

BLUESCOPE RESPONSIBLE SOURCING SUPPLIER STANDARD

BlueScope is committed to sustainable sourcing practices that create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing BlueScope's products and services to market.

OUR BOND

At BlueScope, we recognise that for us to be the best at what we do we need to rely on strong relationships with our suppliers both globally and locally. Our suppliers are critical resources for our business and we recognise that our success is a mutual proposition.

At BlueScope we are guided by "Our Bond", a written expression of our values and principles that also reflects the importance of our Customers, Suppliers, our People, our Shareholders and the Communities in which we operate. Our Bond guides our actions and decisions and supports us in choosing to do what is right.

OUR COMMITMENT

BlueScope is committed to sustainable sourcing practices that create, protect and grow long-term environmental, social and economic value for all stakeholders involved in bringing BlueScope's products and services to market. We consider whole of life impact when assessing value and we will choose products and services that have lower environmental and social impacts over their life cycle compared to competing products and services.

BlueScope aims to conduct procurement and sourcing activities with integrity, in accordance with Our Bond and in accordance with applicable laws and regulations. We have a zero tolerance approach to bribery, corruption and improper practices and encourage reporting of any observed or suspected misconduct.

OUR APPROACH

BlueScope businesses are required to assess their supply chains based on materiality and sustainability risk factors. We require certain existing and potential new suppliers to demonstrate that the way in which they operate aligns with BlueScope's expectations, and to commit to the principles expressed in this Supplier Standard.

We partner with businesses large and small who share our values. We will communicate our principles and expectations to suppliers and review supplier alignment with our responsible sourcing standard from time to time.

Suppliers will be required to comply with BlueScope assessment processes that seek to show compliance with this standard. This includes responding to requests for information and may include site visits or third party assessments.

We will work with suppliers to improve social (including health and safety and human rights), environmental and ethical standards in our supply chain and within our suppliers' value chain.

Non-compliance with our principles and expectations as communicated by us to a supplier may lead BlueScope to require corrective action or take other measures, including termination of the business relationship.

TANIA ARCHIBALD
Chief Financial Officer

March 2018

BlueScope values and prioritises the following core principles and expects its suppliers to commit to them in supplying us and in respect of their own value chain.

OUR PRINCIPLES

Our aim is to ensure that sustainability principles are embedded within our sourcing processes, including supplier selection, performance monitoring and ongoing cooperation. BlueScope values and prioritises the following core principles and expects its suppliers to commit to them in supplying us and in respect of their own value chain.

1. Knowledge of material impacts

BlueScope recognises that understanding the nature and extent of an organisation's key impacts is critical to managing and minimising those impacts. BlueScope encourages its suppliers to identify their material sustainability issues, including its impacts on people, the environment, communities and their own supply chains.

2. Resourcing and scope

BlueScope encourages suppliers to invest sufficient resources to deliver sustainable outcomes, to improve their sustainability performance and to apply similar sustainability principles and approaches beyond its direct operations, to its suppliers, customers and investments.

3. Measure, Manage and Report

BlueScope believes that measuring, disclosing and being accountable for organisational performance can be a catalyst for driving sustainable business practices and improvement over time. BlueScope expects suppliers to have policies, procedures and management systems in place to measure and improve material environmental and social impacts.

SUPPLIER COMPLIANCE

If any part of this standard is unclear suppliers should ask their BlueScope contact for explanation.

A whistleblower hotline is readily accessible on our website and open to all our suppliers and stakeholders if questionable conduct is observed or suspected.

4. Respecting human rights

BlueScope expects its suppliers to respect human rights within its own operations and supply chains. In particular, we reject all forms of forced and compulsory labour and child labour.

5. Minimising environmental impact

BlueScope expects its suppliers to minimise and improve the environmental impacts associated with their products and services, operational footprint and supply chain.

6. Positively impacting communities

BlueScope expects its suppliers to manage their operations to have a positive impact on the communities in which they operate and serve.

7. Legal and regulatory compliance

BlueScope requires suppliers to comply with all applicable laws and regulations. This includes having a zero tolerance approach to bribery and corruption.

8. Engaging with BlueScope on these principles

Suppliers will be required to comply with BlueScope processes that seek to show compliance with this standard. This includes responding fully and honestly in relation to requests for information and may include joint assessments, such as site visits, or third party assessments to evaluate performance against the standard.

We confirm that we will comply with the principles expressed in this standard

Company Name

Name of Company Representative

Position of Company Representative

Signature