



**BlueScope Steel Limited**  
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[www.bluescope.com](http://www.bluescope.com)

25 September 2018

Company Announcements  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir,

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

Please see attached BlueScope Steel Limited's 2018 Corporate Governance Statement and Appendix 4G in accordance with ASX Listing Rules 4.7.3, 4.7.4 and 4.10.3.

Yours sincerely

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

Debra Counsell  
**Company Secretary**

# CORPORATE GOVERNANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

## INTRODUCTION

As a global organisation with businesses operating in many countries, BlueScope Steel Limited and its subsidiaries (BlueScope or Group) must comply with a range of legal, regulatory and governance requirements. The Board places great importance on the proper governance of the Group.

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 (3rd edition) (ASX Principles and Recommendations).

BlueScope Steel Limited (the Company) complies with each of the recommendations in the ASX Principles and Recommendations. This Corporate Governance Statement, current as at 3 September 2018, has been approved by the Board of BlueScope Steel Limited and includes specific disclosures required by each recommendation. Further information on the Company's corporate governance policies and practices can be found under the "About Us/ Governance" section of the [Company's website](#).

The Appendix 4G, which contains a summary of the location of corporate governance information relevant to the ASX Principles and Recommendations, can also be found under the "About Us/Governance" section of the [Company's website](#).

## PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

### Board Charter

The Board has adopted a Charter which sets out, among other things, the respective roles and responsibilities of the Board and management, the matters delegated to the Managing Director and Chief Executive Officer and those specifically reserved for the Board.

A summary of the Company's Board Charter and a statement of the matters reserved for the Board and the areas of delegated authority to senior management are available under the "About Us/Governance" section of the [Company's website](#).

### Director Appointment

The Nomination Committee determines the skill profile for new appointees (see "Board Skills and Knowledge" under Principle 2, 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. 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 or not to elect or re-elect a Director.

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

### Company Secretary

The Company Secretary is accountable directly to the Board through the Chairman on all matters to do with the proper functioning of the Board.

### Diversity at BlueScope

At BlueScope, we understand that the range of perspectives that result from a diverse and inclusive workplace will strengthen the Company's capability for continued and sustainable business success.

We know that a talented and capable workforce is a competitive advantage. We recognise this means our recruitment should target and draw from the whole community. Therefore, our Diversity goal is that **our workplaces reflect the communities in which we operate**.

The key principles that underpin our approach to Diversity are outlined in our *Diversity Policy* which can be found in the “About Us / Diversity” section of the [Company’s website](#).

BlueScope has initially focussed on attracting more females and creating a more gender balanced workforce. In the last two years, we have focussed on transforming our approach to operator and trade recruitment to ensure all members of our communities have an equal opportunity to be recruited to an operator role. This has resulted in a significant shift in our gender recruitment metrics, however, most importantly, it has had a positive effect on workplace culture and employee engagement. This focus on attracting more females extends into all job levels and locations.

We recognise the challenges of this step change, and are actively striving to create a more inclusive workplace where everyone understands and accepts why Diversity and Inclusion make good business sense. The key achievements listed below for each of our three focus areas from the past financial year will continue to evolve to further build upon the successes our people have already achieved in the business.

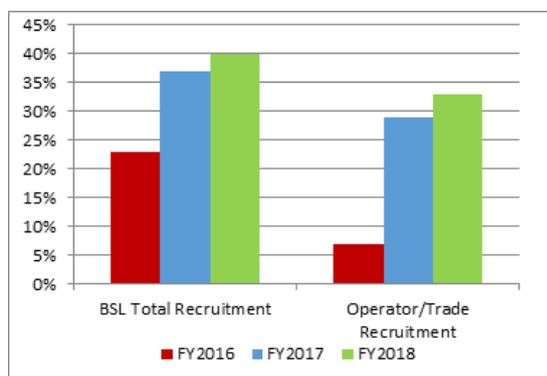
## GENDER RECRUITMENT

### Objectives

- Continue to increase the proportion of female operator and trade recruits
- Implement consistent recruitment practices and partnerships to increase attraction and recruitment of women

### Achievements

- Recruitment of females into permanent roles is at 40%, up from 37% (FY2017)
- Female Operator/trade recruits are at 33%, up from 29% (FY2017)
- Some operational sites have achieved female recruitment targets above 50% (Thailand and Indonesia)
- Innovative recruitment campaigns, including the ‘Blue Boots Campaign’ in Australia and ‘Career Fairs’ in North America have been used to attract females from new channels.
- The introduction of Talent Acquisition Specialists to drive consistent recruitment practices has had a significant impact on outcomes.



**% Females recruited FY16 – FY18**

## INCLUSION

### Objectives

- Provide a supportive work environment for all employees and their needs.
- Continued focus on on-boarding new employees through a formal program to ensure inclusion in the workplace.

### Achievements

- Revised on-boarding training for all new starters.
- On-boarding survey established to ensure timely feedback from new starters
- Continuing to build awareness about the benefits of an inclusive workforce (including sharing success stories from around the globe)
- Trialling a range of workplace flexibility options in various locations and for different job levels across the organisation.
- Diversity questions included in our Pulse engagement survey to get regular feedback from employees.
- Pay equity continues to be actively monitored, and action taken as required.

## AWARENESS & EDUCATION

### Objectives

- Training all leaders and managers on how to provide an inclusive environment and remove unconscious bias.
- Continue to reinforce our diversity goal through communication and awareness campaigns.

### Achievements

- Global roll-out of 'Workplace' by Facebook as a communication tool.
- Senior Leadership Training on Unconscious Bias completed. This will continue to be rolled out in FY2019 at all levels of leadership.
- A Global Diversity and Inclusion Communication Plan has been released, and is designed to communicate our diversity goals and the purpose of our diversity initiatives and engage employees to actively share learnings and success stories through targeted communication.
- A Toolkit is also available to assist Managers engage in conversations about the business case for diversity.

## DIVERSITY METRICS

### Female Representation in BlueScope

	FY2018	FY2017	FY2016
Board	33.0	25.0	25.0
Executive Leadership Team	33.0	25.0	11.0
Executives	20.0	14.5	13.8
Salaried	28.2	27.0	27.2
Operator workforce	8.4	6.1	3.9
<b>Total BlueScope</b>	<b>19</b>	<b>17.4</b>	<b>16.5</b>



*Executive Leadership Team* includes CEO and direct reports

*Executives* include all employees that have an Executive contract (CEO -1, -2, -3)

## FY2019 GOALS

In FY2019, our three focus areas will remain unchanged, and our goal of reflecting the communities in which we operate is still relevant for all businesses and regions.

We will increase our attention on *Flexible Work Practices* in all businesses and regions to ensure a supportive environment is provided for all employees.

We will drive our recruitment effort even harder, and establish a talent attraction strategy for *Trade roles* (in particular).

And, we will continue to challenge ourselves on the following aspects of leadership;

- Drive a culture of inclusiveness
- Deliver a compelling business case for diversity & inclusion, and
- Provide career opportunities and development for all employees equally.

Focus Area	FY2019 Goal
Gender Recruitment	<ul style="list-style-type: none"> <li>- Continue to increase the proportion of female operator and trade recruits</li> <li>- Implement consistent recruitment practices and partnerships to increase attraction and retention of women</li> </ul>
Inclusion	<ul style="list-style-type: none"> <li>- Provide a supportive work environment for all employees and their needs.</li> </ul>

	<ul style="list-style-type: none"> <li>- Continued focus on on-boarding new employees through a formal program to ensure inclusion in the workplace.</li> <li>- Continue to actively monitor pay equity</li> </ul>
Awareness and Education	<ul style="list-style-type: none"> <li>- Training all leaders and managers on how to provide an inclusive environment and remove unconscious bias.</li> <li>- Continue to reinforce our diversity goal through communication and awareness campaigns</li> </ul>

## Board Reviews

The performance of the Board and its Committees is evaluated regularly. Each year a range of formal performance reviews are conducted, including confidential evaluation questionnaires completed by Directors and management attendees at Board and Committee meetings. Informal review mechanisms, such as meeting feedback, are also used.

The performance of individual Directors is reviewed annually. The process generally involves the completion of a confidential evaluation questionnaire by other Board members, the results of which are discussed by the Chairman with the Director concerned. Evaluation results for the Chairman are provided to the Remuneration & Organisation Committee Chair for discussion with the Chairman. Regular informal discussions take place between individual Directors and the Chairman.

During FY2018, a performance evaluation of the Board, Committees and individual Directors commenced. This was by way of completion of confidential evaluation questionnaires. The results of those reviews have been provided to the Chairs of the Board and the Committees and to individual Directors. The Board and Committee results will be discussed at a Board and relevant Committee meetings, respectively.

## Senior Management Reviews

As part of the Board's oversight of senior management, all Group executives are subject to annual performance review and goal planning. This involves evaluation of the executives by their immediate superior. Each executive is assessed against a range of criteria, including achievement of goals relating to financial performance, operational excellence, safety, and delivery of strategic projects and initiatives. All senior management participated in a performance evaluation on this basis during the year ended 30 June 2018.

## PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

### Nomination Committee

The members of the Committee, each Director's independence and attendance at meetings is set out on pages 19 to 22 of the Directors' Report contained in the 2017/2018 Annual report. A copy of the Committee Charter can be found under the "About Us/Governance" section of the [Company's website](#).

The composition and structure of the Committee complies with the requirements of the ASX Principles and Recommendations i.e. it has at least three members, a majority of whom are independent Directors and is chaired by an independent Director.

### Board Skills and Knowledge

The Nomination Committee has identified the key skills and experience desirable for those on the Board as being those set out in the table below.

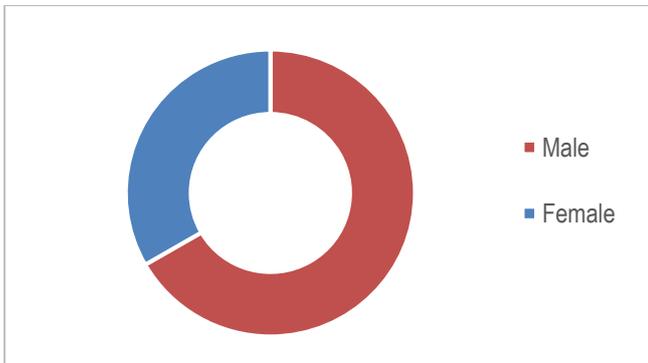
Skill	Description
Leadership	Senior leadership experience, including as a Director or CEO of a major listed business and leading through a period of significant disruption or change.
Strategy & Commercial Acumen	Experience in assessing and testing strategic objectives, business plans and financial performance including experience in assessing optimum outcomes from capital management and funding arrangements.
Legal, Risk & Governance	Experience and knowledge of governance requirements for listed entities and a commitment to delivering those requirements and to sustaining high standards of organisational reputation. The ability to manage, oversee or establish risk and compliance frameworks and systems processes required to identify, monitor and manage key organisational

	risks including environmental, safety, technological and sustainability matters.
Financial Oversight	Experience in the oversight of financial statements, financial knowledge, accounting or related financial management experience or qualifications.
People & Culture	Experience in people matters including assessing and developing workplace culture, organisational transformation, talent development and retention, employee engagement, succession planning and remuneration.
Operations Management	An understanding of major operations management including workplace health and safety, asset management, project management and engineering / technical operations.
Market Experience	Experience in some or all of the following markets or industries which are directly relevant to the organisation: Manufacturing, Building & Construction, Building Products, Commodity trading or the Metals / Material industry.
Customer Engagement	Experience in delivering customer focused solutions through innovation, marketing or premium brands and channels.
Geographic Experience	Experience in managing projects or businesses in different countries with an exposure to a range of cultural, political, legal and social environments.

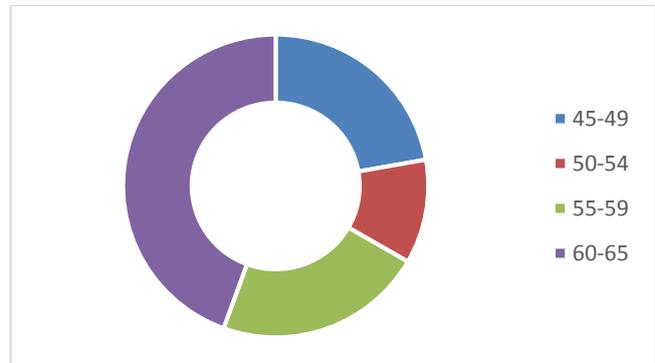
The Board during FY2018 has considered the key skills and experience desirable for those on the Board and determined that the current composition of the Board provides coverage of all these identified skills and experiences.

The Board also looks for gender diversity within these skill sets and requires all recruitment processes to include at least one female shortlisted candidate and to involve at least one female interviewer. 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 tables illustrate the diversity of the Board by reference to a number of factors as at 30 June 2018.

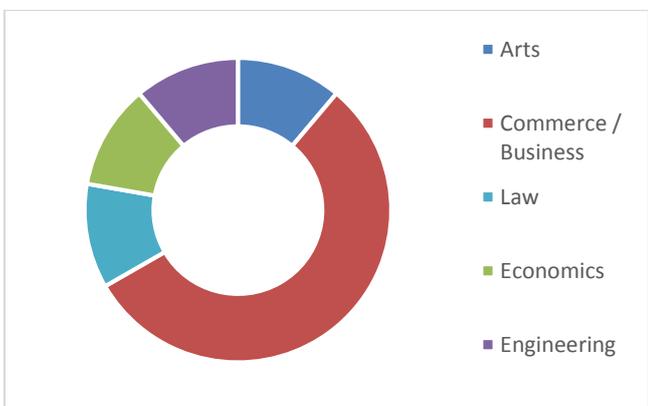
Gender



Age



Tertiary Qualifications



Industry Experience



Upon appointment, Directors are offered a comprehensive induction program covering details of the Group's policies, operations and the environment in which it operates. The program includes site visits, meetings with management and with the Company's

auditors (if requested) and extensive background reading materials. In addition there is an ongoing programme of regular site visits to improve Director knowledge of the Group's businesses and key management personnel.

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. Directors receive briefings on developments in the industry and the legislative, regulatory and industry framework.

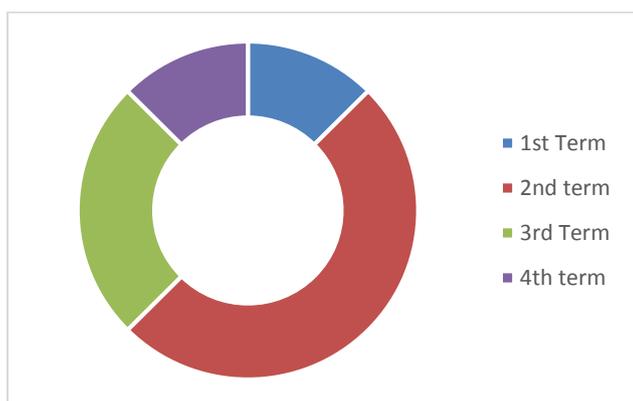
### Director Independence

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 to be independent. All Non-executive Directors (other than Mr Grollo) are Directors of companies 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 these Non-executive Directors, 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.

Further details regarding the circumstances considered by the Board in making assessments of independence, including the Director Independence Policy, are contained under the "About Us/Governance" section of the [Company's website](#).

### Length of Service

The length of service of each Director is included on pages 19 to 21 of the Directors' Report. Non-executive Directors are required to submit for re-election by shareholders every three years. The table below illustrates the current NED 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 the Company. In the event that 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. In adopting this Policy, the Board noted that one current Director currently exceeds and another is approaching this maximum tenure. As part of the regular Board renewal process, the Board appointed Ms Jennifer Lambert as a Non-executive Director in September 2017 and has announced the appointment of Mr Mark Hutchinson as a Non-executive Director with effect from 1 October 2018. As previously announced, Mr Dean and Mr Grollo will retire from the Board at the 2018 AGM and consequently will not stand for re-election.

## PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

### Code of Conduct

The Company has a set of values known as "Our Bond" and a "Guide to Business Conduct", which provides an ethical and legal framework for all employees and the Directors. The Guide sets standards on how BlueScope should relate to its customers, employees, shareholders and the community and is supported by other Group Policies and regular training. A full copy of the Guide and "Our Bond" is available under the "About Us/Governance" section of the [Company's website](#).

In FY2017, the Company undertook a detailed review of the way business conduct and corporate compliance issues across the Group are managed. Following this review, the Company is progressing the establishment of a dedicated internal Ethics and Compliance function.

## **PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING**

### **Audit Committee**

The Board established an Audit and Risk Committee, which assisted the Board in the effective discharge of its responsibilities for financial reporting, internal controls, risk management, internal and external audit, and insurance (with the exception of Directors' and Officers' liability insurance). As foreshadowed in the FY2017 Corporate Governance Statement, with effect from October 2017, the Board began operating the Risk and Sustainability Committee. The Risk and Sustainability Committee undertakes some matters which were previously the responsibility of the Audit & Risk Committee. The Audit Committee now assists the Board in the effective discharge of its responsibilities for financial reporting, internal and external audit and internal controls. The Committee's Charter is set out in full under the "About Us/Governance" section of the [Company's website](#).

Separate discussions are held by the Committee with the external and internal auditors without management present.

The composition and structure of the Committee complies with the requirements of the ASX Principles and Recommendations i.e. it has at least three members, a majority of whom are independent Directors and is chaired by an independent Director who is not the chair of the Board.

The names of the members of the Audit Committee and their attendance at meetings of the Committee are set out on page 22 of the Directors' Report. The qualifications of the members are set out on pages 19 to 21 of the Directors' Report.

### **CEO and CFO Certification of Financial Statements**

For the FY2018 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 the Group have been properly maintained;
- the financial statements and notes required by accounting standards for external reporting:
  - (i) give a true and fair view of the Group's financial position and performance; and
  - (ii) 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.

### **External Auditor Available at Annual General Meeting**

The Company's external audit engagement partner, or a suitably qualified member of the Company's external audit team attends the Annual General Meeting (AGM) and is available to answer questions from shareholders in relation to the audit.

## **PRINCIPLE 5 – 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.

A summary of the Company's Continuous Disclosure Policy is included under the "About Us/Governance" section of the [Company's website](#).

## **PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS**

Respecting the rights of shareholders is of fundamental importance to the Company. The Company 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.

A summary of the Company's Communications Strategy including measures encouraging shareholder involvement in AGMs, is available under the "About Us/Governance" section of the [Company's website](#).

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 AGM, and providing archives of these on our website;
- providing direct contact details of Investor Relations on all Company announcements, and responding to queries in a timely manner;
- subscription email service for announcements, and a facility to ask questions via the Company's website; and
- making available enhanced business and financial information on the Company's website including a regularly updated Investor Information Pack and 10 year financial and despatch history.

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

## **PRINCIPLE 7 – RECOGNISE AND MANAGE RISK**

### **Risk Management**

The Company established in October 2017 a Risk and Sustainability Committee. This new Committee assists the Board in the effective discharge of its responsibilities for risk management (which includes the effectiveness of the Group's risk management system, business conduct, litigation and regulatory risks), the Company's approach to Sustainability Reporting and insurance (with the exception of Directors' and Officers' liability insurance).

The Committee's Charter is set out in full under the "About Us/Governance" section of the [Company's website](#).

The composition and structure of the Committee complies with the requirements of the ASX Principles and Recommendations i.e. it has at least three members, a majority of whom are independent Directors and is chaired by an independent Director.

The names of the members of the Risk and Sustainability Committee and their attendance at meetings of the Committee are set out on page 22 of the Directors' Report. The Chair of the Audit Committee will always be a member of the Committee.

Each year, the Board, with assistance of Committees, assesses whether the Group has a sound Risk Management Framework. This was confirmed by the Board with respect to the 2018 financial year. A summary of the Group's Risk Management Framework is available under the "About Us/Governance" section of the [Company's website](#).

### **Sustainability Risks**

Pages 13 and 14 of the Operating and Financial Review in the Company's Directors' Report contain a summary of the Group's key risks including, where relevant, material economic, environmental and social sustainability risks. These risks are managed within the Group's Risk Management Framework referred to above.

The Company reports on its sustainability performance through its Sustainability Report which covers governance, environment, people, community, customers and suppliers and includes information about product innovation, safety and environmental leadership and performance, the Group's risk management framework, business conduct, employee engagement and diversity, and community investment and involvement.

The Company issued its FY2017 Sustainability Report in March 2018. This report further builds on the Company's disclosures of these matters in its FY2016 Sustainability Report. In preparing the FY2017 Sustainability Report the Company engaged with a number of stakeholder groups, seeking to identify the topics they believe are most material to the business. As a consequence five areas were deemed most important – employee and contractor health, safety and wellness, climate change and energy, diversity and inclusion, governance and business conduct and supply chain sustainability. These topics are covered in depth in the FY2017 Sustainability Report, which follows the core option of the Global Reporting Initiative standards. The Company intends to issue its FY2018 Sustainability Report before the end of October 2018.

In addition, the Group's Guide to Business Conduct (referred to above under Principle 3) assists management of sustainability risks.

These reports and guides can be found in the "Sustainability" page of the [Company's website](#).

In addition, the Board Health, Safety & Environment Committee reviews safety and environment performance and risk management.

## **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 internal controls and governance systems. An annual 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 Chairman of the Audit Committee and does not perform any management functions or implement any internal controls. Briefings on internal audit activities are provided at each Audit Committee meeting, including through a discussion in the absence of management.

## **PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY**

The Board has established a Remuneration and Organisation Committee, which assists the Board in ensuring that the human resources strategy is aligned to the overall business strategy and consistent with good governance practices. The Committee's Charter is set out in full under the "About Us/Governance" section of the [Company's website](#).

The composition and structure of the Committee complies with the requirements of the ASX Principles and Recommendations i.e. it has at least three members, a majority of whom are independent Directors and is chaired by an independent Director.

The names of the members of the Remuneration and Organisation Committee and their attendance at meetings of the Committee are set out on page 22 of the Directors' Report.

The Remuneration Report (on pages 23 to 43 of the Directors' Report) sets out details of the Company's policy and practices for remunerating Directors, key management personnel and senior executives. Other than superannuation, there are no schemes for retirement benefits for Non-executive Directors.

The Company's Securities Trading Policy 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 Policy is available under the "About Us/Governance" section of the [Company's website](#).

## 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 2018

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

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

The Corporate Governance Statement is accurate and up to date as at 3 September 2018 and has been approved by the board.

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

Date: 25 September 2018

Name of ~~Director or~~ Secretary authorising lodgement: Debra Counsell  
Company Secretary



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<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

<sup>2</sup> "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.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1	A listed entity should disclose: (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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> under the Delegation of Authority Policy which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a>
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) 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.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> under the Diversity Policy which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>	
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> on pages 19 to 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> under the Nomination Committee Charter which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on page 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>N/A</p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
<p>2.3 A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association 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, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> on pages 19 to 21 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>...where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> on pages 19 to 21 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> on page 19 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a>
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>		
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> under the Guide to Business Conduct which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>	
<p>4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> on pages 19 to 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> under the Audit Committee Charter which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on pages 19 to 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>N/A</p>
<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>		
5.1	A listed entity should: <ul style="list-style-type: none"> <li>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</li> <li>(b) disclose that policy or a summary of it.</li> </ul>	... our continuous disclosure compliance policy or a summary of it: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> under the Continuous Disclosure Policy Summary which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></li> </ul>
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></li> </ul>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement</li> </ul>
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> under the Shareholder Communication Strategy which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></li> </ul>
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement</li> </ul>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>	
<p>7.1 The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> on pages 19 to 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> under the Risk &amp; Sustainability Committee Charter which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on page 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>N/A</p>
<p>7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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 risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>N/A</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></li> <li><input checked="" type="checkbox"/> on pages 3, 14 and 44 of our 2018 Directors' Report included in the 2017/2018 Annual Report and in our Sustainability Report, which are available at the below URLs on our website:  <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a> <b>AND</b>  at: <a href="https://www.bluescope.com/sustainability/reports/">https://www.bluescope.com/sustainability/reports/</a></li> </ul>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>	
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> on pages 19 to 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> under the Remuneration &amp; Organisation Committee Charter which is available at this URL on our website: <a href="http://www.bluescope.com/about-us/governance/">http://www.bluescope.com/about-us/governance/</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on page 22 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>N/A</p>
<p>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.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> on pages 23 to 43 of our 2018 Directors' Report included in the 2017/2018 Annual Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> at: <a href="https://www.bluescope.com/about-us/governance/">https://www.bluescope.com/about-us/governance/</a></p>