

## Sustainability Report

ERSI Engineered  
Reinforcing Steel  
Industries

# Sustainability Report 2024

Issued By: Adrian Hickman

ERSIGROUP (UK)

# Sustainability Report

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### Contributors & Acknowledgements

Klaus Bern – Managing Director

Victor Eugui Ramos – Project Manager

Paula Zoch – Human Resources Officer

Marvince Ariyo – HSE Officer

Noldin Mas – Transport and Raw materials Controller

### Executive Summary

This Sustainability Report details the environmental, social, and economic performance of ERSIGROUP (UK) operations for the reporting period 2024. While ERSI GROUP is an international reference in services to the construction sector with operations across four continents, the data and initiatives presented in this report, including our progress towards CARES SCS accreditation, specifically pertain to our UK site.

As an organisation committed to sustainable practices worldwide, ERSI GROUP strives for excellence in reinforced steel solutions globally. This includes driving innovation in areas such as asymmetric pile design to optimise material use and reduce carbon emissions, an effort recently recognised by the "CEO of the Year Award in Sustainability and Innovation" from La Razón, presented to our CEO, Guillermo Perea Lobo. This report focuses on the achievements and challenges of our UK operations, which are currently undergoing CARES SCS accreditation to enhance our sustainability performance.

### About the Company

#### Our Business at a Glance

ERSIGROUP is an international reference in services to the construction sector, with over 60 years of experience in engineering, supplying, transforming, and assembling passive reinforcement for concrete structures. Our innovative Armatek® Construction System, which includes pioneering solutions like asymmetric piles designed for optimised steel use and reduced CO2 emissions, provides clients with integrated solutions that boost productivity, quality, and safety on construction sites worldwide.

Committed to sustainable growth and social responsibility, we continuously innovate to deliver advanced infrastructure and foster collective knowledge within the construction sector.

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### Introduction

At ERSIGROUP (UK), we are deeply committed to operating in an environmentally responsible, socially just, and ethically sound manner. We recognise the profound interconnectedness of environmental, social, and economic factors, and we continuously strive to minimise our negative impacts while actively contributing to sustainable development. This report serves as a comprehensive overview of our commitment to sustainable practices and highlights our ongoing efforts to create a positive and lasting impact.

This document outlines our Sustainability Management System (SMS), developed in accordance with BES 6001 and the CARES Scheme, which guides our operations in sustainable reinforcing steel processing and fabrication. It details our policies and procedures across all business operations and for all stakeholders, ensuring the quality of our products, the health and safety of our workforce, and the protection of our environment.

Our sustainability vision is to be a growing and innovative company in the steel reinforcement processing industry, continuously improving our sustainability performance and exceeding customer expectations. This report will detail our progress and objectives across key areas, including:

- **Environmental Sustainability:** Our initiatives to minimise waste generation, maximise recycling rates, reduce energy consumption and carbon emissions, efficiently manage water usage, and ensure compliance with all relevant environmental regulations, including our commitment to ecotoxicity management.
- **Social Responsibility:** Our dedication to prioritising employee health, safety, and well-being, promoting fair labour practices and ethical business conduct, supporting local communities through social initiatives, and fostering a positive work environment. We actively engage with our stakeholders—employees, suppliers, customers, and communities—to understand their concerns and collaborate on shared sustainability goals.
- **Economic Sustainability:** Our strategies to continuously improve operational efficiency, invest in innovative technologies and processes, build strong relationships with customers and suppliers, and ensure long-term financial stability. This includes our commitment to responsible sourcing and contributing to a diverse and stable local economy.

We are committed to continuously evaluating our sustainability performance, setting and tracking measurable targets, and making necessary adjustments to ensure our effectiveness. This report reflects our transparency and accountability in our journey towards a more sustainable future.

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### Our Products

ERSIGROUP provides a comprehensive range of industrialised steel reinforcements for concrete structures, including finished and semi-finished elements, prefabricated reinforcements, and specialised panels. Our products replace traditional on-site assembly, ensuring optimal resistance, stiffness, and precise placement. Manufactured in advanced industrial plants with certified commercial steel, our solutions guarantee superior quality, traceability, and adherence to minimum tolerances.

By choosing ERSI GROUP, clients benefit from significant reductions in overall project costs and construction times, enhanced on-site safety, minimised environmental impact, and comprehensive technical documentation for every shipment. We offer innovative, adaptable, and economically advantageous solutions that drive progress in the construction sector.

### Locations and Facilities

This report focuses on ERSI GROUP's primary UK operations located in Loughborough, UK. Our facility here is an industrial plant dedicated to the engineering, supply, transformation, and assembly of passive reinforcement in concrete structures. Key activities include the industrialised manufacture of specialised rebar reinforcements and prefabricated cages for large-scale civil engineering works like tunnel projects, supported by robust logistics. The site operates within an established industrial area, the Falcon Business Park, ensuring efficient production and distribution. The capacity of the facilities is 30,000 t/year for cut and bent rebar and 26,000 t/year assembling.

### Our Commitment to Sustainability

At ERSIGROUP (UK), our commitment to sustainability is fundamental to our operations and integrated into our core business strategy. We are dedicated to operating in an environmentally responsible, socially just, and ethically sound manner, striving to create a positive and lasting impact in all that we do.

Our key commitments include:

*Minimising Environmental Footprint:* We are committed to protecting the environment by optimising resource consumption (energy, water, materials), implementing robust waste reduction and recycling strategies, preventing pollution, and minimising harmful emissions. This includes a dedicated focus on ecotoxicity management to safeguard ecosystems.

*Prioritising Health, Safety, and Well-being:* We ensure a safe and healthy work environment for all employees and stakeholders, promoting fair labour practices, ethical business conduct, and fostering a positive work culture.

*Driving Continuous Improvement:* We continuously evaluate our sustainability performance, setting measurable targets (including comprehensive ISO 14001 objectives for biodiversity, resource consumption, and waste management) and implementing corrective actions to enhance our practices.

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*Engaging Stakeholders Responsibly:* We actively engage with our employees, suppliers, customers, and local communities to understand their needs, address concerns, and collaborate on shared sustainability goals, fostering strong, transparent relationships.

*Upholding Ethical Business Practices:* We operate with integrity and transparency, adhering to the highest ethical standards and maintaining strong corporate governance across all our activities.

*Promoting Responsible Sourcing:* We work with our suppliers to advance sustainable practices throughout our supply chain, focusing on fair labour, energy efficiency, waste reduction, and ethically sourced materials.

*Contributing to Local Economies:* We support the economic development of our operating communities by backing local businesses, creating jobs, promoting skills development, and engaging in community outreach programs.

Through these commitments, we aim to achieve sustainable growth, ensure long-term economic viability, and contribute to a more sustainable future for the construction sector and beyond.

## 1. Sustainability Strategy and Governance

### 1.1 Vision and Values

At ERSIGROUP (UK), our vision is to be a growing and innovative company in the steel reinforcement processing industry, continuously improving our sustainability performance and exceeding customer expectations. This vision is underpinned by a core set of values that guide our approach to sustainable development:

*Environmental Responsibility:* We are committed to protecting the environment by minimising our environmental footprint through initiatives such as optimising resource consumption (energy, water, materials), implementing waste reduction strategies, promoting recycling, ensuring proper waste disposal, and preventing pollution. Our focus includes dedicated ecotoxicity management.

*Social Justice and Well-being:* We prioritise the health, safety, and well-being of our employees and stakeholders. We are dedicated to promoting fair labour practices, upholding human rights, fostering a positive work environment, and actively supporting the communities in which we operate.



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*Ethical Conduct and Transparency:* We conduct business with integrity and transparency, adhering to the highest ethical standards and maintaining a strong system of corporate governance. We believe in open communication and accountability with all our stakeholders.

*Economic Viability and Innovation:* We strive for long-term economic sustainability through efficient resource utilisation, continuous improvement, and investment in innovative technologies and processes. Our aim is to drive sustainable growth while delivering high-quality, advanced solutions to our clients.

*Continuous Improvement:* We are committed to continuously evaluating our sustainability performance, identifying areas for enhancement, and setting measurable targets to monitor our progress and adapt as needed.

These values form the foundation of our Sustainability Management System, ensuring a holistic approach to environmental, social, and economic factors across all our operations.

### 1.2 Sustainability Governance Structure

ERSIGROUP (UK) is committed to robust governance that integrates sustainability principles throughout our organisational structure. Our Sustainability Management System (SMS) is overseen through a clear framework of responsibilities, ensuring accountability and effective implementation of our sustainability commitments.

#### Key Roles and Responsibilities:

*Top Management (CEO / Project Manager):* Provides overall leadership and commitment to the Sustainability Management System. They are responsible for regularly reviewing the suitability, adequacy, and effectiveness of the SMS, typically during Integrated Management System (IMS) management review meetings.

*Sustainability Representative (SR) / Quality Systems Engineer (CARES):* Appointed by Top Management, the SR is the Management Representative (MR) for the SMS. This individual is directly responsible for ensuring the requirements of the SMS are documented, implemented, and maintained in accordance with the CARES SCS Scheme. This role coordinates SMS reviews, reports performance to senior management, and liaises with stakeholders on SMS matters.

*Human Resources Officer (Paula Zoch):* Plays a crucial role in managing social aspects of sustainability, including employee well-being, fair labour practices, and serving as a primary point of contact for community engagement matters and ongoing initiatives. This role is also key in documenting community interactions and responses.

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*Facilities / Sustainability Representative (Group Contact):* Responsible for overseeing environmental aspects such as water usage, waste management, and recycling plans, including conducting audits, setting baselines, and monitoring consumption.

*HSEQ Department (HSE Officer, Project Manager, QSE):* Responsible for monitoring environmental performance (e.g., emissions, waste, noise) and health and safety performance, ensuring compliance with regulatory limits and internal requirements. They also oversee environmental aspect assessments and risk assessments.

*Process Owners:* Responsible for collecting, recording, and maintaining data associated with SMS implementation within their respective areas (e.g., raw material management, production activities).

### 1.3 Stakeholder Engagement & Materiality

At ERSIGROUP (UK), we recognise that effective stakeholder engagement is fundamental to understanding our impacts, identifying risks and opportunities, and driving our sustainability performance. Our approach is guided by our commitment to transparency and collaboration, ensuring that the needs and expectations of our key stakeholders inform our Sustainability Management System (SMS).

Stakeholder Identification and Engagement:

We systematically identify our stakeholders, which include:

Employees: Our internal workforce.

Customers & Users: Those who acquire and utilise our products and services.

Suppliers & Subcontractors: Partners in our supply chain.

Local Community: Individuals and groups in the areas where we operate.

Public Administrations: Regulatory bodies and government entities.

Shareholders & Owners: Investors in the company.

Unions: Representatives of employee interests.

Accreditation bodies: LRQA and CARES:

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We engage with these diverse groups through various channels, including formal communication sheets, internal and external meetings, public consultations, complaint mechanisms, and regular reporting. Our E.02.PR.04 – Communication With Stakeholders procedure details the methodologies used to ensure effective communication, participation, and consultation, and to process external communications received.

### Materiality Assessment:

To prioritise our sustainability efforts, we conduct materiality assessments to identify the most significant environmental, social, and economic issues for both our business and our stakeholders. This process involves:

*Identifying Community Needs & Opportunities:* Through community needs assessment reports and stakeholder mapping, we pinpoint areas of significant community impact.

*Analysing Water Usage:* Materiality analysis relating to water usage helps us understand its significance (e.g., noted as 'low' in some contexts, but still monitored).

*Assessing Waste Streams:* Materiality analysis for office waste considers volumes, types, contamination rates, and employee awareness.

These assessments enable us to focus our resources on the issues that are most critical to our operations, our stakeholders, and our ability to contribute to sustainable development, ensuring our sustainability strategy remains relevant and impactful.

### 1.4 Alignment with International Standards (e.g., ISO 9001, 14001, 45001, 20400)

ERSIGROUP is deeply committed to operating in accordance with internationally recognised standards for quality, environmental management, occupational health and safety, and sustainable procurement. Our adherence to these rigorous frameworks underpins our Integrated Management System (IMS) and forms the foundation of our transparent and responsible business practices.

Our alignment with these key international standards ensures:

*Robust Management Systems:* By implementing standards such as ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Health and Safety Management System), we ensure our processes are systematically managed, continuously improved, and regularly audited by independent third parties. This integrated approach drives efficiency, minimises risks, and enhances performance across all facets of our operations.

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*Credibility and Assurance:* Conformance to these globally recognised standards provides our customers, partners, and stakeholders with independent assurance of our commitment to excellence, environmental stewardship, and employee well-being.

*Sustainable Procurement Practices:* We actively integrate principles from standards like ISO 20400 (Sustainable Procurement) into our sourcing strategies. This guides our engagement with suppliers, ensuring that environmental, social, and economic sustainability considerations are embedded in our procurement decisions, thereby extending our commitment throughout the supply chain.

*Foundation for Continuous Improvement:* These standards provide a structured framework for setting objectives, measuring performance, identifying non-conformities, and implementing corrective actions. This systematic approach is vital for our journey of continual improvement in all areas of sustainability.

Through our steadfast alignment with these international standards, ERSIGROUP demonstrates its dedication to responsible business conduct, ensuring that our operations are not only efficient and compliant but also contribute positively to a sustainable future.

## 2. Environmental Responsibility

### 2.1 Environmental Management System (EMS)

At ERSIGROUP (UK), our Environmental Management System (EMS) is a core and integral component of our overarching Integrated Management System (IMS) (EGUK-IMS-001). This IMS provides a structured and unified framework for managing our quality, environmental, and occupational health and safety performance. Our EMS specifically is designed in accordance with ISO 14001 standards, ensuring a systematic approach to managing our environmental impacts, ensuring compliance with legal requirements, and driving continuous environmental performance improvement.

*Our EMS, as part of our IMS, involves:*

*Policy and Commitment:* Our EMS is founded on the principles outlined in our IMS Policy, which articulates our comprehensive commitment to environmental protection, pollution prevention, and rational resource use across all operations.

*Planning and Objectives:* Identification of Environmental Aspects: Through our IMS, we systematically identify and assess environmental aspects from a life cycle perspective, including significant aspects like energy consumption, greenhouse gas emissions, waste generation, water usage, and noise pollution.

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*Legal and Other Requirements:* We ensure full compliance with all applicable environmental laws, regulations, and industry standards, as defined and monitored within our IMS.

*Setting Objectives and Targets:* We establish specific, measurable, achievable, relevant, and time-bound (SMART) environmental objectives and targets as part of our HSEQ objectives within the IMS framework. For example, our objectives include reducing water and electricity use, increasing non-hazardous waste recycling, and achieving CARES SCS accreditation (which has environmental components).

*Operational Management and Control:*

Our IMS dictates operational control procedures to minimise environmental impacts from production activities, raw material purchasing, handling, and storage. This includes robust management of emissions, waste, and specific areas like ecotoxicity, as well as emergency preparedness.

*Monitoring, Measurement, and Evaluation:* Within the IMS, we regularly monitor and measure specific environmental performance indicators to ensure compliance and evaluate the effectiveness of implemented controls. Data collection and recording for sustainability reporting are systematically managed through established IMS procedures.

*Continuous Improvement:* Our EMS, as part of the IMS, is subject to continual improvement through regular internal and external audits (including those for ISO 9001, ISO 14001, and ISO 45001), non-conformity management, corrective and preventive actions, and periodic Management Reviews. These reviews assess performance, identify areas for improvement, and set new objectives across all integrated aspects.

By using our strong management system (IMS), we ensure we handle environmental matters in an organised way across all our work. This directly helps us reach our sustainability goals and shows that the business acts responsibly.

### 2.2 Energy Use and Efficiency

At ERSIGROUP (UK), we recognise that energy consumption is a significant environmental aspect of our operations, directly contributing to greenhouse gas emissions. Our commitment to environmental protection includes a strong focus on optimising resource consumption, particularly energy, to enhance efficiency and reduce our carbon footprint. Our efforts in this area are aligned with the requirements of the CARES Sustainable Constructional Steels Scheme (SCS).

*Our Approach to Energy Management:*

*Optimising Consumption:* We are committed to minimising our energy usage through various initiatives, including the optimisation of operational processes and the selection of energy-efficient equipment where feasible. Our aim is to reduce energy consumption per tonne of product.

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***Renewable Energy Integration:*** We significantly minimise our reliance on finite resources by utilising 100% renewable energy for our operations. This strategic choice is a cornerstone of our commitment to reducing indirect greenhouse gas emissions and supporting a low-carbon economy.

***Monitoring and Measurement:*** As part of our Environmental Management System (EMS) and broader IMS, we systematically monitor and measure our energy consumption. This data is crucial for tracking our performance, identifying areas for further efficiency improvements, and ensuring accountability, contributing directly to our CARES SCS reporting.

***Carbon Footprint Assessment:*** Our energy usage data directly informs our carbon footprint calculations. We conduct and make available a carbon footprint of our operations, which includes energy consumption, to ensure transparency and drive continuous reduction efforts. Environmental Product Declarations (EPDs) also incorporate our energy performance, all in line with CARES SCS requirements.

***Continuous Improvement:*** Energy efficiency is a standing goal within our environmental objectives. We regularly review our energy performance and implement corrective actions and improvement plans to achieve our targets for reduced consumption and emissions.

Through these measures, we strive to manage our energy use responsibly, contributing to both environmental sustainability and enhanced economic performance through efficient resource utilisation.

### 2.3 Greenhouse Gas Emissions (GHG) and Carbon Footprint

ERSIGROUP (UK) is committed to understanding and minimising our contribution to climate change through the diligent management of Greenhouse Gas (GHG) emissions. We recognise that our operational energy consumption is the primary driver of our carbon footprint. Our efforts in this area are rigorously assessed and verified in line with the CARES Sustainable Constructional Steels Scheme (SCS) requirements.

Our Approach to GHG Management and Carbon Foot printing:

***Scope of Measurement:*** Our focus is on assessing and reporting the carbon footprint of our UK operations. As an industrial processing facility, our primary emissions concern is Scope 2 emissions (indirect emissions from purchased electricity). We confirm that our core activities do not generate significant Scope 1 emissions (direct emissions from owned or controlled sources).

***Methodology and Data:*** Our carbon footprint is calculated based on our systematic monitoring and measurement of energy consumption data, aligning with established methodologies and industry best practices. This data is rigorously collected and recorded within our Environmental Management System (EMS).

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***Decarbonisation Strategy:*** A cornerstone of our environmental commitment in the UK is the utilisation of 100% renewable energy for our operations. This strategic choice significantly minimises our Scope 2 GHG emissions from purchased electricity, demonstrating our proactive approach to decarbonisation.

***Carbon Footprint Documentation and Verification:*** A comprehensive carbon footprint of our UK operations has been carried out. Following successful accreditation to the CARES Sustainable Constructional Steels Scheme (SCS), this data will undergo independent third-party verification to ensure its quality, reliability, and adherence to relevant standards. Once verified, this carbon footprint will be made available to customers and other stakeholders upon request.

***Environmental Product Declarations (EPDs):*** Our energy performance and carbon footprint data are also integrated into our Environmental Product Declarations (EPDs), providing transparent, life-cycle-based environmental information about our products, in line with the requirements of the CARES SCS Scheme.

***Historical Group Context:*** While this report focuses on our UK operations, the broader ERSI GROUP has a history of assessing its carbon footprint across various global workshops. For example, in 2016, total Scope 2 CO<sub>2</sub> equivalent emissions across several international facilities amounted to approximately 1010.6 tonnes, derived from both grid electricity and diesel generators. This demonstrates a long-standing organisational commitment to understanding and managing energy-related impacts.

***Reduction Objectives:*** Our commitment to reducing GHG emissions is integrated into our broader environmental objectives, specifically targeting reductions in energy consumption per tonne of product. These objectives are regularly reviewed to ensure continuous improvement in our carbon performance.

By rigorously measuring, verifying, and actively managing our energy consumption, particularly through the use of 100% renewable energy in the UK, we strive to reduce our carbon footprint and contribute effectively to global climate action.

### 2.4 Waste Management and Circular Economy

At ERSIGROUP (UK), we are deeply committed to minimising waste generation and fostering circular economy principles throughout our operations. We recognise that effective waste management is crucial for reducing our environmental footprint, optimising resource utilisation, and contributing to a more sustainable future. Our approach aligns with the CARES Sustainable Constructional Steels Scheme (SCS) and our ISO 14001 Environmental Management System.

***Our Approach to Waste Management:*** **Waste Minimisation at Source:** We prioritise reducing waste generation from the outset. This involves practices such as volume purchasing to reduce packaging materials, utilising high-quality materials, and optimising material usage in our production processes.

***Comprehensive Recycling Program:*** We operate a robust recycling program across our site, encompassing:

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*Waste Assessment & Baseline:* Regular waste audits are conducted to understand the types and volumes of waste generated (e.g., scrap metal, paper, plastics).

*Staff Engagement:* We actively consult with staff on recycling program design and provide training to promote recycling habits, minimise contamination, and ensure effective segregation.

*Material Recovery:* We maximise the recycling of materials such as oil, paper, and metal through authorised service providers. A significant aspect of our circular economy commitment is our use of 98% recycled steel in our rebar processing, substantially reducing our reliance on virgin resources.

*Responsible Disposal:* For any waste that cannot be minimised or recycled, we ensure safe and environmentally sound disposal. This includes:

*Waste Segregation:* Strict segregation of waste types (hazardous and non-hazardous) to prevent contamination.

*Approved Facilities:* Utilising only approved and licensed Environmental Service Providers for the collection and disposal of hazardous waste.

*Tracking and Control:* We maintain detailed inventory, transport, and dispatch records for all waste types and by-products, ensuring full traceability and accountability for our waste streams.

*Continuous Improvement:* Waste management is a key focus area within our environmental objectives. We regularly review our recycling performance (e.g., aiming to increase non-hazardous waste recycling by 5% by June 30, 2026), track contamination rates, and implement adjustment plans based on staff feedback and performance summaries. Our annual recycling reports contribute to our overall sustainability performance reporting to CARES.

Through these comprehensive measures, we strive to achieve a more circular approach to resource management, reducing waste to landfill and maximising the value of materials throughout their lifecycle.

### 2.5 Water Use and Conservation

At ERSIGROUP (UK), we are committed to the responsible management and conservation of water resources within our operations. We recognise its critical importance and strive for efficient consumption and minimisation of our water footprint, integrating these practices into our Environmental Management System (EMS).

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### *Our Approach to Water Management:*

*Assessment and Planning:* We conduct regular water audits to understand site usage and establish baselines. This informs the development of specific water reduction plans, often incorporating stakeholder input and technological solutions.

*Implementation and Monitoring:* We implement identified water-saving measures and continuously monitor our consumption through meter readings and tracking data to assess effectiveness.

*Wastewater Management:* All wastewater is collected and discharged responsibly into the industrial sewer network, with process wastewater treated for compliant discharge or potential reuse.

*Continuous Improvement:* We regularly review our water consumption performance, making adjustments to our strategy as needed to ensure ongoing conservation and efficiency.

Through these systematic steps, we aim to ensure efficient and responsible water usage, contributing to the sustainable management of this vital resource.

### 2.6 Spills, Leaks, and Remediation Measures

At ERSIGROUP (UK), our commitment to environmental protection extends to robust prevention and response measures for potential spills and leaks. We recognise the significant environmental risks associated with uncontrolled releases of substances and have established comprehensive procedures to minimise such incidents and ensure effective remediation. Our approach is integrated into our Environmental Management System (EMS) and aligns with our broader IMS.

### *Our Approach to Spill, Leak, and Remediation Management:*

*Risk Identification and Assessment:* Potential emergency situations, including spills and leaks, are systematically identified through our Environmental Aspect Assessments and Risk Assessments within the IMS framework. This proactive approach allows us to understand potential scenarios and their environmental impacts.

*Prevention Measures:* We implement stringent operational controls to prevent releases of potentially harmful substances. These measures include:

*Secure Storage and Handling:* Ensuring appropriate storage and handling procedures for all chemicals, lubricants, and other materials that could pose a spill risk.

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*Secondary Containment:* Implementing secondary containment systems where necessary to prevent uncontrolled spread in the event of a primary container failure.

*Infrastructure Integrity:* Maintaining infrastructure to prevent groundwater contamination from activities like maintenance, refuelling, and chemical storage.

*Emergency Preparedness and Response:* We have established clear procedures and processes to ensure effective emergency management in the event of a spill or leak:

*Emergency Response Procedures:* A comprehensive emergency response plan (S.03.PR.08 - Environmental and Health and Safety Emergency) outlines responsibilities and specific actions to be taken, including immediate containment, notification, and clean-up protocols.

*Training and Awareness:* Regular training and awareness campaigns are conducted to educate personnel on emergency procedures and their critical role in spill response.

*Response Resources:* Adequate resources, including spill kits and trained personnel, are available on-site to facilitate rapid and effective response.

*Remediation and Recovery:* In the event of a spill or leak, our procedures mandate prompt and effective remediation efforts to minimise environmental damage. This includes:

Containment of the spill to prevent further spread.

Safe collection and disposal of contaminated materials.

Restoration of the affected area to its pre-incident condition where feasible.

*Incident Investigation and Continuous Improvement:* All spills and leaks, regardless of their scale, are investigated to determine root causes. Findings inform corrective and preventive actions, which are then integrated into our EMS to enhance our prevention strategies and improve future response capabilities, ensuring continuous improvement in our environmental performance.

Through these robust measures, we aim to prevent environmental contamination from spills and leaks, and to respond effectively and responsibly should an incident occur.

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### 2.7 Transport and Logistics Impacts

At ERSIGROUP (UK), we recognise that transport and logistics activities are a significant source of environmental impact, primarily through greenhouse gas emissions and air pollutants (such as nitrogen oxides). We are committed to minimising these impacts across our operations, from the inbound movement of raw materials to the outbound delivery of our finished products, as well as business travel. Our approach is guided by our Environmental Management System (EMS) and aligns with the requirements of the CARES Sustainable Constructional Steels Scheme (SCS)

*Our Approach to Managing Transport and Logistics Impacts:*

*Impact Assessment and Objectives:* We assess the environmental and other impacts of our transport operations. Based on this assessment, we set clear objectives and develop programmes to reduce these impacts, contributing to our overall sustainability goals.

*Supply Chain Optimisation through Certified Partners:* We manage transport impacts primarily through our stringent supplier selection and management processes. For raw material supply, we rely on supplier transport and ensure our suppliers are fully certified to ISO 9001, ISO 14001, and ISO 45001, holding recognised sustainability accreditation. Similarly, our delivery firm for produced items are also fully certified to ISO 9001, ISO 14001, and ISO 45001, and hold FORS Gold accreditation, demonstrating high standards in fleet management and safety. This approach ensures that transport services within our supply chain are managed by partners committed to environmental performance and operational excellence.

*Fleet Efficiency and Emissions Reduction (Indirect):* While we utilise third-party transport, our selection of certified partners contributes indirectly to emissions reduction through their own fleet efficiency initiatives and adherence to high operational standards.

*Employee Commuting (Future Focus):* While formal monitoring of employee commuting patterns is not yet in place, we recognise its potential impact. We are committed to exploring the monitoring of employee transport patterns in the future to further identify opportunities for reducing related business impact

*Local Impacts (Future Consideration):* We acknowledge that transport activities can contribute to local impacts such as noise and congestion in surrounding communities. As part of our ongoing formalisation of community relations and local impact management, we will further develop our approach to understanding and mitigating these specific transport-related impacts.

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*Data Collection and Reporting:* We maintain documented information as evidence of our transport impact assessments, objectives, plans, and the implementation of actions taken to reduce these impacts. This data is included in our overall performance reporting.

Through these comprehensive measures, including leveraging our network of highly certified supply chain partners, we strive to reduce the environmental footprint of our transport and logistics activities and contribute to a more sustainable supply chain.

### 3. Social Responsibility

#### 3.1 Workforce Overview

At ERSIGROUP (UK), our workforce is our most valuable asset, and their well-being, development, and engagement are central to our sustainability commitments. We are dedicated to fostering a safe, healthy, and inclusive work environment that promotes fair labour practices and provides opportunities for personal and professional growth.

*Our Workforce briefly:*

Total Workforce: Our UK operations currently comprise 125 individuals.

*Employment Type:* This workforce includes 96 self-employed individuals who contribute to our operations, alongside 29 direct staff employees. This structure allows us to leverage specialised expertise while maintaining a core team.

*Roles and Functions:* Our team comprises a diverse range of skilled professionals, including engineers, production managers, quality technicians, HSEQ specialists, HR personnel, administrative staff, and skilled operatives in our industrial plant.

*Commitment to Fair Labour Practices:* We adhere to fair labour practices, ensuring fair wages, reasonable working hours, and compliance with all relevant labour legislation for both our direct staff and the self-employed individuals we engage. Our policies cover employee welfare, fair treatment, and equal opportunities in recruitment, training, promotion, and employment termination. We uphold the principles of the Ethical Trading Initiative (ETI) Base Code and the International Labour Organisation (ILO) standards.

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*Employee Rights and Freedom of Association:* We respect the freedom of association of our workers and their right to collective bargaining within the local legal framework. We ensure that employees are not required to deposit funds or identity documents and are free to leave employment after providing reasonable notice.

*Health, Safety, and Well-being:* We prioritise the health and safety of all individuals working at our facilities by providing a safe and healthy work environment and promoting well-being through robust occupational risk prevention measures, health surveillance, and emergency preparedness.

*Training and Development:* We are committed to the continuous personal and professional development of our workforce. All new direct staff receive induction training, and ongoing training is provided to ensure personnel possess the necessary skills and competencies for their roles, particularly in areas affecting system performance and sustainability. Training and awareness are also extended to our self-employed collaborators where relevant to health, safety, and operational requirements.

### 3.2 Employee Health, Safety and Wellbeing

Here is the content for your "3.2 Employee Health, Safety and Wellbeing" section, as previously discussed and refined:

### 3.2 Employee Health, Safety and Wellbeing

At ERSIGROUP (UK), the health, safety, and wellbeing of our entire workforce – including both direct staff and self-employed collaborators – is our paramount priority. We are deeply committed to providing a safe, healthy, and supportive work environment, recognising that our people are fundamental to our success and our sustainability. Our comprehensive approach is integrated within our overarching Integrated Management System (IMS), specifically adhering to the rigorous standards of ISO 45001 (Occupational Health and Safety Management System).

#### *Our Approach to Health, Safety and Wellbeing:*

*Policy and Leadership Commitment:* Our IMS Policy explicitly commits to the effective protection of the environment and the safety and health of our employees. Top Management demonstrates leadership by establishing HSEQ objectives, providing necessary resources, and fostering a prevention-based culture.

*Occupational Risk Management:* We implement robust methodologies for the identification, assessment, and control of occupational risks across all our activities. This proactive approach aims to prevent injuries and health deterioration related to work, ensuring that all tasks are carried out under safety standards.

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*Safe Work Environment:* We strive to provide a healthy and safe workplace, continually updating occupational risk prevention measures. This includes maintaining appropriate working conditions (e.g., safety, climate, lighting, cleanliness) in all areas of operation.

*Physical and Psychological Wellbeing:* Beyond physical safety, we are committed to employee wellbeing. Our HR Framework and Social Policy aim to foster personal and professional growth, ensure a fair and competitive salary, and facilitate an adequate balance between personal and professional life, which reinforces satisfaction and commitment. We also have a zero-tolerance policy for any form of moral or sexual harassment.

*Competence, Training, and Awareness:*

We ensure all employees possess the necessary skills and competencies. This involves comprehensive induction training for new staff, ongoing training based on identified needs, and awareness campaigns to promote personal responsibility for safety and environmental care. We ensure personnel are competent to carry out their work safely and effectively.

*Emergency Preparedness:* Potential emergency situations are identified through risk assessments, and comprehensive emergency response plans (S.03.PR.08) are in place. Regular training and awareness campaigns are conducted to ensure effective response to accidents or incidents.

*Monitoring, Measurement, and Review:*

Health and safety performance, including incident statistics, is regularly monitored and reported to management. This data is reviewed periodically during Management Review meetings to evaluate the effectiveness of our programs and drive continuous improvement.

*Consultation and Participation:*

We guarantee that workers and their representatives are consulted and actively participate in all relevant elements of the Management System, particularly on issues related to sustainability, including environmental, health, and safety matters. This includes participation in risk identification, accident investigation, and policy review.

### 3.3 Training & Skills Development

At ERSIGROUP (UK), we recognise that the competence, awareness, and continuous development of our workforce are essential for ensuring product quality, operational efficiency, and the effective implementation of our sustainability commitments. We are dedicated to investing in our employees' personal and professional growth, ensuring they possess the necessary skills to perform their roles safely, effectively, and in an environmentally responsible manner. Our approach to training and skills development is systematically managed within our overarching Integrated Management System (IMS).

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*Our Approach to Training & Skills Development:* Competence Assessment: We systematically determine the necessary competencies for all personnel whose work affects the conformity of our products, environmental performance, and health & safety. This includes both direct staff and self-employed collaborators where relevant.

*Comprehensive Induction Training:* All new direct staff receive thorough induction training to familiarise them with our Integrated Management System (IMS), our core policies (including sustainability), and their specific job requirements, ensuring a strong foundation from day one.

*Ongoing Training and Development Plans:* Based on identified needs and performance reviews, we implement ongoing training and development plans. These plans are designed to:

Enhance technical skills required for specific tasks (e.g., industrialised manufacture of reinforcements).

Promote awareness of our sustainability objectives, environmental aspects, and health & safety protocols.

Ensure compliance with legal and other requirements related to their roles.

Foster personal and professional growth, contributing to talent retention and career progression.

*Awareness and Responsibility:* We conduct awareness campaigns to promote a culture where all employees understand the importance of their activities in meeting company objectives, particularly in relation to quality, occupational safety and health, and environmental protection. This encourages personal responsibility and proactive engagement.

*Specialised Training:* Specific training is provided for roles with significant IMS and environmental impacts, or those directly affecting system performance (e.g., HSEQ specialists, Quality Technicians, operatives involved in waste management or emergency response).

*Documentation and Review:* All training activities, competencies achieved, and experience gained are meticulously documented and maintained (e.g., in personnel files, training matrices, SQEP Registers). Our training effectiveness is reviewed periodically as part of our IMS performance evaluation.

Through these structured training and skills development initiatives, we ensure a highly competent and aware workforce that is equipped to contribute to ERSI GROUP's operational excellence and sustainable growth.

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### 3.4 Diversity, Equity and Inclusion (DEI)

At ERSIGROUP (UK), we are deeply committed to fostering a diverse, equitable, and inclusive workplace. We recognise that a workforce reflecting the diversity of the communities we serve is a strategic asset, enriching our collective knowledge, driving innovation, and enhancing our ability to meet varied needs. Our commitment is enshrined in our Equality & Diversity Policy (UK-POLO-04-ED), adopted on 23/09/2024.

*Our Commitment to DEI involves:*

*Non-Discrimination and Equal Opportunity:* We ensure equal access to our sites and offices, and fair treatment in all aspects of employment, regardless of race, heritage, culture, class, gender, religious or non-religious belief, nationality, creed, colour, age, disability, or sexual orientation. We are committed to combating harassment and discrimination at work.

*Legal Compliance:* We fully accept and adhere to our obligations under relevant UK legislative requirements, including, but not limited to, the Disability Discrimination Act, Equal Pay Act, Race Relations Act, Sex Discrimination Act, and Employment Equality Regulations concerning sexual orientation and religion or belief.

*Inclusive Recruitment and Development:* We actively seek to recruit, develop, and retain the most talented individuals by valuing the varied skills and experiences they bring. This includes:

Exploring flexible working opportunities to broaden our applicant pool.

Advertising for suitably qualified candidates internally and externally, with emphasis on encouraging applications from underrepresented groups where identified.

Designing learning and development opportunities that support DEI aims and actively encouraging all staff to participate.

*Cross-Cultural Recognition and Accommodation:* We are committed to recognising and accommodating cross-cultural differences. This includes making facilities for worship available and aiming to accommodate reasonable requests for annual leave during different religious/festival requirements.

*Open and Equitable Culture:* We strive to cultivate an honest and open culture that values differences. We maintain an open-door policy and value each employee's views equally, ensuring services are perceived as fair and equitable by our employees and the wider community.

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*Supply Chain Alignment:* We aim to ensure that our contractors and others who deliver our services also share our vision and values regarding equality and diversity.

*Monitoring and Review:* The effectiveness of our Equality & Diversity Policy is monitored and formally reviewed at least annually to ensure continuous improvement and compliance.

Through these principles and practices, we are dedicated to creating a workplace where every individual feels valued, respected, and empowered to contribute their best.

### 3.5 Community Engagement and Impact

At ERSIGROUP (UK), we are committed to being a responsible and supportive neighbour in the communities where we operate. We recognise that our activities have a direct and indirect impact on local areas, and we strive to minimise any negative effects while actively contributing to their economic development and social well-being. Our approach to community engagement is an integral part of our Sustainability Management System (SMS).

*Our Approach to Community Engagement and Impact:*

*Stakeholder Identification and Communication Channels:* We identify the local community as a key stakeholder group. We maintain communication channels to receive feedback, concerns, and suggestions, ensuring that a communication channel is always established and made available to the public.

*Primary Point of Contact:* Paula Zoch, our HR Manager and Community Support Representative, serves as the primary point of contact for all community engagement matters. She actively manages ongoing initiatives and is responsible for addressing community concerns.

*Complaint and Concern Management:* Any community concerns or complaints are formally recorded, reviewed, and addressed directly by the designated Community Support Representative, with a clear escalation pathway to senior management for urgent or unresolved issues. This ensures transparency and accountability in our responses.

*Targeted Support Initiatives:* We actively contribute to the economic development and social fabric of our communities through various initiatives:

*Supporting Local Economy:* We contribute by supporting local businesses and suppliers, fostering local procurement where feasible.

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*Job Creation and Skills Development:* We aim to create jobs and promote skills development within the local workforce.

*Community Outreach Programs:* We engage in direct community outreach programs, such as ongoing support activities like food bank and youth club sponsorships, which continue uninterrupted to maintain community goodwill.

*Impact Awareness and Mitigation (Ongoing Development):* We acknowledge that our operations, including transport activities, can have local impacts such as noise and congestion. As part of our ongoing formalisation of community relations and local impact management, we are developing our approach to understanding and mitigating these specific impacts.

*Documentation and Oversight:* Documentation of all community interactions, concerns, and responses is maintained to ensure transparency and accountability. Community relations and engagement performance, including complaint trends and initiative effectiveness, are becoming a standing agenda item in Management Review meetings to ensure ongoing oversight and continuous improvement.

Through these active measures, we aim to build strong, positive relationships with our local communities, ensuring our presence contributes positively to their sustainable development.

### 3.6 Human Rights and Labour Practices

At ERSIGROUP (UK), we are deeply committed to upholding fundamental human rights and ensuring fair and ethical labour practices across all our operations and throughout our supply chain. We believe that respecting human dignity and promoting equitable working conditions are essential for sustainable business and a just society. Our commitments are guided by our Anti-Slavery Human Trafficking Policy (UK-POLO-03-DA), Corporate Social Responsibility Policy (UK-POLO-03-DA), and our Disciplinary & Grievance Policy.

*Our Commitment to Human Rights and Labour Practices Involves:* Zero-Tolerance for Modern Slavery and Forced Labour: We have a zero-tolerance approach to modern slavery, servitude, forced and compulsory labour, and human trafficking. We are committed to acting ethically and with integrity in all business dealings and relationships, implementing and enforcing effective systems and controls to ensure these practices do not occur within our own business or our supply chains. This commitment extends to all individuals working for us or on our behalf, including employees, contractors, and business partners.

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*Ethical Recruitment and Employment:* We prohibit child labour, forced labour, bonded labour, and involuntary prison labour.

We recruit only people of legal age, ensuring no discrimination based on race, origin, nationality, colour, religion, sexual orientation, or marital status.

Employees are not required to deposit funds or identity documents with the employer and are free to leave employment after providing reasonable notice.

*Fair Wages and Working Conditions:* We adhere to minimum wage legislation or industry norms, ensuring fair and competitive salaries. Overtime work is voluntary and complies with legal limits. We do not permit reductions in wages as a disciplinary measure.

*Freedom of Association and Collective Bargaining:* We recognise and respect the freedom of association of our workers and their right to collective bargaining within the local legal framework.

*Non-Discrimination and Harassment:* We are committed to fostering a workplace free from discrimination and harassment. We have clear policies for the elimination of any form of moral or sexual harassment, ensuring all employees are treated with respect and courtesy.

*Grievance and Disciplinary Procedures:* We have established clear and systematic Disciplinary & Grievance Procedures to enable employees to raise concerns and address issues arising from their employment. All grievances are dealt with promptly, with the right to representation, and a clear escalation pathway. Disciplinary actions are applied consistently and fairly.

*Supply Chain Due Diligence:* We extend our high standards to our supply chain. As part of our contracting processes, we include specific prohibitions against forced, compulsory, or trafficked labour, and we expect our suppliers to hold their own suppliers to the same high standards. Our zero-tolerance approach to modern slavery is communicated to all suppliers and business partners.

*Communication and Awareness:* Training on our Anti-Slavery policy forms part of the induction process for all individuals working for us, with regular training provided as necessary. Employees are encouraged to raise concerns about any issue or suspicion of modern slavery.

*Monitoring and Review:* The effectiveness of our policies related to human rights and labour practices is monitored and formally reviewed annually to ensure ongoing relevance and effectiveness.

Through these robust policies and practices, ERSI GROUP (UK) is dedicated to upholding human rights and ensuring fair, ethical, and respectful labour conditions for everyone connected with our business.

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### 4. Responsible Business Practices

#### 4.1 Business Ethics and Anti-Corruption

At ERSIGROUP (UK), we are unwavering in our commitment to conducting business with the highest standards of integrity, transparency, and ethical conduct. We believe that strong ethical practices are fundamental to building trust with our stakeholders, ensuring long-term sustainability, and maintaining our reputation as a responsible corporate citizen. Our approach is guided by our Corporate Social Responsibility Policy and our overarching Integrated Management System (IMS).

*Our Commitment to Business Ethics and Anti-Corruption Involves:*

*Integrity and Transparency:* We are committed to conducting business with integrity and transparency in all our operations and decision-making processes. We uphold the highest standards of honesty and fairness in all interactions with our stakeholders, including customers, employees, contractors, suppliers, and investors.

*Zero-Tolerance for Bribery and Corruption:* We maintain a strict zero-tolerance policy towards bribery and corruption in all its forms. This commitment is explicitly stated in our Corporate Social Responsibility Policy.

*Robust Policies and Procedures:* We implement comprehensive policies and procedures designed to prevent, detect, and respond to instances of bribery and corruption. These measures ensure that all business dealings are conducted ethically and in compliance with relevant laws and regulations.

*Legal and Regulatory Compliance:* We are committed to adhering to all applicable laws, regulations, and ethical standards relevant to our business activities. Our policies and practices are regularly reviewed and updated to ensure ongoing compliance.

*Ethical Conduct of Personnel:* We expect impeccable and professional behaviour from all ERSI GROUP personnel, both in their actions and decisions. Our Disciplinary & Grievance Policy reinforces expected behaviours and attitudes, ensuring all persons representing ERSI GROUP act as responsible ambassadors of our values.

*Reporting Mechanisms:* Both employees of any ERSI GROUP company and any third party can transmit doubts or concerns regarding ethical conduct or breaches of policy through established channels, including our company website's "Contact Us" section, which provides a form for communication, claims, suggestions, or queries.

*Training and Awareness:* We provide training and resources to help employees understand and comply with anti-corruption laws and regulations, as well as our internal ethical standards. Awareness of our ethical policies forms part of our induction process and ongoing communication.

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**Monitoring and Review:** Our Corporate Social Responsibility Policy is reviewed annually by the CSR committee to ensure its continued relevance and effectiveness, reflecting our commitment to continuous improvement in our ethical conduct and anti-corruption efforts.

Through these principles and rigorous practices, ERSI GROUP (UK) ensures that ethical considerations are at the forefront of every business decision and interaction.

### 4.2 Legal and Regulatory Compliance

At ERSIGROUP (UK), adherence to all applicable laws, regulations, and industry standards is a foundational principle of our operations and a non-negotiable aspect of our sustainability commitment. We are dedicated to ensuring full compliance across all our activities, providing a secure and responsible operating framework. Our approach is systematically managed within our overarching Integrated Management System (IMS).

*Our Commitment to Legal and Regulatory Compliance Involves:*

*Comprehensive Compliance Scope:* We are committed to complying with all applicable environmental, health and safety, labour, human rights, and other relevant legislation and regulations pertinent to our operations in the UK. This includes adherence to specific standards such as ISO 9001, ISO 14001, ISO 45001, and the requirements of the CARES SCS Scheme.

*Systematic Identification and Review:* Our IMS includes robust processes for the systematic identification and continuous monitoring of all applicable legal and other requirements. This ensures that we are always aware of our obligations and any changes in the regulatory landscape.

*Integration into Management Systems:* All identified legal and regulatory requirements are integrated directly into our organisational processes and procedures across our IMS. This ensures that compliance is embedded into our daily operations rather than being a separate consideration.

*Policy Adherence:* Our Sustainability/Responsible Sourcing Policy and IMS Policy explicitly state our commitment to legal and compliance, serving as guiding documents for all personnel.

*Monitoring and Reporting:* We maintain robust monitoring and reporting mechanisms to track our progress against legal requirements and ensure ongoing compliance. This includes regular internal audits and management reviews where compliance performance is assessed.

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*Training and Awareness:* We ensure that all employees are aware of their legal and other obligations relevant to their roles. Training is provided to help personnel understand and comply with these standards, fostering a culture of compliance throughout the organisation.

*Supplier and Contractor Compliance:* We extend our commitment to compliance to our supply chain. Our contractual processes include specific requirements for suppliers and contractors to adhere to relevant legislation and our ethical standards, particularly concerning fair labour practices and human rights.

*Continuous Improvement:* Our compliance performance is subject to continuous evaluation. Any non-conformities related to legal requirements are promptly addressed through our corrective and preventive action procedures, ensuring ongoing adherence and improvement.

Through these rigorous measures, ERSIGROUP (UK) ensures that all our operations are conducted in full accordance with legal and regulatory frameworks, underpinning our commitment to responsible and ethical business conduct.

### 4.3 Data Security and Confidentiality

At ERSIGROUP (UK), we recognise the critical importance of data security and confidentiality in maintaining trust with our stakeholders, protecting sensitive information, and ensuring the integrity of our operations. We are committed to safeguarding all data, whether it pertains to our clients, employees, or business operations, through robust systems and practices. Our approach is integrated within our overarching Integrated Management System (IMS).

*Our Commitment to Data Security and Confidentiality Involves:*

#### *Information Management Systems:*

We primarily utilise Google Drive and Windows record-keeping systems for the electronic processing and storage of critical data. These are complemented by our NX system which provides local support for specific data management needs. This comprehensive approach manages raw material purchasing data, operational performance indicators, and records related to our sustainability management system.

*Access Control:* Access to sensitive and confidential records is strictly restricted to authorised personnel only. This ensures that information is accessed, used, and managed appropriately and securely.

*Data Integrity and Accuracy:* We are committed to maintaining the accuracy and integrity of our data. Records are regularly reviewed and updated to ensure their precision, with changes and versions tracked within our systems.

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*Record Retention and Disposal:* We adhere to defined policies for the retention and secure disposal of records, following legal requirements and company guidelines. This ensures that data is kept only for necessary periods and is disposed of in a manner that protects confidentiality.

*IT Infrastructure and Support:* Our IT department is responsible for ensuring the existence and effectiveness of computing resources, applications, systems, and networks. This includes responsibilities for backups, maintenance of existing applications, user support, and the development of new applications, all contributing to a secure data environment.

*Protection Against Unauthorised Access/Breaches:* While not explicitly detailed in the provided documents, a commitment to data security implies measures to protect against unauthorised access, data breaches, and cyber threats. This would typically involve IT security protocols, firewalls, and data encryption where appropriate.

*Employee Training and Awareness:* Employees are trained on record management procedures and the importance of data security and confidentiality. This fosters a culture of responsibility in handling sensitive information.

*Compliance with Legal Requirements:* Our overall commitment to legal and regulatory compliance extends to data protection laws (e.g., GDPR in the UK/EU, if applicable), ensuring that personal and sensitive data is handled in accordance with legal mandates.

Through these measures, ERSIGROUP (UK) ensures the security, confidentiality, and integrity of all data critical to our business and our stakeholders.

### 4.4 Transparency and Reporting

At ERSIGROUP (UK), we are deeply committed to transparency and open communication regarding our sustainability performance. We believe that clear and accessible reporting is essential for building trust with our stakeholders, demonstrating accountability, and driving continuous improvement in our environmental, social, and governance (ESG) practices. Our approach to transparency and reporting is integrated within our overarching Integrated Management System (IMS) and aligns with the requirements of the CARES Sustainable Constructional Steels Scheme (SCS).

Our Commitment to Transparency and Reporting Involves:

*Public Disclosure of Core Sustainability Information:* We are committed to publicly disclosing our organisation's sustainability values, principles, strategies, policies, objectives, targets, and performance. This includes providing relevant information on our material sustainability impacts and the actions we are taking to reduce negative impacts and promote positive ones.

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*Key Document Availability on Website:* Our Sustainability Report, Sustainability Policy (EGUK-SMS-SR-PCY-001), and Sustainability Objectives and Targets Plan (EGUK-SR-SMS-MPRO-001) will be made publicly available on our official company website. These documents serve as primary vehicles for transparently communicating our commitments and progress.

*Performance Data Reporting:* We systematically collect, record, and report on key performance indicators (KPIs) related to our environmental impacts (e.g., energy usage, GHG emissions, water usage, waste management, biodiversity) and social impacts (e.g., local community and stakeholder involvement). This data is stored in our secure information management systems.

*External Verification:* External Verification: The quality and reliability of our sustainability reporting, including relevant performance data, are verified by CARES, an independent third party, further enhancing the credibility of our disclosures.

*Stakeholder Communication:* We utilise various methods of internal and external communication, as detailed in our E.02.PR.04 – Communication With Stakeholders procedure, to engage with stakeholders and disseminate relevant sustainability information.

*Continuous Improvement:* Our transparency and reporting processes are subject to continuous evaluation and improvement. We regularly review our performance reporting and update our goals and strategies to ensure they remain aligned with our mission and values, and to reflect evolving societal expectations.

Through these robust reporting practices, ERSIGROUP (UK) strives to provide clear, accurate, and accessible information, fostering accountability and contributing to a more informed dialogue with all our stakeholders.

## 5. Sustainable Supply Chain and Materials

### 5.1 Responsible Sourcing of Steel and Materials

At ERSIGROUP (UK), we are deeply committed to ensuring the responsible sourcing of all steel and other materials used in our operations. We recognise that our supply chain has significant environmental, social, and ethical impacts, and we strive to mitigate these by partnering with suppliers who share our commitment to sustainable practices. Our approach is guided by our Sustainability/Responsible Sourcing Policy (EGUK-SMS-SR-PCY-001) and aligns with the rigorous requirements of the CARES Sustainable Constructional Steels Scheme (SCS).

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*Our Commitment to Responsible Sourcing Involves:*

*Supplier Due Diligence and Selection:* We work diligently with our suppliers to promote sustainable practices throughout our supply chain. Our procurement processes include:

*Pre-qualification and Evaluation:* Suppliers and contractors are pre-qualified, evaluated, and selected based on their ability to deliver required materials and services, ensuring compliance with our company policies, procedures, and sustainability requirements.

*Certification Requirements:* We prioritise sourcing from suppliers who hold relevant certifications, such as ISO 9001, ISO 14001, and ISO 45001, and who possess recognised sustainability accreditation.

*CARES Approved Producers:* We specifically source raw materials (steel reinforcement) from CARES SCS approved producers, ensuring adherence to stringent sustainability criteria from the outset of our supply chain.

*Ethical and Environmental Standards in the Supply Chain:* We integrate specific ethical and environmental requirements into our major supply and service contracts. This includes:

*Fair Labour Practices and Human Rights:* Ensuring our suppliers adhere to fair labour practices and respect human rights throughout their operations.

*Energy Efficiency and Waste Reduction:* Promoting energy efficiency and waste reduction initiatives within our suppliers' processes.

*Environmentally Friendly and Ethically Sourced Materials:* Prioritising the use of materials that are environmentally friendly and ethically sourced.

*Supply Chain Transparency and Communication:* Our Responsible Sourcing Policy is communicated to all Tier 1 suppliers, ensuring they are aware of our expectations. We maintain detailed records of raw material purchasing data, including specifications, purchase orders, invoices, and certificates of analysis, ensuring traceability.

*Minimising Resource Depletion (Circular Economy):* Our core business model significantly minimises reliance on finite resources. In 2024 100% of our raw material was sourced from 7 Steel UK (formerly CELSA Steel (UK)), which is 100% sourced from recycled steel. This commitment to circularity is a fundamental aspect of our responsible sourcing strategy, significantly reducing the demand for virgin materials and contributing to a circular economy.

*Monitoring and Assessment:* We conduct initial assessments of suppliers, and their environmental and social data is recorded. We maintain ongoing monitoring through annual assessments of suitable suppliers, and our IMS procedures ensure that environmental requirements are communicated and adhered to by suppliers and subcontractors.

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Through these comprehensive measures, ERSIGROUP (UK) ensures that our supply chain operates responsibly, contributing to ethical business practices, environmental protection, and social well-being from the very beginning of our product lifecycle.

### 5.2 Supplier Due Diligence and Audits

ERSIGROUP maintains a robust and systematic approach to supplier due diligence and audits, ensuring that our supply chain partners align with our commitment to quality, environmental responsibility, ethical practices, and overall sustainability. Our process is designed to proactively identify, assess, and mitigate risks, fostering a resilient and transparent supply chain.

#### 5.2.1 Supplier Due Diligence Process

Our due diligence process is comprehensive and tailored to the criticality and risk profile of each supplier. For critical suppliers, this involves an in-depth evaluation covering several key areas during initial onboarding and periodic reviews:

*Financial Stability:* Assessment of financial health, creditworthiness, and operational solvency to ensure long-term reliability and capacity to meet contractual obligations.

*Operational Capabilities and Capacity:* Evaluation of production capacity, technological capabilities, quality control measures, and delivery track record to verify their ability to consistently meet our organisation's requirements. This includes reviewing their internal processes, equipment, and resource availability.

*Compliance and Legal Aspects:* Verification of adherence to all relevant local, national, and international laws, regulations, and industry standards. This encompasses:

*Environmental Compliance:* Adherence to environmental regulations, pollution control, waste management, and sustainable practices.

*Social and Ethical Compliance:* Verification of fair labour practices, human rights, anti-slavery measures, anti-corruption policies, and safe working conditions.

*Health and Safety Compliance:* Confirmation of robust occupational health and safety management systems.

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*Data Protection and Cybersecurity:* For suppliers handling sensitive data, assessment of their data security posture and compliance with relevant data protection regulations.

*Management Systems & Certifications:* Review of relevant management system certifications (e.g., Quality, Environmental, Occupational Health and Safety) as evidence of structured and controlled processes and a foundational element of their compliance.

*Reputation and Market Standing:* Research into industry reputation, customer reviews, and any past controversies to gauge reliability and ethical conduct.

*Sub-Supplier Management:* Evaluation of how our direct suppliers manage their own supply chain and sub-suppliers, extending our transparency and due diligence requirements downstream.

Our due diligence is an ongoing process, not a one-time event, reflecting our commitment to continuous monitoring and risk management. This ongoing monitoring significantly leverages the regular review of our suppliers' valid certifications and accreditations as outlined in section 5.2.2.

### 5.2.2 Leveraging Supplier Certifications and Accreditations

To validate and continually monitor supplier performance, we prioritise the review and verification of our suppliers' adherence to recognised management system standards and sustainability accreditations. This approach allows us to efficiently assess their established frameworks for quality, environmental responsibility, and occupational health and safety.

Specifically, for critical suppliers, we require and actively review evidence of: *Management System Certifications:* Such as ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Health and Safety Management System). These certifications provide independent assurance that a supplier has robust systems in place to consistently meet standards, manage risks, and drive continuous improvement in these areas.

*Sustainability Accreditations and Policies:* This includes examining their publicly available environmental product declarations, comprehensive supply chain policies that integrate Environmental, Social, and Governance (ESG) criteria, and adherence to internationally recognised principles like the UN Global Compact. We also monitor their progress towards relevant industry-specific sustainability certifications, such as the CARES Sustainable Resource Certification (SRC) scheme in our sector.

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By leveraging these third-party validations, we gain an elevated level of confidence in our suppliers' commitment to responsible and sustainable practices, forming a key component of our due diligence process.

### 5.2.3 Audit Frequency and Methodology

The frequency and depth of audits are determined by a risk-based approach, considering factors such as:

The criticality of the material/service supplied.

The supplier's past performance and compliance history.

Changes in regulations or industry standards.

Identified risks during ongoing due diligence.

Our audit methodology may include:

Review of documented information (policies, procedures, records, certifications).

On-site visits and facility inspections (where applicable and feasible).

Interviews with supplier personnel.

Performance monitoring against agreed-upon metrics.

### 5.2.4 Corrective Action and Improvement

Any non-conformities or areas for improvement identified during due diligence or audits are communicated to the supplier. We collaborate with our suppliers to develop and implement corrective action plans, with clear timelines and verification of effectiveness. This collaborative approach underscores our commitment to continuous improvement throughout our supply chain.

### 5.3 Recyclability and Recycled Content

ERSIGROUP is deeply committed to circular economy principles, recognising that the sustainable use of materials is fundamental to minimising environmental impact. Our approach focuses on both the high recycled content of our raw materials and the inherent recyclability of our finished products.

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### 5.3.1 Maximising Recycled Content

A cornerstone of our responsible sourcing strategy is the exclusive use of 100% recycled raw material for all our steel products, sourced from 7 STEEL UK. This commitment delivers significant environmental advantages:

*Reduced Primary Resource Depletion:* By utilising 100% recycled steel, we eliminate the need for virgin iron ore extraction, thereby conserving natural resources and minimising the environmental disruption associated with mining.

*Lower Energy Consumption:* Producing steel from recycled scrap requires significantly less energy (up to 75% less) compared to primary steel production from iron ore. This directly translates to a substantial reduction in energy-related greenhouse gas emissions.

*Minimised Carbon Footprint:* The use of 100% recycled content drastically reduces the embedded carbon in our products compared to steel produced through traditional blast furnace methods. This aligns with our broader environmental objectives and contributes to a lower overall carbon footprint for our operations and products.

*Waste Diversion:* Our sourcing strategy actively contributes to diverting valuable steel scrap from landfills, promoting a closed-loop system where materials remain in use.

The Environmental Product Declaration (EPD) publicly available from our sole supplier, 7 STEEL UK (formerly Celsa UK), provides transparent, third-party verified data detailing the life cycle environmental impacts of their steel products, clearly reflecting the benefits of their high recycled content.

### 5.3.2 Inherent Recyclability of Our Products

The steel we use, and consequently the products we manufacture, are 100% recyclable at the end of their useful life. Steel is unique in its ability to be infinitely recycled without any degradation in its inherent properties or performance. This means:

*Circular Economy Contribution:* Our products seamlessly integrate into the circular economy, ensuring that the valuable materials we utilise can be recovered and re-processed into new steel products, continuing their lifecycle indefinitely.

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*Resource Efficiency at End-of-Life:* The high recoverability and recyclability of steel minimise waste generation at the demolition or decommissioning phase of projects, facilitating efficient resource management.

ERSIGROUP is proud to offer products that not only start with a strong environmental foundation due to their 100% recycled raw material input but also contribute positively to a sustainable future through their complete recyclability.

5.4 ERSIGROUP is committed to maintaining robust traceability within our operations and actively practicing product stewardship to ensure responsible management of our products throughout their entire lifecycle.

### 5.4.1 Upstream and Internal Traceability

Our traceability systems are designed to provide clear visibility and accountability for the materials we use. We prioritise the ability to track our materials from their initial input into our manufacturing process back to their source.

**Traceability to Steel Production Batch:** Our internal procedures ensure that all steel materials can be traced back to the mill certificate provided by our sole supplier, 7 STEEL UK. This directly links the material used in our products to a specific steel production batch (cast/heat). This granular level of traceability is crucial for quality control, enables rapid response to any material-related concerns, and provides verifiable data for our customers.

**Challenges in Upstream Scrap Traceability:** We acknowledge that tracing further back to the precise origin of all scrap used by our supplier, Celsa, may present limitations. This is a common challenge within the steel industry, where scrap often originates from a multitude of collection points and is aggregated before melting. However, our reliance on a single, reputable supplier that adheres to rigorous ESG criteria and has robust supplier approval procedures, helps mitigate risks associated with the ultimate origin of scrap.

**Internal Process Traceability:** Beyond raw material input, our production processes incorporate comprehensive tracking mechanisms. This ensures that specific product components and finished goods can be identified and linked to their manufacturing stages, quality checks, and personnel involved.

### 5.4.2 Product Stewardship

ERSIGROUP embraces the principles of product stewardship, taking responsibility for minimising the environmental and social impacts of our products across their entire lifecycle, from design and sourcing through to use and end-of-life management. This commitment extends beyond compliance and focuses on continuous improvement.

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Our product stewardship approach is demonstrated through:

*Responsible Design:* We integrate sustainability considerations into our product design, aiming for durability, efficiency, and ease of recyclability at the end of life, as highlighted by our use of 100% recyclable steel (refer to Section 5.3).

*Supplier Engagement:* Our comprehensive due diligence and ongoing collaboration with our sole raw material supplier ensure that responsible practices are embedded from the very start of our supply chain.

*Transparency and Information Sharing:* We provide transparent information about our products' composition, origin, and environmental attributes (e.g., through our commitment to leveraging supplier EPDs), empowering customers to make informed decisions.

*End-of-Life Management Consideration:* Given the infinite recyclability of steel, we actively promote and support the recovery and recycling of our products at the end of their useful life, contributing to a circular economy. This involves ensuring our products are designed to facilitate efficient dismantling and material separation for recycling.

*Engagement in Industry Initiatives:* Our participation in and prospective support of industry-specific certifications like the CARES Sustainable Resource Certification (SRC) scheme further demonstrates our commitment to best practices in product stewardship across the sector.

Through these measures, ERSIGROUP aims to ensure that every product we deliver not only meets high-quality standards but also contributes positively traceability and Product Stewardship

### 5.5 Innovation in Sustainable Materials and Processes

ERSIGROUP is dedicated to continuous improvement and actively seeks out and embraces innovation in sustainable materials and manufacturing processes. We recognise that true sustainability is a journey of ongoing development, requiring foresight and investment in future-proof solutions. Our commitment to innovation is demonstrated through:

*Optimising Resource Efficiency in Our Operations:* While our core raw material is already 100% recycled, we continually explore ways to further optimise resource consumption within our own operations. This includes investing in technologies and methodologies that reduce energy consumption, minimise waste generation, and enhance water efficiency throughout our manufacturing and transformation processes. This can involve adopting advanced manufacturing techniques and optimising internal logistics.

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*Driving Innovation in Sustainable Steel Applications:* Our primary focus in materials innovation lies in advancing the sustainable application of steel within the construction sector. We leverage our deep expertise in reinforced concrete structures and our Armatek® Construction System to develop solutions that optimise material use, reduce construction waste, and enhance project efficiency. This includes:

*Rationalising reinforcement design:* Implementing smart engineering to use the optimal amount of steel for structural integrity.

*Developing efficient construction details:* Designing components that simplify assembly and minimise on-site waste.

*Promoting efficient execution methods:* Innovating processes that reduce construction times and associated environmental impacts.

We also remain vigilant for major advancements in steel production technologies (e.g., developments in ultra-low carbon steel, such as hydrogen-reduced iron) that our primary suppliers may adopt, as these would further enhance the sustainability profile of our raw materials.

*Collaborative Innovation with Our Supply Chain:* Our close relationship with our sole raw material supplier, 7 STEEL UK, fosters a collaborative environment for innovation. We engage with them to understand their ongoing research and development into more sustainable production methods, process efficiencies, and any initiatives to further reduce the environmental footprint of their products beyond current benchmarks. This collaborative spirit ensures that advancements at the raw material stage directly benefit our product's overall sustainability profile.

*Engagement with Industry Research and Development:* We actively follow and, where appropriate, participate in industry research, development initiatives, and consortia focused on advancing sustainable practices within manufacturing and construction. This allows us to stay at the forefront of emerging technologies and contribute to collective progress towards a more sustainable future. Our prospective support of local community projects here in Loughborough also extends to fostering an environment where innovation can thrive for local benefits.

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### 6. Product Responsibility

#### 6.1 Sustainable Product Development (e.g., cage design, steel performance)

ERSIGROUP is committed to embedding sustainability directly into our product development and engineering processes. Our approach focuses on optimising the design and application of reinforced steel solutions to minimise environmental impact throughout the construction lifecycle, while maintaining or enhancing structural performance.

Our key areas of focus in sustainable product development include:

**Optimised Reinforcement Design (e.g., Cage Design):** We utilise advanced engineering and design methodologies, including our proprietary Armatek® Construction System, to optimise the configuration of reinforcement cages and other steel components. This involves:

**Rationalising Material Use:** Precision engineering to use the optimal amount of steel required for structural integrity, thereby reducing overall material consumption without compromising safety or performance.

**Maximising Pre-fabrication:** Designing components for increased pre-fabrication off-site, which significantly reduces on-site waste, minimises cutting and bending scrap, and improves construction efficiency.

**Enhancing Steel Performance and Durability:** Our product development prioritises solutions that contribute to the long-term performance and durability of concrete structures. By ensuring the correct specification and optimal application of steel, we contribute to:

*Extended Service Life:* Designing systems that lead to more resilient and longer-lasting infrastructure, reducing the need for premature reconstruction or extensive maintenance.

*Material Efficiency in Use:* Optimising the interaction between steel reinforcement and concrete to ensure maximum structural efficiency from the combined materials.

*Waste Reduction and Resource Efficiency through Design:* Our design processes are geared towards minimising waste generated both in our fabrication facilities and on the construction site. By providing highly engineered, ready-to-assemble components, we enable:

*Reduced Site Scrap:* Less cutting, bending, and handling of raw rebar on-site, leading to significantly less material waste.

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*Resource Utilisation:* Efficient production planning and precise material allocation driven by our design capabilities.

Through these sustainable product development initiatives, ERSIGROUP aims to deliver solutions that not only meet the highest quality and safety standards but also actively contribute to a more resource-efficient and environmentally responsible built environment.

### 6.2 Quality Assurance and Certifications

At ERSIGROUP, quality is an integral component of our operations and a core pillar of our sustainability commitment. Our robust Quality Assurance (QA) framework ensures that all our products and services consistently meet the highest industry standards, customer specifications, and regulatory requirements. This commitment is underpinned by our comprehensive Quality Management System (QMS) and relevant external certifications

Our approach to quality assurance and certifications includes:

*Integrated Quality Management System (IMS):* Our IMS is designed in accordance with ISO 9001 (Quality Management System) principles, providing a systematic approach to managing and improving processes across all our activities. This system ensures:

*Process Control:* Rigorous control over all stages of our operations, from engineering and material transformation to pre-fabrication and on-site assembly, ensuring consistency and precision.

*Customer Focus:* A dedicated focus on understanding and meeting customer needs and expectations, leading to enhanced satisfaction and reliable project outcomes.

*Continual Improvement:* A framework for ongoing monitoring, measurement, analysis, and evaluation of our performance, driving continuous improvement in product quality and service delivery.

*Risk-Based Thinking:* Proactive identification and mitigation of risks throughout our processes to prevent non-conformities and ensure consistent quality.

*Product and Process Certifications:* We maintain and pursue relevant certifications that provide independent, third-party assurance of our product quality and operational excellence. This includes:

**CARES Certification:** Our commitment to obtaining CARES Sustainable Resource Certification (SRC) signifies a dedication not only to responsible sourcing but also to the stringent quality and operational standards required for steel reinforcement products within the construction industry. CARES certification covers both the product's conformity to standards and the quality management systems of the companies in the supply chain.

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*Other Relevant Accreditations:* We adhere to other industry-specific quality accreditations and standards pertinent to our scope of operations, ensuring compliance and confidence in our products.

*Traceability and Verification:* Our quality assurance system is intrinsically linked with our traceability protocols (as detailed in Section 5.4). We ensure that all products can be traced back to their raw material input and specific production batches, enabling comprehensive quality checks and verification against mill certificates and performance specifications.

*Competence and Training:* We invest in the ongoing training and development of our personnel to ensure they possess the necessary skills and knowledge to uphold our quality standards across all functions, from engineering design to manufacturing and site delivery.

*Supplier Quality Management:* Our due diligence and supplier management processes (as detailed in Section 5.2), including the leveraging of supplier certifications like ISO 9001, 14001, and 45001, are critical to ensuring the quality and integrity of our incoming raw materials and services.

Through this robust framework of quality assurance and certification, ERSIGROUP demonstrates its unwavering commitment to delivering high-performance, reliable, and sustainable reinforced steel solutions that contribute to the integrity and longevity of construction projects.

### 6.3 Customer Engagement and Feedback

RSIGROUP places immense value on strong, collaborative relationships with our customers. Open and transparent communication is fundamental to our approach, enabling us to not only meet but also anticipate and exceed their evolving needs, including their growing demands for sustainable and responsible solutions.

Our commitment to customer engagement and feedback is demonstrated through:

*Proactive Communication Channels:* We establish clear and accessible channels for communication throughout all project phases. This includes regular project meetings, dedicated account management, technical support, and direct lines of contact for inquiries and collaboration.

*Soliciting Diverse Feedback:* We actively seek feedback across various aspects of our service and product delivery. This includes input on:

*Product Performance and Quality:* Ensuring our reinforced steel solutions consistently meet and surpass project specifications.

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*Service Delivery and Efficiency:* Evaluating our engineering, fabrication, and on-site assembly processes for optimal productivity and seamless integration.

*Sustainability Requirements:* Understanding customer needs and preferences related to embodied carbon, recycled content, traceability, and other environmental and social performance criteria.

*Innovation and Development:* Gathering insights that can inform the future development of our products (e.g., Armatek® system) and services to address emerging industry challenges and opportunities.

**Formal and Informal Feedback Mechanisms:** Feedback is gathered through both formal and informal channels, including:

Post-project reviews and satisfaction surveys.

Direct discussions with project managers, site teams, and procurement departments.

Analysis of inquiries, requests for information, and any reported concerns.

**Integration into Continuous Improvement:** Customer feedback is a critical input into our Quality Management System and continuous improvement processes. All feedback is systematically reviewed, analysed, and used to:

Identify areas for service enhancement and operational efficiency.

Drive innovation in our product development and application methodologies.

Ensure ongoing compliance with evolving customer and regulatory requirements.

Strengthen our long-term partnerships by demonstrating responsiveness and a commitment to shared success.

*Collaborative Problem Solving:* Should any challenges arise, we engage collaboratively with our customers to address issues promptly and effectively, fostering trust and reinforcing our dedication to project success and client satisfaction.

By actively listening to our customers and integrating their feedback into our operations, ERSIGROUP ensures that our solutions remain relevant, high-performing, and aligned with the demands of a rapidly evolving and increasingly sustainable construction industry.

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### 6.4 Labelling and CARES Logos / QR Codes

ERSIGROUP implements rigorous labelling practices for all our reinforced steel products to ensure full traceability, facilitate efficient on-site management, and provide verifiable proof of quality and responsible sourcing. This is significantly enhanced by our commitment to CARES certification and the advanced digital tools it offers.

Our approach to product labelling includes:

**Comprehensive Product Identification:** All our fabricated steel reinforcement products are clearly and durably labelled. These labels contain essential information necessary for accurate identification, including:

ERSIGROUP's unique product identification numbers.

Customer project details and relevant bending schedule references.

Quantity and dimensions of the steel components.

Date of fabrication and relevant production batch (cast/heat) numbers.

**CARES Logos and Certification Markings:** As part of our commitment to obtaining CARES Sustainable Resource Certification (SRC), our products will bear the appropriate CARES logos and markings. These independent, third-party marks provide immediate visual assurance to clients, specifiers, and site personnel that our products:

Comply with stringent quality and performance standards.

Originate from a responsibly sourced supply chain, verified by CARES.

Are fully traceable from the steel mill to the point of delivery on site.

*Leveraging QR Codes for Enhanced Traceability:* We are actively integrating or preparing for the adoption of QR codes on our product labels or documentation (such as through the CARES Cloud ecosystem). These QR codes serve as a powerful tool for enhanced digital traceability and transparency by enabling:



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*Instant Data Access:* A quick scan with a smartphone provides immediate access to comprehensive product data, including mill certificates, chemical and mechanical properties, sustainability credentials (e.g., carbon footprint data per tonne), and supplier approval status.

*Digital Chain of Custody:* QR codes facilitate a seamless digital chain of custody from the manufacturing source through our fabrication processes and ultimately to the construction site, replacing paper-based records and reducing the risk of errors.

*Improved On-Site Verification:* Site teams can easily verify the provenance and compliance of materials upon delivery, ensuring that the correct and certified reinforcement is installed.

*Support for Building Information Modelling (BIM):* The digital data accessible via QR codes can be integrated into BIM models, allowing for more accurate as-built records and precise carbon footprint calculations within a project.

By implementing these robust labelling practices and embracing digital traceability tools like QR codes in conjunction with CARES, ERSIGROUP reinforces its commitment to unparalleled product integrity, supply chain transparency, and efficient, sustainable construction practices.

### 6.5 End-of-Life and Reuse Considerations

ERSIGROUP is deeply committed to fostering a truly circular economy within the construction sector. Our responsibility extends beyond initial supply to facilitating optimal end-of-life pathways for our products, prioritising high-value recycling, and promoting opportunities for reuse.

Given that the steel we use and supply is 100% infinitely recyclable without property degradation (as highlighted in Section 5.3), our products are inherently designed for recovery. Our engineering processes, including the Armatek® Construction System, aim to facilitate the efficient recovery of steel reinforcement from structures at their end-of-life, enabling its seamless re-entry into the steel manufacturing cycle. This directly reduces virgin resource demand and minimises waste.

Beyond recycling, we recognise the even greater environmental benefit of direct reuse for structural steel elements. We actively monitor and support industry initiatives that aim to increase the deconstruction and reuse of steel components in new construction projects. Through transparent product identification (e.g., labelling and QR codes) and consistent quality, we contribute to a robust material recovery infrastructure, ensuring our valuable steel components can be efficiently reclaimed and re-utilised.

By focusing on these end-of-life considerations, ERSIGROUP reinforces its commitment to minimising waste, conserving resources, and contributing to a genuinely circular economy for the built environment.

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## 7. Performance and Continuous Improvement

### 7.1 Sustainability KPIs and Metrics

ERSIGROUP is committed to transparently measuring and reporting its environmental, social, and economic performance to demonstrate progress towards our sustainability goals. This section outlines the key performance indicators (KPIs) and metrics we track for our UK operations, providing a quantitative overview of our impact and areas for improvement.

We recognise that robust data collection and consistent reporting are essential for accountability and driving meaningful change. Our KPIs align with recognised sustainability frameworks and industry best practices.

#### 7.1.1 Biodiversity Objectives

ERSIGROUP (UK) is committed to enhancing biodiversity as part of its integrated Environmental Management System. Our goal is to actively support local and global biodiversity through measurable initiatives. From 2025 onwards, we will:

“Set and monitor annual biodiversity objectives, with KPIs including area of habitat enhanced, number of site-level initiatives implemented, employee engagement activities, and contributions to global reforestation efforts.”

This aligns with our ISO 14001 objectives and CARES SCS requirements, ensuring biodiversity considerations are embedded in operational planning and reviewed annually as part of our sustainability performance.

#### 7.1.2 Stakeholder Complaints and Prosecutions

ERSIGROUP (UK) recorded **zero stakeholder complaints or prosecutions in 2024** and is committed to maintaining this performance in 2025.

To ensure ongoing transparency and accountability, all ethical, environmental, social, and economic complaints and incidents are already tracked through our dedicated KPI system on ArmaExplorer via the Citrix platform.

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### 7.1.3 Material Efficiency Statement

ERSIGROUP (UK) achieved a **Material Efficiency rate of 98.52% in 2024**, demonstrating a highly efficient use of raw materials and minimal process waste. This reflects our commitment to sustainable resource use and circular economy principles, aligned with our ISO 14001 and CARES SCS obligations.

In 2025, we will maintain this high level of efficiency by continuing to monitor material flows, minimise production scrap, and implement process improvements where feasible. Our Material Efficiency KPI—defined as the ratio of finished product output to total raw materials used—will remain a key performance indicator reviewed annually as part of our sustainability management system.

### 7.1.4 Waste to Incineration Statement

ERSIGROUP (UK) continues to reduce waste sent to incineration as part of its commitment to the waste hierarchy and ISO 14001 principles. In the reporting period from **1 May 2023 to 1 May 2024**, the company reduced incinerated waste to **5,500 kg**, down from **7,170 kg** the previous year, despite a significant increase in production.

With **13,334.5 tonnes** of product output in the 2024 period, this results in a **Waste to Incineration Intensity KPI** of:

**≈0.4125 kg/tonne**

This represents a marked improvement from the previous period's intensity of **0.877 kg/tonne**.

#### 2025 Objective

Maintain Waste to Incineration below **0.45 kg/tonne** of product output through improved segregation, waste minimisation, and contractor performance monitoring. This target reflects continuous improvement while accounting for operational scale.

### 7.1.5 Fair Pay and Minimum Wage Compliance

ERSIGROUP (UK) is fully compliant with UK national minimum wage legislation and is committed to fair and ethical treatment of all workers, including agency staff.

As of the current reporting period, no direct employee or agency worker is paid less than the statutory minimum wage. Regular audits and payroll reviews ensure ongoing compliance.

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### 7.1.6 Grievance Management and Resolution

ERSIGROUP (UK) maintains a transparent and accessible grievance mechanism to support a respectful, inclusive, and compliant workplace. Grievances are logged, investigated, and addressed in line with company policy and ethical standards.

In the 2024 reporting period, one grievance was formally filed and successfully resolved, resulting in a **100% resolution rate**.

### 7.1.7 Lost Time Injury Frequency Rate (LTIFR)

ERSIGROUP (UK) is committed to maintaining a safe and healthy working environment, with safety performance tracked through key indicators such as LTIFR. The Lost Time Injury Frequency Rate is calculated as:

$$\text{LTIFR} = (\text{Total Lost Time Injuries} \times 1,000,000) / \text{Total Work Hours}$$

In the 2024 reporting period, **zero Lost Time Injuries (LTIs)** were recorded across all operations. With total work hours exceeding reporting thresholds, this results in a **LTIFR of 0.00**, reflecting strong safety performance and adherence to risk control measures.

### 2025 Objective

Maintain a LTIFR of 0.00 through proactive safety culture, ongoing training, hazard identification, and incident prevention programs. Continued emphasis will be placed on near-miss reporting, behavioural safety, and safety leadership engagement.

### 7.1.7 Pursuing Innovation – KPI Statement

ERSIGROUP (UK) continues to prioritise innovation as a driver of process efficiency, product performance, and sustainability. We track investment in innovation relative to production output to assess the effectiveness and scale of our R&D and continuous improvement efforts.

### 2024 KPI Analysis

- Total Innovation Investment (2024): £339,306.53
- Total Product Output (2024): 13,334.50 tonnes
- Innovation Rate =

**≈£25.44 per tonne**

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For comparison:

- 2023 Innovation Investment: £483,962.32
- 2023 Output: 8,175.90 tonnes
- 2023 Innovation Rate:

**≈£59.20 per tonne**

### Interpretation

While total innovation expenditure decreased in 2024, productivity significantly increased. This resulted in a lower innovation rate per tonne — a shift that reflects greater operational efficiency and scale. The reduced spend per unit does not indicate reduced innovation value, but rather more cost-efficient delivery of innovation outcomes across a larger production base.

### 2025 Objective

**Maintain a minimum Innovation Rate of £25 per tonne**

#### 7.1.8 Environmental Performance Indicators

Our environmental KPIs focus on our most material impacts, particularly related to resource consumption, emissions, and waste generated during our steel transformation and pre-fabrication processes.

Energy Consumption:

Total Energy Consumption (kWh/year) [2024]: **222,231.3**

Energy Intensity (kWh/tonne of product) [2024]: **16.66**

Percentage of Renewable Energy Used (%): **100%**

Baseline (e.g., 2023): **100%**

Target (e.g., 2025): **Maintain 100% renewable energy use.**

Greenhouse Gas (GHG) Emissions:

Scope 1 Emissions (tCO<sub>2</sub>e/year) [ 2024]: **13.76 t**

Scope 2 Emissions (tCO<sub>2</sub>e/year) [2024]: **50.45 t**

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Total Scope 1 & 2 Emissions (tCO<sub>2</sub>e/year) [2024]: **64.21 t**

Carbon Intensity (tCO<sub>2</sub>e/tonne of product) [2024]: **0.0048**

Baseline [2023]: **0.0070**

Target [2025]: **≤ 0.0048**

Waste Management:

Total Waste Generated (tonnes/year) [2024]: **212090 kg**

Percentage of Waste Recycled/Reused (%) [2024]: **97.4 %**

Waste to Landfill (tonnes/year) [2024]: **0**

Waste Intensity (kg/tonne of product) [2024]: **15.5**

Baseline [2023]: **37.1**

Target [2025]: **> 15.5**

Water Consumption:

Total Water Withdrawal (m<sup>3</sup>/year) [2024]: **56**

Water Intensity (m<sup>3</sup>/tonne of product) [2024]: **0.004**

Baseline [2023]: **0.008**

Target [2025]: **≤ 0.004**

Recycled Content in Products:

Percentage of Recycled Raw Material in Steel Stock (%): **100%** (as stated in 5.3)

Supplier's Embodied Carbon Data (from EPD): **0.429 t** (tCO<sub>2</sub>e per tonne of product)

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### 7.2 Internal and External Audits

ERSIGROUP's commitment to continuous improvement and robust management systems is rigorously validated through a structured program of internal and external audits. These audits provide independent assurance of our compliance with relevant standards, policies, and regulatory requirements, driving transparency and enhancing our sustainability performance.

#### 7.2.1 Internal Audit Program

Our internal audit program is a cornerstone of our Integrated Management System (IMS), encompassing Quality (ISO 9001), Environmental (ISO 14001), and Occupational Health and Safety (ISO 45001) aspects. This program ensures:

**Systematic Review:** Regular, planned audits are conducted by trained internal auditors across all relevant departments and processes within our UK operations.

**Compliance Verification:** Audits verify adherence to our documented management system procedures, internal policies (including our Supply Chain Transparency Statement), and applicable legal and regulatory requirements related to quality, environmental protection, and health & safety.

**Performance Monitoring:** We assess the effectiveness of our controls and the progress towards our sustainability objectives and targets (as outlined in Section 7.1).

**Opportunity for Improvement:** Findings from internal audits, including non-conformities and observations, are systematically recorded, and corrective actions are implemented and verified for effectiveness. These insights feed directly into our management review process, fostering a culture of continuous improvement.

#### 7.2.2 External Audits and Certifications

ERSIGROUP actively engages with reputable third-party certification bodies for external audits, providing independent validation of our management systems and product conformity. These external validations are critical for stakeholder confidence and demonstrate our adherence to international best practices.

**Management System Certifications:** We undergo regular surveillance and re-certification audits for our [mention relevant ISO certifications, e.g., ISO 9001, ISO 14001, ISO 45001 if held by ERSI GROUP UK]. These audits confirm our ongoing compliance with the requirements of these internationally recognised standards for quality, environmental, and occupational health & safety management.

**Product Conformity Certifications:** Our products are subject to external audits to ensure conformity with relevant product standards, such as those overseen by CARES. This verifies the consistent quality and performance of our reinforced steel solutions.

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**Sustainability-Specific Accreditations:** We are actively pursuing CARES Sustainable Resource Certification (SRC), which involves rigorous external audits of our responsible sourcing practices, environmental performance, and social criteria throughout our supply chain and operations. This accreditation, once achieved, will serve as a powerful external validation of our comprehensive sustainability efforts.

**Supplier Audits:** As part of our supplier due diligence (detailed in Section 5.2), we leverage external audits and certifications held by our key suppliers (e.g., 7 STEEL UK's ISO 9001, ISO 14001, ISO 45001, and CARES Product Conformity Certification) to assure the quality and sustainability performance of our raw materials.

Through this dual approach of rigorous internal scrutiny and independent external verification, ERSIGROUP ensures the integrity of its management systems and its commitment to responsible and sustainable operations.

### 7.3 CARES Rosette Rating and Performance

ERSIGROUP is strongly committed to transparently demonstrating its sustainability performance, and the CARES Sustainable Constructional Steel (SCS) scheme provides an accredited, independent, and impartial framework for this commitment within the steel reinforcement sector. This scheme aims to improve the environmental, social, and economic management of steel manufacturers and processors, and to improve product performance. While the CARES SCS scheme includes a rosette rating system to visually communicate a company's sustainability maturity, our focus is on robust compliance and continuous improvement from our current standing.

Our dedication to responsible sourcing and sustainable operations is evidenced by our current progress:

**Pursuit of CARES Sustainable Constructional Steel (SCS) Accreditation:** ERSIGROUP is actively undertaking the initial stages of accreditation to the CARES SCS scheme. This rigorous process involves comprehensive assessment of our entire supply chain, operational practices, and management systems against stringent sustainability criteria. Our preliminary assessment resulted in a 'Pass' score, representing baseline compliance with the CARES SCS framework. We are working toward improving this rating in future audits as part of our continuous improvement efforts.

**Significance of the CARES SCS and Future Rosette Recognition:** Achieving CARES SCS accreditation signifies a formal validation of our responsible sourcing practices, full product traceability, and commitment to a digital chain of custody from manufacturer to end-user. It also reinforces our commitment to transparency and accountability in our supply chain. While our initial assessment is a "Pass," we view the potential to achieve a higher CARES Rosette Rating in future assessments as a key aspiration and a testament to our ongoing commitment to elevating our environmental and social performance beyond the core requirements. This recognition would provide a clear, third-party verified indicator of our advanced sustainability maturity to our customers and stakeholders and is recognised by leading green building rating systems like BREEAM and LEED.

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Our commitment to continuous improvement, evidenced by our progress in the CARES SCS scheme, underscores our drive to enhance our performance and achieve higher levels of sustainability recognition within the reinforced steel solutions industry. We anticipate that this accreditation will enhance our ability to provide fully verified, sustainable products, contributing to our overall goal of a lower carbon and more responsible built environment.

### 7.4 Industry Benchmarking

ERSI is committed to continually enhancing its sustainability performance by actively engaging in industry benchmarking. Comparing our performance against industry peers and best practices is essential for identifying areas for improvement, setting ambitious goals, and validating our progress within our sector.

Our approach to industry benchmarking includes:

*Data-Driven Performance Comparison:* We regularly compare our key sustainability performance indicators (KPIs), such as energy intensity, carbon intensity, waste intensity, and health & safety metrics, against available industry averages and leaders. We also make use of independently checked Environmental Product Declarations (EPDs) and other standard environmental data from our suppliers. This allows us to clearly compare the environmental impact of different raw materials and products. By doing so, we can see how we perform compared to others and find ways to become even more efficient and reduce our impact.

*Strategic Alignment with Industry Frameworks:* Our engagement with relevant industry sustainability schemes and standards provides inherent benchmarking opportunities. The structure and criteria of these external frameworks allow us to benchmark our processes and outcomes against recognised industry best practices. The insights gained directly inform our sustainability strategy and the setting of future targets, helping us prioritise investments in new technologies, process optimisations, and collaborative initiatives to drive significant environmental and social improvements.

Through systematic industry benchmarking, our organisation reinforces its commitment to leadership in sustainable practices, ensuring our efforts are impactful, relevant, and aligned with the highest standards in our industry.

### 7.5 Innovation and R&D in Sustainability

ERSIGROUP is dedicated to continuous improvement and actively seeks out and embraces innovation in sustainable materials and manufacturing processes. We recognise that true sustainability is a journey of ongoing development, requiring foresight and investment in future-proof solutions.

Our commitment to innovation and research and development (R&D) is demonstrated through:

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*Driving Innovation in Sustainable Steel Applications:* Our primary focus in materials innovation lies in advancing the sustainable application of steel within the construction sector. We leverage our deep expertise in reinforced concrete structures and our Armatek® Construction System to develop solutions that optimise material use, reduce construction waste, and enhance project efficiency.

A notable example is our asymmetric pile design, which innovatively addresses structural needs by optimising steel use, reducing execution times, and actively contributing to a reduction in CO2 emissions without compromising safety or regulatory compliance. This pioneering solution has been highlighted by industry publications like BNamericas, acknowledging its efficiency without compromising engineering principles.

We also remain vigilant for major advancements in steel production technologies (e.g., developments in ultra-low carbon steel, such as hydrogen-reduced iron) that our primary suppliers may adopt, as these would further enhance the sustainability profile of our raw materials.

*Optimising Resource Efficiency in Our Operations:* While our core raw material is already 100% recycled, we continually explore ways to further optimise resource consumption within our own operations. This includes investing in technologies and methodologies that reduce energy consumption, minimise waste generation, and enhance water efficiency throughout our manufacturing and transformation processes. This can involve adopting advanced manufacturing techniques and optimising internal logistics.

*Collaborative Innovation with Our Primary Raw Material Supplier:* Our close relationship with 7 STEEL UK, who supplies virtually all of our raw material steel stock, fosters a collaborative environment for innovation. We engage with them to understand their ongoing research and development into more sustainable production methods, process efficiencies, and any initiatives to further reduce the environmental footprint of their products beyond current benchmarks. This collaborative spirit ensures that advancements at the raw material stage directly benefit our product's overall sustainability profile.

*Engagement with Industry Research and Development:* We actively follow and, where appropriate, participate in industry research, development initiatives, and consortia focused on advancing sustainable practices within manufacturing and construction. This allows us to stay at the forefront of emerging technologies and contribute to collective progress towards a more sustainable future. A key aspect of our R&D commitment includes collaboration with academic institutions, such as our partnership with the Universidad de Granada, which is vital for taking firm steps towards future innovation. Our prospective support of local community projects here in Loughborough also extends to fostering an environment where innovation can thrive for local benefits.

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*Recognition of Leadership in Innovation:* Our commitment to driving innovation and sustainability from the highest level has been externally recognised. Our CEO, Guillermo Perea Lobo, was recently awarded "CEO of the Year" in the category "*Commitment to sustainability and innovation in the construction sector*" by La Razón. This award highlights his firm leadership in transforming the construction industry towards more responsible and sustainable models and encourages our entire team to continue building a sustainable future.

ERSIGROUP's commitment to innovation and R&D underscores our proactive approach to environmental stewardship and our determination to continually reduce our footprint while delivering high-quality, high-performance products.

## 8. Future Outlook and Goals

### 8.1 Strategic Sustainability Goals (1-3-5 Years)

ERSIGROUP is on a continuous journey towards enhanced sustainability, driven by clear strategic goals that guide our improvements, foster innovation, and reinforce our responsible business practices. These goals are directly informed by our Integrated Management System (IMS) reviews and operational objectives.

#### 8.1.1 Short-Term Goals (1 Year: By end of 2025/Mid-2026)

Our immediate focus is on solidifying our foundational sustainability practices and achieving specific, measurable improvements, as identified in our recent management reviews.

*Sustainability Certification:* Achieve confirmed CARES Sustainable Constructional Steel (SCS) accreditation, building on our successful Stage 2 audit currently awaiting senior assessment review.

**Operational Efficiency:**

Achieve a further 5% reduction in water consumption per tonne manufactured relative to the 2024 baseline by June 30, 2026.

Reduce electricity consumption by an additional 3% per tonne manufactured by June 30, 2026.

Increase the overall recycling rate for non-hazardous waste by 5 percentage points by June 30, 2026.

**Safety & Compliance:** Update and document 100% of outstanding workplace risk assessments by June 30, 2026.

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Reduce the recurrence of non-conformities by 50% by June 30, 2026, through improved corrective action implementation.

Complete and document 100% of required legal compliance assessments for all newly identified environmental regulations by December 30, 2025.

Conduct and document a Legionella risk assessment for all relevant site facilities by December 31, 2025.

Ensure 100% of relevant employees and contractors receive documented training on ERSI UK's environmental policy, objectives, and responsibilities by March 31, 2026.

### 8.1.2 Mid-Term Goals (3 Years: By end of 2027)

Building on our short-term achievements, our mid-term goals aim for more significant reductions and strengthened management systems.

*Certification Advancement:* Work towards achieving a higher CARES Rosette Rating within the SCS scheme, demonstrating enhanced sustainability maturity and performance.

*Operational Footprint:* Achieve further reductions in energy and water intensity beyond 2026 targets, contributing to our overall greenhouse gas (GHG) emissions reduction.

*Resource Efficiency:* Optimise waste management processes to increase overall material efficiency and further reduce waste to landfill.

*Integrated Management System Excellence:* Continue to improve worker consultation and Health & Safety Committee functionality and strengthen contractor OH&S management processes.

*Product Innovation:* Advance sustainable steel applications through continued product innovations, such as our asymmetric pile designs, to optimise material use.

### 8.1.3 Long-Term Goals (5 Years and beyond: By end of 2029, with Net Zero by 2050)

Our long-term aspirations define ERSIGROUP's vision for a sustainable future, targeting transformative impacts across our operations and value chain.

*Industry Recognition:* Be recognised as a leading practitioner of sustainable constructional steel solutions within our markets, achieving top-tier sustainability accreditations and industry benchmarks.

*Climate Action:* Make significant progress towards our long-term aspiration of achieving Net Zero GHG emissions by 2050, consistently reducing our absolute emissions.

*Circular Economy Leadership:* Further embed circular economy principles, maximising product recovery and reuse, contributing to a truly circular economy for the built environment.

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*Supply Chain Sustainability:* Drive decarbonisation and responsible practices throughout our supply chain through active collaboration with our primary raw material supplier and broader industry engagement.

These strategic goals will be reviewed annually as part of our Integrated Management System's review process, ensuring their continued relevance and driving our commitment to continuous improvement.

### 8.2 Climate Transition Plans

ERSIGROUP is deeply committed to addressing climate change and contributing to a low-carbon future for the construction industry. This objective is systematically pursued through our comprehensive Environmental Management System (EMS), which is a core component of our Integrated Management System (IMS). Our approach is guided by the fundamental principles of environmental protection and the minimization of environmental deterioration, as outlined in our IMS Policy.

Our Climate Transition Plan focuses on key strategic pillars, informed by the identified environmental impacts within our operations:

*Operational Decarbonisation:* We prioritize reducing direct (Scope 1) and indirect (Scope 2) Greenhouse Gas (GHG) emissions from our own operations, which are influenced by energy consumption. Our IMS objectives and planning processes ensure that specific actions are taken to reduce our environmental impacts, including those related to energy use. We continually invest in energy efficiency measures and optimize processes to minimize fuel consumption and emissions at the source.

*Supply Chain Decarbonisation:* We actively engage with our supply chain to manage and reduce environmental impacts. Our purchasing strategy for raw materials, such as steel, includes demanding that suppliers foster manufacturing processes that respect the environment and implement environmental management systems. We aim to obtain commodities from suppliers holding valid quality certificates and approved by relevant bodies like CARES, thereby supporting responsible and environmentally conscious production upstream.

*Sustainable Product Innovation and Circularity:* Our IMS adopts a "comprehensive perspective of the Life Cycle" for our activities, services, and products. This perspective encourages the design of products that minimize environmental impact throughout their lifecycle, including considering recycling and end-of-life solutions. Our commitment to "reduction of waste and minimisation of environmental deterioration" supports a circular economy approach.

*Measurement, Reporting, and Transparency:* We maintain robust processes for monitoring and measuring environmental performance, including CO2 emissions. This data is analyzed and used for continuous improvement, and the results of our management system performance are reviewed by top management. Our system also includes mechanisms for external communications, consultations, and stakeholder engagement on environmental aspects.

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These key elements are directly aligned with our strategic environmental objectives and our IMS principles, ensuring a systematic and accountable approach to reducing our environmental impact and driving sustainable operations.

### 8.4 Collaboration and Industry Initiatives

ERSIGROUP recognises that achieving a truly sustainable future requires collective effort and active collaboration across the entire value chain. We are committed to working with our partners, engaging with industry bodies, and participating in key initiatives to drive positive change beyond our immediate operations.

Our approach to collaboration and industry initiatives includes:

*Supply Chain Partnerships:* We cultivate close relationships with our primary raw material suppliers to foster a collaborative environment for innovation and to support their advancements in sustainable production methods, which directly benefits our product's overall sustainability profile.

*Industry Standards and Certifications:* Our active pursuit and engagement with schemes like the CARES Sustainable Constructional Steel (SCS) scheme accreditation demonstrate our commitment to working within recognised industry frameworks to validate our responsible sourcing and operational practices. This alignment also helps our clients achieve points in leading green building rating systems.

*Research and Development Collaborations:* We engage in R&D collaborations, including partnerships with academic institutions, to leverage external expertise and accelerate innovation in sustainable materials and applications within the construction sector.

*Driving Sustainable Practices:* Through our innovative product development, such as our asymmetric pile design, we actively contribute to broader sustainable construction practices by optimising material use and reducing CO2 emissions on projects.

*Community and Stakeholder Engagement:* We demonstrate social responsibility by engaging with local communities and actively participate in wider industry discussions to share best practices and shape future sustainability standards.

Through these diverse collaborations and proactive engagements, ERSIGROUP reinforces its role as an active participant in accelerating the industry's transition towards a more sustainable and responsible future.

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### 9. Appendices

#### A. Materiality Assessment Matrix

Material Aspect	Category	Importance to Environment, Stakeholders, and Society	Ability to Influence	Importance to Delivering Organisation's Strategy	Quadrant	Notes/Evidence														
Safe and Healthy Working Conditions	Social	High	High	High	1	Strong safety culture, regular training, proactive hazard identification.														
Product Safety	Social	High	High	High	1	Rigorous quality control and testing procedures.														
GWP and GHG Emissions	Environmental	High	Low	Med	2	Tracking emissions, exploring renewable energy options. (Influence is often challenging due to complex supply chains and external factors)														
Primary Material Use & Materials Efficiency	Environmental	High	High	High	1	Implementing scrap reduction programs, exploring recycled steel options.														
Waste	Environmental	High	High	Med	1	Implementing waste segregation and recycling programs.														
Human Rights	Social	High	Low	Low	3	Conducting basic due diligence on suppliers.														
Slave Labour/Child Labour	Social	High	Low	Low	3	Implementing zero-tolerance policies.														
Fair Wages	Social	High	High	Med	1	Paying fair wages above industry standards.														
Energy Use	Environmental	Med	High	Med	1	Investing in energy-efficient equipment.														
Transport	Environmental	Med	Low	Med	2	Optimizing routes, considering alternative fuels. (Direct influence on fuel consumption might be limited by logistics and customer demands)														
Air Emissions	Environmental	Med	Low	Med	2	Installing air filtration systems. (Influence is often limited by existing technology and cost constraints)														
Community Relations	Social	Med	Low	Low	3	Engaging with local community on some issues. (Direct influence can be limited by external factors and community dynamics)														
Skills and Training	Social	Med	High	High	1	Investing in comprehensive training programs.														
Gender Equality/Diversity	Social	Med	Low	Med	3	Implementing diversity and inclusion initiatives. (Influence is often a long-term process requiring cultural change)														
Workers' Conditions	Social	Med	High	Med	2	Providing good working conditions.														
Freedom of Association	Social	Med	High	Med	2	Respecting workers' rights to organize.														
Local Employment	Social	Med	High	Med	2	Prioritizing local hiring.														
Contribution to Diversity and Stability of the Local Economy	Economic	Med	Low	Med	2	Contributing to local economy through employment and purchasing. (Influence is often indirect and dependent on market conditions)														
Stable Employment	Economic	Med	High	Med	2	Providing stable employment opportunities.														
Pursuing Innovation	Economic	Med	High	High	1	Investing in research and development.														
Fair Payment Practices	Economic	Med	High	High	1	Implementing ethical payment practices.														
Local Purchasing	Economic	Med	Low	Med	2	Prioritizing local sourcing. (Influence might be limited by availability and cost)														
Supporting SMEs	Economic	Med	Low	Med	2	Working with some local SMEs. (Influence might be limited by availability and strategic fit)														
Profitability and Growth	Economic	High	High	High	1	Implementing strategies to ensure profitability and sustainable growth.														
Market Share/Competitiveness	Economic	Med	High	High	1	Actively monitoring market trends.														
Water Use	Environmental	Low	Low	Low	4	Basic monitoring in place. (Influence is often limited by existing infrastructure and processes)														
Noise Pollution	Environmental	Low	Low	Low	4	Implementing noise reduction measures. (Influence can be limited by feasibility and cost)														
Land Use/Impact	Environmental	Low	Low	Low	4	No significant land use impacts currently.														

#### B. Stakeholder Feedback

ERSIGROUP (UK) actively engages with its stakeholders to understand their needs, identify impacts, and drive our sustainability performance. Through various channels, including direct communication, surveys, and dedicated complaint mechanisms, we systematically collect feedback across key areas.

This feedback often centres on material sustainability aspects such as environmental impact, product sustainability, health and safety, ethical practices, and community relations. All input is critically reviewed and integrated into our Sustainability Management System (SMS) and continuous improvement processes. By analysing stakeholder input, we prioritise significant issues, enhance operational efficiencies, and ensure our strategies remain responsive and aligned with external expectations for responsible business conduct.

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### C. Customer Perception and Continuous Improvement

At ERSIGROUP, understanding and responding to our customers' perceptions is fundamental to our commitment to continuous improvement and delivering exceptional service. We regularly solicit feedback to gauge satisfaction with our products and services, and to assess the impact of our operational enhancements.

Recent customer feedback indicates:

**Product Quality (Goods/Excellent):** The majority of our customers have a positive perception of ERSIGROUP's products, with 6 out of 10 rating our goods as 'Good' and 2 out of 10 rating them as 'Excellent'. This highlights a strong baseline of satisfaction with the quality of our offerings.

**Perception of Business Change (Better in last 6-12 months):** Customers are recognising our efforts to enhance our business, with positive trends in their perception of how we've changed over the last 6-12 months. Specifically, 3 out of 10 customers perceive the business as 'A little better,' and 4 out of 10 perceive it as 'Much better.'

This feedback underscores that our strategic initiatives and operational improvements are positively impacting customer experience and strengthening our relationships. We are encouraged by these results and remain dedicated to further enhancing our products, services, and overall business operations to consistently meet and exceed customer expectations.




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## D. Maturity Matrix



CARES SCS Annex 1 - Maturity Matrix Worksheet



# Maturity Matrix Worksheet

Data Collection/Reporting Period (e.g. Year 2022)			2025			
You may want to refer to the characteristics for each practice in Table A1 'Sustainable Development maturity matrix for continual improvement of organisations seeking certification of their products' in BS 8902:2009						
Sustainability Principles	Practices (Please add any additional practices that are relevant to your approach to sustainability management)	Characteristics of the approach to sustainability in developing organizations			Objectives & Plan(s) / Programme(s)	
		Maturity				
		Ad-hoc engagement, an informal approach to stakeholders in relation to these Practices. Limited understanding of the implications of the Practices on business priorities and decision making.	Policies and approach documented and well understood. Accountable party identified and responsible implementing roles/tasks resourced, trained and operational. Certified or uncertified management systems in place to manage the Practices. Demonstrable performance improvements.	Engaged' plus: Proactively using sustainability to drive innovation into the organisation at every level to deliver improved performance. Company success is viewed in broader terms than foundation financials only. Positive and negative impacts on our natural capital, wellbeing, local communities and economic contribution should be considered and built into all decision making. Science and context based transition plans and targets are in place that define a pathway towards sustainable and responsible operations. Performance improvements aligned to the context and scientific pathways.		
		Immature	Engaged	Proactive and Learning		
Inclusivity	Stakeholder identification and mapping		Stakeholder map completed	Stakeholder map completed	Add stakeholder feedback form to website	
	Open engagement in various formats for various stakeholders		Engagement detailed in Integrated Management System	Outline mechanisms. Open dialogue. Proactive outreach-go beyond fulfilment of stakeholders requirements	Website to be updated with relevant policies and sustainability report	
	Stakeholder issue identification			Strong stakeholder engagement helps identify and resolve issues	Review Identify stakeholders	
	Communication of organization response to issues raised			Established procedures which are monitored within the Integrated Management System (IMS).	publish issue resolutions annually in Sustainability report	
	..... / Additional practice					
Integrity	Leadership shown - clear Accountabilities documented		Management commitment and defined roles described in the Integrated Management System		Define roles/responsibilities in matrix	
	Code of Conduct adopted		IMS policy describes code of conduct		Policy reviewed annually	
	Integrity risks identified and managed		Commitment to ethical conduct etc: IMS, policies, etc	Clearly state prevention, explain how, reporting,	Add a clear summary in the SMS of risks etc	
	..... / Additional practice					
	..... / Additional practice					
Stewardship	Sustainable development culture		Has established policy framework	Set targets, use innovative solutions, integrate into decisions	continuous improvement of systems. Via SR	
	Responsible/Sustainable Supply chain approach adopted		ESG recognised importance in Supply Chain included principles to Responsible Sourcing. Within the IMS	Assess suppliers, drive continuous improvement, promote sustainability ? STEEL UK is sole supplier with excellent sustainability credentials.	Ongoing assessment of supplier(s)	
	Systematic Environmental Management		Environmental protection and risk reduction in IMS policy	Set to assess, monitor, set targets, and continuously improve.	Maintain improvements to IMS	
	Systematic Social Management		IMS policy covers social responsibility, ethics, and community	Data driven decisions via KPI review	React to KPIs to drive improvements	
	Systematic Economic Management		Company has systems for monitoring and data collection. Annual reports sent to CARES.	Develop a public reporting strategy and get stakeholder feedback to rationalise sustainability for wider audience communication. Detailed within the Integrated Management System - Section 7	Utilise feedback to improve processes	
	Skills and training					
	Career development		IMS training/competence, basic training programs.	Training for career advancement, identify skill gaps.	Maintain skill development of employees	
	..... / Additional practice					
Transparency	Identify appropriate metrics/KPIs		IMS Policy: KPIs for improvement, goal setting	Define, collect/report, and review KPIs	Maintain KPI tracking	
	Monitor performance		IMS policy: KPIs for improvement, monitoring for improvement	KPI goals, review, data for decisions	Maintain KPI tracking	
	Publicly report management practices and performance		Company has systems for monitoring and data collection. Annual reports sent to CARES.	We will maintain a clear performance review process with SMART goals, and use data analysis to drive continuous performance improvement.	Addition of review of SMS	
	Review performance		IMS Policy: Performance evaluation uses KPIs.	Regular meetings and within Management Review	Additional reviews during process development	
	..... / Additional practice					
	..... / Additional practice					

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### E. Key Stakeholders and Expectations

Stakeholders of the company and their interests		
Stakeholder	Expectations	Requirements in the Environmental Management System which become legal requirements and other requirements
Employees	* Safe working conditions * Pollution control * Waste management	Safety procedures and training * Pollution control measures * Waste management procedures
Customers	* Sustainable products * Reliable delivery * Competitive pricing	* Sustainable product supply * Efficient operations
Users	* (Same as Customers - in this context) Sustainable products * Reliable delivery * Competitive pricing	* (Same as Customers - in this context) Sustainable product supply * Efficient operations
Suppliers	* Sustainable materials * Efficient delivery	* Sustainable procurement practices * Efficient logistics
Subcontractors	* Environmental compliance * Safe practices * Waste management	* Contractual requirements for environmental compliance * Safety management procedures * Waste management procedures
Company	* Efficient operations * Regulatory compliance * Positive reputation * Long-term sustainability	* Internal environmental management procedures * Compliance monitoring * Environmental reporting
Competitors	* Fair competition * Industry standards * Sustainable practices	* Benchmarking against industry best practices * Monitoring of environmental performance
Unions	* Safe working conditions * Job security * Fair labour practices	* Safety management systems * Communication about environmental initiatives
Shareholders	* Sustainability and profitability * Environmental risk management * Transparency	* Environmental risk management * Environmental reporting and disclosure
Public Administrations	* Regulatory compliance * Cooperation * Positive local impacts	* Permitting and compliance management * Communication with authorities