



RESPONSIBLESTEEL CHAIN OF CUSTODY STANDARD

Draft Version 1.0

15 March 2024

About this document

This document is the first draft in the development of the ResponsibleSteel chain of custody standard. The document defines a 'segregated' chain of custody system.

The document has been prepared as the basis for stakeholder review and comment within a process that will comply with the ISEAL Code of Good Practice for Setting Social and Environmental standards. To provide feedback on the draft standard, please visit <https://www.responsiblesteel.org/standard-development/> and submit comments using the forms provided.

Foreword

Steel is the world's largest materials industry. Steel is essential to almost every aspect of modern life, but it also brings unique sustainability challenges. Discussions on addressing these challenges led to the formal establishment of ResponsibleSteel in 2016.

ResponsibleSteel is an international, non-profit multi-stakeholder membership organisation. Businesses from every part of the steel supply chain, civil society groups, associations, and other organisations with an interest in a sustainable steel industry from anywhere in the world are welcome to join.

ResponsibleSteel's mission is to be a driving force in the socially and environmentally responsible production of net-zero steel, globally. It aims to achieve this mission by:

- Providing a multi-stakeholder forum to build trust and achieve consensus;
- Developing standards, certification and related tools;
- Driving positive change through the recognition and use of responsible steel.

The ResponsibleSteel International Standard together with ResponsibleSteel chain of custody standard are designed to support the responsible production and sourcing of steel as tools for the achievement of ResponsibleSteel's mission.

For further information, please see <https://www.responsiblesteel.org/>.

Version history

No.	Date	Description
Draft Version 1.0	March 2024	First draft version of the Standard for public consultation

Disclaimer

The official language of this Standard is English. The definitive version is held on the ResponsibleSteel website <https://www.responsiblesteel.org/standard>. Any discrepancy between copies, versions or translations shall be resolved by reference to the definitive English version.

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Background on ResponsibleSteel

Steel is the world's largest materials industry. Steel is essential to almost every aspect of modern life, but it also brings unique sustainability challenges. Discussions on addressing these challenges led to the formal establishment of ResponsibleSteel in 2016.

ResponsibleSteel is an international, non-profit multi-stakeholder membership organisation. Businesses from every part of the steel supply chain, civil society groups, associations, and other organisations with an interest in a sustainable steel industry from anywhere in the world are welcome to join.

ResponsibleSteel's vision is that steel's contribution to a sustainable society is maximised. Its mission is to enhance the responsible sourcing, production, use and recycling of steel by:

- Providing a multi-stakeholder forum to build trust and achieve consensus;
- Developing standards, certification and related tools;
- Driving positive change through the recognition and use of responsible steel.

The ResponsibleSteel Standard is designed to support the responsible sourcing and production of steel, as a tool for the achievement of ResponsibleSteel's vision.

For further information, please see <https://www.responsiblesteel.org/>.

Introduction

Chain of custody systems were originally developed to allow product manufacturers and suppliers to make claims relating to the origin or characteristics of the materials of which their products are made. They subsequently evolved to include models that relate more broadly to the sourcing of input materials within a supply chain, and associated claims. The ISO international standard 22095 Chain of custody – General terminology and models aims to provide a consistent and unambiguous terminology for the range of different chain of custody models.

This document specifies a chain of custody system for the sourcing of steel that is certified as meeting the progress level requirements of the ResponsibleSteel International Standard.

This standard has been written for application to the chain of custody of steel and steel products. Guidance and possible modifications for its application to steel co-products and by-products will be developed subsequently.

In the terminology of ISO 22095 this document defines a ‘segregated’ chain of custody model. That is to say that based on this standard any steel product that is claimed or labelled as a ResponsibleSteel certified product must be made entirely from ResponsibleSteel certified steel, but the steel may have been produced at a number of separate ResponsibleSteel certified sites.

Based on this standard, any steel user that specifies ResponsibleSteel certified steel products can be confident that all the steel in the products they receive has been made at a site that meets the requirements of the ResponsibleSteel International Standard. There is no swapping or ‘mass balance’ ResponsibleSteel certified steel with non-certified steel or steel from sites that do not themselves meet the standard.

A second and more challenging issue relates to the claims that may be made about the specific progress levels that have been achieved by the steelmaking sites supplying steel inputs to a processor or manufacturer, in relation to decarbonisation and the sourcing of the input materials for steelmaking.

This initial draft outlines four options, in section 11, to address this issue. There are pros and cons for all four options, which are considered in an accompanying ‘issues’ paper. ResponsibleSteel will seek the views of all its stakeholders during the consultation and piloting phases of standard development on the option or options to be adopted, before a final decision is made. As for all decisions, ResponsibleSteel will be guided in its choice by its determination of the approach that would best support its mission: to be a driving force in the socially and environmentally responsible production of net-zero steel, globally.

Structure of the Standard

Sections 1 and 2 of this document define the standard’s scope and list other documents that are referenced in its requirements.

The requirements themselves are then presented in two parts. Part One focusses on chain of custody requirements. Part Two focusses on associated labelling and claims.

Part One: chain of custody requirements

As described above, the basis for the ResponsibleSteel chain of custody system is that 100% of the steel in a product that is claimed to be a ResponsibleSteel certified steel product must have been produced at a ResponsibleSteel certified steelmaking site that meets both the core site certification requirements and the progress level requirements for decarbonisation and the responsible sourcing of input materials, to at least progress level 1.

The first step in the chain of custody for all ResponsibleSteel certified steel products is therefore to ensure that any steel that is eligible to enter into the chain of custody is identifiable as having been produced at such a site.

Steelmakers who wish to market or sell their steel products as ResponsibleSteel-certified must therefore themselves have a system in place which allows them to demonstrate that their products meet the requirements for ResponsibleSteel certification, and which distinguishes their products from other, non-certified production. The subsequent downstream chain of custody system is completely dependent on the robustness and integrity of this first stage. It is therefore proposed to include the following additional requirement in the ResponsibleSteel International Standard V2-0:

New Criterion 10.6.5

10.6.5 The site may only market and sell steel products, co-products or by-products as ResponsibleSteel certified when it has a valid certificate issued by a ResponsibleSteel approved certification body which certifies that the site meets the requirements of the ResponsibleSteel chain of custody standard.

Subsequent links in the ResponsibleSteel chain of custody system follow the 'one up one down' approach, in which each participating site:

- verifies and maintains records of its ResponsibleSteel certified steel inputs;
- controls the traceability of ResponsibleSteel certified material within its own chain of custody boundary;
- ensures that any steel products it sells as ResponsibleSteel-certified are identifiable as such, and are comprised of 100% ResponsibleSteel-certified material.

An unbroken chain of custody must be in place from the original steel producer to the final end user, in order for the end user to make any claims about the ResponsibleSteel certification status of the steel it sources.

Chain of custody input certification

Some steel users may want to make claims about their own sourcing of ResponsibleSteel certified steel, for example in relation to company commitments for responsible procurement, but may not need or want to make claims about the steel in the products they themselves manufacture or sell. This might also apply to a construction company that wishes to make

a claim about its use of ResponsibleSteel certified steel for a particular project.

This limited application of the chain of custody standard is referred to as 'chain of custody input certification'. Chain of custody input certification allows an organisation to make verified claims about its purchases of ResponsibleSteel certified steel (for example, that 80% of the steel it purchased over a period of time, or for a particular project, was ResponsibleSteel certified), but does not allow it to make claims about the ResponsibleSteel certified content of its own products.

An organisation seeking chain of custody input certification would need to apply only those elements of the standard that relate to the identification and reporting of its steel inputs, and would not need to apply the additional elements relating to internal traceability, and the identification, documentation and reporting of its outputs.

The table below summarises the differences between full chain of custody certification and chain of custody input certification.

	Chain of custody input certification	Full chain of custody certification
Management system documentation and records	✓	✓
Input control	✓	✓
Process and product control	Limited requirements	✓
Output control	Limited requirements	✓
Claims	Claims about purchase of ResponsibleSteel certified steel inputs only	Claims about purchase of ResponsibleSteel certified steel inputs and/or claims and labelling of ResponsibleSteel certified products

Table 1. Summary of requirements applicable to full chain of custody certification, and those applicable to 'chain of custody input certification'.

Part Two: labelling and claims

Part Two of the standard provides a short overview of requirements relating to the use of the ResponsibleSteel Certified Steel Marks and the ResponsibleSteel logo, and associated claims about an organisation's use of ResponsibleSteel certified steel and its production of ResponsibleSteel certified steel products. Additional detail is provided in the document ResponsibleSteel Claims and Logo Guidelines.

Consultation issues

ResponsibleSteel is seeking comments on all aspects of this first draft chain of custody standard, and will be working with stakeholders in the steel supply chain to carry out pilot testing over the coming months. If your organisation is interested in

carrying out a pilot test at one or more of your sites, please contact the ResponsibleSteel Secretariat at standards@responsiblesteel.org as soon as possible.

A number of high-level issues were identified during preparatory work and discussions with the ResponsibleSteel Claims Working Group during 2023. These issues are introduced and discussed in an accompanying issues paper. In most cases the ResponsibleSteel Secretariat has proposed an approach which is incorporated into this draft document. In one case, in relation to the determination of claimed progress level for ResponsibleSteel certified steel products, this draft identifies 4 different options.

Stakeholders are encouraged to review the accompanying issues paper and to submit comments on the Secretariat's proposed approach to these issues where they are highlighted in boxes in the text.

RESPONSIBLESTEEL CHAIN OF CUSTODY STANDARD

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1. Scope

1.1 This document is applicable to any organisation that wishes to market or sell products as being made with or containing ResponsibleSteel certified steel. Such organisations may include:

- Steelmakers
- Steel product processors, finishers and manufacturers
- Steel stockholders
- Building and construction projects
- Composite product manufacturers

1.2 This document specifies the requirements that an organisation must meet in order to market or sell products as being made with or containing ResponsibleSteel certified steel, or make claims about their procurement of such products supported by their use of ResponsibleSteel trademarks. These requirements include that the organisation maintains and operates:

- an effective environmental management system
- an effective occupational health and safety management system
- an effective system to determine the carbon footprint of any products the organisation markets or sells as ResponsibleSteel certified steel products
- a chain of custody system that allows it to:
 - identify the ResponsibleSteel certified steel or steel products purchased or produced by the organisation as inputs
 - control the organisation's use of such material
 - identify those products that are made exclusively of such material and that subsequently qualify for sale as ResponsibleSteel certified outputs
- a system to control the labelling and sale of such outputs as ResponsibleSteel certified steel products.

1.3 This document does not specify rules for the use of ResponsibleSteel trademarks and associated claims other than for the identification of ResponsibleSteel certified steel products.

1.4 Certification against the requirements of this standard does not, on its own, confer any rights to use ResponsibleSteel trademarks or to make claims about their production or use of ResponsibleSteel certified steel or steel products. Such rights are controlled through the issue of trademark licensing agreements issued by ResponsibleSteel. For more information please contact ResponsibleSteel at xxxx@responsiblesteel.org (will be defined before finalization of the Standard in 2024).

1.5 This document refers throughout to the identification, use and production of ResponsibleSteel certified steel and/or steel products. Equivalent rules and guidance will be developed in the future for the identification, use and sale of ResponsibleSteel certified steel co-products and by-products. However, until further notice the scope of this standard is limited in its application to steel and steel products only.

2. Normative references

ISO 9001 Quality management systems – Requirements.

ISO 14001 Environmental management systems - Requirements with guidance for use.

ISO 45001 Occupational health and safety management systems - Requirements with guidance for use

Guidelines on Occupational safety and health management systems (ILO-OSH 2001) as applicable to organisations.

ResponsibleSteel International Standard

World Customs Organisation (WCO) Harmonized Commodity Description and Coding System ('Harmonised System (HS)')

Claims and Logo Guidelines for the ResponsibleSteel™ International Standard

PART ONE: CHAIN OF CUSTODY REQUIREMENTS

3. Chain of custody system management responsibility

3.1 Chain of custody system managing organisation

3.1.1 The legal entity that has overall responsibility for the specification, documentation and implementation of the chain of custody system is specified and is clearly identified as the chain of custody system managing organisation (the 'organisation').

3.1.2 The organisation is responsible for ensuring the chain of custody control of all steel and steel products within the chain of custody system boundary.

Guidance:

Note that the 'chain of custody system managing organisation' may not be the same as the 'site' that applies for 'site certification'.

3.2 Chain of custody system manager

3.2.1 The organisation has appointed a named senior manager to have overall responsibility for the effective implementation of the requirements of the ResponsibleSteel chain of custody standard as applicable to all sites and in relation to all associated activities within the chain of custody system boundary.

4. ResponsibleSteel chain of custody management system

4.1 The organisation has defined and documented its chain of custody system boundary (see Figure 1).

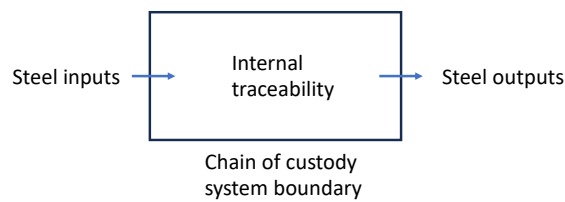


Figure 1. Illustration of the chain of custody system boundary concept

Guidance:

The chain of custody system boundary may include:

- a single ResponsibleSteel certified steel making site that is certified as complying with the requirements of the ResponsibleSteel International Standard and has achieved at least Progress Level 1 in relation to decarbonisation and materials sourcing (Figure 2a);
- a single steel processing or manufacturing site, for example for the rolling, cutting, coating or further processing or manufacture of steel products (Figure 2b);
- multiple sites or clusters of sites including ResponsibleSteel certified steel making sites that are certified as complying with the requirements of the ResponsibleSteel International Standard and have achieved at least Progress Level 1 in relation to decarbonisation and materials sourcing, together with steel processing or manufacturing sites (Figure 2c).

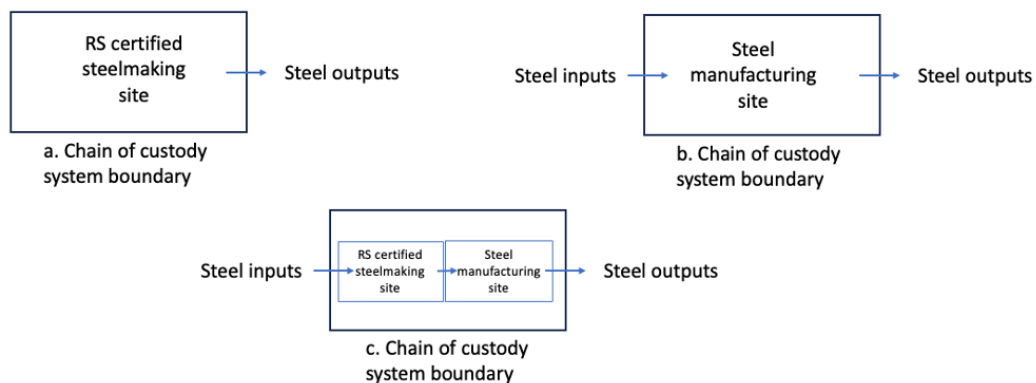


Figure 2. Illustration of three possible chain of custody system boundaries

4.2 All the sites within the chain of custody system boundary are owned by or under the management control of the organisation.

4.3 The organisation has developed and maintains a documented ResponsibleSteel chain of custody management system that specifies the procedures to:

- identify, control and record all steel imported from outside to inside the system boundary
- control the traceability of steel within the system boundary
- identify, control and record all steel exported from inside to outside the system boundary

Guidance:

Outsourcing

Material may be exported to a site outside of the chain of custody system boundary for intermediate processing, before being returned to the original organisation for further processing.

If the legal ownership of the material does not change, the material is physically identified at the point that it leaves the chain of custody system boundary of the original organisation, and this identification remains in place throughout the external manufacturing process and through to the material being reimported into the organisation's chain of custody system boundary, then the external manufacturing site does not need to be included within the original organisation's CoC System, and does not need to have its own ResponsibleSteel chain of custody certificate. The material's ResponsibleSteel certified status is maintained on return to the original organisation.

Note that in such circumstances the site that undertakes the outsourced processes must be certified as meeting the requirements for environmental management systems, and for occupational health and safety, as specified in 5.5. The organisation must also ensure that any GHG emissions associated with the outsourced processes are included in the determination of the product carbon footprint for the products, as specified in section 7.

However, if legal ownership, or the physical identification is removed at any point, then the material's ResponsibleSteel certified status is lost. To maintain the material's ResponsibleSteel certified status when the identification is removed the external site would either need to be incorporated into the chain of custody system boundary, or would need to maintain its own ResponsibleSteel chain of custody certification. In the latter case, the external site would apply its own certified output identification to the product, and the material would be treated on arrival as ResponsibleSteel certified input material.

The chain of custody system manager must maintain up-to-date and accurate records of the quantity of ResponsibleSteel certified material exported for outsourced manufacturing, and the quantity of materials returned, and monitor any losses due to quality control rejects or for other reasons.

Guidance:

Transportation

When a consignment of ResponsibleSteel certified product is being transported between organisations the transportation company is not required to have its own chain of custody certification. The consignment maintains its ResponsibleSteel certified status as long as:

- The consignment maintains its physical identification at all times
- The consignment is not split or separated into separate consignments
- The sales/ delivery documentation for the consignment is provided to the recipient organisation.

4.4 The organisation has documented the chain of custody management system in a ResponsibleSteel chain of custody system manual ('the chain of custody system manual').

Guidance: The organisation's chain of custody system manual is central to the certification body's verification of the applicant's conformity with the requirements of the ResponsibleSteel chain of custody standard. The chain of custody system manual demonstrates how the organisation implements all aspects of the ResponsibleSteel chain of custody standard for all sites and activities within its chain of custody system boundary.

The chain of custody system manual may define and document an integrated chain of custody management system, or it may be a supplementary document that references other quality management documents where the procedures to implement the organisation's chain of custody management system are specified, and be designed to meet specific additional requirements of this standard.

4.4.1 The chain of custody system manual lists and describes the sites, facilities and associated activities for receiving, handling, producing, transporting, transforming, processing or labelling steel or steel products within the system boundary. The list and descriptions include:

- a. The names, locations, and the associated manufacturing activities for each listed site and facility
- b. A chain of custody system diagram that shows the flow of steel or steel products between the sites and facilities within the chain of custody system boundary, from the point at which steel is first produced within the boundary or at which steel products are imported from outside the boundary, through to the point at which steel products are finally exported from within the chain of custody system boundary as outputs. The chain of custody system diagram includes any aspects of manufacturing or processing that are outsourced and take place outside of the chain of custody.
- c. A map showing the location of the sites and facilities within the chain of custody system boundary, and if applicable the locations of sites and facilities responsible for manufacturing or processing that was been outsourced to sites or facilities outside of the system boundary.

Guidance:

Site locations must be given either as latitude/longitude OR as the Google Plus Code for the site's location – see <https://maps.google.com/pluscodes/>. Location refers to the address or physical locations of the sites themselves, and not to the head office or correspondence address if this is different.

Guidance:

Site and facility names should be short and clear, and should be the name by which the site is known within the organisation.

Guidance:

Associated manufacturing activities should be short and informative: e.g. annealing; assembly; cable production; coating; cold rolling; cutting; fabrication; hot rolling; shaping; stamping; etc.

Guidance:

See above for sites outside the chain of custody system boundary that are sub-contracted to carry out defined intermediate manufacturing processes before steel products are exported from the CoC System as outputs.

4.4.2 The chain of custody system manual specifies procedures and/or provides cross-references to procedures specified in the organisation's quality management system(s), which ensure that all the requirements of the ResponsibleSteel chain of custody standard are implemented for each site and associated activity within the chain of custody system boundary.

5. Qualifying requirements for ResponsibleSteel chain of custody certification

5.1 ISO 9001 quality management

5.1.1 All sites and associated activities within the chain of custody system boundary are within the scope of a quality management system certified by a competent third party as complying with the requirements of *ISO 9001 Quality management systems – Requirements*.

Guidance:

In cases where the chain of custody system boundary includes several separate sites, the sites may be operated under separate quality management systems.

5.2 Environmental management system certification

5.2.1 All sites and associated activities within the chain of custody system boundary are:

- Either, within the scope of an environmental management system (or systems) certified by a competent third party as complying with the requirements of *ISO 14001 Environmental management systems - Requirements with guidance for use*,
- Or, have been certified by a ResponsibleSteel approved certification body as meeting the core requirements for ResponsibleSteel site certification.

5.3 Occupational health and safety certification

5.3.1 All sites and associated activities within the chain of custody system boundary are:

- Either, within the scope of an occupational health and safety management system (or systems) certified by a competent third party as complying with the requirements of:
 - a) *ISO 45001 Occupational health and safety management systems - Requirements with guidance for use*, or
 - b) Any other national equivalent of ISO 45001 until replaced by ISO 45001:2018 (e.g. AS/NZS 4801 in Australia & New Zealand), or
 - c) with the requirements of *Guidelines on Occupational safety and health management systems (ILO-OSH 2001)* as applicable to organisations,
- Or, have been certified by a ResponsibleSteel approved certification body as meeting the core requirements for ResponsibleSteel site certification.

5.4 ResponsibleSteel certification of steelmaking sites

5.4.1. All steelmaking sites within the chain of custody system boundary are certified by a ResponsibleSteel approved certification body as complying with the core requirements of the ResponsibleSteel International Standard and as achieving at least progress level 1 in relation to both decarbonisation and the sourcing of input materials.

5.5 Qualifications for outsourcing sites

5.5.1 The organisation has a system in place to ensure that any sites that are used for outsourcing of processes (see Guidance under 4.3) are themselves independently certified as meeting the requirements for environmental management systems and occupational safety as specified in 5.2 and 5.3.

ISSUE A FOR CONSULTATION: ESG REQUIREMENTS FOR STEEL MANUFACTURING (see accompanying issues paper)

This draft proposes that ResponsibleSteel should specify ESG requirements applicable to chain of custody certificate holders, in addition to the core chain of custody/ traceability requirements.

Downstream sites would be required to address ESG issues through application of the ResponsibleSteel International Standard and/or through ISO 14001 and ISO 45001 or other similar systems, in addition to chain of custody requirements.

Consultation questions

- Do you agree or disagree with the proposed approach?
- If you disagree, what approach would you prefer?
- In case you think other systems should be considered, please share with us social as well as environmental management frameworks that you would propose to use.
- Do you have any further comments?

ISSUE B FOR CONSULTATION: REQUIREMENTS FOR THE SOURCING OF NON-STEEL INPUT MATERIALS (see accompanying issues paper)

We are minded to require that 'input materials into steel products' identified as high risk meet additional responsible sourcing requirements equivalent to at least level 1 of Principle 3 requirements.

Consultation questions

- Do you agree or disagree with the proposed approach?
- What would be the ingredients we should be looking for and which schemes should we be promoting?
- If you disagree, what approach would you prefer?
- Do you have any further comments?

6. Steel Product Categories

6.1 The organisation defines and specifies product categories for its production of steel products.

6.2 The organisation assigns a unique product category code to each product category.

6.3 The organisation specifies which product categories it wants to be able to claim as ResponsibleSteel certified steel products.

7 Carbon footprint determination

7.1 The organisation maintains an up-to-date listing of the steel product categories that are produced within the chain of custody system boundary for which a carbon footprint has been determined. The list specifies:

- a) the product category code(s) of the steel products for which a carbon footprint has been determined
- b) the product carbon footprint for the product category from 'cradle to gate', including emissions associated with raw material extraction, raw material processing, transportation and product manufacturing, and including any additional carbon emissions associated with processes that have been outsourced, if applicable
- c) the regional or international standard used as the basis for the determination
- d) the period for which any determinations are valid

7.2 Only those steel product categories for which a carbon footprint has been determined in conformity with the applicable requirements of a specified regional or international standard for reporting the product carbon footprint are marketed or sold as ResponsibleSteel certified (see paragraph 10).

8. Steel input identification and records

8.1. All steel inputs are physically identified with a batch code or equivalent on reception within the chain of custody system boundary.

Guidance: examples of physical identification include laser marking, stamping or adhesive labelling. It is recommended that batch codes should be machine readable to facilitate subsequent data entry and traceability.

Guidance: components that cannot be individually marked may be identified by being contained in a marked package or bundle that has a batch number that applies to the components within the package or bundle.

Guidance: when steel is produced within the chain of custody system boundary, it is the responsibility of the organisation to mark the material with the batch code or equivalent. When material is purchased and imported into the chain of custody system boundary, it is the responsibility of the organisation to ensure that material is marked with the batch code or equivalent on receipt.

8.2 The batch code for each steel input is linked to a digital record which includes:

- a. The organisation's product code for the steel input
- b. The Harmonised System (HS) code(s) for the steel input
- c. The steel cast/ heat/ batch number(s) of origin for the steel in the steel input (for the first link in a chain, when the supplier is crude steel, the batch number for the steel input may be the same as the steel cast/ heat/ batch number of origin for the steel in the steel input).
- d. The quantity of the batch or equivalent
- e. Whether the steel input is a ResponsibleSteel certified steel product

8.3 The batch code for each ResponsibleSteel certified steel input is linked to a digital record which includes, in addition to the information specified in 8.1.2:

- a. The unique identification code of the ResponsibleSteel certified steelmaking site or sites that produced the steel from which the ResponsibleSteel certified steel input is made
- b. The ResponsibleSteel decarbonisation progress level for the steel input
- c. The ResponsibleSteel material sourcing progress level for the steel input

Guidance: note that the information specified in 8.1.3 and 8.1.4 is aligned with the requirements for sales/ delivery documentation to accompany ResponsibleSteel certified material outputs, specified in 13, below.

8.4 Records are maintained for a minimum of five years.

8.5 The organisation maintains a data management system that provides accurate and up-to-date reports of the steel inputs for specified time periods, according to:

- a. The organisation's product code(s) for the steel input
- b. The Harmonised System (HS) code(s) for the steel input
- c. The total quantity of steel input imported into or produced within the chain of custody system boundary during the time period
- d. The total quantity of ResponsibleSteel certified input material produced or imported during the time period
- e. The steel cast/ heat/ batch number(s) of origin for the ResponsibleSteel certified steel in the steel inputs during the time period
- f. The unique identification code(s) of the ResponsibleSteel certified steelmaking site or sites that produced the steel in the steel inputs during the time period

- g. The average ResponsibleSteel decarbonisation progress level for the ResponsibleSteel certified steel inputs over the time period, weighted by the quantity of the steel in each batch
- h. The average ResponsibleSteel material sourcing progress level for the ResponsibleSteel certified steel inputs over the time period, weighted by the quantity of the steel in each batch

9. Internal traceability

(Not applicable to chain of custody input certification)

Guidance:

Internal traceability means that the organisation is able to identify the steel inputs that have been used in the production or manufacture of specified steel products, and so can make claims about the ResponsibleSteel certified content of those steel products and about the ResponsibleSteel progress level of the steel in those products.

Organisations that want to market or sell their products as ResponsibleSteel certified products are required to meet these requirements for internal traceability.

Organisations that want to make claims only about their purchasing of ResponsibleSteel certified inputs are not required to meet these requirements for internal traceability. Such limited chain of custody certification is referred to here as 'chain of custody input certification'.

Organisations that have met the requirements for chain of custody input certification can make claims about their own purchasing of ResponsibleSteel certified steel, but cannot make any claims about the ResponsibleSteel certified steel content of the products they sell or supply to their customers. Their customers, in consequence, will not be able to make any claims about the ResponsibleSteel certified content of their purchases, or pass any such claims further down the supply chain.

9.1 All steel products (including intermediate steel products) within the chain of custody system boundary are physically marked or be otherwise identifiable with a batch code or equivalent at all times as they undergo processing, manufacturing, packaging etc. within the boundary.

Guidance: batch code identification may be achieved through physical marking such as laser marking, stamping or adhesive labelling. Steel products that cannot be individually marked may be identified by being contained in a marked package or bundle that has a batch number that applies to the products within the package or bundle. Where physical marking is not practical during processing or manufacturing the manufacturing system must ensure that products are marked with the batch code as soon as practicable after the process is completed. All final products must be physically marked with a batch code, either individually or as part of a pack or bundle prior to their export from the chain of custody system boundary.

9.2 The batch code for each steel output product within the chain of custody system boundary is linked to a digital record which includes:

- a. The product category code for the output product category
- b. The unique identification code(s) of the ResponsibleSteel certified steelmaking site(s) that produced the steel inputs used for production of the batch
- c. The steel cast/ heat/ batch number(s) of origin of the steel in the batch
- d. The average ResponsibleSteel decarbonisation progress level for the steel inputs used for the manufacture of the batch
- e. The average ResponsibleSteel material sourcing progress level for the steel inputs used for the manufacture of the batch
- f. Whether the steel in the batch is made from 100% ResponsibleSteel certified inputs

9.3 The organisation records the batch numbers and quantity of steel product which is rejected at each stage of manufacturing within the chain of custody system boundary.

9.4 The organisation maintains a data management system that is able to generate accurate and up-to-date reports of the production of each of the organisation's steel output product categories over specified time periods, and including:

- a. The Harmonised System (HS) code(s) for the output steel product category
- b. The total quantity of production for the output product category
- c. The quantity of steel scrap (rejects, offcuts, etc) generated during production
- d. The quantity of production that was made from 100% ResponsibleSteel certified inputs
- e. The unique identification code(s) of the ResponsibleSteel certified steelmaking site(s) that produced the steel in the inputs used for production of the output product category
- f. The steel cast/ heat/ batch number(s) for the ResponsibleSteel certified steel inputs used for production of the output product category
- g. The average ResponsibleSteel decarbonisation progress level for the ResponsibleSteel certified steel inputs used for production of the output product category
- h. The average ResponsibleSteel material sourcing progress level for the ResponsibleSteel certified steel inputs used for production of the output product category

9.5 The data management system is able to generate accurate and up-to-date consolidated reports of the data specified in 9.1.4 for the total production for all steel output product categories over specified time periods.

9.6 Records are maintained for a minimum of five years.

10. Qualifying requirements for ResponsibleSteel certified product certification (Not applicable to chain of custody input certification)

10.1 In order to qualify for ResponsibleSteel product certification the product category must have an up-to-date carbon footprint determined in conformity with the applicable requirements of a specified regional or international standard.

10.2 In order to qualify for ResponsibleSteel product certification the product batch must be made from 100% ResponsibleSteel certified inputs.

11 Determination of ResponsibleSteel Progress Level for certified products (Not applicable to chain of custody input certification)

11.1 The organisation determines the ResponsibleSteel progress level for decarbonisation and sourcing of input materials for each product category that it wishes to market or sell as ResponsibleSteel certified.

11.2 If the organisation does not already have a valid ResponsibleSteel chain of custody certificate at the time of the assessment, the progress level is determined on the basis of the data for the previous three (3) months of production. If the organisation already has a valid ResponsibleSteel chain of custody certificate at the time of the assessment, the progress level is determined on the basis of the data for the previous twelve (12) months of production.

ISSUE C FOR CONSULTATION: DETERMINATION OF CLAIMED PROGRESS LEVELS FOR STEEL PRODUCTS

Four different options for the determination of the progress level that may be claimed for the organisation's output production are presented below. The different options are discussed in the accompanying 'issues paper' under Issue #C.

Consultation questions

- Which option do you currently favour?
- Why do you favour that option over the others?
- Do you have any further comments on this?

11.3 Option A, 'Batch-Specific Progress Level Model'. The progress level is assigned on a batch-specific basis

Example: if ten (10) different batches of product were made with steel inputs that have progress levels of: 1, 1, 1, 2, 1, 1, 1, 2, 2, 3, then the manufacturer would label and sell the six (6) units that were made with steel at Progress Level 1 as having achieved Progress Level 1, the three (3) units made with steel at Progress Level 2 as having achieved Progress Level 2, and the single unit made with steel at Progress Level 3 as having achieved Progress Level 3.

Batch-Specific Progress Levels would be assigned for both decarbonisation and material sourcing, so in principle a manufacturer may need to apply up to 16 different labelling options for a given product category at the same time, depending on its sourcing of steel input material.

11.3 Option B, 'Production Period Minimum Progress Level Model'. The determined progress level is the minimum progress level for any batch during the previous three (3) month period of production.

Example: if ten (10) different batches of product were made with steel inputs that have progress levels of: 1, 1, 1, 2, 1, 1, 1, 2, 2, 3, then the determined progress level claimed for all batches would be the lowest achieved for any batch, i.e. Progress Level 1.

The minimum Progress Level for decarbonisation and the minimum Progress Level for material sourcing would apply.

11.3 Option C, 'Production Period Average Progress Level Model'. The determined progress level is the average progress level achieved for all batches during the previous three (3) month period of production, rounded down to the whole number progress level achieved.

Example: if ten (10) different batches of product were made with steel inputs that have progress levels of: 1, 1, 1, 2, 1, 1, 1, 2, 2, 3, then the average progress level would be $15/10 = 1.5$, and the determined progress level rounded down to a whole number would be Progress Level 1.

The average Progress Level for decarbonisation and the average Progress Level for material sourcing would apply.

11.3 Option D, 'Progress Level Balance Model'. The progress level is assigned on a mass balance basis.

Example: if ten (10) different batches of product were made with steel inputs that have progress levels of: 1, 1, 1, 2, 1, 1, 1, 2, 2, 3, then the manufacturer would maintain 'mass balance accounts' permitting six (6) units to be sold as having achieved Progress Level 1, three (3) units to be sold as having achieved Progress Level 2, and one (1) unit to be sold as having achieved Progress Level 3.

Separate mass balance accounts would be applicable to decarbonisation Progress Levels and to material sourcing Progress Levels. As for the batch-specific approach, in principle there could be up to 16 different labelling options applied by the manufacturer to a given product category at the same time, although manufacturers might choose to limit their choice to a smaller set. To this end it could be agreed that manufacturers are permitted to assign production to a lower mass balance account to simplify their accounting, for example selling nine (9) units as having achieved (at least) Progress Level 1, and one (1) unit as having achieved Progress Level 3.

DRAFTING NOTE: More detail will be needed to specify these options in full, especially in relation to the operation of a mass balance approach. For this first draft standard the options should be considered to be illustrative of the range of possible approaches, for the purpose of initial consultation.

12 System validation

(12.2 to 12.3 not applicable to chain of custody input certification)

12.1 The organisation is able to demonstrate to the satisfaction of an independent third-party certification body that it can reliably identify, record and report on its purchasing of ResponsibleSteel certified input material as specified in Section 9 of this standard.

12.2 The organisation is able to demonstrate to the satisfaction of an independent third-party certification body that it can reliably identify the steel inputs used for the production of any given steel output product batch as specified in section 10 of this standard.

12.3 The organisation is able to demonstrate to the satisfaction of an independent third-party certification body that it can reliably identify those steel products that qualify for ResponsibleSteel certification in accordance with the requirements specified in Section 11 of this standard, and is able to determine the applicable ResponsibleSteel Progress Level for those products in accordance with the requirements specified in section 12 of this standard.

NOTE: in order to meet this requirement the organisation must have been operating its chain of custody system and sourcing and processing ResponsibleSteel certified input materials for at least 3 months prior to the date of the certification body's audit.

13 Sales/ delivery documentation

(Not applicable to chain of custody input certification)

13.1 The organisation provides its customers with a document or set of documents (e.g. sales invoices, delivery/ shipment documents) that includes the following information for each ResponsibleSteel certified product supplied:

Crude steel origin

- a. The name and/or unique identification code of the ResponsibleSteel certified steelmaking site(s) that produced the crude steel from which the ResponsibleSteel certified product(s) is made.

Manufacturer information

- b. The name and/or unique identification code of the site that manufactured the ResponsibleSteel certified product(s)

- c. The ResponsibleSteel chain of custody certificate code of the manufacturer of the ResponsibleSteel certified product(s)

Supplier information (if different to manufacturer)

- d. The name and/or unique identification code of the site that supplied the ResponsibleSteel certified product(s)
- e. The ResponsibleSteel chain of custody certificate code of the supplier of the ResponsibleSteel certified product(s)

Product information

- f. The supplier's product code for the ResponsibleSteel certified product(s) supplied
- g. The Harmonised System (HS) code(s) for the ResponsibleSteel certified product(s) supplied
- h. The quantity of each ResponsibleSteel certified product supplied
- i. The ResponsibleSteel Decarbonisation Progress Level and Material Sourcing Progress Level of the crude steel in the ResponsibleSteel certified product(s) supplied (see section 11)
- j. The verified product carbon footprint for the ResponsibleSteel certified product(s) supplied (see section 10)

Customer information

- k. The name and/or unique customer identification code
- l. The purchase order code/ identifier
- m. Transportation/ shipping documentation

13.2 Sales records

13.2.1 The organisation maintains accessible, searchable, up-to-date records of all sales of ResponsibleSteel certified products, including the information specified in 12.1.

13.2.2 Records are maintained for a minimum of five years.

ISSUE D FOR CONSULTATION: SHOULD IT BE OBLIGATORY FOR CHAIN OF CUSTODY CERTIFICATE HOLDERS TO LABEL OR SELL QUALIFYING PRODUCTS AS RESPONSIBLESTEEL CERTIFIED? (see accompanying issues paper)

This draft proposes that it should not be obligatory for chain of custody certificate holders to label or sell qualifying products as ResponsibleSteel certified.

Consultation questions

- Do you agree or disagree with the proposed approach?
- If you disagree, what approach would you recommend?
- Do you have any further comments on this?

14. Records, reporting and verification

(14.2.2 not applicable to chain of custody input certification)

14.1 Records

14.1.1 All documentation and records referenced in the ResponsibleSteel chain of custody system manual are accessible for the purpose of verifying conformity with the requirements of the ResponsibleSteel chain of custody standard to:

- a. the organisation
- b. the certification body responsible for certifying conformity with the requirements of the ResponsibleSteel chain of custody standard
- c. ResponsibleSteel

14.2 Reporting

14.2.1 After the issue of a ResponsibleSteel chain of custody certificate, the organisation provides a quarterly declaration to ResponsibleSteel which specifies:

- a. the Harmonised System (HS) code(s) for any ResponsibleSteel certified steel inputs received over the preceding quarter
- b. the quantity of the ResponsibleSteel certified steel inputs received for the preceding quarter, per product category
- c. the average ResponsibleSteel Decarbonisation Progress Level for those ResponsibleSteel certified inputs per product category
- d. the average ResponsibleSteel Material Sourcing Progress Level for those ResponsibleSteel certified inputs per product category

Guidance: The supplier specific information will be confidential to ResponsibleSteel. ResponsibleSteel will collate the information for the purpose of public reporting on the overall quantities of ResponsibleSteel certified steel in specific product categories being supplied over time.

NOTE: Organisations that wish to make claims about their sourcing of ResponsibleSteel certified steel but do not wish to make claims about their own products may do so on the basis of the data requirements specified in this section. This may apply to steel end users, including, for example, specific construction projects. Organisations that wish to be able to sell or market their own products as ResponsibleSteel certified, including use for further manufacturing, must implement the further requirements for process and product control, sales and outward goods controls, etc. as specified.

PART TWO: LABELLING AND CLAIMS REQUIREMENTS

Note that no labelling or claims relating to the production or use of ResponsibleSteel certified steel products may take place prior to the issue of a chain of custody certificate by a ResponsibleSteel approved certification body *AND* the signing of a trademark licence by the organisation making the claims and ResponsibleSteel.

15. Labelling of ResponsibleSteel Certified Steel Products (Not applicable to chain of custody input certification)

15.1 ResponsibleSteel Certified Steel Marks

15.1.1 Use of the ResponsibleSteel Certified Steel Marks is reserved to organisations that have been certified by a ResponsibleSteel approved certification body as meeting the requirements of the ResponsibleSteel chain of custody standard, including the requirements for internal traceability (section 11), and the related requirements of sections 12 to 14).

15.1.2 Organisations that have been issued with a chain of custody certificate by a ResponsibleSteel approved certification body may apply to ResponsibleSteel to sign a trademark license authorising their use of the ResponsibleSteel Certified Steel Marks.

15.1.3 Organisations that have been issued with a chain of custody certificate by a ResponsibleSteel approved certification body and that have signed a trademark license with ResponsibleSteel are authorised to use of the ResponsibleSteel Certified Steel Marks in accordance with the requirements of the *'ResponsibleSteel Claims and Logo Guidelines'*.

NOTE: On-product labelling of ResponsibleSteel certified products would not be permitted where claims about the ResponsibleSteel Progress Level achieved are based on a 'progress level balance' approach (see Section 11, option D). This is on the basis that such specific claims about progress levels would be inherently misleading if they were applied to products made with steel that has not achieved the claimed progress level, even as an average, as would be the case following this approach.

16 Claims

16.1 Claims about an organisation's use of ResponsibleSteel Certified Steel

16.1.1 ResponsibleSteel chain of custody certificate holders may make quantitative claims about their purchasing of ResponsibleSteel certified input materials, supported by the records and reports generated to meet the requirements of Section 8 of this standard.

16.1.2 ResponsibleSteel chain of custody certificate holders may support such quantitative claims by referring to their chain of custody certification and by referencing their chain of custody certification code.

Guidance: the records and reports specified in Section 8 of this standard would allow claims to be made in relation to such aspects as:

- The total quantity of ResponsibleSteel certified steel purchased over a specified time period
- The quantity of ResponsibleSteel certified material of a specified product category purchased over a specified time period

- The percentage of the organisation's total steel procurement which was ResponsibleSteel certified over a specified time period
- The percentage of the organisation's procurement of a specified product category which was ResponsibleSteel certified over a specified time period

Guidance: when the chain of custody standard is applied to projects of a limited duration, equivalent claims could be made in relation to the quantity or percentage of ResponsibleSteel certified steel used for the project.

16.1.3 ResponsibleSteel chain of custody certificate holders may use the ResponsibleSteel logo to illustrate their support for and participation in the ResponsibleSteel programme, in association with such quantitative claims, when such use is in conformity with the requirements of the '*ResponsibleSteel Claims and Logo Guidelines*'.

16.2 Claims about ResponsibleSteel Certified Steel Products

NOTE: Claims about ResponsibleSteel Certified Steel Products may be made only by chain of custody certificate holders that are certified as meeting all the requirements of the standard, including the requirements of Section 5 and Section 6, and requirement 6.2.

16.2.1 ResponsibleSteel chain of custody certificate holders may make claims to support their marketing of ResponsibleSteel certified products, supported by the records and reports generated to meet the requirements of Section 9 of this standard.

16.2.2 ResponsibleSteel chain of custody certificate holders may support such quantitative claims by referring to their chain of custody certification and by referencing their chain of custody certification code.

Guidance: the records and reports specified in Section 9 of this standard would allow claims to be made in relation to such aspects as:

- That the organisation can supply specified products made out of ResponsibleSteel certified steel
- That the organisation can supply specified products made out of ResponsibleSteel certified steel that has achieved specified Decarbonisation and Material Sourcing Progress Levels
- That specified products are made out of ResponsibleSteel certified steel
- That specified products are made of ResponsibleSteel certified steel that has achieved specified Decarbonisation and Material Sourcing Progress Levels

16.2.3 ResponsibleSteel chain of custody certificate holders may use the ResponsibleSteel logo to illustrate their support for and participation in the ResponsibleSteel programme, in association with such claims, when such use is in conformity with the requirements of the '*ResponsibleSteel Claims and Logo Guidelines*'.

Annex A: Terms and Definitions

DRAFTING NOTE. This annex provides definitions of terms used in the document. Note that some of these are changes to terms in the current ResponsibleSteel Glossary. Once the chain of custody standard has been finalised and approved this Annex will be deleted from the final document and the terms and definitions will be added to the general ResponsibleSteel Glossary.

A.1 Terms related to ResponsibleSteel certification

A.1.1

ResponsibleSteel certified co-product or by-product

co-product or by-product of the production of ResponsibleSteel certified steel, that is certified by a ResponsibleSteel approved certification body as having been produced at a ResponsibleSteel certified steelmaking site, and that is physically identified as such through an associated chain of custody identification code.

A.1.2

ResponsibleSteel certified material

ResponsibleSteel certified steel or steel products.

NOTE: when the chain of custody system is expanded to include steel co-products and by-products this definition is expected to be extended to include ResponsibleSteel certified steel by-products and co-products in addition to ResponsibleSteel certified steel and steel products.

A.1.3

ResponsibleSteel certified material input

ResponsibleSteel certified material that is identified as an input to an organisation's chain of custody system.

A.1.4

ResponsibleSteel certified site

a site that has been certified by an independent, third-party certification body approved by ResponsibleSteel as meeting the specified requirements of the ResponsibleSteel International Standard. In addition to meeting the core ESG requirements of the Standard, sites may be certified as achieving different levels of progress in relation to the decarbonisation of their crude steel production and in relation their sourcing of input materials, as defined in the ResponsibleSteel International Standard. The following levels for site certification are currently specified:

core site certification

the level achieved by a site that has met the core environmental, social and governance requirements specified in the ResponsibleSteel International Standard.

crude steel decarbonisation progress levels 1- 4

four progress levels that may be achieved by a steelmaking site in relation to the decarbonisation of the site's production of crude steel, in addition to meeting the core environmental, social and governance requirements of the ResponsibleSteel International Standard

materials sourcing progress levels 1- 4

four progress levels that may be achieved by a steelmaking site in relation to the responsible sourcing of the input materials it uses for steelmaking, in addition to meeting the core environmental, social and governance requirements of the ResponsibleSteel International Standard.

NOTE

The progress levels specified in the ResponsibleSteel International Standard give an indication of the site's current level of achievement and its progress towards the ultimate goal of the responsible production of steel: steel that is produced at sites that meet the full range of core environmental, social and governance requirements; where the crude steel is made with 'near zero' GHG emissions; and with the input materials used for steelmaking being sourced responsibly, from 'mine to metal'.

A.1.5

ResponsibleSteel certified steel

steel produced at a ResponsibleSteel certified steelmaking site that has achieved the core level for site certification and at least progress level 1 for both decarbonisation and for the sourcing of input materials for all the steel produced at the site.

A.1.6

ResponsibleSteel certified steel product

steel product that is certified by a ResponsibleSteel approved certification body as being made out of ResponsibleSteel certified steel and is physically identified as such through a chain of custody identification code.

A.1.7

ResponsibleSteel product certification

certification by a ResponsibleSteel approved certification body of steel products, as being made out of ResponsibleSteel certified steel.

NOTE: when the chain of custody system is expanded to include steel co-products and by-products this definition is expected to be extended to include the certification of ResponsibleSteel certified steel by-products and co-products.

A.1.8

ResponsibleSteel site certification

process by which a site's conformity with the requirements of the ResponsibleSteel International Standard is assessed by an independent, third-party certification body approved by ResponsibleSteel, and on the basis of which a certificate of conformity may subsequently be issued.

A.2 Terms related to ResponsibleSteel trademarks

A.2.1

ResponsibleSteel certification mark

mark issued under licence by ResponsibleSteel to holders of valid certificates of conformity with ResponsibleSteel standards, which may be used by those organisations to promote their achievement of the requirements of the relevant standard. There are three categories of certification mark:

- ResponsibleSteel core certified site mark
- ResponsibleSteel certified site mark with progress levels
- ResponsibleSteel certified steel mark with progress levels.

Source: *Claims and Logo Guidelines for the ResponsibleSteel™ International Standard, October 2023*

A.2.2

ResponsibleSteel logo

registered trademark owned by ResponsibleSteel and comprising three complementary elements: a stylised letter 'R' based on a ribbon of steel to evoke quality and strength; the name ResponsibleSteel in distinct font

and design; a descriptor communicating what ResponsibleSteel does. The logo is used by ResponsibleSteel itself or by other organisations with permission from ResponsibleSteel, to refer to ResponsibleSteel.

Source: *Claims and Logo Guidelines for the ResponsibleSteel™ International Standard, October 2023*

A.2.3

ResponsibleSteel member mark

mark incorporating the ResponsibleSteel logo and the word 'Member' or 'Associate'. The mark is issued to ResponsibleSteel members to highlight their membership status and their support for the programme. It is available in stacked and horizontal formats and in a number of variations including full colour, single colour and solid versions.

Source: *Claims and Logo Guidelines for the ResponsibleSteel™ International Standard, October 2023*

A.3 Terms related to steel products

A.3.1

composite product

product made of multiple components including components made of materials other than steel. Examples of composite products include cars, white goods, wind turbines, etc.

A.3.2

co-product or by-product of steelmaking

output of steelmaking other than steel or steel products. Co-products are usually planned, desirable outputs from the manufacturing process (see <https://worldsteel.org/wp-content/uploads/Fact-sheet-Steel-industry-co-products.pdf>). By-products are materials of value that are produced as a residual of, or incidental to, the production process. The distinction between co-products and by-products is often unclear, and categorisations may change over time. For the purposes of ResponsibleSteel chain of custody certification they are considered to be interchangeable.

EXAMPLES blast furnace slag, gases, sludges and other slags

[DRAFTING NOTE – the current ResponsibleSteel glossary has a definition of 'by-product' – this is proposed to replace it.]

A.3.3

steel product

product made out of steel, including galvanised, coated or plated steel.

EXAMPLE Hot rolled steel, pickled hot rolled steel, cold rolled steel, finished cold rolled steel, electrogalvanized steel, hot-dip galvanized steel, tin-free steel, tinplated steel, organic coated steel, section, plate, rebar, engineering steel, wire rod, seamless pipe, UO pipe, welded pipe.

NOTE: Products that consist of separate components, all of which are themselves steel products, are also classified as steel products. Products that consist of separate components some of which are not themselves steel products are classified as composite products, and not as steel products.

A.4 Terms related to chain of custody system design

A.4.1

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chain of custody certificate code

unique code issued to a chain of custody certificate holder by ResponsibleSteel. The chain of custody certificate code is incorporated into the certification mark issued to the certificate holder on signing a trademark licensing agreement with ResponsibleSteel. The certificate holder must include its chain of custody certificate code on the sales/ delivery documentation provided to its customers for the supply of any ResponsibleSteel certified products.

A.4.2

chain of custody input certification

chain of custody certification that is limited to verifying the quantity of ResponsibleSteel certified steel inputs purchased by an organisation, but does not cover subsequent processing or manufacturing using those inputs, or the sale of products made from those inputs.

Organisations that wish to make claims only about their purchasing of ResponsibleSteel certified inputs may apply for chain of custody input certification, and are not required to implement the requirements for internal traceability specified in the ResponsibleSteel chain of custody standard.

Organisations issued with chain of custody input certificates can make claims about their purchasing of ResponsibleSteel certified steel, but cannot make any claims about the ResponsibleSteel certified steel content of the products they sell or supply to their customers. Their customers, in consequence, will not be able to make any claims about the ResponsibleSteel certified content of their purchases, or pass any such claims further down the supply chain.

A.4.3

chain of custody system boundary

conceptual boundary which defines the scope and limits of an organisation's chain of custody system. Steel products must be identified and recorded as inputs at the point they cross the boundary from outside the system, and must be identified and recorded as outputs at the point they cross the boundary to leave the system. Physical traceability of steel material is required within the chain of custody system boundary.

The chain of custody system boundary may include:

- a single ResponsibleSteel certified steel making site that is certified as complying with the requirements of the ResponsibleSteel International Standard and has achieved at least Progress Level 1 in relation to decarbonisation and materials sourcing;
- a single steel processing or manufacturing site, for example for the rolling, cutting, coating or further processing or manufacture of steel products;
- multiple sites or clusters of sites including ResponsibleSteel certified steel making sites that are certified as complying with the requirements of the ResponsibleSteel International Standard and have achieved at least Progress Level 1 in relation to decarbonisation and materials sourcing, together with steel processing or manufacturing sites.

NOTE: the chain of custody system boundary relates only to the certification of steel and steel products. It does not apply to the control of material inputs used for the production of steel.

A.4.4

chain of custody system manager

senior manager with overall responsibility for the effective implementation of the requirements of the ResponsibleSteel chain of custody standard as applicable to all sites and in relation to all associated activities within the chain of custody system boundary.

A.4.5

chain of custody system managing organisation

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organisation that has overall responsibility for the specification, documentation and implementation of a chain of custody system.

NOTE: The chain of custody system managing organisation is responsible for the implementation of the chain of custody system within the whole chain of custody system boundary, that may comprise multiple sites. In the ResponsibleSteel programme the chain of custody system managing organisation may be different to the organisation that owns or manages a ResponsibleSteel certified steelmaking site and which holds a ResponsibleSteel site certificate.

A.4.6

Harmonized System (HS)

the Harmonized Commodity Description and Coding System generally referred to as "Harmonized System" or simply "HS" is a multipurpose international product nomenclature developed by the World Customs Organization (WCO). It comprises more than 5,000 commodity groups, each identified by a six-digit code supported by rules to achieve uniform classification. The system is used by more than 200 countries and economies as a basis for their customs tariffs and for the collection of international trade statistics. Over 98 % of the merchandise in international trade is classified in terms of the HS.

A.4.7

Harmonized System (HS) code

standardized six-digit code specified by the World Customs Organisation for the classification of traded products. It is used by customs authorities around the world to identify products when assessing duties and taxes and for gathering statistics.

A.4.8

input

material or product that enters an organization or part of an organization

Note 1 to entry: input may be used at any stage of the supply chain

Note 2 to entry: input may also include reused and recycled materials or products.

Note 3 to entry: input will have associated information.

Source: *ISO 22095: 2020(E)*

A.4.9

organization

entity or group of people and facilities with an arrangement of responsibilities, authorities and relationships and identifiable objectives.

Note 1 to entry: An organization may encompass multiple (production /geographical) sites.

Source: *ISO 22095: 2020(E)*

A.4.10

output

material or product that leaves an organization or part of an organization.

Note 1 to entry: Output can be created at any stage of the supply chain (A.2.1).

Note 2 to entry: Output might include other products resulting from production processes.

Note 3 to entry: Output will have associated information.

Source: *ISO 22095: 2020(E)*

A.4.11

physical identification

application of a mark, stamp or label to a product that allows for its identification in relation to a specific characteristic, such as its production batch.

EXAMPLE: examples of physical identification include laser marking, stamping or adhesive labelling.

NOTE: items that cannot be individually marked are considered to be physically identified if they are contained in a package or bundle that is itself physically identified.

A.4.12**product category**

a class or division of products which has been assigned a unique product code or identifier for the purposes of purchasing, stock control, sales, accounting etc.

A.4.13**product code**

code assigned by an organisation to identify a defined product category, typically a product category which is an input for production, processing or manufacture, or a finished product for sale. Also referred to as a 'unique product identifier' (UPI).

A.4.14**steel input**

input which is steel or a steel product.

A.4.15**steel output**

output which is steel or a steel product.

Annex B: Use of ResponsibleSteel Site Marks, member marks and logo

ResponsibleSteel Certified Site Marks

Use of the ResponsibleSteel Certified Site Marks is reserved to sites that have been certified as meeting the requirements of the ResponsibleSteel International Standard.

Sites that are certified as meeting the requirements of the ResponsibleSteel International Standard may use the ResponsibleSteel Certified Site mark in accordance with the requirements of the *'ResponsibleSteel Claims and Logo Guidelines'*.

Chain of custody certificate holders that are not certified as meeting the requirements of the ResponsibleSteel International Standard are not permitted to use the ResponsibleSteel Certified Site Marks.

ResponsibleSteel member mark

Use of the ResponsibleSteel member marks is reserved to ResponsibleSteel members and associates.

Chain of custody certificate holders that are ResponsibleSteel member organisations may use the ResponsibleSteel Member mark in accordance with the requirements of the *'ResponsibleSteel Claims and Logo Guidelines'*.

Chain of custody certificate holders that are not ResponsibleSteel members are not permitted to use the ResponsibleSteel member marks.

DRAFTING NOTE: Currently, all certification applicants must first be ResponsibleSteel members. This assumes that chain of custody certificate holders would not be required to be ResponsibleSteel Members.

ResponsibleSteel logo

ResponsibleSteel chain of custody certificate holders may use the ResponsibleSteel logo to promote their participation in and support for ResponsibleSteel as an organisation, when such use is in conformity with the requirements of the *'ResponsibleSteel Claims and Logo Guidelines'* (see 8.1.3 and 9.2.3). The ResponsibleSteel logo may not be used to label products under any circumstances.