Terms of Reference v3.0 for the Revision of the ResponsibleSteel International Production Standard v2.1.1.

V3.0| April 2026 | Pending Board Approval | Prepared by ResponsibleSteel Secretariat

About this Document

This Terms of Reference for Revision (ToR v3.0) sets out the framework for the review and revision of the ResponsibleSteel International Production Standard v2.1.1, which, when finalised, will become v3.0.

This document replaces the Terms of Reference v2.0 published in September 2025, and covers:

1. Background for the Terms of Reference
2. Justification and Objectives of the Revision
3. Scope of Revision
4. Governance Structure
5. Revision Process
6. Stakeholder Engagement

Annexes to this ToR are available online and include:

- Revision timeline
- Stakeholder mapping, past engagement and opportunities to provide input

For questions or comments, contact: standards@responsiblesteel.org

The table below records the revision history of this document.

Version	Date	Notes about Terms of Reference for Review & Revision
v1.0	October 2024	Terms of Reference for Review and Revision of the ResponsibleSteel Production Standard revision v1
v2.0	September 2025	Terms of Reference for Review and Revision of the ResponsibleSteel Production Standard v2.0
v3.0	April 2026	• 6 sections with a more streamlined, simplified and reader-friendly structure • Expanded and elevated sections on background and ResponsibleSteel outcomes. • Same four objectives, refined and confirmed as of early 2026. • Consolidated to five workstreams: Climate (P10); Just Transition; Annual Leave (P6.9.1); Alignment with Regulation; Urgent Revisions, Interpretations & Clarifications (cross-cutting). The separate 'interoperability' guiding principle is subsumed into the P10 workstream. • Updated and detailed the timeline embedding the role of the governing bodies. • Embedded the risk register into sections • Updated contact information and commitment to publishing workstream-specific engagement strategies as annexes

1. Background for the Terms of Reference

1.1 About ResponsibleSteel

Steel is **one of the world's most essential materials** — foundational to construction, transport, energy infrastructure, and manufacturing. It is also one of the most carbon-intensive industries, responsible for **approximately 10% of global CO_2e in 2023**, and its production carries **significant social and environmental risks across the value chain**, from raw material extraction to steelmaking and beyond.

ResponsibleSteel was established to address these challenges. It is a global, not-for-profit, multi-stakeholder organisation with a mission to be a driving force in the socially and environmentally responsible production of net-zero steel, globally. ResponsibleSteel pursues this mission through three interconnected areas of work:

- **Integrity:** Developing and maintaining high-quality standards and a robust assurance programme, built on the consensus of a multi-stakeholder membership that spans the full steel value chain — including steelmakers, steel buyers, mining companies, technology providers, trade unions, NGOs and industry associations.
- **Inspire & Influence**: Engaging stakeholders across the industry, policy community, and civil society to endorse ResponsibleSteel's mission and build market value for the Standards as the most trusted and credible sustainability benchmark for steel.
- **Impact:** Driving real-world change — through the uptake and rigorous implementation of the Standards — towards the socially and environmentally responsible production of net-zero steel at a global scale.

ResponsibleSteel's membership model is central to its effectiveness. By bringing together diverse voices — those who produce steel, those who buy it, those affected by its production, and those with expertise in sustainability — ResponsibleSteel creates a space for building trust, achieving consensus, and setting requirements that are ambitious and grounded in practical reality.

1.2 The International Production Standard

The ResponsibleSteel International Production Standard (Production Standard) is one of the organisation's primary instruments for driving change. **First published in November 2019**, it was the **world's first multi-stakeholder certification standard for the steel sector**, covering the full spectrum of ESG issues. **Version 2.0, released in September 2022**, introduced strengthened requirements on responsible sourcing of input materials and GHG emissions. **Version 2.1** incorporated further clarifications and interpretations. The latest version of the **Production Standard is v2.1.1, last published in October 2024. A revised version of v2.1.1** will be going for public consultation in 2026, which, when finalised, will become v3.0.

This Production Standard may be applied to operational steelmaking sites and to related sites that process input materials for steelmaking, or that produce steel products. It does not apply to service providers, mine sites, or to sites producing products made with multiple components. It is **structured around 13 principles:**

Governance	Social	Environmental
Principle 1: Corporate Leadership	Principle 5: Occupational Health & Safety	Principle 10: Climate Change & GHG Emissions
Principle 2: ESG Management Systems	Principle 6: Labour Rights	Principle 11: Noise, Emissions, Effluent & Waste
Principle 3: Responsible Sourcing of Input Materials	Principle 7: Human Rights	Principle 12: Water Stewardship
Principle 4: Decommissioning & Closure	Principle 8: Stakeholder Engagement & Communication	Principle 13: Biodiversity
	Principle 9: Local Communities	

1.3 Intended Outcomes of the Production Standard

The Production Standard is designed to create change at multiple levels — from the individual production site to the global steel industry — through a theory of change[1] that links rigorous certification to market recognition and, ultimately, to real-world sustainability impact. The intended outcomes are:

- **Site-level performance improvements:** Certified steelmakers are required to meet — and continuously improve against — requirements spanning governance, environmental management, GHG emissions, social performance, human rights, labour rights, and community engagement. Certification provides a credible, independently verified signal of responsible practice.
- **Supply chain transparency and accountability:** By extending requirements to the responsible sourcing of input materials, the Production Standard drives improved ESG performance upstream of the steel plant, including in mining, scrap collection, and alloy supply chains.
- **Market signals and demand-side pull**: ResponsibleSteel certification enables steel buyers to make responsible sourcing decisions, creating commercial incentives for steelmakers to improve. This demand-side pull is central to the theory of change.
- **Sector-wide norm-setting**: As the only global, multi-stakeholder, broad-spectrum ESG standard for steel, ResponsibleSteel shapes industry norms, informs regulatory debate, and provides a reference point for emerging sustainability expectations. The Production Standard's influence extends well beyond certified sites.
- **Contribution to net-zero and sustainable development goals**: Ultimately, the Production Standard is designed to accelerate the steel industry's transition to net-zero production while ensuring that transition is socially responsible — protecting workers, communities, and ecosystems that might otherwise bear the costs of decarbonisation.

1.4 Context for this Revision

Continuous improvement is central to the way ResponsibleSteel operates. Under ResponsibleSteel's Standards Development Procedures and using the ISEAL Code of Good Practices as a reference, all standards must be reviewed within five years of formal adoption to determine whether reaffirmation, revision, or withdrawal is required. Following a **systematic internal review in 2024** and a **60-day public consultation** (October–December 2024), the **Board endorsed the need for revision.** This Terms of Reference (ToR) sets out the framework for that process. The justification and objectives for revision are set out in Section 2 while the scope of changes is set out in Section 3.

2. Justification and Objectives of the Revision

2.1 Why Revision is Needed

The **ResponsibleSteel International Production Standard v1.0 was first published in November 2019** and last substantially **revised in September 2022** (v2.0), which introduced new requirements on responsible sourcing and GHG emissions. The Secretariat conducted a **systematic internal review in 2024**, examining audit reports, stakeholder queries and clarification requests, assurance panel feedback, sector developments, and emerging legislative requirements. This review **identified six potential priority[2] areas for revision**, which were subsequently tested through a **60-day public consultation** (1 October – 1 December 2024). The findings of that **consultation confirmed the need for revision** and informed the refined scope set out in Section 3.

Further development since 2024 continues to drive the need for standard revision on many fronts:

[1] ResponsibleSteel is reviewing its theory of change to ensure that it remains aligned with the broader goals of sustainability, climate resilience and responsible business practices in the steel sector. Once the updated theory of change is available, any revisions to the objectives of the standard will be reflected in the Production and Chain of Custody Standards.

[2] Consultation Paper v1.0 (September 2024)

- **Regulatory acceleration:** Rapidly expanding ESG disclosure and due diligence legislation — including the EU Corporate Sustainability Reporting Directive (CSRD), the EU Corporate Sustainability Due Diligence Directive (CSDDD), and emerging carbon border adjustment mechanisms (CBAM) — creates new expectations for steel producers. The Production Standard needs to ensure alignment with these frameworks to remain a credible and useful tool for members navigating regulatory compliance.
- **Climate urgency and implementation gaps:** Ten years after the Paris Agreement, UNEP warns global temperatures could exceed 1.5°C as early as 2034, and the steel industry is not decarbonising fast enough. Targets alone are no longer sufficient, and current requirements on transition planning and GHG accounting have surfaced practical challenges that need resolving.
- **Social and just transition risks:** The shift to near-zero steel carries real social risks — job losses, community displacement, and weakened local economies. Stakeholder feedback and new research insights point to an opportunity for the Production Standard to better address these dynamics.
- **Implementation challenges and lessons learned:** Experience since 2019 has exposed areas where the Standard's language is vague, inconsistent, or hard to audit, and where specific requirements conflict with local practices. Left unaddressed, these issues risk undermining credibility and practical value.
- **Evolving industry context:** The steel sector continues to change, with new production technologies, shifting raw material supply chains, and growing expectations from buyers and investors. The Production Standard Version 2.0's responsible sourcing and GHG requirements represented important steps; the next revision is an opportunity to ensure the Production Standard keeps pace with these ongoing developments.

2.2 Objectives of the Revision

The **objectives below** serve as guiding principles for all revision workstreams and for evaluating proposed changes to the Standard:

1. **Improve relevance:** Ensure the Production Standard remains aligned with the rapidly evolving industry landscape and global sustainability goals, focusing the revision on the most critical areas where the Production Standard could drive meaningful impact.
2. **Enhance accessibility and usability:** Drawing on lessons learned from implementation, improve the clarity of requirements and optimise the balance between sustainability ambition and practical applicability — making the Production Standard easier to implement, audit, and understand.
3. **Increase alignment with legislation and ESG frameworks.** To strengthen interoperability with emerging ESG frameworks, reporting schemes and emissions accounting methodologies, with a particular focus on Principle 10: GHG emissions and climate change. As part of this objective, ResponsibleSteel also aims to align the Production Standard with emerging and widespread relevant regional and international regulations
4. **Strengthen the credibility of the Production Standard and assurance systems:** Enhance the robustness of the Production Standard by setting clear, consistent, and auditable criteria that are developed in consultation with, and reflect the views of, relevant stakeholders.

3. Scope of Revision

3.1 Overview

The scope was determined through the internal review process and **validated by the 60-day public consultation in late 2024.** Following further **internal strategic discussion in 2025**, the scope was refined to concentrate on **three substantive workstreams** and one cross-cutting workstream, with all topics addressed in a single revision phase rather than the phased approach previously proposed. This decision reflects both the interconnected nature of the revision topics and the need to manage stakeholder engagement and resource requirements efficiently.

3.2 Priority Areas

The five priority areas for revision are described below. Note that for the first three, working groups were established:

Priority Area	Justification	Key Issues to be Addressed
Climate Change & GHG Emissions (Principle 10)	The climate requirements in v2.0/v2.1 were a significant step forward and at the same time they have led to some implementation challenges in practice. Simultaneously, the regulatory landscape around climate disclosure and transition planning has evolved substantially since 2022, and the Production Standard needs to keep pace to remain interoperable and credible. A **Working Group was set up in September 2025** and has been working on detailed proposals for this.	• Review and strengthen climate transition plan requirements (10.1, 10.2, 10.5, 10.7) • Harmonise site-level GHG accounting methodologies (10.3, 10.4); update default values (Annex 5) • Inclusion of process routes and product emission boundaries in Decarbonisation Progress Level (DPL) determination (10.6)
Just Transition	The transition to near-zero steel carries significant social risks. A dedicated ResponsibleSteel-IRMA research project (**published in Mar 2026** and funded by the ISEAL Innovations Fund and SECO) has produced insights into how standards can better support workers, communities, and local economies through industrial transition and the Production Standard should be reviewed to ensure it appropriately reflects these findings.	• Define the scope of just transition requirements within the Production Standard • Determine the appropriate implementation approach • Assess findings from the joint project and identify how insights can strengthen Production Standard requirements or associated guidance
Annual Leave Requirement (Principle 6.9.1)	The annual leave requirement has created implementation difficulties in some jurisdictions where it is not supported by local legal entitlements or cultural practices. An urgent Working Group process was **convened in November–December 2024** to explore solutions, and a Technical Advisory Group (TAG) has **continued this work into 2025-2026.**	• Build on the TAG process to develop a revised requirement that addresses the implementation challenge while maintaining the Production Standard's ambition • Ensure the solution is practical, fair, and globally relevant • Consider appropriate mechanisms such as jurisdiction-specific provisions or phased expectations.
Regulatory alignment	The emergence of CSRD, CSDDD, CBAM and (IFRS) adds reporting burden to steelmakers. The Production Standard needs to ensure alignment with these frameworks to reduce the burden and be a useful tool for members navigating regulatory compliance.	• Mapping where the Production Standard aligns with the notable regulations • Identifying the gaps for further alignment • Referencing other frameworks in the Production Standard where appropriate

		• Considering the added value of obtaining certification according to the Production Standard
Urgent Revisions, Interpretations & Clarifications (Cross-cutting)	Since v2.1, a body of clarification requests, interpretation queries, and identified drafting issues has accumulated. Audit experience has also highlighted areas of inconsistency or ambiguity that affect the reliability of certification outcomes. These issues need to be resolved as part of a comprehensive revision to avoid incremental piecemeal changes. There is also repetition in the introduction found elsewhere in the Production Standard, and references to claims, that need to be clarified and simplified.	• Incorporate outstanding urgent revisions and approved interpretations • Resolve identified auditability issues including overly complex sentences • Vague or ambiguous wording, and inconsistent use of terminology; • Removing the reference to claims related to P10 DPLs (enabling decoupling of P3 & P10 progress level requirements for product claims). • Ensure overall accessibility, and consistency across all 13 principles.

4. Governance Structure

The revision is overseen by **ResponsibleSteel's Board of Directors**, which governs the organisation in accordance with its Constitution and By-Laws. Decisions require a two-thirds majority, including at least one civil society Director and one business Director. **Three committees advise the Board:** 1) the Standards, Assurance & Claims Committee (SACC), which reviews and endorses draft standard documents; 2) the Membership & Governance Committee (MGC); and the 3) Finance & Risk Committee (FRC). The SACC plays a central role at key review gates throughout the revision process.

For more information on governing bodies please visit: https://www.responsiblesteel.org/governance

Technical input is provided through **Working Groups (WGs),** which draw on the expertise of ResponsibleSteel members and stakeholders, and **Technical Advisory Groups (TAGs)** convened for specific technical issues. The Secretariat manages day-to-day coordination of all workstreams.

5. Revision Process

The revision follows the stages defined in the ResponsibleSteel Standards Development Procedures. All essential topics will be addressed in a single phase (rather than a phased approach) and the decision-making procedure will follow Procedure B (Membership vote with Board ratification), as outlined in the Standards Development Procedures v3.0, Section 3.10. The table below outlines the Revision timeline as of April 2026. Please note that changes may apply, for the latest and most updated version refer to the online version.

#	Key Activity	Responsible	Target Timing
1	Public consultation held to identify whether the revision is needed and its initial scope	Secretariat /ResponsibleSteel Stakeholders	Q4 2024
2	Draft ToR (ToR v1.0 and v2.0), workstream planning & research to inform the revision	Secretariat	Q4 2024-Q3 2025
3	Deeper Dive: Working Groups (WGs) & Technical Advisory Groups (TAG) inputs on priority areas	Secretariat /WG /TAGs	Q3 2025- Q2 2026

4	Updating the ToR (this document, ToR v3.0) for the public consultation	Secretariat	Q2–Q3 2026
5	Drafting the revised Production Standard for public consultation	Secretariat	Q2–Q3 2026
6	WGs & TAG members review drafted Standard Auditability testing with Certification Bodies members of WGs and TAG	WGs /TAG	Q3 2026
7	Approval of the draft revised Standard and material for public consultation	Secretariat / SACC approval Board review	Q3 2026
8	60-day Public Consultation (1st round) Outreach activities to seek active feedback	Secretariat ResponsibleSteel Stakeholders	Q3–Q4 2026
9	Update draft and incorporate additional amendments developed during public consultation; SACC review Auditor review and pilot testing of draft revised Standard SACC approval	Secretariat SACC review and approval	Q1 2027
10	30-day Public Consultation	Secretariat ResponsibleSteel Stakeholders	Q1 – Q2 2027
11	Final Board review & summary report	Board / SACC	Q2 2027
12	Member vote (Procedure B[3]) & Board ratification	Members / Board	Q2 2027
13	Publication & 12-month transition period	Secretariat	Q3 2027– Q2 2028
14	Revised Standard comes fully into effect	Secretariat	Q3 2028

6. Stakeholder Engagement

Open and transparent consultation is a guiding principle of the Production Standard revision process. ResponsibleSteel will engage stakeholders through multiple channels, including email communications, website updates, webinars, and in-person workshops, throughout the revision. Stakeholder engagement strategies for each workstream have been developed and will be updated regularly.

Key stakeholder groups include ResponsibleSteel Members (steelmakers, buyers, mining companies, technology providers, trade unions, NGOs, and industry associations), Certification Bodies, certificate holders, and wider civil society, government, and academic stakeholders. Stakeholder engagement is calibrated according to the degree to which each group is affected by and can influence the Standard.

- **ResponsibleSteel Members, Certificate Holders, and Certification Bodies** are the most directly affected stakeholders and will be engaged most intensively through working groups, webinars, workshops, and direct communications.

[3] Procedure B: Only full members of ResponsibleSteel are entitled to vote on resolutions put to the membership by the Board, and the voting power of business members and civil society members is weighted 50% for each category, irrespective of the number of members in the category.

- **Standard-setting schemes, civil society organisations, non-governmental organisations, and industry players** are significantly affected by Standard changes and will be kept informed through public consultations, webinars, and website updates.
- **Governments and scientists/academics**, whose expertise can shape the regulatory and technical landscape, will be engaged through targeted outreach and expert consultations.
- **Communities** will be able to engage via the public consultation process.

At **minimum, one 60-day public consultation** will be conducted on the draft revised Production Standard. **A second 30-day consultation may follow** depending on the outcome of the first consultation and status of proposed changes. All stakeholders are encouraged to contribute feedback during these consultation periods. Specific questions on this ToR or the Production Standard revision process can be directed to .

The main risks to effective stakeholder engagement, and **the mitigation measures** in place, are as follows:

- Prolonged timeline: this will be managed through proactive communications and a single-phase revision approach to streamline activities;
- Low engagement: this will be addressed through multi-channel outreach, simplified consultation processes, and early and frequent contact with working groups;
- Consultation fatigue: this will be mitigated by coordinating and consolidating activities, including working group meetings where possible; and limited resources will be managed by prioritising critical revision topics and optimising resource allocation across workstreams.