



Company Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

21 September 2021

Dear Sir/Madam,

BlueScope Steel Limited (BSL)
Corporate Governance Statement and Appendix 4G

Please see attached BlueScope Steel Limited's 2021 Corporate Governance Statement and Appendix 4G in accordance with ASX Listing Rules 4.7.3, 4.7.4 and 4.10.3.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Debra Counsell".

Authorised for release by:
Debra Counsell
Company Secretary

Corporate Governance Statement 2021



Our Purpose

**We create and inspire smart solutions
in steel, to strengthen our communities
for the future.**

Our Bond

**Our Customers
are our partners**

**Our People
are our strength**

**Our Shareholders
are our foundations**

**Our Local Communities
are our homes**

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Purpose, Strategy and culture

During the year, BlueScope introduced Our Purpose:

We create and inspire smart solutions in steel, to strengthen our communities for the future

Our Purpose

Our Purpose sets the course for BlueScope to deliver what matters to our communities around the world, and to attract and retain the very best people to enable us to get there. It presents opportunity for BlueScope people, working together to inspire our customers, meeting our sustainability commitments, delivering value to our shareholders and strengthening all our communities for the future.

Our Bond

Just like Our Purpose, hundreds of employees contributed to the creation of Our Bond in 2003 following the establishment of BlueScope, and its relevance today is testament to its importance to our organisation. Our Bond outlines the guiding principles that strengthen our business every day. It identifies our key stakeholders, guides how we work together and conduct ourselves, and continues to be our benchmark for success and choosing to do what is right.

Our Strategy

Our Strategy sets out how we will deliver on Our Purpose and achieve strong returns and sustainable outcomes over the next five years and beyond. The strategy drives transformation and growth, while continuing to deliver on core expectations for our stakeholders. Investment in carbon reduction technologies, product and service innovation and delivering a safe, inclusive and diverse workplace are core elements of our strategy.



Our Purpose, Our Bond, Our Strategy and financial framework guide what we aim to achieve and how we do it. Our Bond is our commitment to operating in an ethical, fair and transparent manner and in accordance with strict standards of governance. BlueScope seeks to live these values in Our Bond by promoting a culture of integrity and highest possible standards across the Group's operations.



For further details on Our Purpose, Our Bond and Our Strategy, please refer to the 'About Us/Governance' section of BlueScope's website.

Governance at BlueScope

This Corporate Governance Statement describes BlueScope's¹ Corporate Governance Framework, policies and practices and reflects BlueScope's commitment to maintaining and promoting high standards of corporate governance. This statement is current as at 1 September 2021 and has been approved by the Company's Board.

The Board considers that good corporate governance is fundamental to achieving a successful, sustainable company. By corporate governance we mean the structures for accountability and the framework of rules, relationships, systems and processes by which authority is exercised and managed within BlueScope.

The Board and its committees regularly review BlueScope's governance arrangements and practices to ensure they consistently reflect regulatory requirements and market practice.

The Board operates in accordance with a set of corporate governance principles that take into account relevant best practice recommendations. These include the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council (fourth edition) (ASX Principles and Recommendations). The Company has undertaken a reconciliation of its governance practices against those outlined in the fourth edition and considers that our governance arrangements are consistent with the fourth edition.

Our compliance with the ASX Principles and Recommendations, and a checklist cross-referencing these Principles and Recommendations to the relevant disclosures, are outlined within the Company's Appendix 4G, which is available under the 'About Us/ Governance' section of BlueScope's website.



BlueScope has adopted a number of corporate governance policies and documents. The corporate governance policies and documents referred to in this statement are published under the 'About Us/ Governance' section of BlueScope's website.

Our Corporate Governance Framework supports our businesses and helps us deliver on our strategy. It provides the structure through which our strategy and business objectives are set, our performance is monitored, and our risks are managed.



Shareholders



BlueScope Board

Risk and Sustainability Committee

Health, Safety and Environment Committee

Remuneration and Organisation Committee

Audit Committee

Nomination Committee



Managing Director and CEO



Executive Leadership Team



Our People

¹ BlueScope Steel Limited ('Company') and its controlled entities ('BlueScope' or 'Group').

Board and Committees

The Board is responsible for overseeing the management of BlueScope, providing strategic direction and, whenever required, challenging management and holding them to account. It monitors operational and financial performance, approves Group-level policies, and approves BlueScope's budgets and business plans. It is also responsible for monitoring BlueScope's risk management, financial reporting and governance framework.

The Board has delegated responsibility for the day-to-day management of BlueScope, and the implementation of approved strategy, business plans and policies, to the Managing Director and CEO, who in turn delegates to senior management. The scope of, and limitations to, these delegations are set out in the Company's delegation of authority policy.

The Board has established five Committees and delegated certain powers to those Committees.

The respective roles and responsibilities of the Board and management, the matters delegated to the Managing Director and CEO, and those matters that are specifically reserved to the Board or its Committees, are set out in the Board and Committee Charters under the 'About Us/Governance' section of BlueScope's website. Each of the Board and Committee Charters is reviewed annually.

For those Committees where not all of the Directors are members, the Committee Chair provides a brief verbal report at the following Board meeting as to any material matters arising from the Committee meeting. In addition, where a material matter arises at a Committee meeting which relates to the responsibilities of a different Committee, then the Committee Chair will discuss the matter with the relevant Chair.

Set out below for each Committee is its membership, composition requirements and key responsibilities.

Committee and membership	Composition requirements	Key responsibilities
Nomination Committee		
John Bevan (Chair) Penny Bingham-Hall Ewen Crouch Rebecca Dee-Bradbury Jennifer Lambert Mark Hutchinson Kathleen Conlon	» Only Non-Executive Directors; » a minimum of three members; and » a majority of independent Directors, including an independent Director as Chair.	Assists the Board fulfil its responsibilities for ensuring that the Board is comprised of individuals who are best able to discharge the responsibilities of Directors effectively and to add value, including oversight of: » Board composition and renewal » Board, Committee and Non-Executive Director performance » Appointment and re-election of Directors » Board induction and continuing professional development programs for Directors » Chairman and MD and CEO succession planning
All members are independent Directors.		



The Board and Committee Charters can be found in the 'About Us/Governance' section of BlueScope's website.

Committee and membership	Composition requirements	Key responsibilities
Audit Committee		
Jennifer Lambert (Chair) Ewen Crouch Kathleen Conlon All members are independent Directors. Separate discussions are held by the Committee with the external and internal auditors without management present.	» Only Non-Executive Directors; » a minimum of three members; » a majority of independent Directors; and » chaired by an independent Director who is not the chair of the Board.	Assists the Board fulfil its responsibilities in relation to financial governance, external financial reporting, external financial report audit and internal audit, including oversight of: » financial governance, including approving the financial, taxation, treasury, capital and investment governance frameworks » credit management policy » the capital management policy and the monetary authority limits delegated by the Board, including recommendations to the Board » integrity of external financial reporting » external audit engagement, including recommendations to the Board on non-audit services » independence and performance of BlueScope's internal audit function » specific categories of risk delegated by the Board to the Committee
Risk and Sustainability Committee		
Ewen Crouch (Chair) Jennifer Lambert Penny Bingham-Hall Mark Hutchinson All members are independent Directors. The Chair of the Audit Committee will always be a member of the Risk & Sustainability Committee.	» Only Non-Executive Directors; » a minimum of three members; and » a majority of independent Directors, including an independent Director as Chair.	Assists the Board fulfil its responsibilities in relation to risk management, ethics and compliance, legal proceedings, corporate governance, sustainability and insurance, including oversight of: » effectiveness of risk management framework and supporting risk management systems » ethics and compliance including monitoring effectiveness of the Code of Conduct, the Speak-Up Policy and other Group-level business conduct policies » litigation and regulatory risks » corporate governance, including compliance with ASX Listing Rules, Corporations Act and similar applicable laws and regulations » approach to Sustainability Reporting » insurance (with the exception of Directors' and Officers' liability insurance) » specific categories of risk delegated by the Board to the Committee

Structuring the Board	Instilling culture	Safeguarding integrity	Timely & balanced disclosure	Respecting the rights of shareholders	Recognising & managing risk	Fair & responsible remuneration
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Committee and membership

Composition requirements

Key responsibilities

Remuneration and Organisation Committee

Rebecca Dee-Bradbury (Chair) John Bevan Mark Hutchinson Kathleen Conlon All members are independent Directors.	» Only Non-Executive Directors; » a minimum of three members; and » a majority of independent Directors, including an independent Director as Chair.	Assists the Board fulfil its people, culture and remuneration responsibilities, including oversight of: » implementation of people and remuneration strategy and policies » the effectiveness of Diversity and Inclusion Policy and setting, and measuring progress towards achievement of, the measurable objectives for achieving gender diversity » setting the executive remuneration framework, incentives and equity-based plans and awards for the Executive Leadership Team (ELT) » performance targets for the ELT and recommending performance targets for the MD and CEO to the Board » development and succession of executive management » Non-Executive Director remuneration » specific categories of risk delegated by the Board to the Committee
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Health, Safety and Environment Committee

Mark Hutchinson (Chair) John Bevan Penny Bingham-Hall Ewen Crouch Jennifer Lambert Rebecca Dee-Bradbury Kathleen Conlon Mark Vassella All Directors are members of the Committee and (other than Mr Vassella) are independent.	» A majority of independent Directors; and » chaired by an independent Director who is not the chair of the Board.	Assists the Board fulfil its responsibilities in relation to the oversight of health, safety, environmental matters and community impact arising out of BlueScope's activities as they may affect employees, contractors, and the local communities in which it operates, including oversight of: » the effectiveness of programs and oversight of the long-term direction of BlueScope in relation to HSE activities » the HSE management framework » advising the Board on significant HSE legislative updates » HSE compliance and due diligence » community engagement » specific categories of risk delegated by the Board to the Committee
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Each Director's independence and their attendance at meetings of the Committee and the number of times the Committee met are set out on pages 28 to 32 of the Directors' Report contained in the 2020/2021 Annual Report. The qualifications of the members are set out on pages 28 to 31 of the Directors' Report.

The information below sets out the Company's response to the 8 Principles contained in the ASX Principles and Recommendations.

Lay solid foundations for management and oversight

Director appointment

The Nomination Committee determines the skill profile for new appointees (see “Board Skills and Experience” below) and recommendations are made to the Board on candidates for appointment. The Board recognises the importance of conducting appropriate checks on potential Directors and providing sufficient information to shareholders to enable them to make informed decisions in relation to the election or re-election of Directors. The Nomination Committee’s role includes conducting appropriate checks on potential candidates before they are considered by the Board, such checks including in respect of the candidate’s character, experience, education, criminal record and bankruptcy history. This process is also applied to candidates nominating for election outside the Board process. Search firms are engaged from time to time to assist in identifying appropriate candidates for consideration by the Committee.

The Company will provide all material information in its possession that is relevant to a decision on whether to elect or re-elect a Director.

The Company has a written agreement with each Director setting out the terms of their appointment.

Board review

The performance of the Board and its Committees is evaluated regularly. Each year it is proposed to either conduct an internal review or have a review facilitated by a third party.

An internal review is conducted through a range of formal performance reviews, including confidential evaluation questionnaires completed by Directors and usual management attendees at Board and Committee meetings. Informal review mechanisms, such as meeting feedback, are also used.

The performance of individual Non-Executive Directors is also usually reviewed annually either by way of an internal review or facilitated by a third party. The internal review process generally involves the completion of a confidential evaluation questionnaire by other Board members. If an external review is conducted, the process generally occurs by way of an interview.

The results of the review are discussed by the Chairman with the Director concerned. Evaluation results for the Chairman are provided to the Risk and Sustainability Committee Chair for discussion with the Chairman. Regular informal discussions take place between individual Non-Executive Directors and the Chairman.

During FY2021, a review of the Board, its Committees and its individual Non-executive Directors was facilitated by an independent external consultant with experience in conducting Board performance reviews. This externally facilitated review was originally planned for 2020 but was postponed due to restrictions imposed in response to COVID-19. This review was comprehensive and involved interviews with the Board, ELT and other management, the provision of requested information including Board and Committee papers and minutes of meetings and attendance at the Board and Committee meetings held in March.

The comprehensive scope of the review included: the effectiveness and performance of the Board and its Committees; the Board’s relationship with the ELT and how this relationship might be strengthened further; the effectiveness of governance and control systems including risk management and compliance oversight and how they accord with better practice for similar organisations; an assessment of the Board’s collective skills and their alignment with the vision and strategy, Board renewal, and Director induction and development; the quality of information provided to the Board including the content, structure, form, timing, utility and insightfulness; behaviour, culture, critical thinking and decision-making by Directors; an alignment of strategy setting initiatives with organisational and Board objectives and risk appetite and the performance and development of individual Directors, including peer perceptions, skills and capabilities and personal development planning.

The results of the review have been provided to the Directors. The Board and Committee results have been considered and discussed at a Nomination Committee meeting at which all Directors were in attendance.

The Chairman has also discussed the results of the Individual performance reviews separately with each Board member and his own results with the Chair of the Risk and Sustainability Committee.

Senior executive appointments and reviews

BlueScope has a written agreement with each executive setting out the terms of their appointment.

As part of the Board's oversight of senior management, all BlueScope executives participate in an annual performance review and goal setting. This involves evaluation of the executives by their immediate manager. Each executive is assessed against a range of criteria as relevant to their role, including achievement of goals relating to financial performance, operational excellence, safety, and delivery of strategic projects and initiatives. All senior executives participated in a performance evaluation on this basis in relation to the year ended 30 June 2021.

Prior to the appointment of any new executive, BlueScope carries out appropriate reference checks in respect of the candidate's character, experience, education, criminal record and bankruptcy history. This pre-appointment process step has been in place for the whole of the reporting period, however the manner in which the checks are conducted within each business has varied according to regional and local requirements. BlueScope continues to further streamline and ensure consistent delivery standards for the process.

Company Secretary

The Company can have more than one company secretary but at least one is to be appointed by the Board. The Board can suspend or remove a company secretary from office. The Company Secretary and Chief Legal Officer is accountable directly to the Board through the Chairman on all matters to do with the proper functioning of the Board.

Inclusion and Diversity

At BlueScope, we are committed to creating a safe and inclusive workplace where everyone feels valued, has a sense of belonging, and can contribute in a meaningful way to our Company.

We know that a diverse workforce and inclusive culture are a competitive advantage, lead to sustained business success and make BlueScope a better place to work.



Our approach to inclusion and diversity, including our policy, is outlined in the 'Sustainable Steel/Workplaces' section of BlueScope's website.

In FY2021 females represent 22% of our workforce (an increase from 21.4% in FY2020) and we have continued to build an inclusive workforce which reflects the diversity of the communities in which we operate. While COVID-19 has presented many challenges, it has also offered opportunities that have resulted in a more connected workforce. The launch of Our Purpose helped us harness these opportunities by emphasizing a shared sense of meaning and belonging across our people. This sense of belonging is central to an experience of inclusion and appreciation of diversity across our business.

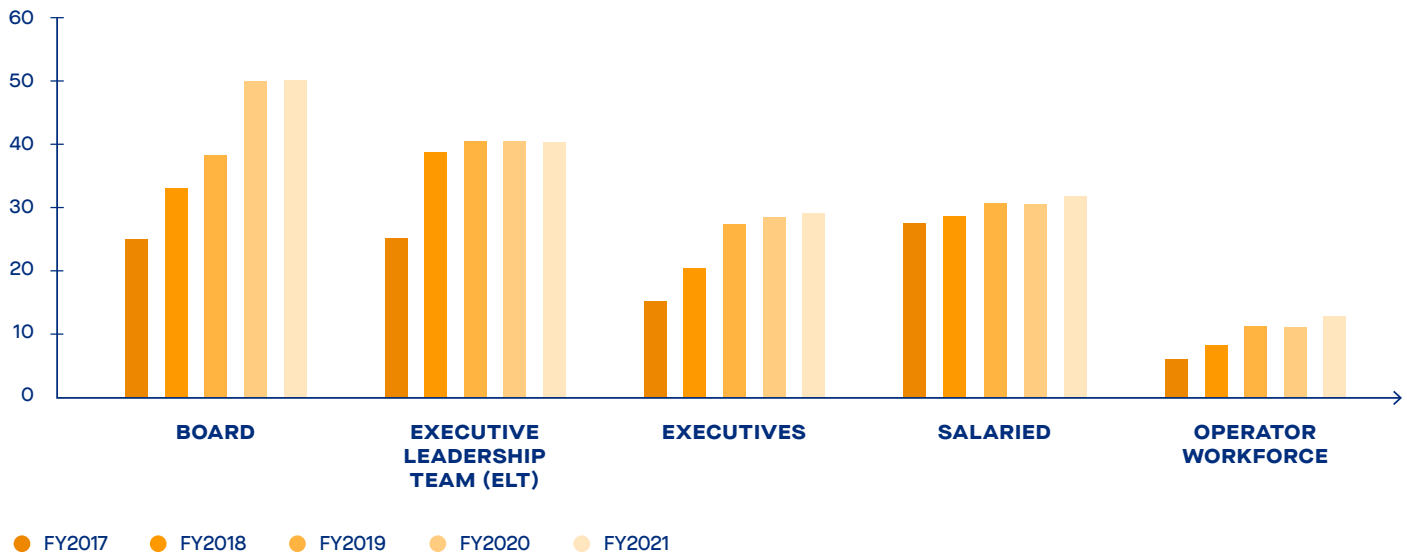
Our five-year Inclusion and Diversity Strategic Framework provides each business with the flexibility to tailor specific activities to suit their local community and business needs.

The Remuneration and Organisation Committee reviews the progress towards, and effectiveness of, the measurable objectives set by it via an annual assessment of inclusion and diversity targets including pay equity. This is underpinned by quarterly reviews of business specific data.

Our people

The following data illustrates our ongoing progress towards gender balance across our workforce, including in the leadership pipeline and our operations workforce. Due to the impact of COVID-19 and the change in candidate availability and role demand, recruitment figures moderated this year to below the 40 per cent overall female target and 30 per cent target for operator/trade. Recruitment is a key vehicle for improving gender balance across our workforce.

WOMEN IN BLUESCOPE WORKFORCE (%)



WOMEN IN BLUESCOPE RECRUITMENT (%)



Metric description	FY2021 Target	FY2021 Actual	FY2022 Target
Female participation at Board and ELT	30%	50% Board 40% ELT	40% male
			40% female
			20% any gender
Recruitment of females overall	40%	36%	30% threshold 40% aspiration
Recruitment of females in operator/trade	30%	32%	>30%

Executive Leadership Team includes CEO and direct reports, Executives include all employees that have an Executive contract (CEO -1, -2, -3).

During FY2021 BlueScope became a signatory to the HESTA 40:40 Vision by which it is committing to pledge to achieve gender balance (40:40:20) in executive leadership by 2030. As the preference is to achieve alignment in the composition of the Board and the ELT, the Board's target is to achieve gender balance of 40 per cent women, 40 per cent men and 20 per cent any gender. Currently, the Board meets this target. However, it is recognised that with a small Board there may be periods where its composition might not meet the target due to the timing of Board succession and transition.

Structuring
the Board

Instilling
culture

Safeguarding
integrity

Timely & balanced
disclosure

Respecting
the rights of
shareholders

Recognising &
managing risk

Fair & responsible
remuneration



Our approach

Inclusion and diversity is integrated into who we are, how we operate, and our ability to enact Our Purpose and strengthen communities for the future. In FY2021 we continued to make progress against the goals we set around Gender Balance, Life Ages and Stages and Inclusion, despite the disruption of COVID and remote working challenges affecting training completion rates and diverse recruitment. There was a positive uptake of flexibility and hybrid working models being trialled and adopted across our business for roles where there is a level of flexibility.

A summary of our focus areas and progress in FY2021 is outlined below, together with our goals for FY2022. We are committing to strategic goals that allow each business unit to develop local actions and plans to best suit the communities in which we operate.

FY2021 target area	FY2021 progress	FY2022 goal
Inclusion » Policies (global standards in place for flexibility)	» Launched Flexibility policy and new ways of working across geographic footprint. » Launch of the Speak Up Policy and a refreshed version of <i>How We Work: Our Code of Conduct</i> (articulation of behavioural expectations, translated into 13 languages across BlueScope). » Launch of Our Purpose survey to measure awareness and alignment of our global senior management teams (CEO-3) to Our Purpose launched in September 2020. Achieved a leadership alignment score of 87 per cent against an activation target set at 70 per cent.	Reinforce a safe environment for all employees to speak up, be heard and feel welcome – measured through our Global Survey in 2021.
Enhance under-represented groups » Gender balance » Leadership diversity	» Signatory to the <i>40:40 Vision</i> (Commitment to achieve a gender balance of 40 per cent women, 40 per cent men and 20 per cent any gender on the Board and Executive Leadership Team by 2030). » Recruitment strategies deployed in US, ASEAN and Australia including the use of a gender bias decoder in advertising and geo-mapping.	Enhance under-represented groups throughout all levels of the organisation and continue to drive total female recruitment >30 per cent and target 40 per cent female participation at Board and Executive Leadership Team.



Structuring the Board	Instilling culture	Safeguarding integrity	Timely & balanced disclosure	Respecting the rights of shareholders	Recognising & managing risk	Fair & responsible remuneration
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FY2021 target area	FY2021 progress	FY2022 goal
Partnering for change » Multi-dimensional diversity	» Development of Australia's <i>First Nations Framework</i> which is an engagement strategy that will work towards growing and supporting the representation and empowerment of First Nations people within our business, supply chains and communities. » Disability hiring strategy in China. » <i>Community Campus</i> in Australia (offering free use of buildings to community groups). » Community mentoring in New Zealand, United States and Australian Corporate team with underprivileged youth. » Completed our Engage-Assess-Improve sustainability audit process with 127 prioritised supply chain partners, and supported over 48 supplier improvement plans.	Develop community partnerships that have a demonstrable positive social impact throughout the year, with a target of 1 partnership per business unit in FY2022.
Continue to embed inclusive behaviours through our people systems, practices and development programs » Life ages and stages transition to retirement » Global learning platform re-design	» Executive leadership training with a 12-week challenge. » Launch of a global learning and experience platform. » Unconscious Bias awareness training. » Commenced knowledge capture strategies for accelerating next generation learning and transition to retirement.	Build leadership capability for an Inclusive Culture with all employees to complete training in <i>How We Work: Our Code of Conduct</i> .
Diversity and Inclusion scorecard » Pay equity	» Ongoing analysis and review of pay equity with minimal pay differentials and action plans where required. » NS BSL monthly employee feedback via Pulse Check. » Established a new Social Impact and Inclusion function and Social Compliance due diligence process. » Participation in first ESG Survey from RepTrak, a reputation study with a new metric on Environmental Impact, Social Performance and Governance Standards. The Company ranked 4th out of the 60 benchmark companies in Australia, which is an outstanding result.	Continue to measure inclusion and social impact via the Social Compliance due diligence process.

Integrated strategy

The newly appointed role and function of Head of Social Impact and Inclusion will ensure we are taking a global approach to an inclusive culture – across all aspects of our business – with clear focus areas, business accountabilities, and a governance framework to track progress and continuous improvement on all relevant activities and measurable objectives. Our Purpose calls on us to strengthen our communities for the future, and to deliver on this we must position Inclusion and Diversity as a strategic enabler which is embedded within core business processes and activities and extends beyond our employees to include all community stakeholders.

Structure the Board to be effective and add value

Board skills and experience

As part of the 2021 Board performance review, the external consultant undertook an analysis of the Board skills and capabilities including application of a skills matrix that combines the skills and capabilities required for a high performing board generally with the Company's particular strategic, regulatory and broader requirements and an analysis of the Board's existing levels of skill in each of the relevant areas through self-assessment by Directors of their own contribution and skills using better practice objective criteria (2021 Board skills Assessment).

Following the 2021 Board skills Assessment, the Nomination Committee considered the key skills and experience desirable for those on the Board, which it previously used for the purposes of its Board skills matrix, and updated them to better reflect and align with the diagnostic tool used in the 2021 Board skills Assessment, so they can be used consistently for future Director appointments and also to update existing Director skill assessments as appropriate. The updated key skills and experience desirable for those on the Board are set out in the table below. In addition, a graphic has been included to illustrate the depth of skills and experience on the Board.

Skills/experience (S/E)	Description	No. of Directors with S/E ²
Leadership	Senior leadership experience, including as a Director or CEO of a major listed business and leading through a period of significant disruption or change and understanding the boundaries and interfaces between board and management in comparable organisations.	 8 / 8
Strategy and commercial acumen	Experience in assessing, testing, implementing and monitoring progress of strategic objectives, business plans and financial performance including experience in assessing optimum outcomes in terms of value proposition to customers, capital management and funding arrangements.	 8 / 8
Legal, risk and governance	Experience in identifying and resolving legal and regulatory issues, knowledge of governance requirements for listed entities and a commitment to delivering those requirements and to sustaining high standards of organisational reputation and the ability to manage, oversee or establish risk (including setting risk appetite) and compliance frameworks and systems processes required to identify, monitor and manage key risks including non-financial risks.	 8 / 8
Financial oversight	Experience in analysing and challenging financial statements and financial forecasts in comparable organisations, understanding auditing and accounting issues relevant to the preparation of financial statements and engaging with or overseeing external auditors. Accounting or related financial management experience or qualifications.	 8 / 8
People and culture	Experience in people matters including assessing, developing and monitoring workplace culture (and understanding the impacts of culture on performance), organisational transformation, talent development and retention, employee engagement, succession planning and remuneration and setting objectives and KPIs.	 8 / 8

2 Includes Directors rated as capable, advanced or expert.

Skills/experience (S/E)	Description	No. of Directors with S/E ²
Operations management	Experience in, or an understanding of, major operations management including workplace health and safety, management of complex industrial assets including supply chain considerations, project management and engineering/technical operations.	 7 / 8
Sustainability	Experience in, or an understanding of, issues, regulations and reporting requirements concerning environmental, social or governance issues in comparable organisations including stakeholder expectations.	 8 / 8
Technology	Experience in, or responsibility for, information technology, data management and security, planning and executing technology transformation.	 6 / 8
Digital	Experience in leading or overseeing a digital transformation program and/or understanding innovation in information technology and digital disruption.	 6 / 8
Market experience	Experience in some or all of the following markets or industries which are directly relevant to the organisation: Steel making, Manufacturing, Building and Construction, Building Products, Commodity trading or the Metals/Material industry.	 8 / 8
Customer engagement	Experience in delivering customer focused solutions through innovation, product development or marketing and/or managing premium brands and an understanding of sales channels and customer engagement in comparable organisations.	 7 / 8
Geographic experience	Experience living in, or managing projects or businesses in, different regions including Australasia, Asia or the Americas, with an exposure to a range of cultural, political, legal and social environments. Experience living in different regions.  ● 92% Australasia ● 29% The Americas ● 29% Asia ● 29% Other Experience in managing projects/businesses in different regions.  ● 96% Australasia ● 62% The Americas ● 66% Asia ● 37% Other	

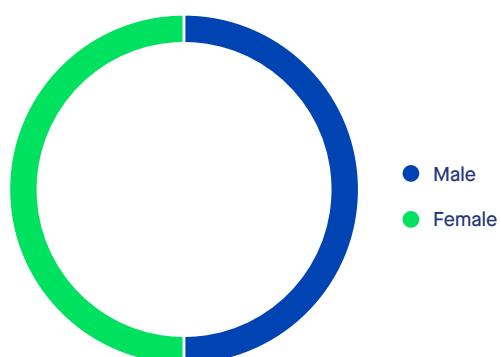
2 Includes Directors rated as capable, advanced or expert.

During FY2021 the Board has considered the key skills and experience desirable for those on the Board and, relying upon the 2021 Board skills Assessment, has determined that the current composition of the Board provides coverage of all these identified skills and experiences.

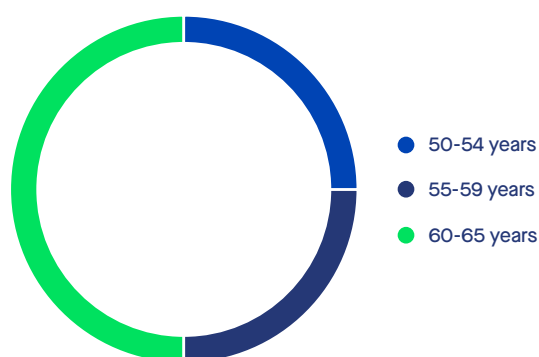
The Board also looks for gender diversity within these skill sets. Based on the assessment by the Nomination Committee of the diversity and skills to complement current Board members, recommendations are made to the Board on candidates it considers appropriate for appointment.

The following graphics illustrate the diversity of the Board by reference to a number of factors as at 30 June 2021.

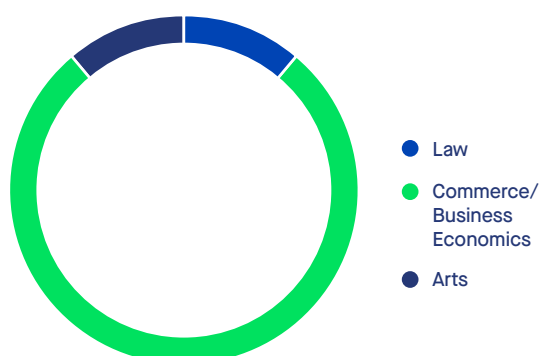
GENDER



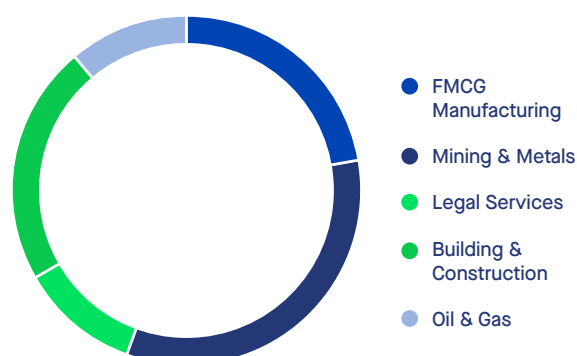
AGE



TERTIARY QUALIFICATIONS



INDUSTRY EXPERIENCE



Upon appointment, Directors undertake a comprehensive Board and Committee Induction Program, covering details of BlueScope's policies, operations and the environment in which it operates. The program includes site visits, meetings with management and with BlueScope's auditors (if requested) and extensive background reading materials.

The Company's Board and Committee Induction Program utilises an induction checklist. The checklist sets out key briefings, topics and documents for each of the Board and Committees. The checklist will assist in determining what an induction program will look like for each new Non-executive Director. It is recognised that not all inductions will be the same depending upon the experience and role of the new Director (e.g. which Committees they may join) and whether their appointment to Committees occurs simultaneously with their appointment to the Board or at a later time.

There is also an ongoing program of regular site visits to improve Director knowledge of BlueScope's businesses and key management personnel. Given the restrictions on accessing sites due to COVID-19, in FY2021 the Directors participated in additional facilitated virtual interactions with business representatives, operational employees and key subject matter experts. These interactions provided the Board with first-hand insights into business hazards and risks and have included showcases of health, safety and environmental activities. All Directors participated in BlueScope's expert-led HSE Evolution virtual workshops, which educate BlueScope's leaders on a human-centred approach to risk management that encourages learning and integrates contemporary safety and leadership philosophies into how we work at BlueScope. During a brief easing of restrictions, Directors attended several sites in Australia.

Directors are also offered support in taking up opportunities to develop and maintain the professional skills and knowledge needed to perform their role as Directors effectively.

The Company recently augmented its Director Education program which comprises the following:

- » a professional development program whereby following the Risk and Sustainability Committee's annual consideration of new and emerging business and governance risks, the Nomination Committee considers professional development needs required to be implemented for that calendar year to endeavour to address any identified skills, knowledge or experience gaps;
- » update briefings on material developments in laws, regulations and accounting standards relevant to BlueScope; and
- » the Non-Executive Director Education and Training policy which allows each Non-executive Director to attend relevant education/training events.

Director independence

All Directors other than the Managing Director and Chief Executive Officer are Non-Executive Directors and the Board considers all of its Non-executive Directors (including the Chairman) to be independent i.e. a majority of the Board is comprised of independent Directors. Where a Non-Executive Director is a Director of a company with which BlueScope has, or has had, a contractual or business relationship in the last three years, in making an assessment of the independence of that Non-executive Director, the Board considered whether, and formed the view that, each Director is free of any material business or other relationship that could, or could reasonably be perceived to interfere, in a material respect, with the exercise by the Director of an independent judgement in the best interests of the Company as a whole and its security holders generally.

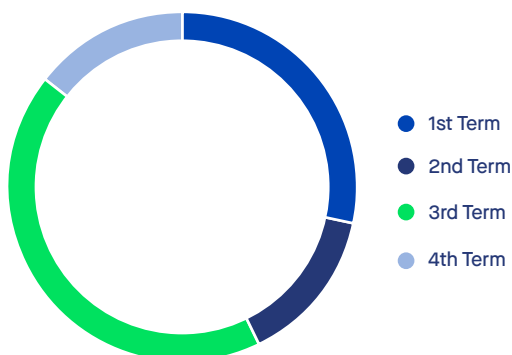
Each year the Board assesses the independence of its Non-executive Directors against its Independence Policy.



The Director Independence Policy is contained under the 'About Us/Governance' section of BlueScope's website.

Length of service

The length of service of each Director is included on pages 28 to 31 of the Directors' Report. Non-executive Directors are required to submit for re-election by shareholders every three years. The graphic below illustrates the current Non-executive Director tenure.

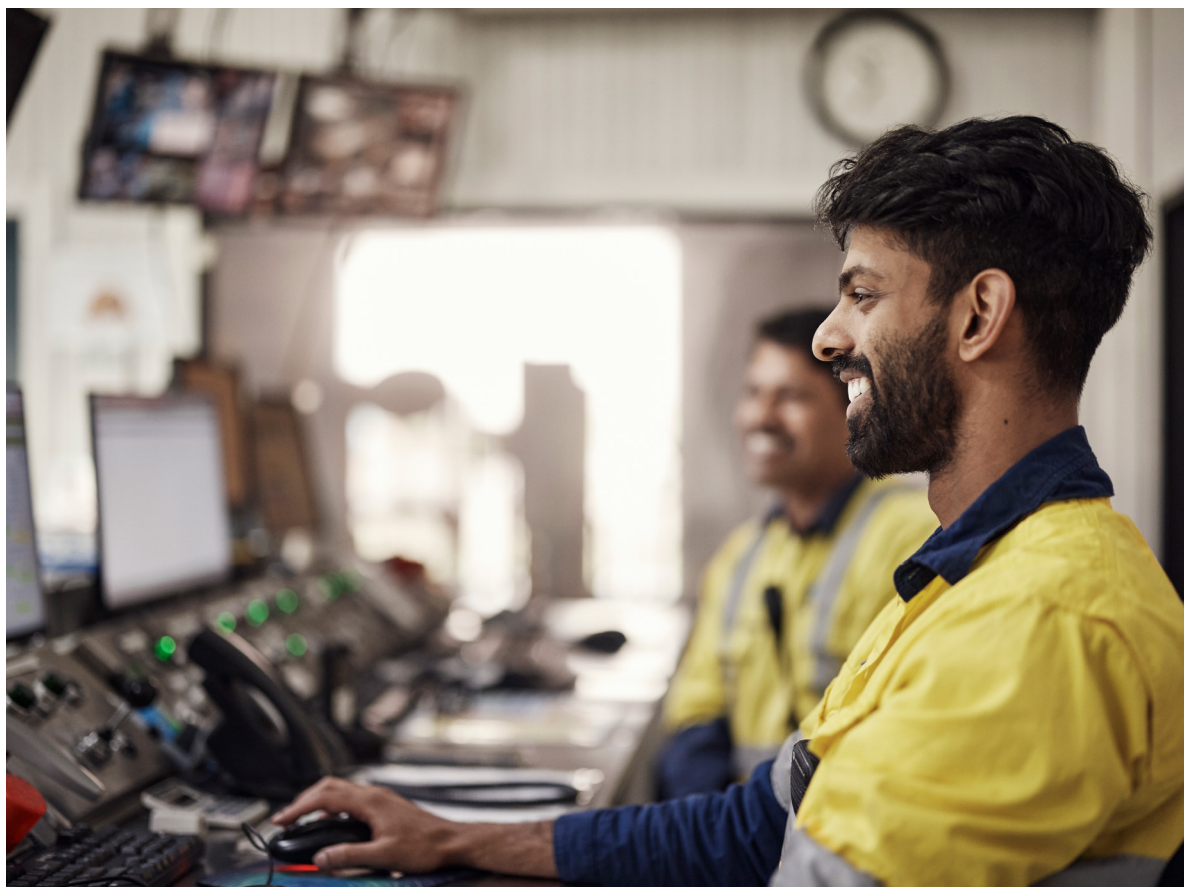


The Board has adopted a Non-Executive Director Tenure Policy which provides that a Non-executive Director may serve a maximum of three terms of three years from the date of first election by shareholders,

subject to extension at the discretion of the Board, if it forms the view that to do so would benefit BlueScope. If the Board requests a Director (and such Director consents) to continue serving beyond three terms, the Director must submit himself or herself for re-election at the next Annual General Meeting. Over the next few years several Directors will be retiring and consequently Board renewal is a current key focus of the Board. It is the Board's intention that during this transition period, those Directors may remain on the Board for approximately ten years.

The Board currently comprises eight Directors, all of whom are based in Australia. It is the Board's view that this does not reflect the global diversity of BlueScope's operations. Consequently, it is anticipated that some of the future additions to the Board will emanate from certain of the overseas geographies where we conduct business.

To allow Board transition to take place in an orderly manner and also facilitate the transfer of corporate knowledge to new Director appointees, it is proposed that at the 2021 AGM shareholder approval be sought to temporarily increase the maximum number of Directors that can be appointed to the Board from ten to twelve until the conclusion of the 2025 AGM.



Instil a culture of acting lawfully, ethically and responsibly

Our Purpose and Our Bond are supported by BlueScope's Code of Conduct, *How We Work*. Our Purpose sets out why we exist.

Our Bond sets out guiding principles for BlueScope's relations with its customers, employees, shareholders and the community. Our Bond, which articulates our values, can be found under the 'About Us/Governance' section of BlueScope's website.

In FY2020, the Code of Conduct was refreshed to ensure it remains relevant, engaging and accessible for all of BlueScope's employees. The Code of Conduct contains the principles of conduct expected of our employees, our Directors and our business partners across four areas:

- » our commitment to health and safety;
- » treating people with dignity and respect;
- » respecting our communities and the environment; and
- » protecting our business.

The Code of Conduct contains BlueScope's core Group policies in each of these areas, including our policy in relation to anti bribery and corruption. These core policies are supported by other Group and Business Unit policies, standards and guidelines, as well as regular training.

In FY2021, our global leaders played a key role in the implementation of our refreshed Code of Conduct by leading discussions with their teams to create awareness and understanding across our entire workforce. This manager-led engagement has been supported by a range of materials designed to build employee engagement and understanding of the Code, as well as more traditional training materials.

BlueScope continues to work on strengthening its culture to support ethical and responsible work practices across every part of our business with the support of BlueScope's dedicated Ethics and Compliance function. A full copy of our Code of Conduct and Speak Up Policy can be found under the 'About Us/Governance' section of BlueScope's website.

BlueScope's Speak Up Policy sets out our commitment to encouraging a culture of speaking up when something is not right and protecting those who do. We continue to raise awareness of the channels for reporting misconduct concerns and ensure all concerns raised are assessed, investigated where appropriate, and feedback provided to the reporter. All material breaches of the Code of Conduct, including material breaches of our anti bribery and corruption policy and any material incidents reported under our Speak Up policy, are reported to the Risk and Sustainability Committee quarterly.



A full copy of our Code of Conduct and Speak Up Policy is available under the 'About Us/Governance' section of BlueScope's website.



Safeguard the integrity of corporate reporting

CEO and CFO certification of financial statements

For the FY2021 year annual and half-year financial reports, the Board received assurance from the Managing Director and Chief Executive Officer and the Chief Financial Officer that, in their opinion:

- » the financial records of BlueScope have been properly maintained;
- » the financial statements and notes required by accounting standards for external reporting;
- » give a true and fair view of BlueScope's financial position and performance; and
- » comply with the accounting standards and any further requirements in the Corporations Regulations and applicable ASIC Legislative Instruments/Class Orders; and
- » the above representations are based on a sound system of risk management and internal control and the system is operating effectively in all material respects in relation to financial reporting risks.

Verification of periodic corporate reports

The Company is committed to providing clear and meaningful disclosures to its investors in its periodic corporate reports. In all circumstances, including where BlueScope's auditor is required to review or audit periodic corporate reports, BlueScope conducts internal review and verification processes to ensure that the information contained in these documents and their overall presentation are accurate, balanced and provide investors with appropriate information to make informed decisions about BlueScope. The information contained in these documents is reviewed, verified and signed-off by relevant functional subject matter experts, internal audit and the relevant business unit management prior to approval for release to the market.

The periodic corporate reports prepared for the benefit of investors which are subject to the above review and verification process include the Appendix 4E/4D, Results Investor Presentation, Results ASX Release, Directors' Report, Annual Report, Corporate Governance Statement, Tax Contribution Report, Sustainability Report and Climate Action Report (which is a new periodic corporate report released in September 2021).



External Auditor engagement

The Company recognises the critical importance of audit independence, both real and perceived, to the integrity of financial reporting. It also recognises the importance of Group-wide client knowledge achieved through a long-term audit relationship to a high quality and insightful audit engagement.

The Board has established general principles and related policies for the appointment of the external auditor and their use for non-audit services. When taken as whole, these principles and policies are more onerous than mandatory or audit industry practice.

The key principles the Company will consider when engaging the external auditor are:

- | | |
|--|--|
| 01. Review of the audit quality and service at least every three years, including an assessment of the audit market and a decision whether to tender the engagement. | 07. Healthy rotation of audit managers and offshore subsidiary entity partners (but not constrained by five years rotations). |
| 02. A three-year commitment to an audit firm, subject to annual independence confirmation, performance review, cost benchmarking and reassessment of general terms and conditions of the engagement. | 08. Robust annual independence, global service quality and cost benchmarking assessments. |
| 03. Engagement of a single 'top tier' global audit firm throughout the entire Group. | 09. Regular and robust independent discussion, not in the presence of management, between the auditor and the Audit Committee, the Audit Committee Chairman and the Board Chairman. |
| 04. Central audit team located close to the corporate head office with access to strong technical, valuation, actuarial, IT controls and manufacturing industry specialist. | 10. Adherence to BlueScope's requirements for the hire of current and past employees of the external auditor (as outlined in policy), with a strong bias to not hiring anyone to an audit critical role that has been involved in the delivery of the BlueScope audit in the past two years. |
| 05. Leverage of business knowledge and continuity of audit firm through business cycles. | 11. Adherence to BlueScope's non-audit service requirements (as outlined in policy) which prohibits certain services and permits some subject to an independence assessment and Audit Committee approval with a strong bias to minimise permitted advisory services. |
| 06. Rotation of signing and review partners at least every five years, with a strong preference not to 'recycle' signing partners. | |

Unless required by law, the Company does not consider it necessary to apply any mandated restriction on the timeframe an incumbent audit firm can provide external audit services to BlueScope.

Make timely and balanced disclosure

The Company is subject to continuous disclosure obligations under the ASX Listing Rules and Australian corporations' legislation. Subject to limited exceptions, the Company must immediately notify the market, through ASX, of any information that a reasonable person would expect to have a material effect on the price or value of its securities. As part of its continuous disclosure responsibilities, the Company has

established a Continuous Disclosure Policy and guidelines to promote compliance with these requirements and to clarify accountability at a senior executive level for that compliance.

Promptly following receipt of acknowledgement of release of a material market announcement to ASX, a copy is provided by email to the Directors.



A copy of the Continuous Disclosure Policy is included under the 'About Us/Governance' section of BlueScope's website.



Respect the rights of shareholders

Respecting the rights of shareholders is of fundamental importance to BlueScope. BlueScope recognises that shareholders must receive high-quality relevant information in a timely manner in order to be able to properly and effectively exercise their rights as shareholders.

The Company provides information about itself and its governance to shareholders via the 'About Us/ Governance' section of BlueScope's website. The Company ensures that new and substantive investor or analyst presentations are released to the ASX ahead of those presentations.

A summary of the Company's Shareholder Communication Strategy, including measures encouraging shareholder involvement in Annual General Meetings, is available under the 'About Us/Governance' section of BlueScope's website. To ensure all votes of shareholders count, all resolutions at the Company's Annual General Meeting are decided by way of a poll.

The Company has implemented an investor relations program to facilitate effective two-way communication with our shareholders and prospective investors. Some of the specific initiatives we have put in place include:

- » webcasting important events such as financial results briefings and our Annual General Meeting, and providing archives of these on our website;
- » access to executive and operational management through these webcasts, the Annual General Meeting, investor days and site visits (when travel is possible);
- » one-on-one and small group meetings when requested and in compliance with appropriate governance standards;
- » responding to queries on all BlueScope announcements in a timely manner;

- » subscription email service for announcements, and a facility to ask questions via BlueScope's website; and
- » making available enhanced business and financial information on BlueScope's website including an extended financial and despatch history.

Like most companies, the Company's 2020 AGM was held online due to the COVID-19 restrictions. The Company relied upon the relief allowing the Notice of Meeting to be provided online. However, to assist shareholder participation, the Company also provided both a hard copy proxy form and a form to ask questions prior to the meeting to those shareholders who had not elected to receive notices electronically. Where it is safe to do so, the Board will always encourage shareholder participation in person at meetings.

The Company provides shareholders with the option to receive communications from, and send communications to, the Company and its Registry Services Provider electronically.

The Company facilitates engagement with retail investors through its webcasts, its Annual General Meeting, through regular engagement with the Australian Shareholders Association and by promptly responding to queries made of the Investor Relations team, whose details are included on its releases.



The Shareholder Communication Strategy can be found in the 'About Us/Governance' section of BlueScope's website.

Recognise and manage risk

Risk management

BlueScope's Integrated Risk Management Framework builds on the Board-approved Risk Management Policy. The Risk Management Framework was substantially updated during FY2021 to incorporate leading practice. The framework reflects the contemporary management of risk in BlueScope; defining the concepts, accountabilities and processes for managing risk. A summary of BlueScope's Risk Management Framework is available under the 'About Us/Governance' section of BlueScope's website.

Each year, the Board assesses whether BlueScope's Risk Management Framework is sound and that BlueScope is operating with due regard to the risk appetite set by the Board. This was confirmed by the Board with respect to the 2021 financial year following a consideration by the Board and each Committee of the risks for which they are responsible as specified in their Charter.



The Risk Management Framework can be found in the 'About Us/Governance' section of BlueScope's website.

As previously advised, we have chosen to align our approach and progress in managing climate change risks and opportunities to the Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We have identified our reporting metrics that are consistent with the Sustainability Accounting Standards Board (SASB) Industry Standard for Iron and Steel Producers and intend to further align our disclosures to the SASB Standard in future reporting periods.

This year we also released a standalone Climate Action Report in September. Pages 68 to 73 of the Climate Action Report include BlueScope's identified climate-related risks in more detail. While the Sustainability Report and Climate Action Report both address BlueScope's strategy and performance with respect to climate change, the latter provides more detailed information about our decarbonisation approach and pathway.



The Climate Action Report and Sustainability Report can be found in the 'Sustainable Steel' section of BlueScope's website.

Sustainability risks

Pages 22 to 24 of the Operating and Financial Review in the Company's Directors' Report contain a summary of BlueScope's key risks including, where relevant, material economic, environmental and social sustainability risks. These risks are managed within BlueScope's Risk Management Framework referred to above.

BlueScope reports on its sustainability approach and performance through its sustainability reporting suite which includes the Sustainability Report, Tax Contribution Report and Modern Slavery Statement. Summaries of the disclosures relating to our most material sustainability topics are also included in the Directors' Report. In addition, BlueScope's Code of Conduct (referred to above under Principle 3) helps guide management of sustainability risks.

The Company issued its FY2021 Sustainability Report in September 2021, which continues to follow the Core option of the Global Reporting Initiative (GRI) Standards.

Internal audit

BlueScope's internal audit activities are undertaken by a separate Internal Audit function. The primary role of Internal Audit is to provide independent and objective assurance on the adequacy and effectiveness of risk management control and governance processes. An internal audit plan is approved and monitored by the Audit Committee. To maintain the independence necessary to carry out its role, Internal Audit reports functionally to the Chair of the Audit Committee and confirms annually to the Audit Committee the organisational and individual auditor independence. Briefings on internal audit activities are provided at each Audit Committee meeting, including a discussion in the absence of management.

The VP of Internal Audit has a BCompt (Bachelor's degree in Accounting Science) majoring in Auditing, a Postgraduate certificate in Risk Management and Strategic Decision Making, is a member of the Institute of Internal Auditors (IIA) and has 30 years of experience in risk management, governance and internal audit.

Remunerate fairly and responsibly

The Remuneration Report (on pages 33 to 61 of the Directors' Report) sets out details of BlueScope's policy and practices for remunerating Directors, key management personnel and senior executives.

Commencing in October 2020 a Non-executive Director Fee Sacrifice plan was implemented. The plan is intended to provide an opportunity for Non-executive Directors to build their shareholding in the Company to allow them to share in the long-term growth of BlueScope, further aligning their interests with the interests of our shareholders, to facilitate meeting the Company's minimum shareholding requirement for Non-executive Directors, and to assist them in acquiring shares in the Company in compliance with Australian insider trading laws and BlueScope's Securities Trading Policy. Non-executive Directors can elect a proportion of their base fees to salary sacrifice prior to the beginning of each financial year, and rights are granted and vested in two tranches. Shares to fulfil the vested rights are purchased on market during BlueScope's trading windows. Non-executive Directors are restricted from trading vested shares for 15 years or until retirement, whichever is earlier. Other than superannuation, there are no schemes for retirement benefits for Non-executive Directors.

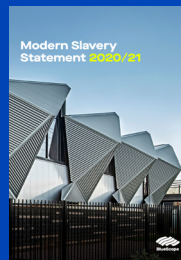
BlueScope's Securities Trading Policy sets out the rules that restrict dealing in the Company's shares and is designed to help prevent employees from contravening laws on insider trading. Additional trading restrictions apply to employees deemed to be Restricted Persons, including Directors and executives. Under the Policy, and as required by law, all Directors and employees are prohibited from trading in the Company's shares at any time if they are aware of any market sensitive information that has not been made public. Restricted Persons are only permitted to trade in the Company's shares during the 45-day periods from the commencement of trading the day following the announcement of the full-year and half-year results, and the 15-day period from the commencement of the trading day following the Annual General Meeting, and if they have notified the Company Secretary in writing in advance and received clearance. All Company share dealings by Directors are notified to the ASX within the required time. The Policy also specifically prohibits entry into transactions in associated products that limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.



A copy of the Securities Trading Policy is available under the 'About Us/Governance' section of BlueScope's website.



Click to read our
other reports



Level 11, 120 Collins Street
Melbourne, Victoria 3000 Australia

bluescope.com

  @BlueScope

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

BlueScope Steel Limited

ABN/ARBN

16 000 011 058

Financial year ended:

30 June 2021

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: <https://www.bluescope.com/about-us/governance>

The Corporate Governance Statement is accurate and up to date as at 1 September 2021 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 21 September 2021

Name of authorised officer
authorising lodgement:

Debra Counsell
Company Secretary



¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ and we have disclosed a copy of our board charter which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters”).

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☒ and we have disclosed a copy of our diversity policy which is available on our website at: https://www.bluescope.com/about-us/governance/ethics-and-compliance/ and we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/ and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period, which is disclosed in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-performance-evaluation/ and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/ and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation in <u>full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE	
2.1 The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ and we have disclosed a copy of the charter of the committee which is available on our website at: https://www.bluescope.com/about-us/governance/governance-structure-and-management/ and the information referred to in paragraph (4) in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/ and the information referred to in paragraphs (4) and (5) on pages 28 to 32 of our 2021 Directors' Report included in the 2020/2021 Annual Report which is available on our website at: https://www.bluescope.com/investors/annual-reports/
2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒
2.3 A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ and we have disclosed the names of the directors considered by the board to be independent directors on pages 28 to 31 of our 2021 Directors' Report included in the 2020/2021 Annual Report which is available on our website at: https://www.bluescope.com/investors/annual-reports/ and, where applicable, the information referred to in paragraph (b) in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/ and the length of service of each director on pages 28 to 31 of our 2021 Directors' Report included in the 2020/2021 Annual Report which is available on our website at: https://www.bluescope.com/investors/annual-reports/

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
2.4	A majority of the board of a listed entity should be independent directors.	☒
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☒
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY		
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values on our website at: https://www.bluescope.com/about-us/our-purpose-our-bond/
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our code of conduct on our website at: https://www.bluescope.com/about-us/governance/ethics-and-compliance/
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our whistleblower policy on our website at: https://www.bluescope.com/about-us/governance/ethics-and-compliance/

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our anti-bribery and corruption policy on our website at: https://www.bluescope.com/about-us/governance/ethics-and-compliance/

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ and we have disclosed a copy of the charter of the committee which is available on our website at: https://www.bluescope.com/about-us/governance/governance-structure-and-management/ and the information referred to in paragraphs (4) and (5) on pages 28 to 32 of our 2021 Directors' Report included in the 2020/2021 Annual Report which is available on our website at: https://www.bluescope.com/investors/annual-reports/
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ and we have disclosed our continuous disclosure compliance policy which is available on our website at: https://www.bluescope.com/about-us/governance/continuous-disclosure-policy/
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ and we have disclosed information about us and our governance which is available on our website at: https://www.bluescope.com/about-us/governance/
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders under the Shareholder Communication Strategy which is available on our website at: https://www.bluescope.com/about-us/governance/shareholder-communication-strategy/
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ and we have disclosed a copy of the charter of the committee which is available on our website at: https://www.bluescope.com/about-us/governance/governance-structure-and-management/ and the information referred to in paragraphs (4) in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/ and the information referred to in paragraphs (4) and (5) on pages 28 to 32 of our 2021 Directors' Report included in the 2020/2021 Annual Report which is available on our website at: https://www.bluescope.com/investors/annual-reports/
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ and we have disclosed how our internal audit function is structured and what role it performs in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/ and, if we do, how we manage or intend to manage those risks on pages 5, 8, 22-24 and 62 of our 2021 Directors' Report included in the 2020/2021 Annual Report and in our Sustainability Report and Climate Action Report, which are available on our website at: https://www.bluescope.com/investors/annual-reports/ AND https://www.bluescope.com/sustainable-steel/reports/

Appendix 4G
Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in <u>full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ and we have disclosed a copy of the charter of the committee which is available on our website at: https://www.bluescope.com/about-us/governance/governance-structure-and-management/ and the information referred to in paragraphs (4) in our Corporate Governance Statement which is available on our website at: https://www.bluescope.com/about-us/governance/board-and-directors/ and the information referred to in paragraphs (4) and (5) on pages 28 to 32 of our 2021 Directors' Report included in the 2020/2021 Annual Report which is available on our website at: https://www.bluescope.com/investors/annual-reports/
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in our Remuneration Report on pages 33 to 61 of our 2021 Directors' Report included in the 2020/2021 Annual Report which is available on our website at: https://www.bluescope.com/investors/annual-reports/
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ and we have disclosed a copy of our Securities Trading Policy which is available on our website at: https://www.bluescope.com/about-us/governance/