

Steel Formed Sections Ltd recognize that nature is deteriorating at rates unprecedented in human history due to human activity. Around one million species face extinction, with current extinction rates causing scientists to declare a 'sixth mass extinction' underway. Many essential services nature provides are now at risk, with significant negative impacts on ecosystems and human wellbeing. One of the services at risk is the regulation of freshwater quantity and quality, which is decreasing access to clean water around the world. The impacts of nature loss are wide-reaching and threaten the foundations of our global economies, livelihoods, and food systems. The most significant driver of nature loss is the change in the use of land and seas, including the conversion of natural areas to agriculture and urban areas. Nature loss is also driven by unsustainable levels of extraction of natural resources, pollution, climate change, and the introduction of invasive species. Countries around the world are recognising the urgency of addressing nature loss. The Kunming-Montreal Global Biodiversity Framework (GBF), also known as the Biodiversity Plan, was adopted in December 2022 at COP15. It calls for countries to take urgent action to halt and reverse biodiversity loss and put nature on a path to recovery by 2030.

Steel Formed Sections Ltd design and manufacture Steel Framing Systems, and we are a leading manufacturer of Steel Studs & related products for Partition Walls & MF Ceiling Systems. Our operations require limited natural resources compared with larger businesses in many other sectors. SFS value chain is dependent on nature and the services it provides and is therefore at risk due to nature loss. We have a responsibility to act for nature and to support the objectives of both the Biodiversity Plan and the UN Sustainable Development Goals (SDGs).

Nature is one of the focus areas of Steel Formed Sections Sustainability Agenda, and our ambitions are to:

- a) Contribute to reversing and halting nature loss by reducing the negative impacts of our value chain on nature and by supporting landscape restoration.
- b) Contribute to global water resilience by reducing the negative impacts on local water resources and working to solve shared water challenges in at-risk basins across our value chain.
- c) Work with suppliers and customers to reduce the negative impacts of food value chains on nature, contributing to more secure, resilient and sustainable food systems.
- d) Recognising the interconnections between nature and people, our actions in these areas are carried out with respect for human rights.

It is our aspirations that our suppliers' standards on these issues are at least rigorous as our own, and for our products under the guidelines of the **"BRE Environmental and Sustainability Standard - BES 6001:Issue 4.0-Framework Standard for Responsible Sourcing"** as per our **bre certificate number : RS0049 Issue:05**. Going forward in the future we intend to carry out assessments to understand how our value chain depends on and impacts nature and to identify nature-related risks and opportunities in our value chain. Using this information, we can then have a structured approach across the areas that reflect the different stages of our value chain. We believe it is important that companies such as ours implement targets and actions, based on the best information currently available, while ensuring respect for human rights.

Signed by Pat Burns on behalf of the Steel Formed Sections Directors: *Pat Burns*

Position: **Managing Director**

Date: *12/06/2024*