmark to quantify each product's circularity. It also identifies key drivers that affect the MCI result and as such, further opportunities for InfraBuild to improve the MCI metrics into the future.

Increased use of the MCI approach and metrics for steel in projects will help the market to improve resource efficiency across the whole life of a project. InfraBuild is playing its part by transparently providing MCI results through its EPDs. This provides project teams with the ability to explore 'circularity at scale' for an entire building or infrastructure project and deliver more sustainable outcomes.



EPDs

InfraBuild's Environmental Product Declarations (EPD) are a series of documents, that provide a suite of environmental data on the life cycle impacts of InfraBuild's steel products.

The environmental data within the EPDs includes the consumption of energy, water, and other resources, as well as contributions to climate change (carbon footprint) and emissions to water, air, and soil.

Our EPDs are developed to an internationally agreed format, including to EN15804 and ISO14025 and are registered, recognised and published by EPD Australasia.

EPDs are used by the design fraternity, sustainability professionals, procurement specialists and the broader construction and infrastructure market to assist with making informed decisions on the environmental attributes of the various products used in construction projects.

The latest revisions of all InfraBuild EPDs were published by EPD Australasia in May 2022 and remain valid until September 2025.

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

Developed in conjunction with independent sustainability consultants 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 more than 95 per cent of all impacts.

InfraBuild's EPDs are 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.

As InfraBuild's EPDs are published by EPD Australasia and are based on the ISO standard ISO 14025 and the rules of the International EPD® System, InfraBuild's EPDs can also be used for projects being rated by the US LEED (Leadership in Energy and Environmental Design) and UK BREEAM (Building Research Establishment Environmental Assessment Method) programs.

Given the increasing focus on the decarbonisation of the built environment, it is important to highlight that there were improvements in the Global Warming Potential (GWP) impact category for reinforcing bar and reinforcing mesh products available through InfraBuild Reinforcing and ARC. The GWP for these products has reduced by nine per cent and 22 per cent respectively, between the 2016 and 2020 versions of these two EPDs.

InfraBuild is committed to creating a more sustainable future for industry and society with a key focus on transparency; our EPDs are an important part of this commitment. InfraBuild's EPDs provide a clear, consistent and internationally recognised method of demonstrating the environmental performance of our products.

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.

> "EPDs provide your stakeholders, including funders, specifiers and customers, with reputable, globally-recognised information about your products' environmental footprints. They show that you're serious about making your products more sustainable and can help you build your brand and customer loyalty."
>
> Barbara Nebel, CEO of thinkstep-anz

> "Sustainability has evolved from a "nice-to-have" to a Board level issue. Investors are becoming more aware of sustainability risks, and the public expects businesses to be better corporate citizens. If a business is currently not thinking about how they would position themselves in a low-carbon economy, they are doing it wrong."
>
> Rob Rouwette, start2see

Market Engagement and Collaborations

At InfraBuild, collaboration with industry, government and tertiary partners supports our ability to deliver an innovative market offer for our customers today, while also exploring new products and processes, which will enable us to enhance our market offer into the future.

At a time of unprecedented market change in response to climate change, InfraBuild is working closely with both Federal and State governments to look at ways to reduce InfraBuild's carbon footprint in a way that is consistent with Government goals, policy and associated framework.

InfraBuild supports key built environment initiatives championed by the GBCA and ISC, actively contributing via participation in their various working groups.

Industry Associations play a key role in shaping the market environment in which we, and our customers, operate.

InfraBuild participates in numerous industry bodies including the ASI, SRIA, BOSMA, AiG, HIA and ACA, which all play a key role in driving improved industrial relations, equality and diversity, safety and design standards, and compliance performance outcomes for the construction industry.

Innovation comes not only from within, but also by working closely with others. InfraBuild's participation in the ARC Steel Research Hub enables the business to actively work with a number of universities on research projects to develop new products and market solutions or enhance manufacturing productivity and improved energy efficiency outcomes.

In addition to the ARC Steel Research Hub, InfraBuild has several separate collaborative research projects with the university sector which are primarily focussed on product development.

Pictured below, InfraBuild representatives with Monash University Heads of Material and Engineering Dept.

Victorian government recycled suppliers map

InfraBuild continues to be represented in the Victorian government supplier map, which looks to optimise the use of recycled and reused materials in Victorian projects.

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

With InfraBuild's highly circular use of recycled steel and a long-term presence in the Victorian market as a recycler, manufacturer, processor, and distributor of steel, we are pleased to be able to continue to work with the Major Transport Infrastructure Authority (MTIA) and be represented the supplier map. The supplier map is used to help Victoria innovate and grow its domestic recycling capabilities, build local markets, and find new uses for recycled content.

InfraBuild's inclusion continues to enhance our position in the construction and infrastructure market through our supply of steel products using recycled materials. Our recycling capability further enhances the circularity of our business by recovering scrap steel at its end-of-use stage and turning this back into new steel products.

Ecologiq, as part of the MTIA, conducts a regular series of recycled supplier information sessions and InfraBuild was fortunate to present at the March 2022 event. This brought together a series of key design consultants, sustainability professionals and major contractors, to hear about InfraBuild's circular supply chain and the products that we can supply into their projects.

InfraBuild's Victorian metropolitan, regional and cross-border locations in NSW and South Australia continue to be represented in the supplier map .

CASE STUDY

Steelmaking slag

A fundamental part of our ongoing commitment to contributing to a sustainable future for the communities we operate in is reducing waste.

We do this by developing our own solutions or partnering with third parties to recycle some of the by-products we generate through our operations.

One such by-product is slag, which 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.

In 2022, we supplied slag to Harsco Environmental – a global market leader providing environmental solutions for industrial and specialty by-products – which it then used to support two Australian racetrack resurfacing projects.

As part of an extensive renovation project of the Albert Park Circuit, which is the home of the Australian Formula 1® Grand Prix, slag from InfraBuild's Electric Arc Furnaces was used in 10mm and 14mm aggregate produced by Harsco.

The aggregate was deemed to improve grip and abrasion on the circuit's surface, which resulted in more competitive racing conditions.

Following the success of the Melbourne project, the EAF slag aggregate was also used to resurface the Adelaide Street Circuit, which hosted the 2022 VALO Adelaide Supercars Race.

> "Together with our stakeholders, we have worked together to develop innovative EAF mixes that meet the precise specifications for these two racetrack projects," said Andrew Hayes, Site Manager, Harsco Environmental, Australia.
>
> "We are proud to be part of these projects which represent advancements in Australian Formula 1® and Supercar racing."

COLLABORATIONS

Infrastructure Sustainability Council

The Infrastructure Sustainability Council (ISC) is a member-based, purpose-led peak body working in Australia and Aotearoa New Zealand to enable sustainability outcomes in infrastructure.

'Infrastructure Sustainability' can be defined as; infrastructure that is designed, constructed and operated to optimise environmental, social and economic outcomes of the long term.

ISC serves an industry that is enabling significant intergenerational change to help generate social, environmental and economic returns for society by working closely with industry to embed sustainability in every aspect of horizontal infrastructure and benefit people living in Australia, Aotearoa New Zealand and beyond.

ISC defines infrastructure as the basic physical and organisational structures needed for the operation of a society. It encompasses road and rail infrastructure, power and telecommunications networks, water and waste facilities, social assets, port structures and other utilities in including airports.

InfraBuild has been a proud member of ISC for more than 10 years, and continues to support and contribute to the work of the ISC and IS rated projects in a variety of ways.

During 2022, we have been a member of the Technical Working Group (TWG), which supports the development of the IS ratings tools.

As a supplier to some of the nation's largest infrastructure projects, InfraBuild's customer base relies on the rating system to evaluate the economic, social and environmental performance of infrastructure across the planning, design, construction and operational phases of a project.

InfraBuild presented at the "Innovation and Impacts" session at the ISC Connect Conference in Sydney in March 2022. David Bell, Manager Sustainability and Insight, presented on InfraBuild's EPDs, our work on developing and launching material circularity indicators and some of the broader sustainability initiatives but were showcased in our first InfraBuild Sustainability Report released at that time

David was also honoured to be invited to speak at the IS Connect Conference in Maroochydore Qld in October 2022. At this conference, he spoke in the "Accelerating and Scaling" session, where he talked to InfraBuild's work towards achieving our CN30 objective and how this will support the decarbonization of IS rated projects in the built environment.

InfraBuild continues to be a member of the ISC ISupply directory, which can support infrastructure projects to gain IS credits through the use of InfraBuild products.

Green Star Ratings Tools

The GBCA provides clear and consistent guidelines in the Green Star tool as to how InfraBuild products and solutions 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.

Design and As Built

The Green Star Design & As Built ratings tool has been used in the market since 2014 and continues to be used to provide Green Star ratings for projects that are registered to this version of the Green Star tool. The Design and As Built tool continues to recognise that InfraBuild's products can contribute to Green Star points for projects via our:

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

Green Star Buildings Tool

Through its membership on the GBCA's Expert Review Panel for Responsible Products, InfraBuild has been collaborating with the GBCA during 2022 on the new Green Star Buildings tool.

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.

InfraBuild is 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 Products Value (RPV) Framework. InfraBuild is assessing the opportunity to gain certifications that are recognised by the Responsible Products Framework including GECA, Climate Active and SSA.

COLLABORATIONS

Green Building Council of Australia

Established in 2002, the Green Building Council of Australia's (GBCA) 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 and 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 educates industry, government practitioners and decision-makers, and promotes green building programs, technologies, design practices and operations. It represents 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.

GBCA Functions

InfraBuild is proud to have been a member of the GBCA for more than 10 years and has been honoured to present at several GBCA events in 2022.

David Bell, InfraBuild's Manager Sustainability & Insight, presented at the GBCA Transform Conference in Sydney, in March 2022. David spoke in the "Realising Circular Economy" session, sharing InfraBuild's story around what circularity means to InfraBuild and how the circularity of its products are measured. The presentation also addressed how InfraBuild is helping the market to bring metrics to circularity discussions and decisions by introducing material circularity indicators in its latest EPDs.

David was also invited to present as part of the panel at the GBCA's Green Building Day in Sydney in June 2022. David shared InfraBuild's views on the challenges and benefits of developing and supplying responsible materials and how it can assist with responsible procurement practices.

COLLABORATIONS

Sustainability Advantage NZELA Program

Sustainability Advantage, which is part of the NSW Government's Department of Planning & Environment, conducted the Net Zero Emissions Leadership Accelerator (NZELA) program in 2022.

NZELA is designed to give participants the foundational theory to develop their organisation's net zero pathway. It also provides access to industry experts and practical support via guided discussions plus one-to-one coaching to inspire ambition and assist an organisation in achieving its net zero commitment and targets.

InfraBuild was fortunate to be invited to participate in the NZELA 2022 programme, which ran from March to October.

InfraBuild commends the NSW Government for initiating and supporting this program.

Our involvement provided deep insight and support for our sustainability journey, as well as being of particular value to the development of the InfraBuild Decarbonisation Strategy.

The program helped support the mapping of InfraBuild's Scope 3 emissions as well as the interactions with industry experts and the other participants.

COLLABORATIONS

The Australia Steel Institute's (ASI) Steel Sustainability Australia (SSA) certification program

The Australia Steel Institute's (ASI) Environmental Sustainability Charter (ESC) was established in partnership with the Green Building Council of Australia (GBCA) in 2011, with the objective of delivering ongoing meaningful improvement to the environmental footprint of certified structural steelwork fabrication and steel processing companies.

The ESC has been one of the pathways for structural steel to gain Green Star points in the GBCA's Design and As Built ratings tool, and will continue to be recognised and utilised for buildings rated to this version of the Green Star tool.

However, in response to increasing sustainability demands on construction materials, the ESC is undergoing an in-depth revision and transition to the new Steel Sustainability Australia (SSA) certification program in late 2022.

The SSA program engages the entire steel value chain by certifying downstream structural steel fabricators, rollformers, and reinforcing processors, as well as verifying upstream steel manufacturers, against best practice environmental, social and governance (ESG) indicators.

The new SSA program will enable projects to access credit points for projects rated to the GBCA's Green Star Buildings tool, under the Responsible Products Framework, whilst driving best practice sustainability improvements across steel manufacturing and processing operations.

InfraBuild has supported the development of the SSA certification program throughout 2022 and welcomes its inclusion, as part of the GBCA's Responsible Products Framework in the Green Star Buildings tool, in late 2022.

InfraBuild has commenced work to ensure our products meet the requirements of the SSA certification program.

Further information on SSA can be accessed via the website: **www.steelsustainability.com.au**

COLLABORATIONS

World Steel Climate Action Programme

InfraBuild via Liberty Steel is covered by a group-wide accreditation to the World Steel Association (worldsteel) Climate Action data collection programme. InfraBuild provides data to worldsteel on an annual basis and has been a member of the Climate Action data collection programme for over a decade.

This accreditation is recognised by the Green Building Council of Australia, as it is one of the two mandatory compliance requirements for steel manufacturers to be considered as a responsible source of steel, and to be recognised as a "Responsible Steel Maker", in the Green Star "Design & As Built" tool for both structural and reinforcing steel

Demonstration of our certification is available **here** from the InfraBuild website.

COLLABORATIONS

Materials & Embodied Carbon Leaders' Alliance (MECLA)

Materials & Embodied Carbon Leaders' Alliance (MECLA) was formed in 2020 as an initiative of the NSW Government's Low Emissions Building Materials Program with the purpose of guiding industry to reduce the embodied carbon in the building and construction industry.

MECLA has a focus on transforming the building and construction sector to reach Net-Zero emissions. MECLA recognises the growing demand for lower and zero-carbon materials worldwide and is keen to explore how organisations like ours can work together to move Australia towards a zero-carbon economy and position Australia in the top five zero-carbon materials suppliers.

InfraBuild is an active participant with MECLA, sitting on multiple working groups as well as presenting at MECLA events, including the NSW Government & Industry event held in May 2022 and the 'Spotlight on Steel' session held in late November 2021.

COLLABORATIONS

Housing Industry Association

The Australian Reinforcing Company (ARC) is proud of its long-standing partnership with the Housing Industry Association (HIA).

The HIA is the voice of the Australian residential building industry, which strategically aligns with ARC's focus on servicing the largest residential builders across the country.

With more than 100 years' industry experience, ARC is the preferred reinforcing partner for Australia's major home builders across metro and regional Australia for a reason. ARC has the largest footprint of branches across the nation, providing a consistent service-based offer with its Australian made reinforcing steel products - from Tasmania all the way up to the Torres Strait.

ARC has been an official HIA member for more than 14 years, with many of its customers regularly featuring in the HIA-COLORBOND® steel Housing 100 Report on an annual basis.

As a major partner of the HIA, ARC has been sponsoring a range of national events since 2007. In 2022, these events included the HIA's Australian Housing Awards, National Conference, Australian GreenSmart Awards and Construction Outlook Breakfast series.

These events demonstrate excellence in the construction, design, sustainability, innovation, and technology of housing. Arguably the most prestigious occasions in the residential building industry, they are eagerly attended and contested by more than 900 small, medium and large size builders.

COLLABORATIONS

Australian Research Council (ARC) Steel Research Hub

While InfraBuild is on its own journey to decarbonise, it is critical we look beyond our own locus of control and engage with our entire supply chain both upstream and downstream to work with suppliers and customers to understand their own decarbonisation pathways.

This engagement provides insights which inform our decision making on decarbonisation initiatives, but also helps us understands the day-to-day issues our stakeholders seek to resolve.

In many cases the solutions will come from intensive collaborative R&D initiatives.

Central to InfraBuild's engagement on R&D is our participation in the ARC Steel Research Hub, which provides an excellent platform to invest, with the Federal Government's support, in emerging and break through technological solutions.

The second Phase of the Steel Research Hub was launched in 2022 by the Hon Jason Clare, MP, Federal Minister for Education, underpinned by a Federal government commitment of $28M over five years.

Via the hub, InfraBuild is co-investing across a number of initiatives in product innovation, knowledge management, automation and the recycling and repurposing of by-products.

Our partner universities on these projects include, Deakin University, Queensland University of Technology, Swinburne University of Technology and University of Technology Sydney.

Assets

InfraBuild's assets are well positioned to transition to a lower carbon emission profile. The assets are not dependent on a revolutionary development in the steelmaking technology itself to facilitate change.

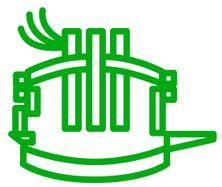
Technology investment will still play a key role, however, in reducing our Scope 1 and 3 emissions profile. Our digital transformation journey will support our efforts to reduce emissions, drive continuous improvement in the way we manufacture and improve data trace-ability.

Continued investment in process improvement will enable us to optimise material efficiency by reducing energy consumption, reducing inputs and minimising waste.

The focus on these areas will not only improve productivity and help us deliver on our CN30 ambition, but importantly assist us in delivering customers surety of supply, a lower embodied carbon steel solution and an overall enhanced customer experience.

2

electric arc furnaces

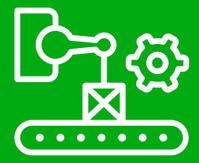


113

retail and processing sites

11

prized assets including tube, wire & rolling mills



Steel's role in the Circular Economy

Steel is a building block of society; it is used in our transport networks, our hospitals, schools, offices, shops and our homes.

Steel will continue to play an essential role in helping shape our nation's future. In fact, steel demand is predicted to increase significantly by 2050 and with that it's important to recognise one of steel's greatest qualities; it is infinitely recyclable. In fact, steel can not only be recycled to make new steel, but it can be upcycled to produce a higher quality of steel.

The primary way this is done is via electric arc furnace-based steelmaking processes, which many steel manufacturers globally are transitioning to – or preparing to transition to – as the global steel industry pursues a decarbonised future.

At InfraBuild, we have been using electric arc furnace-based processes to manufacture steel as part of our long-standing vertically integrated operations for almost 40 years, with our mill in Laverton (Melbourne) operating since 1985 and our mill in Rooty Hill (Sydney) operational since 1992.

These operations comprise recycling, manufacturing and distribution and processing. As more companies, globally, adopt these processes, demand for recyclable scrap metals will continue to grow. At InfraBuild's recycling sites, scrap metals are sourced through local recycling solutions from households, local government, mining, demolition, automotive, manufacturing and waste companies.

During 2022, these facilities have recovered about 1.4 million tonnes of recycled metals across the country.

InfraBuild uses this scrap metal to produce steel billets at electric arc furnaces at Laverton and Rooty Hill. The billets are used by InfraBuild to manufacture steel products which are used in a wide variety of applications from bedding springs and agricultural fencing, to the reinforcing and hot-rolled steel used in large scale projects, which in recent years includes the Sydney Metro, Melbourne Metro, West Gate Tunnel and Brisbane's Cross River Rail projects.

By the very nature of our EAF manufacturing process, InfraBuild's finished products embrace the concept of the circular economy – steel that may have once been part of a fridge is shredded and combined with a host of other scrap metals to make rebirthed steel which is then manufactured and sold back into the market as a new valued steel product.

It is this notion of the circular economy which makes recycling so important. As more steelmakers adopt electric arc furnace-based methods like ours, demand for scrap will continue to grow. Which is why it's so important we all play our part in contributing to the circular economy by recycling our steel appliances and products at their end-of use phase, to help manufacture more lower embodied carbon steel. Businesses can then continue to 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.

> "Steel that may have once been part of a fridge is shredded and combined with a host of other scrap metals to make rebirthed steel."

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 that could improve in the steelmaking and manufacturing process. By streamlining processes, we can make gains in both production efficiencies and cost savings.

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

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

CASE STUDY

Furnace transformer

The 'engine' of an Electric Arc Furnace is the secondary furnace transformer, which converts high voltage/low current primary power into the large secondary currents used to melt scrap metal.

In recent years, our Laverton Mill upgraded its secondary furnace transformer from 77MVA to 90MVA as part of a future proofing strategy.

While the transformer was upgraded, the power input was still restricted by the size of the old 2100 ampere vacuum circuit breaker (VCB), which is the critical switch turning high the high voltage power to the electric arc furnace on and off.

In late 2021, our Laverton Melt Shop Maintenance and Technical Team installed a new higher capacity 2500 ampere VCB which allows the full 90MVA power of the furnace transformer to be utilised.

This resulted in a 3.4 megawatt increase to active power into the furnace, subsequently reducing the average power on time of 1.3 minutes and generating an additional 208 hours of productive time over the course of a year.

> "This piece of work forms part of our continuous improvement program, which is designed to encourage innovative thinking to deliver solutions which improve productivity..."

This has resulted in an overall reduction in electrode consumption of between three and five percent due to the shorter power on time, while also enhancing productivity.

This piece of work forms part of our continuous improvement program, which is designed to encourage innovative thinking to deliver solutions which improve productivity, reduce our emissions intensity and create a safe environment for our workers.

CASE STUDY

Cobotics Launch

As part of its research and development program, InfraBuild has been collaborating with researchers from the Queensland University of Technology and the University of Technology Sydney on an innovative cobotic solution designed to improve safety on our steel production lines and enhance customer experience.

Known as the 'Shorts Project', the work has resulted in the development of a cobot – a robot which works in tandem with humans – which is positioned on the steel production line to automatically detect and remove short bars from bundles of steel.

The primary benefit of the project, which will be rolled out initially at our Sydney Steel Mill, is safety.

The current process involves several workers sharing a 12-hour rotating shift to pick the shorts and remove them off the conveyor, which is physically intensive and repetitive.

However, as a result of this work, the cobot will now work in conjunction with our manufacturing team to cover the physical and repetitive part of that process.

The project also provides benefits for our customers by reducing the risk of a bundle of product being delivered which contains one or more products that don't match the intended specification.

This project is a great example of how an organisation like ours can work with tertiary institutions to develop innovative solutions that will ultimately benefit the broader industry in the long-term.

Australian Cobotics Centre Director, Professor Jonathan Roberts said: "Helping InfraBuild solve their unique challenges with cobots is an exciting prospect for the researchers of our Centre.

In our first year of operation, we have already discovered the huge benefit of our university researchers working hand-in-hand with the InfraBuild team in their rolling mill."

Standards Reporting

ISO 14001 Certification

ISO 14001 is the commonly and internationally recognised standard for designing and implementing a business' environmental management system (EMS). Certification to ISO 14001 recognises the processes related to how products are manufactured, but not to the products themselves.

Having our processes certified to ISO 14001 provides a platform for InfraBuild to both measure and improve our environmental performance and compliance, as well as pathways to increase material and process efficiency, deliver cost savings, and drive predictability and consistency with managing our environmental requirements.

During the reporting period, all InfraBuild certified sites continued to maintain certification against the ISO 14001:2015 standard for Environmental Management Systems. This is an ongoing demonstration of one of the ways we continue to meet our environmental commitments, by having environmental management systems that comply with international standards (ISO14001:2015).

Our certification to ISO 14001 is recognised by the Green Building Council of Australia. Certification to ISO 14001 is one of the two mandatory compliance requirements InfraBuild needs to meet to be recognised as a "Responsible Steel Maker" in the GBCA Green Star "Design & As Built" tool. Our certification allows InfraBuild's structural and reinforcing steels to be used in "Design & As Built" rated projects.

Our Certificate of Approval to ISO 14001:2015, issued by Lloyd's Register, is available **here** from the InfraBuild website.

Lloyd's Register

Certificate of Approval

This is to certify that the Management System of:

Infrabuild Australia Pty Ltd

Building 2 Ingall Street, Newcastle, 2304, Australia

has been approved by Lloyd's Register to the following standards:

ISO 14001:2015

Approval number(s): ISO 14001 – 00022888

This certificate is valid only in association with the certificate schedule bearing the same number on which the locations applicable to this approval are listed.

The scope of this approval is applicable to:

The production of steel from a scrap base, and the manufacture, warehousing and distribution of steel rod, bar, wire and structural steels. The sale, manufacture, processing and supply of steel reinforcing bar, mesh and wire products including fabricated elements and accessories. Does not cover activities undertaken by Reliability Engineering and Manufacturing Services.

Luis Cunha
Area Operations Manager - SAMEA
Issued by: Lloyd's Register Quality Assurance Limited

JAS-ANZ

Energy and Emissions

Energy consumption is intrinsically linked to InfraBuild's emission profile – both in volume and source.

Becoming a low emission, net zero business means InfraBuild needs to reduce its Scope 1 and 2 emissions as much as commercially, technologically and economically possible by moving its energy sourcing to a zero-emission supply position.

As highlighted in the Decarbonisation Strategy section (pg 24), InfraBuild has commenced its process to transition to renewable electricity. InfraBuild, as part of its transition strategy, is committed to partnering with new renewable developments, creating 'additionality', contributing to the ongoing 'greening' of the electricity grid.

Due to InfraBuild's large offtake requirements and multi-site footprint, this transition is expected to take several years, allowing for greenfield renewable developments to be constructed and operational.

A move to 100% renewable electricity will in effect eliminate current Scope 2 emission profile, facilitating a reduction in CO_2e intensity in excess of 50% for those products sold, which emanate from the EAF production route.

In the meantime, the business continues to focus on identifying opportunities to reduce electricity consumption through operational efficiencies.

InfraBuild's consumption of natural gas is another key area of focus. Currently this accounts for approximately 15% of our total Scope 1 and 2 emissions. InfraBuild is looking at substitute energy sources with either no or a low emission profile to replace natural gas so as to further contribute to the decarbonisation of our business and our customers' business's.

Energy and Emissions

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 Consumption FY18-FY22 (PJ)

	FY18	FY19	FY20	FY21	FY22
Laverton Steel Mill	3.068	3.187	3.037	3.206	3.274
Sydney Steel Mill	2.220	1.953	2.059	2.154	2.094
Newcastle Rod Mill (and Contistretch)	1.232	1.207	1.165	1.221	1.199
Wire Mills (Newcastle Geelong)	0.528	0.493	0.499	0.480	0.487
Austube Mills (Acacia Ridge, Newcastle)	0.084	0.076	0.073	0.082	0.084
Recycling (all sites)	0.319	0.273	0.242	0.233	0.239
Reinforcing and ARC sites	0.191	0.154	0.154	0.171	0.162
Other sites	0.099	0.157	0.111	0.114	0.117
INFRABUILD TOTAL	**7.741**	**7.500**	**7.341**	**7.659**	**7.656**

Electricity is the main 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

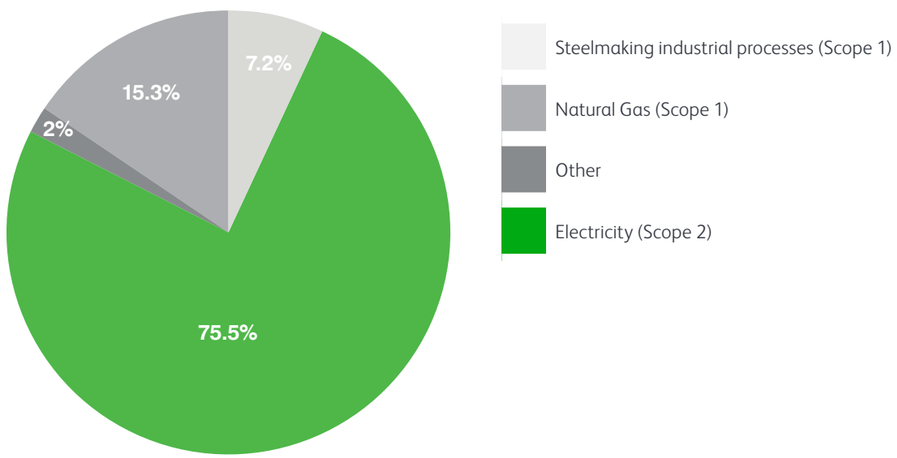
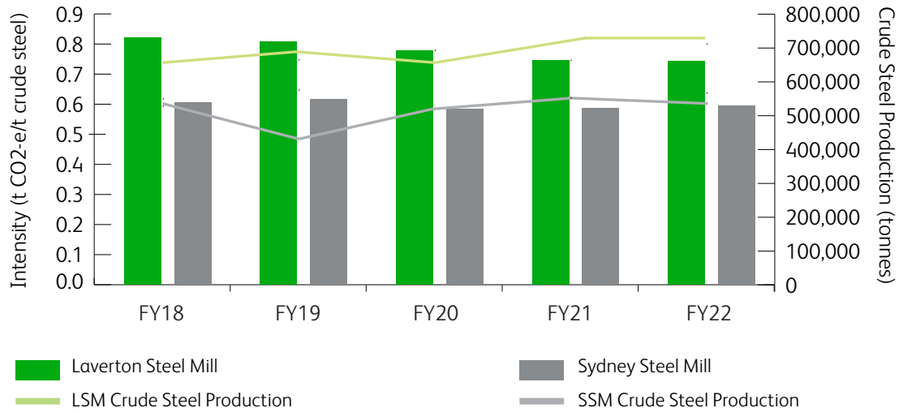


Table 2: Greenhouse Gas Emissions

	Scope 1 Emissions	Scope 2 Emissions	Total Emissions
	(million tonnes CO_2e)		
Laverton Steel Mill	0.113	0.420	0.532
Sydney Steel Mill	0.071	0.241	0.312
Newcastle Rod Mill (and Contistretch)	0.048	0.058	0.106
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	0.033
Reinforcing and ARC sites	0.004	0.023	0.027
Other sites	0.005	0.009	0.014
INFRABUILD TOTAL	**0.268**	**0.825**	**1.093**

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 FY18-FY22



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 55 for details of this significant improvement initiative.

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.

InfraBuild announced a solid operational and financial outcome for the full year ending 30 June 2022, with substantial progress made in growing revenue and improving EBITDA margin. Safety performance vastly improved in FY22 in line with InfraBuild's priority to create healthy safe and sustainable workplaces.

Group Revenue
$6,000m
▲3.2% from FY21

EBITDA $666m
▲92% from FY21

EBITDA Margin 11%
▲343 bps from FY21

EBIT $521m
▲142% from FY21

EBIT Margin 9%
▲394 bps from FY21

Steel sold 2,393kt
▼1% from FY21

Scrap sold 1,199kt
▼1% from FY21

Net debt to EBITDA ratio
1.0x
Improved from 2.0x in FY21

Op cash flow
$311m
pre capex and leases
▲$283m from FY21

Source: FY 2022 Audited Accounts P&L and Cash Flow

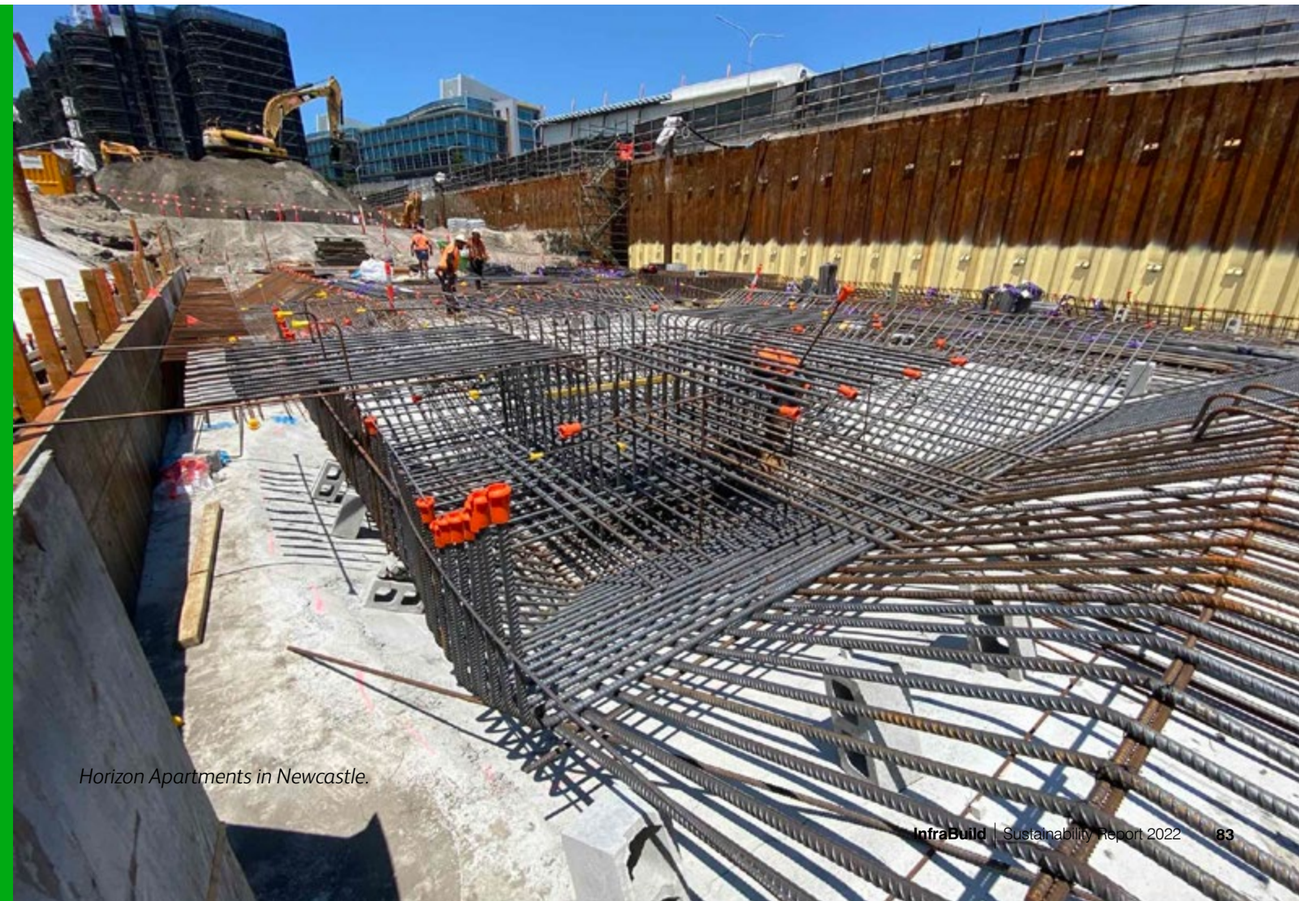
Economic contribution

InfraBuild is committed to creating value for all our key stakeholders and making sustainable steel in Australia – and in the process, building strong, local communities and economies across the country.

As the consolidated group continues to invest and grow, we share our success through our economic contribution to the communities in which we operate.

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.



Horizon Apartments in Newcastle.

Appendices

Appendix 1 – Acronyms, abbreviations, definitions

ACA	Australian Constructors Association
AiG	Australian Industry Group
ARC	Australian Reinforcing Company
ASI	Australian Steel Institute
BOSMA	Bureau of Steel Manufacturers of Australia
bps	Basis point (1 bps = 0.01%)
CN30	Carbon neutral by 2030
COP	Conference of the Parties
D&I	Diversity and Inclusion
Exco	InfraBuild's Executive Committee
EAF	Electric Arc Furnace
EAP	Employee Assistance Program
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
EGM	Executive General Manager
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
GRI	Global Reporting Initiative
GWM	Geelong Wire Mill
GWP	Global warming potential
HIA	Housing Industry Association
ISC	Infrastructure Sustainability Council
LSM	Laverton Steel Mill
MCI	Material circularity indicator
NGO	Non-government organisation
NRM	Newcastle Rod Mill
NWM	Newcastle Wire Mill
PJ	petajoule (unit of energy)
RAP	Reconciliation Action Plan
RFID	Radio Frequency identification
SRIA	Steel Reinforcement Institute of Australia
SSM	Sydney Steel Mill
TRIFR	Total recordable injury frequency rate
UN SDG	United Nations Sustainable Development Goals
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	FY22	Reference/Comment
Activity metric					
Raw steel production	000 tonnes	EM-IS-000.A	Aligned	1,242	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	76	
Lost time injury (LTI)	Number	EM-IS-320a.1	Aligned	19	
TRIFR (TRI per million hours worked)	Rate	EM-IS-320a.1	Aligned	6.75	
LTIFR (LTI per million hours worked)	Rate	EM-IS-320a.1	Aligned	1.69	
Greenhouse Gas Emissions					
Scope 1 GHG emissions	ktCO2-e	EM-IS-110a.1	Aligned	268	
Scope 1 GHG emissions covered under emissions-limiting regulations	%	EM-IS-110a.1	Aligned	42%	LSM was subject to a calculated baseline in FY22. In that year LSM represented 42% of the total InfraBuild scope 1 emissions.
Air Emissions					
Oxides of nitrogen	tonnes	EM-IS-120a.1	Partially aligned*	193	*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*	7.66	*the breakdown between grid electricity and renewables is not available.
Water Management					
Total water consumption	Megalitre (ML)	EM-IS-140a.1	Partially aligned*	1,635	Total water purchased. InfraBuild does not extract water from surface or groundwater sources. *does not inc. % recycled. No water is sourced 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 Australia 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 Australia 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 - 2022 calendar year (except where FY22 is indicated). Frequency: annual b. Reporting period - 2022 calendar year (except where FY22 is indicated) c. Report publication data - 28 February 2023 d. Contact point for questions - Steve Porter steve.porter@infrabuild.com
	Disclosure 2-4 Restatements of information	There is no restatement of information
	Disclosure 2-5 External assurance	No external assurance has been sourced. It is intended that future reports will be externally assured.
	Activities and workers	
	Disclosure 2-6 Activities, value chain and other business relationships	Our Operations (page 12), Our Brands (page 14), Where we do business (page 15)
	Disclosure 2-7 Employees	Employees (page 90)
	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	Governance and Risk (page 26)
	Disclosure 2-10 Nomination and selection of the highest governance body	Governance and Risk (page 26)
	Disclosure 2-11 Chair of the highest governance body	Governance and Risk (page 26)
	Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	Governance and Risk (page 26)
	Disclosure 2-14 Role of the highest governance body in sustainability reporting	Governance and Risk (page 26)
	Disclosure 2-19 Remuneration policies	Managing Performance (page 38)
	Disclosure 2-20 Process to determine remuneration	Managing Performance (page 38)

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	Sustainability Strategy (page 22)
	Disclosure 2-23 Policy commitments	Governance and Risk (page 26)
	Disclosure 2-24 Embedding policy commitments	Governance and Risk (page 26)
	Disclosure 2-26 Mechanisms for seeking advice and raising concerns	Employee Engagement Peakon (page 36)
	Disclosure 2-27 Compliance with laws and regulations	Statement of Environmental compliance (page 29)
	Disclosure 2-28 Membership associations	Market Engagement and Collaboration (pages 62 - 70)
	Stakeholder engagement	
	Disclosure 2-29 Approach to stakeholder engagement	Our Stakeholders, InfraBuild Materiality Assessment (page 16 - 19)
	Disclosure 2-30 Collective bargaining agreements	Employee relations and Flexible work arrangements (page 38)
Material Topics		
GRI 3: Material Topics	**Disclosures on Materials**	
	Disclosure 3-1 Process to determine material topics	InfraBuild's Materiality Assessment (page 16)
	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) - 3,243,806,495* *Coking coal consumption (t) - 24,396* *Diesel consumption (kL) - 5,311* *Petrol consumption (kL) - 14* *LPG consumption (kL) - 297* *Acetylene consumption (GJ) - 158* *Oil consumption (kL) - 300* *Grease consumption (kL)- 13*
	Disclosure 301-2 Recycled input materials used	Scrap steel 1, 354, 397 (t)
	Energy	
	Disclosure 302-1 Energy consumption within the organisation	Decarbonisation Strategy (pages 24-25)
	Disclosure 302-3 Energy intensity	Energy and Emissions (page 79 -81)
	Disclosure 302-4 Reduction of energy consumption	Decarbonisation Strategy (pages 24-25)
	Water and Effluents	
	Disclosure 303-5 Water consumption	Refer to SASB table (page 86)
	Emissions	
	Disclosure 305-1 Direct (Scope 1) GHG emissions	Energy and Emissions (page 79 - 81)
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Energy and Emissions (page 79 - 81)
	Disclosure 305-4 GHG emissions intensity	Energy and Emissions (page 79 - 81)
	Disclosure 305-5 Reduction of GHG emissions	Decarbonisation Strategy (pages 24-25)
	Disclosure 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Refer to SASB table (page 86)

Material Topics		
Disclosure	**Description**	**Data/pg. no reference**
GRI 3: Material Topics	**Waste**	
	Disclosure 306-3 Waste generated	Waste and By-products (page 90)
	Disclosure 306-4 Waste diverted from disposal	Refer to Case Study (page 64) and Waste and By-products (page 90)
Economic Performance		
GRI 201: Economic Performance	**Economic Performance**	
	Disclosure 201-1 Direct economic value generated and distributed	Economic contribution (page 82)
	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Group-wide material business risks (page 28)
Social		
GRI 4: Social 2021	**Employment**	
	Occupational Health and Safety	
	Disclosure 403-1 Occupational health and safety management system	WRIB Safe and Safety Pillars (page 32)
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	WRIB Safe and Safety Pillars (page 32)
	Disclosure 403-6 Promotion of worker health	Mental Health and Wellbeing (page 39)
	"Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships"	Safety Connect (page 34)
	"Disclosure 403-8 Workers covered by an occupational health and safety management system"	All InfraBuild workers are covered by the same WHS management system (page 30)
	Disclosure 403-9 Work-related injuries	Safety (page 30)
	Disclosure 403-10 Work-related ill health	Safety (page 30)
	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 44)
	Forced or Compulsory Labor	
	Disclosure 414-1 New suppliers that were screened using social criteria	Modern slavery (page 44)
	Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Modern slavery (page 44)
	Marketing and Labelling	
	Disclosure 417-1 Requirements for product and service information and labeling	Traceability (page 56)

Disclosure 2-7 Employees

	Permanent			Fixed Term			Casual			
State	Female	Male	Total	Female	Male	Total	Female	Male	Total	Grand Total
NSW	249	1,866	2,115	12	32	44	3	10	13	2,172
VIC	105	937	1,042	2	20	22	2	8	10	1,074
QLD	125	822	947	2	1	3	1	13	14	964
WA	53	171	224		1	1		1	1	226
SA	22	142	164							164
TAS	10	49	59							59
ACT	3	16	19							19
NT	4	17	21							21
Overseas		2	2							2
Grand Total	**571**	**4,022**	**4,593**	**16**	**54**	**70**	**6**	**32**	**38**	**4,701**

Disclosure 306-3 Waste and By-products

Waste or By-product	Description	Quantity	Final use
Slag (from the electric arc furnace and the ladle furnace)	By product of steelmaking high in silicates and oxides	147,645 tonnes	Replaces natural aggregate as a key component of products used for construction, eg road base
EAF dust	The dust fraction extracted from the fume stream of the electric arc furnace	25,758 tonnes	Reprocessed externally to recover zinc
Mill scale	Iron oxide formed on the surface of steel during the hot rolling processes	22,677 tonnes	Reprocessed externally to recover iron
General waste	Non-recyclable, non hazardous waste sent to land-fill (eg. food, soft plastics, some types of packaging)	4,827 tonnes	Landfill
Filter Cake	Solid residue generated by industrial water treatment plants (NWM and GWM)	1,222 tonnes	Landfill
Waste Water	Non-human liquid waste generated on commercial properties (LSM, SSM, NWM, and GWM)	559,407 tonnes	Treated through local sewage treatment systems
Shredder Floc	Non-metallic residuals from shredding of scrap metal feed streams (eg plastics, rubber, textiles, and glass) data is an appropriximation	240,000 tonnes	Landfill
Zinc oxide	Various types generated from galvanising activities at wire making	1,289 tonnes	Reprocessed internally and externally to recover zinc

Appendix 4 – ESG topics from InfraBuild's Materiality Assessment

	Material Issue	Definition
People		
1	**Employee attraction, development and retention**	Empowering our people through professional development, providing career pathways, and creating environments where people can thrive, push boundaries, collaborate, and share a purpose.
2	**Culture and values**	The importance of a long term sustainability mindset in our culture and values across the entire company.
3	**Health, safety and well-being**	Health, safety, and well-being of our people.
4	**Diversity and inclusion**	Actively building a workplace that mirrors the diverse communities we work in. Ensuring everyone can confidently bring their skills, values, backgrounds, and experiences to work.
5	**Community**	Engaging with and empowering the local communities in which we operate.
6	**Future of work**	Changes in the way we work and workplace expectations, the make-up of our workforce and a changing economy.
7	**Reputation**	Actively influencing public opinion of our brand - building brand awareness and monitoring our sustainability reputation to minimise threats.
8	**ESG Leadership**	Walking the talk around world-class sustainability performance and advocating this.
Markets		
9	**Communication and relationship management**	Communication that is meaningful, transparent, timely & effective. Positive, enduring relationships are built on trust and maintained with all stakeholders, external and internal.
10	**Customer solutions**	The right product and support delivered to customers at the right time. Proactively working with customers to provide solutions.
11	**Innovation**	Process, product and organisational innovation.
12	**Product data**	Products are underpinned by technical and environmental data (e.g. chemicals used, embodied carbon) relevant to the market and this data is readily accessible.
13	**Industry engagement**	Foster alignment and forge partnerships across the industry to progress sustainability objectives.
14	**Sector leadership**	Being a sector leader, working with regulators to help set standards based on what's possible and working with partners to drive rather than respond to change.
15	**Policy engagement**	Being involved in the development of government policies, initiatives, and programs to help government understand how technology can help society.
16	**Collaboration and partnerships**	Collaboration to achieve shared outcomes, both within and outside industry. Shared vision and values.
17	**Changing markets**	The effect of emerging sustainability standards and data transparency on the steel market, both locally and globally.
18	**Strategy and disclosure**	Setting and articulating clear strategies (operational, ESG etc…), setting milestones and targets, and reporting against those.

	Material Issue	Definition
Assets		
19	**Decarbonisation**	Be an agent of change with a bold, resourced pathway to carbon neutrality by 2030 by reducing embodied carbon in products and optimising transport, e.g., energy efficiency, use of renewables, etc
20	**Circular Economy and resource efficiency**	Efficient use of materials , water and energy in products and processes. Reuse, recycling, recycled content. Minimising waste, including packaging materials.
21	**Minimising environmental footprint**	Minimising environmental impacts, maintaining and improving natural resources for future generations.
22	**Emissions related compliance and regulation**	Remaining ahead of legislation and green building tools, and ensuring products are positioned to comply.
23	**Energy supply**	A strategy for maintianing reliable and affordable energy for our operations.
24	**Operational excellence**	Investment in a world-class organisational structure, processes, and in facilities and systems.
Financials		
25	**Sustainable financial performance**	Ensuring sustainable financial growth and performance as a key component to the triple bottom line made of the three pillars: economic, environmental, and social.
26	**Climate related business risk**	Understanding and adapting to the impacts on the business directly, or indirectly via clients, from a changing climate, such as extreme weather events, increased temperatures etc

The cover of the InfraBuild Sustainability Report features...

Sean Aherne, a Leading Hand Caster and OHS Delegate at InfraBuild. Sean is also one of our I Am Here Ambassadors and has played a key role over the past three years in helping to foster a culture where it's okay not to feel ok; and it's absolutely ok to ask for help.

Sean has worked authentically and proactively to create a movement within his site and globally.

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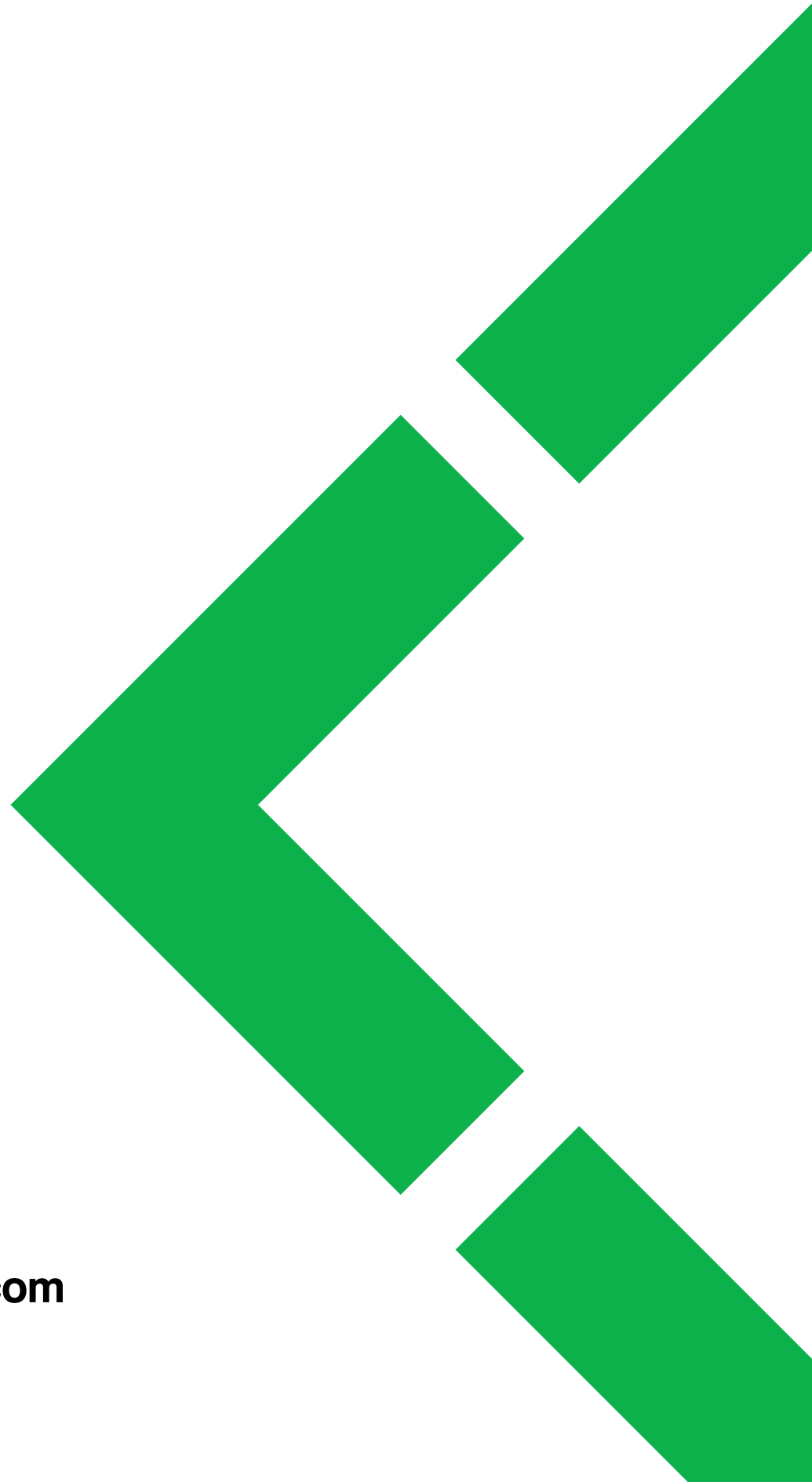
1 InfraBuild Group means Liberty InfraBuild Ltd ACN 631 112 108 and its subsidiaries incorporated in Australia

InfraBuild

Building futures through sustainable steel



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