

BlueScope Investor Day

21 September 2023

Pictured:
The Mt Franklin Visitors Shelter in
Namadgi National Park, ACT
Features COLORBOND® Metallic steel
in Cosmic™ colour

BlueScope Steel Limited. ASX Code: BSL
ABN: 16 000 011 058
Level 24, 181 William St, Melbourne, VIC, 3000

IMPORTANT NOTICE

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Authorised for release by Mark Vassella, Managing Director & Chief Executive Officer

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ACKNOWLEDGEMENT OF COUNTRY

BlueScope acknowledges the Traditional Custodians of the land on which we work, live and operate.

We recognise our First Nations Peoples who have inhabited Australia for millennia, their enduring connection to Country, sky, and waterways and their rich and vital cultures.

We acknowledge the many different Nations across this ancient continent; from rural and remote communities, to our cities and suburban streets.

We honour and pay respect to Ancestors, Elders, and their descendants as the Custodians of this Country. It is through the Ancestral knowledge and stories of local Peoples that we can more fully know and understand Country and the unique ways in which Country connects us all.



AGENDA

Session 1

- BlueScope Overview
- Sustainable Growth and Transformation
- Australian Steel Products
- Climate Action
- Panel Q&A

Morning Tea Break

Session 2

- Climate Action (continued)
- Safe, Healthy and Inclusive Workplaces
- Responsible Products
- Panel Q&A

Lunch Break

Site Tour

- Port Kembla Steelworks and Springhill Works



DIVERSE AND TALENTED TEAM

Presenting today:



Mark Vassella
Managing Director &
Chief Executive Officer



Tania Archibald
Chief Executive
Australian Steel Products



Gretta Stephens
Chief Executive Climate
Change and Sustainability



Dave Scott
General Manager Manufacturing,
Australian Steel Products



Gerald Cornelius
General Manager,
Australian Steel Markets



Chris Page
Head of Future
Technologies



Anna Matysek
Head of Climate Change



Mike Hussey
Head of Health, Safety
and Environment



Kerri Thurlow
Head of Social Impact
and Inclusion



Rebecca Roberts
General Manager People,
Australian Steel Products



Tim Rodsted
Head of Sustainability



Pip Stone
Sustainability Manager,
Australian Steel Markets

BlueScope Overview

Mark Vassella (Managing Director & Chief Executive Officer)

Colorbond®



BlueScope: A Different Kind of Steel Company

What makes us different?

- 1 Purpose-led and sustainability focussed**
- 2 Led by Our Strategy with a high-quality asset portfolio**
- 3 Leading product technologies, branding & channels**
- 4 Financial strength & cost competitiveness**
- 5 Deploying financial strength for long term sustainable growth and returns**

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

GUIDED BY OUR STRATEGY

TRANSFORM

DELIVER A STEP CHANGE IN CUSTOMER EXPERIENCE AND BUSINESS PERFORMANCE

Digital technology: Deliver the next wave of customer and productivity improvements through digital technologies

Climate Change and Sustainability:

Actively lowering emissions intensity and producing highly recyclable products

GROW

GROW OUR PORTFOLIO OF SUSTAINABLE STEELMAKING AND WORLD LEADING COATING, PAINTING AND STEEL PRODUCTS BUSINESSES

Grow our US business including expansion of North Star, one of the US's leading mini mills

Drive growth in the fast growing Asian region, from an outstanding suite of assets

Pursue incremental opportunities in Australia

DELIVER

DELIVER A SAFE WORKPLACE, AN ADAPTABLE ORGANISATION AND STRONG RETURNS

Deliver safe and sustainable operations and an inclusive and diverse workplace

Maintain an integrated and resilient Australian business

Secure the future of steelmaking in NZ

Deliver returns greater than the cost of capital through the cycle

Maintain a strong and robust balance sheet

Deliver strong returns to shareholders



WHAT MATTERS TO US

Sustainability is at the core of all that we do. We focus on topics of material impact to our long term success and our stakeholders



Sustainable growth and transformation



Safe, healthy and inclusive workplaces



Climate action



Responsible products and supply chains

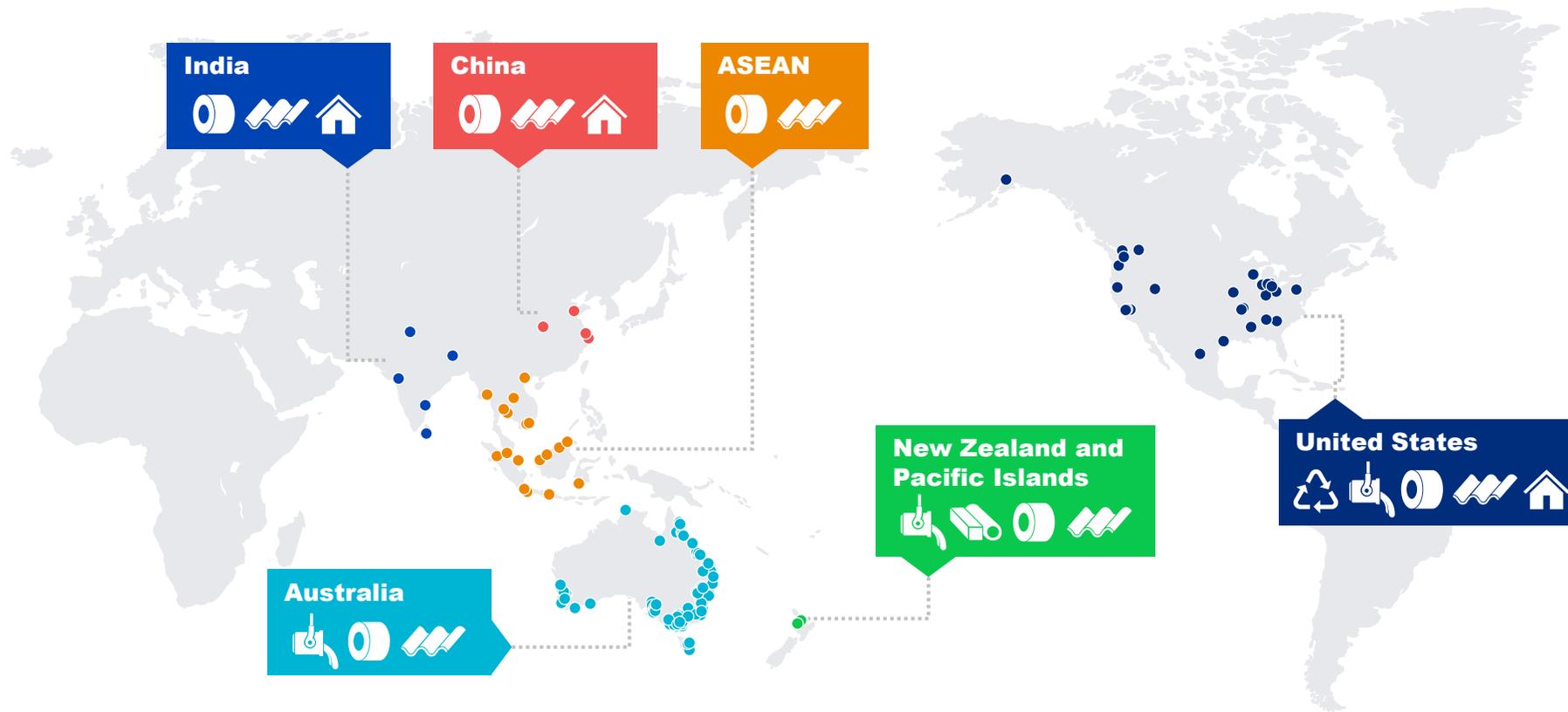


Strong communities

For more information, see page 13 of BlueScope's FY2023 Sustainability Report, available at www.bluescope.com/sustainability/reports



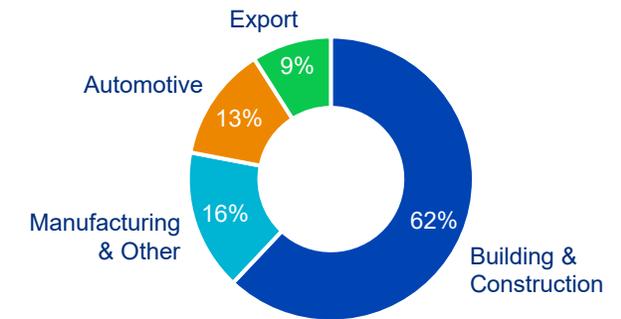
A HIGH-QUALITY ASSET PORTFOLIO



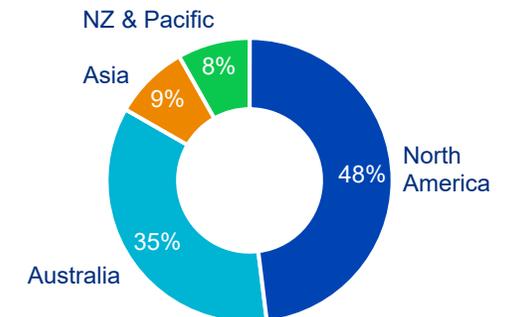
Key

- Recycling (scrap metal)
- Steelmaking (flat products)
- Metal coating and painting
- Long products (rebar, wire)
- Steel buildings and systems
- Steel building materials and components

End-use segment exposure (share of CY2022 despatch volume)



Earnings by region (CY2022 Underlying EBITDA)



LEADING PRODUCT TECHNOLOGIES, BRANDS AND CHANNELS

A global leader in metal coating and painting for building and construction applications

Australia

Colorbond®
Truecore®

Zincalume®
TruSpec®

LYSAGHT
FIELDERS

Orrcon Steel
BlueScope Distribution

North America

North Star BlueScope
reliability of recycled

BUTLER
VARCO PRUDEN

steelscape®
ASC BUILDING PRODUCTS

METAL COATERS®
METAL PREP®

Asia

clean Colorbond®
SACVIET® durashine®
TATA BLUESCOPE STEEL golform®

BUTLER
LYSAGHT

BLUESCOPE
Zacs

TATA SHAKTEE

New Zealand

COLORSTEEL®
GALVSTEEL®

Zincalume®
Axxis®
STEEL FOR FRAMING

STELTECH®
OPTIMISED STEEL - SMART SOLUTIONS
PACIFIC STEEL®
CERTAIN STRENGTH



FINANCIAL STRENGTH GUIDED BY OUR FINANCIAL FRAMEWORK

Strong returns, a robust balance sheet and a disciplined approach to capital allocation

Returns Focus

- Focus on delivering return on invested capital greater than cost of capital through the cycle
- Also focused on maximising free cash generation

Robust Capital Structure

- Maintaining a strong balance sheet and strong credit metrics
- Retaining capacity in the short to medium term to fund investment for growth and major projects

Disciplined Capital Allocation

- Maintain safe and reliable operations, and support decarbonisation pathways
- Disciplined competition for capital between growth and shareholder returns

WELL POSITIONED FOR THE FAVOURABLE LONG TERM OUTLOOK FOR STEEL

- ✓ **Global green revolution driving demand for steel**
- ✓ **Steel intensive building and construction well supported**
- ✓ **Preference for lower density and regional housing**
- ✓ **Transition to the digital economy also driving demand**
- ✓ **Recognition of the importance of domestic supply chains**
- ✓ **Consolidation and rationalisation in the US steel industry**
- ✓ **China's focus on steel overproduction and emissions**



Sustainable Growth and Transformation

Mark Vassella (Managing Director & CEO)



GUIDED BY OUR STRATEGY

TRANSFORM

DELIVER A STEP CHANGE IN CUSTOMER EXPERIENCE AND BUSINESS PERFORMANCE

Digital technology: Deliver the next wave of customer and productivity improvements through digital technologies

Climate Change and Sustainability:

Actively lowering emissions intensity and producing highly recyclable products

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Secure the future of steelmaking in NZ

Deliver returns greater than the cost of capital through the cycle

Maintain a strong and robust balance sheet

Deliver strong returns to shareholders



DELIVERING OUR STRATEGY



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Strategy Execution Highlights (FY2020-23)

8.0%

Reduction in steelmaking emissions (since FY2018)

EAF at NZ Steel

To be operational by 2026

Scrap Acquisitions

Enhanced circularity via BRM acquisitions

Established Climate Strategy including defining 2030 targets and a 2050 net zero goal¹

Embedded Digital Capability across the Group, and established corporate centre of excellence

1. Achieving the 2050 net zero goal is highly dependent on several enablers, including: the development and diffusion of ironmaking technologies to viable, commercial scale; access to affordable, firm large-scale renewable energy; availability of appropriate volumes of affordable green hydrogen (with natural gas enabling the transition); access to appropriate quality and sufficient quantities of economic raw materials; and supportive policies across all these enablers to underpin decarbonisation investment and avoid carbon leakage.

DELIVERING OUR STRATEGY



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Strategy Execution Highlights (FY2020-23)

North Star Expansion

\$1Bn, 850ktpa expansion of North Star completed

BlueScope Coated Products

~\$720M acquisition of 2nd largest US coil painting business (900ktpa)

BlueScope Recycling

~\$430M acquisition; supplying ~30% of North Star's scrap needs

New Metal Coating Line

\$415M, 240ktpa Metal Coating Line in Western Sydney commenced

Properties Group

~\$275M invested to expand BlueScope Properties Group

DELIVERING OUR STRATEGY



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Strategy Execution Highlights (FY2020-23)

22%

Average Underlying EBIT ROIC

~\$500M

Average net cash position

\$1.8Bn

Returned to shareholders

~900

HSE Risk Management projects completed

40:40

Gender target set; met at ELT and Board level

FUTURE STRATEGIC FOCUS AREAS

Continuing to progress Our Strategy to continue to deliver on Our Purpose and Our Bond

TRANSFORM

Customer:

- Drive customer centricity; continue to build commercial capabilities

Digital:

- Build capabilities to drive scalable step change in productivity and customer experience

Climate:

- Develop carbon neutral solutions
- Deliver NZ EAF
- Progress assessment of Australian decarbonisation pathway

GROW

North America:

- Deliver acquisition business cases
- Ramp up and debottleneck North Star
- Launch single-bill / branded painted offer

Australia / NZ:

- Maintain organic product growth
- Progress construction of MCL7

Asia:

- Grow organically in China
- Continue ASEAN turnaround
- Grow volume in India via supply agreement

DELIVER

Safe and sustainable operations:

- Continue to embed HSE evolution
- Drive diversity and inclusion efforts across the globe
- Build innovation capabilities to deliver products and services that our customers value
- Deliver returns greater than cost of capital through the cycle
- Maintain robust balance sheet
- Continue to deliver returns to shareholders

Australian Steel Products

Tania Archibald (Chief Executive, ASP)

Dave Scott (General Manager Manufacturing, ASP)

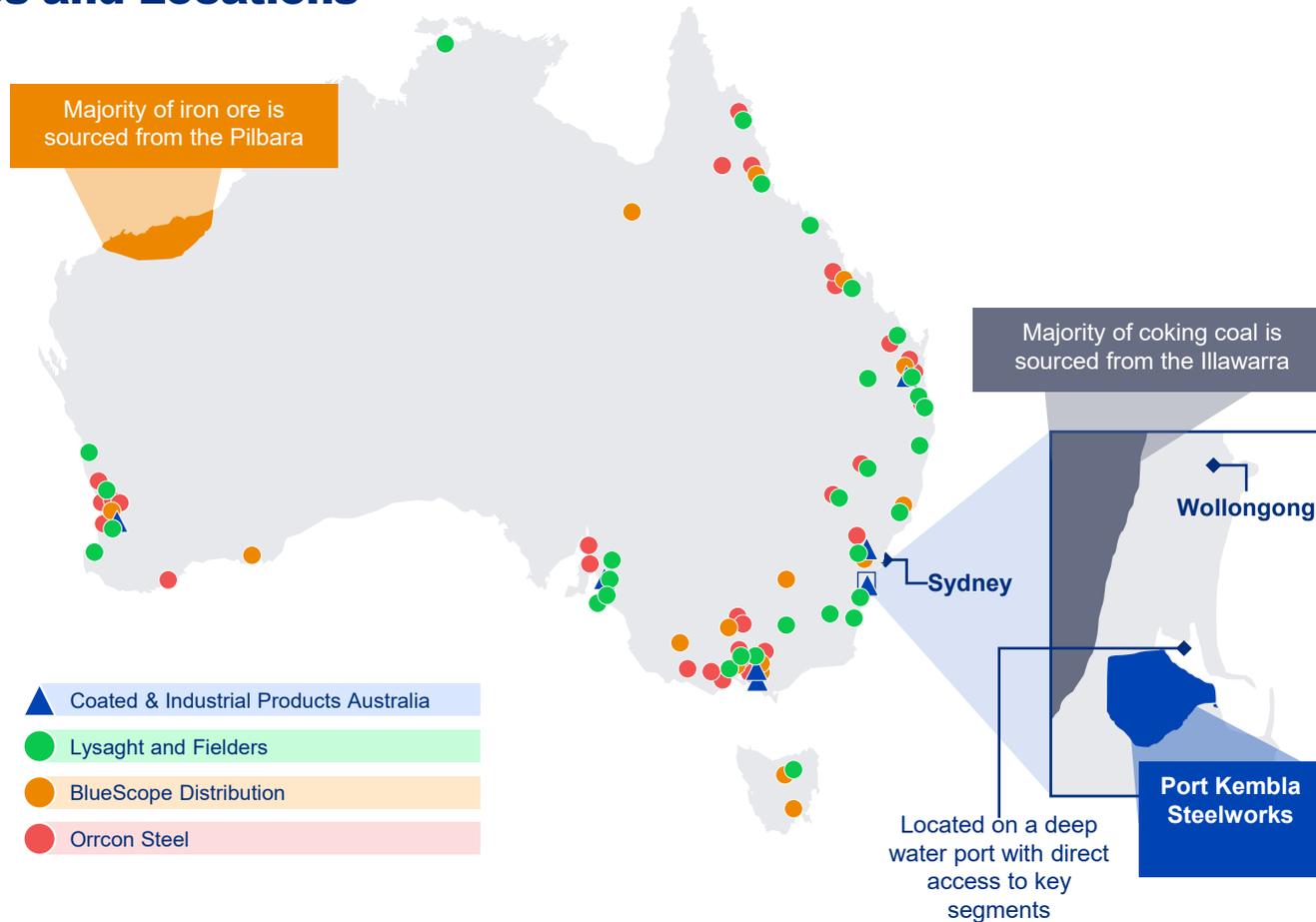
Gerald Cornelius (General Manager, Australian Steel Markets)



AUSTRALIAN STEEL PRODUCTS

Integrated producer of premium branded flat steel products for domestic Australian segments

Sites and Locations



- Key asset at Port Kembla
- Advantageous access to raw materials and port
- Produces ~3mtpa of flat steel products
- Value-added metallic coated and painted products
- Iconic brands
- Extensive channels

AUSTRALIAN STEEL PRODUCTS

A vibrant, modern manufacturing future, embodying progress, innovation and sustainability

Integrated value chain delivering to customers, communities and shareholders

Growth

- Structurally higher domestic demand levels
- Intra and inter-material growth focus
- Evolution to higher value add products, systems and solutions
- Significant opportunity in renewable energy and infrastructure

Modern Manufacturing

- Digital, robotics and automation to improve productivity and reduce cost
- Ongoing innovation of coating and painting product and process technologies
- Land transformation project – creating a resource rich ecosystem around PKSW

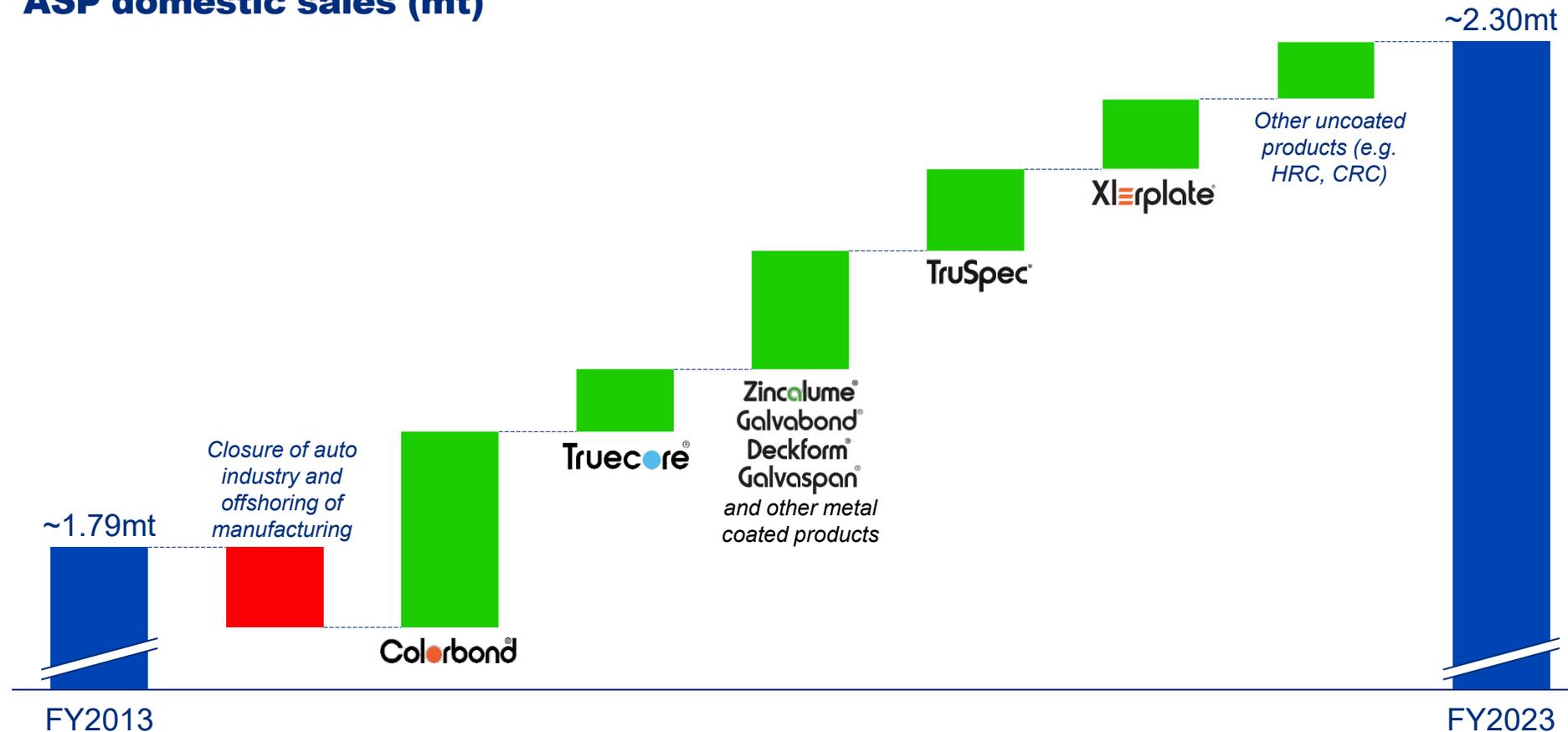
Pathway to Net Zero

- Dual workstream decarbonisation strategy
 - Now: optimising existing assets
 - Next: DRI options study with focus on enablers
- Reline provides critical bridge to future adoption of low emissions steelmaking technology

GROWTH IN DOMESTIC VOLUMES

Supportive end-use segment demand complemented by product-specific initiatives to realise structurally higher domestic demand

ASP domestic sales (mt)



COLORBOND® STEEL INITIATIVES

Continuing to invest in building brand equity and generating demand for our COLORBOND® steel range of products through a number of initiatives



- **Residential builder campaigns** to drive value for our customers through the COLORBOND® steel brand
- **Investing in digital initiatives** to deliver targeted, personalised content increasing the effectiveness of the demand funnel
- **Co-operative marketing programs** designed to generate demand and improve customer experience



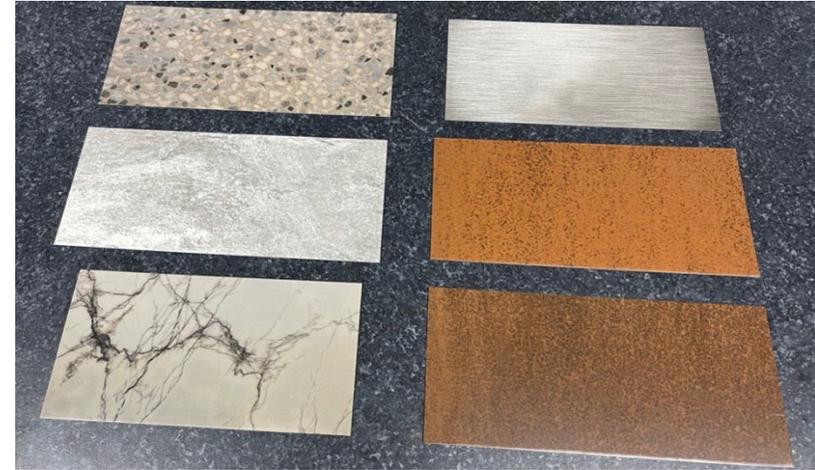
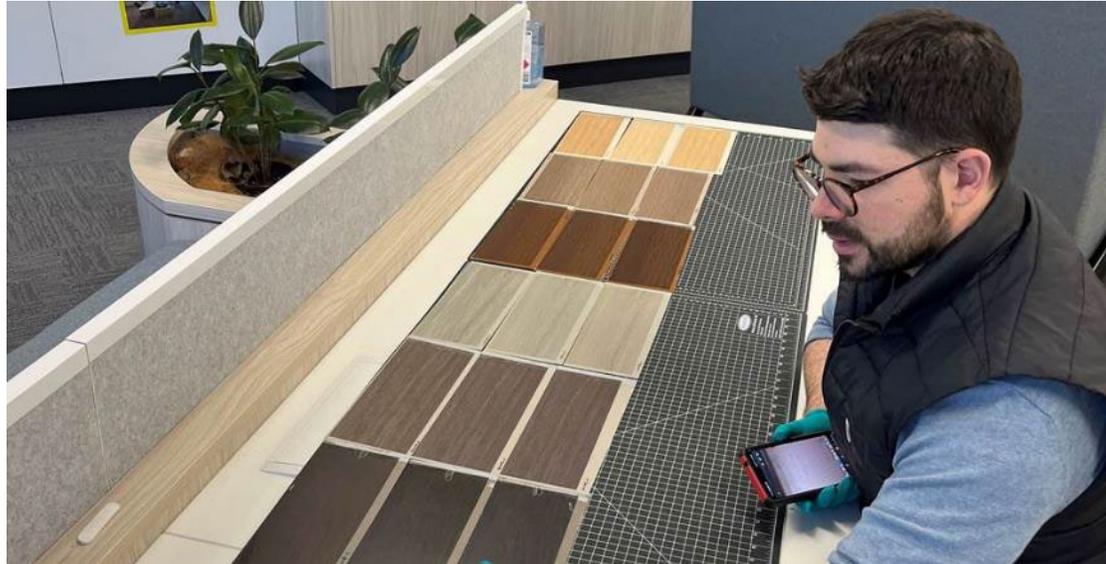
COLORBOND® STEEL INITIATIVES

Investment in The Block continues to deliver value, enhancing consumer sentiment and audience reach



ONGOING INNOVATION OF PRODUCT AND PROCESS TECHNOLOGIES

Adding high quality, durable, pattern printing capability to our product offerings, to supplement the value proposition of **COLORBOND®** steel



TRUECORE® STEEL INITIATIVES

Continuing to invest in building brand equity and generating demand for TRUECORE® steel





Truecore[®]

THE INNER STRENGTH



WESTERN SYDNEY METAL COATING LINE CONSTRUCTION

- Commenced construction of new metal coating line (MCL) at Erskine Park with approx capacity of 240ktpa
- New MCL will better enable us to meet growing demand for steel building and construction products – in particular:
 - TRUECORE® steel light gauge steel framing
 - feed for COLORBOND® steel for roofing and walling applications
- Expected to be fully commissioned and operational by the end of calendar year 2025
- Estimated capital cost of \$415M





ENABLING AUSTRALIA'S ENERGY TRANSITION

Initiatives focussed on sovereign manufacturing capability for renewable energy infrastructure

Plate Processing

- In operation
- Highly accurate laser and plasma processing capability

Plate Mill Modernisation

- Under assessment
- Increased efficiency and capability; additional heavy plate processing line

Wind Tower Fabrication

- Under assessment
- Industry advocacy to support third-party wind tower fabrication capability

PKSW Pipe and Tube Mill

- Under construction
- Ability to produce structural members for large-scale solar tracking assemblies

Solar Componentry

- Under assessment
- Heavy roll forming for large-scale solar tracking assemblies

MANUFACTURING – DIGITAL TRANSFORMATION

Maximising value from our assets and production efficiency using Asset and Process Intelligence

Asset Intelligence

- Smart wireless devices constantly measure and monitor all critical signals associated with production lines
- Advanced analytic tools continuously evaluate and visualise the health of the assets in real time, to ultimately reduce unplanned outages and delays

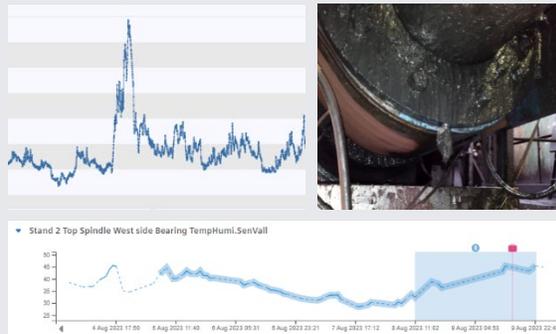
Process intelligence

- Continuously collects and analyses real-time data from various production processes.
- Allows for routine processes to be automated, and provides insights into the efficiency, quality, and performance of manufacturing processes

CASE STUDY:

Plate Mill Stand Spindle Bearings

- Excessive temperature feedback was measured on spindle bearings on a plate mill stand
- New asset insights initiated predictive maintenance avoiding 50 hours of plate mill down time



CASE STUDY:

Hot Strip Mill Walking Beam Furnace Slab ID

- Visual AI uses Optical Character Recognition to read slab ID codes as slabs are loaded onto the transfer car
- Once they match against expected slabs, they are auto released to enter the production process



PORT KEMBLA MASTER PLAN

Developing a Master Plan to create a vision for the 200 hectares of excess landholdings adjacent to the Port Kembla Steelworks

- 18-month program to create a ‘vision’ for the reimagination and transformation of land surplus to steelmaking needs, expecting formal completion in Dec-23
 - Coastal land, with existing road, rail and energy infrastructure, just over one hour from Sydney’s CBD
- Appointed world-leading architects and urban designers, Bjarke Ingels Group
 - Have experience in co-designing around operational, industrial sites
- Creating a resource rich ecosystem around the Port Kembla Steelworks
 - Concept taking shape; emerging themes include training, education, research, advanced automation and robotics, engineering, fabrication and clean energy manufacturing
 - Strong environmental focus; opportunity to turn unusable spaces into community assets

Port Kembla Site Overview



Excess landholdings



Melbourne CBD (for scale)



0km 1km 2km 3km 4km 5km

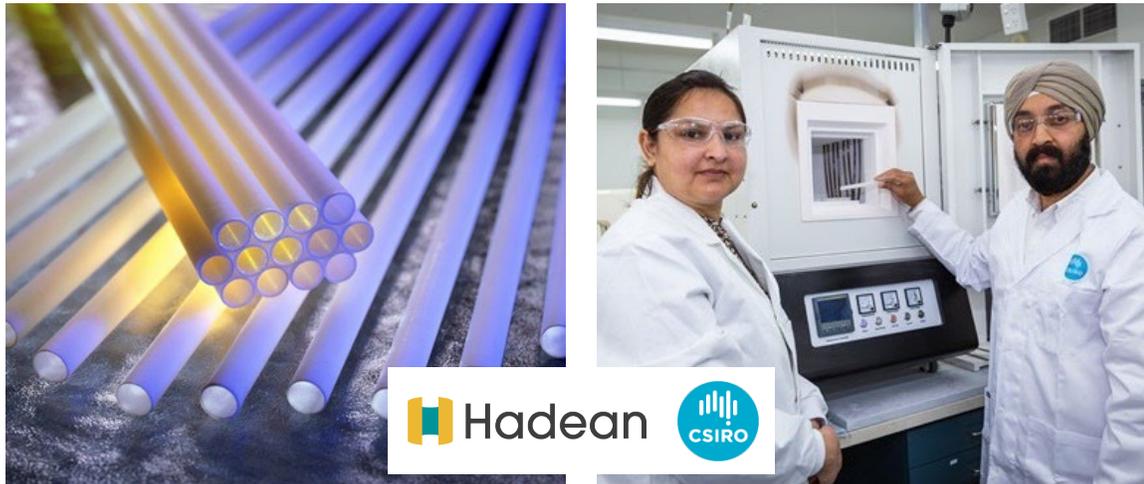
0.0km 0.5km 1.0km 1.5km 2.0km

PROMOTING DEVELOPMENT OF ALIGNED INNOVATION

Supporting the clean energy transition through hosting pilot plants on site at PKSW

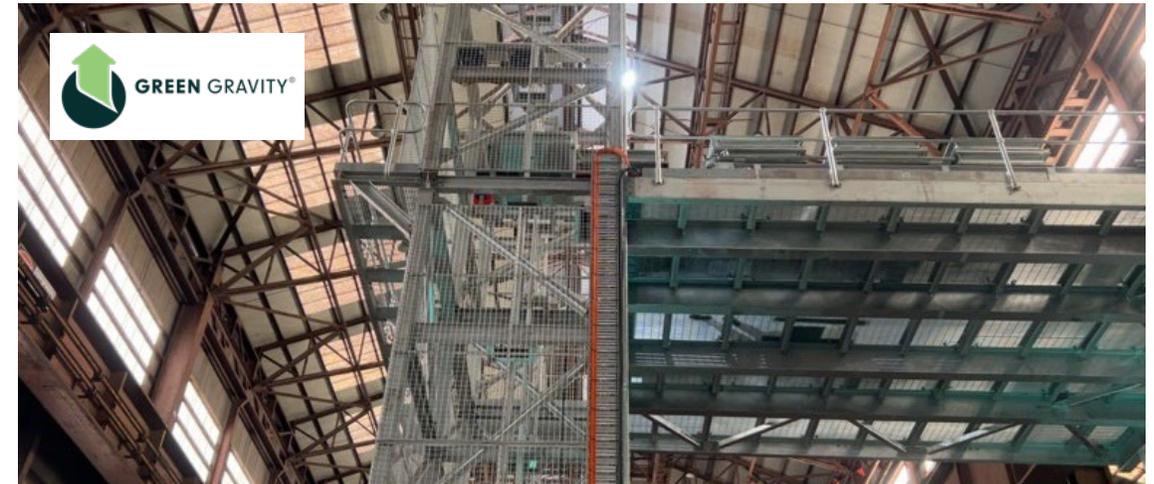
CSIRO (Hadean) Hydrogen Electrolyser

- In August 2023, CSIRO announced that it would spin out a new company, called Hadean Energy
- Hadean will build a pilot hydrogen electrolyser plant that uses 30 per cent less electricity
- Project is a collaboration between CSIRO, Hadean and BlueScope, to be built at Port Kembla Steelworks in 2024



Green Gravity Lab

- Green Gravity is a renewable energy start-up focused on gravitational energy storage
- Green Gravity Lab launched in July 2023 at Port Kembla Steelworks, repurposing an existing warehouse
- Pilot plant testing gravitational storage for renewable energy generation (to be installed in unused mine shafts)



MANUFACTURING – EMISSIONS OPTIMISATION

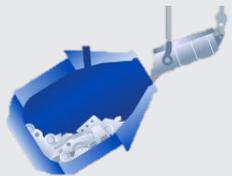
Continuing to optimise our production assets to improve emissions efficiency

Increased scrap use

- ~80t of scrap is added at the Basic Oxygen Furnace (BOF) per heat, making up 26% of the iron requirement
- Given its cooling effect, current levels of scrap in the BOF are approaching their technical maximum limit
- Currently investigating options to enable an additional ~20t per heat (to achieve approximately 30% of mix)
 - Investigate ways to pre-melt scrap, along with a number of asset modifications and digital tools
 - Has the potential to reduce emissions intensity by ~6%

BOF charging process

- 1** Scrap added to the BOF (~80t per charge)
- 2** Molten iron added (~230t per charge)
- 3** Oxygen blown to add carbon



Blast furnace biochar trials

- Successfully conducted biochar trials in early 2023, supported by ARENA¹
- Tested how biochar would perform as a replacement for Pulverised Coal Injection (PCI) coal in the blast furnace
- Achieved up to 30% PCI coal replacement, reflecting potential ~3% reduction in ironmaking net GHG emissions²
- Working with several sustainable biochar supply projects within Australia, given there is no industrial scale biochar supply chain in Australia



1. This Project received funding from the Australian Renewable Energy Agency (ARENA) as part of ARENA's Advancing Renewables Program. The views expressed herein are not necessarily the views of the Australian Government, and the Australian Government does not accept responsibility for any information or advice contained herein.

2. GHG accounting of net emissions reductions from the use of biochar from sustainably produced biomass in progress.

PORT KEMBLA BLAST FURNACE RELINE & UPGRADE

- Comprehensive refurbishment and modernisation, incl. technologies to enable medium to longer-term emission intensity improvement
- Provides critical bridge to future adoption of low emissions steelmaking technology
 - Does not lock in blast furnace production for 20 years, but allows time for the development, testing and piloting of alternative ironmaking technologies
 - Also allows the broader economy time to develop and build the key enablers that underpin the production of low emissions steel¹
- Expected transition from existing 5BF to relined 6BF expected in mid to late-2026
- Expected total cost of approximately \$1.15Bn²

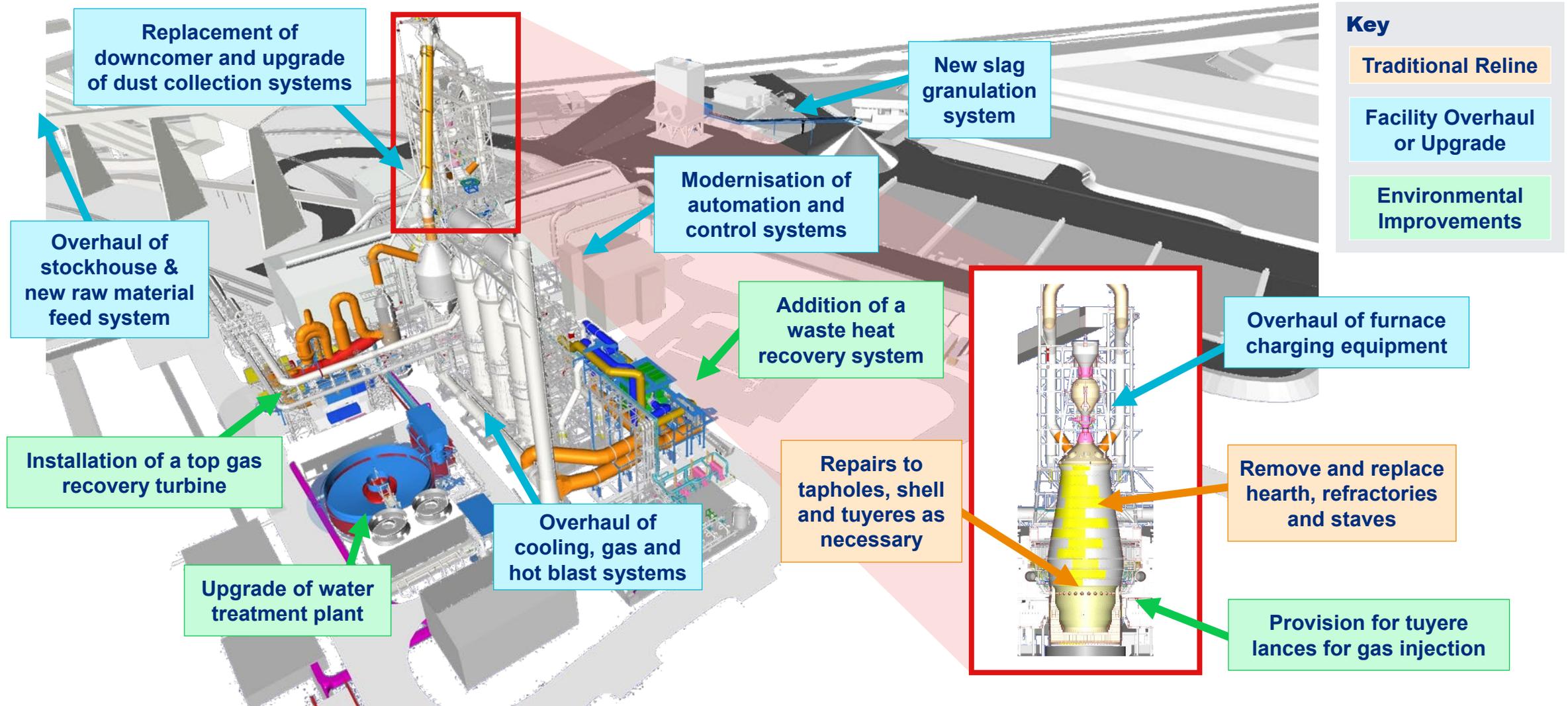
1. In addition to the development and diffusion of ironmaking technologies to viable, commercial scale, enablers include: access to affordable, firm large-scale renewable energy; availability of appropriate volumes of affordable green hydrogen (with natural gas enabling the transition); access to appropriate quality and sufficient quantities of economic raw materials; and supportive policies across all these enablers to underpin decarbonisation investment and avoid carbon leakage.

2. Total expected capital costs including escalation, contingency and expenditure incurred to date of ~\$70M for feasibility and long-lead time items.



PORT KEMBLA BLAST FURNACE RELINE & UPGRADE

Scope of work includes traditional reline plus a significant upgrade of parts of the facility and supporting infrastructure, including investment in environmental improvements



Climate Action Enabler Update

Chris Page (Head of Future Technologies)
Anna Matysek (Head of Climate Change)

Colorbond®

BlueScope



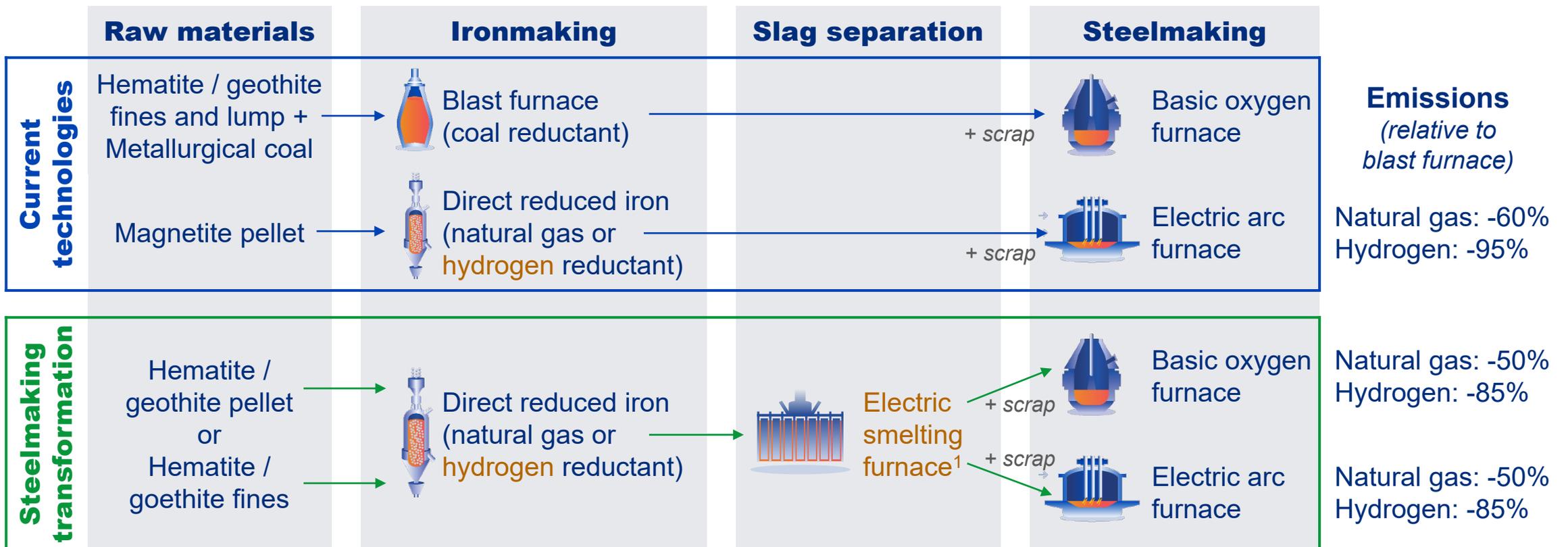
RECAP: ENABLERS OF STEEL DECARBONISATION

Steel industry decarbonisation will be enabled by:



PROCESS TECHNOLOGY EVOLUTION

There are several potential pathways for primary iron and steelmaking under development



Key: Existing technology **Process / technology under development**

1. Electric Smelting Furnace is the type of furnace that processes direct reduced iron (DRI) feed and separates impurities to produce a liquid pig iron product suitable for a Basic Oxygen Furnace (BOF) that can produce a wider range of steel products.

RAW MATERIAL AVAILABILITY

Hematite / goethite and magnetite iron ores are both being considered for low-emissions iron and steelmaking

Opportunities for Australian ores in low-emissions ironmaking



Hematite / goethite
(Pilbarra blend)

Advantages

- More cost-effective (requires less processing with higher yields)
- Abundant and accessible

Challenges

- Higher in impurities; use in direct reduction requires slag separation
- Not currently used in DRI at scale



Magnetite

Advantages

- Does not require slag separation
- Currently the main feedstock for DRI production

Challenges

- More expensive due to additional processing
- Not as readily available (~5% of global volumes are DRI-grade)

Australian ore bodies

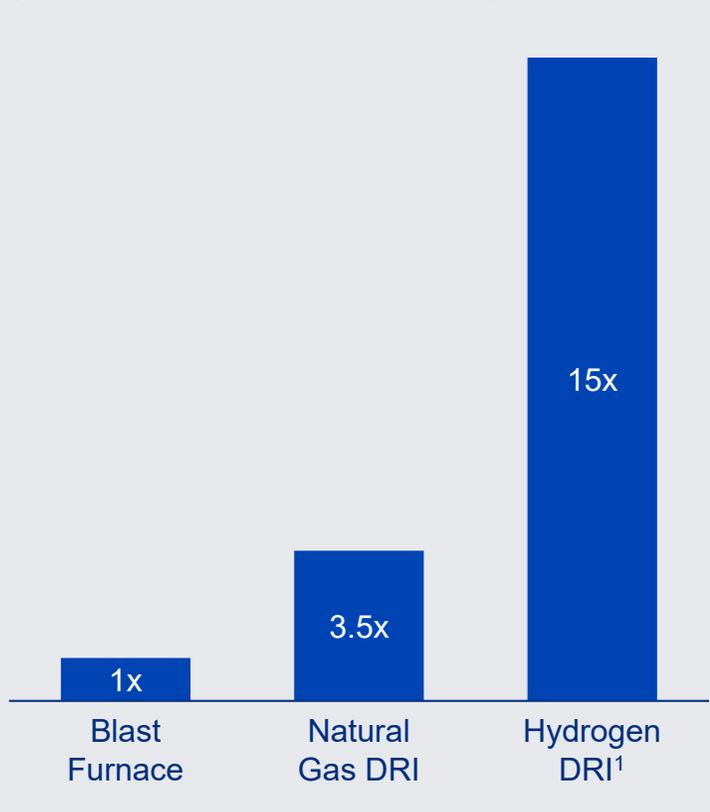
	Hematite (incl Goethite)	Magnetite
Iron Content of Saleable Product	55-63%	>65%
Yield (% saleable product from mined volume)	>85%	<45%
Cost to Mine and Process	Low	High
Australian Deposits (saleable product)	~30Bt	~9Bt
Share of Global Seaborne Volumes	>85%	<15%

FIRMED RENEWABLE ENERGY

Transitioning Port Kembla Steelworks to lower emission steelmaking requires large quantities of renewable electricity and transmission upgrades

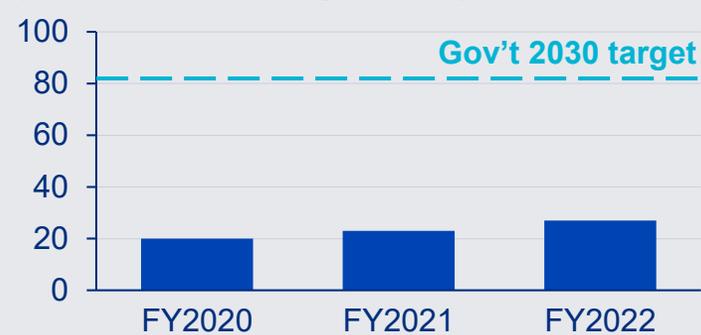
Required electricity

(Relative to blast furnace operations)



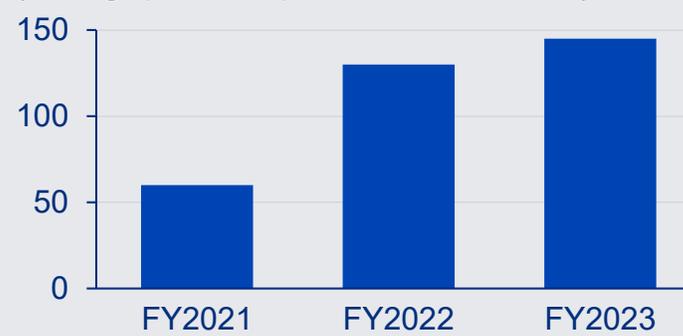
Share of Renewables

(Renewable % of total generation)



Electricity price

(Average published price for NSW, \$/MWh)



Transmission

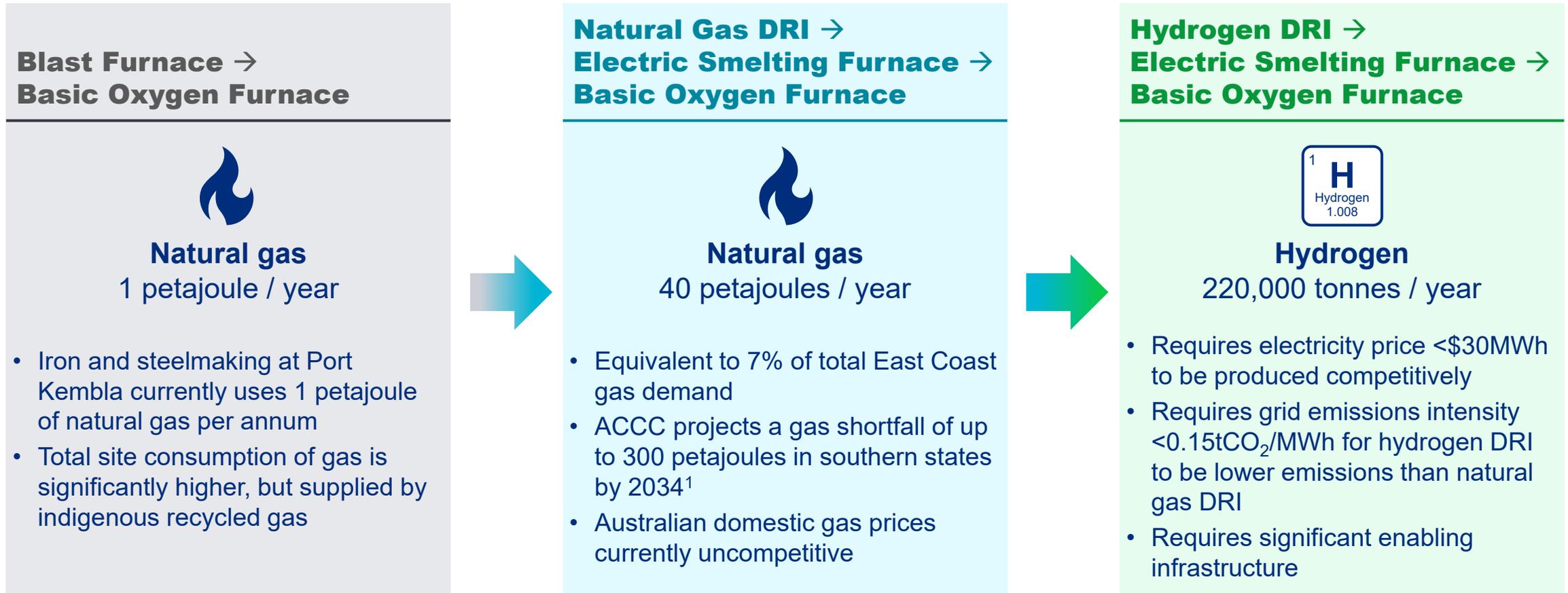
- Insufficient existing spare electricity capacity in the Illawarra to support transition to lower emissions steelmaking at PKSW
- Requirement for approx. 100km of 330-550kV transmission lines (from the Southern Highlands to Port Kembla)
- Illawarra renewable energy zone and associated transmission network improvement must be a policy and investment priority

1. Includes electricity to produce the required hydrogen

Source: Australian Energy Market Operator Aggregated Price and Demand Data, Clean Energy Regulator Greenhouse and Energy Information

HYDROGEN WITH NATURAL GAS TRANSITION

Natural gas DRI could reduce emissions by up to 60% and enable transition to green hydrogen when commercially available



**Blast Furnace →
Basic Oxygen Furnace**



Natural gas
1 petajoule / year

- Iron and steelmaking at Port Kembla currently uses 1 petajoule of natural gas per annum
- Total site consumption of gas is significantly higher, but supplied by indigenous recycled gas

**Natural Gas DRI →
Electric Smelting Furnace →
Basic Oxygen Furnace**



Natural gas
40 petajoules / year

- Equivalent to 7% of total East Coast gas demand
- ACCC projects a gas shortfall of up to 300 petajoules in southern states by 2034¹
- Australian domestic gas prices currently uncompetitive

**Hydrogen DRI →
Electric Smelting Furnace →
Basic Oxygen Furnace**



Hydrogen
220,000 tonnes / year

- Requires electricity price <\$30MWh to be produced competitively
- Requires grid emissions intensity <0.15tCO₂/MWh for hydrogen DRI to be lower emissions than natural gas DRI
- Requires significant enabling infrastructure

1. Source: ACCC Gas inquiry 2017-30 interim report, January 2023

SUPPORTIVE AND CONSISTENT POLICIES

Iron and steelmaking decarbonisation relies on supportive and consistent policies across all enablers to underpin decarbonisation investment and avoid carbon leakage



Australia

- Emissions policy
 - Safeguard Mechanism (SGM) reforms largely in place
 - SGM related funding
 - Carbon leakage review announced
- Energy policy
 - Future of gas review announced



New Zealand

- Emissions policy
 - Long standing emissions trading scheme
 - Funding via Government Investment in Decarbonising Industry (GIDI) fund
- Energy policy
 - Support for renewable energy projects

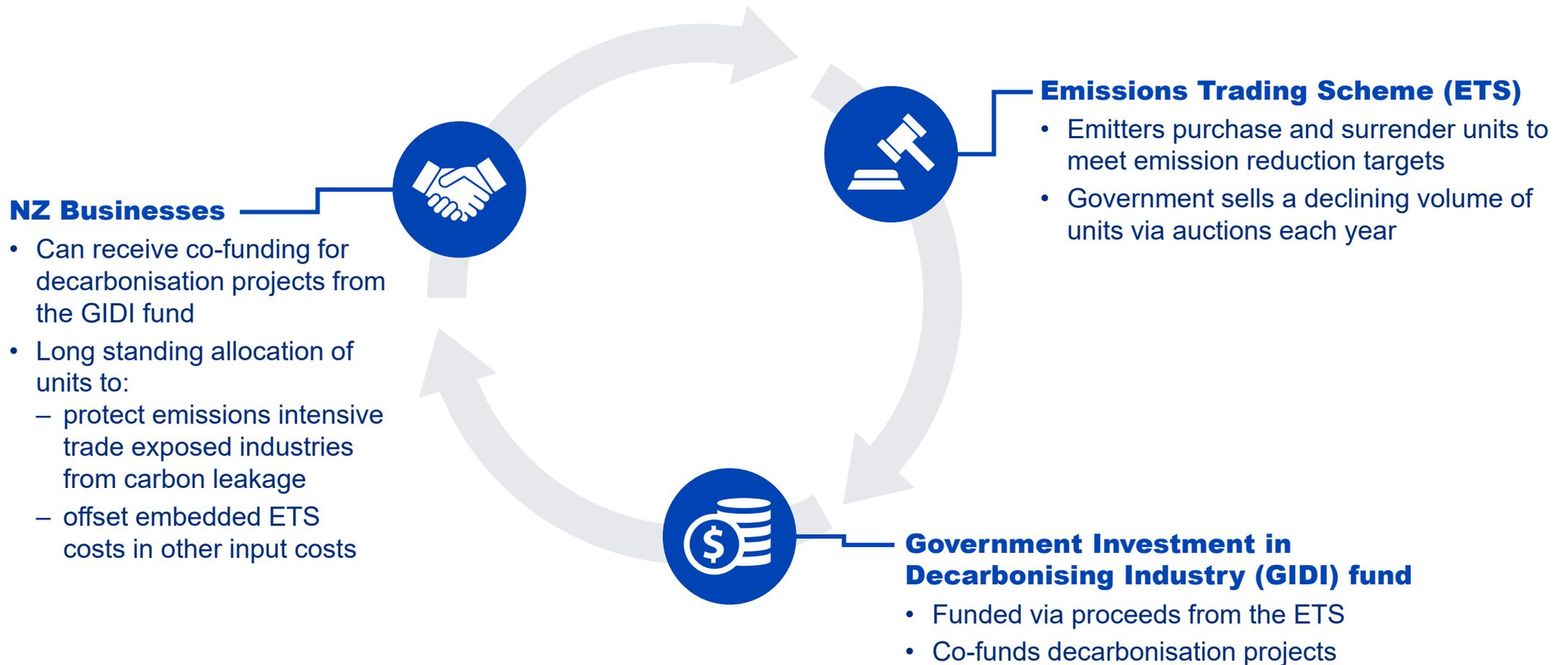


United States

- Economic stimulus
 - Inflation Reduction Act directing ~\$400Bn in to clean electricity, transmission infrastructure and clean transportation (incl. EVs)
- Energy policy
 - Ongoing support for nuclear energy

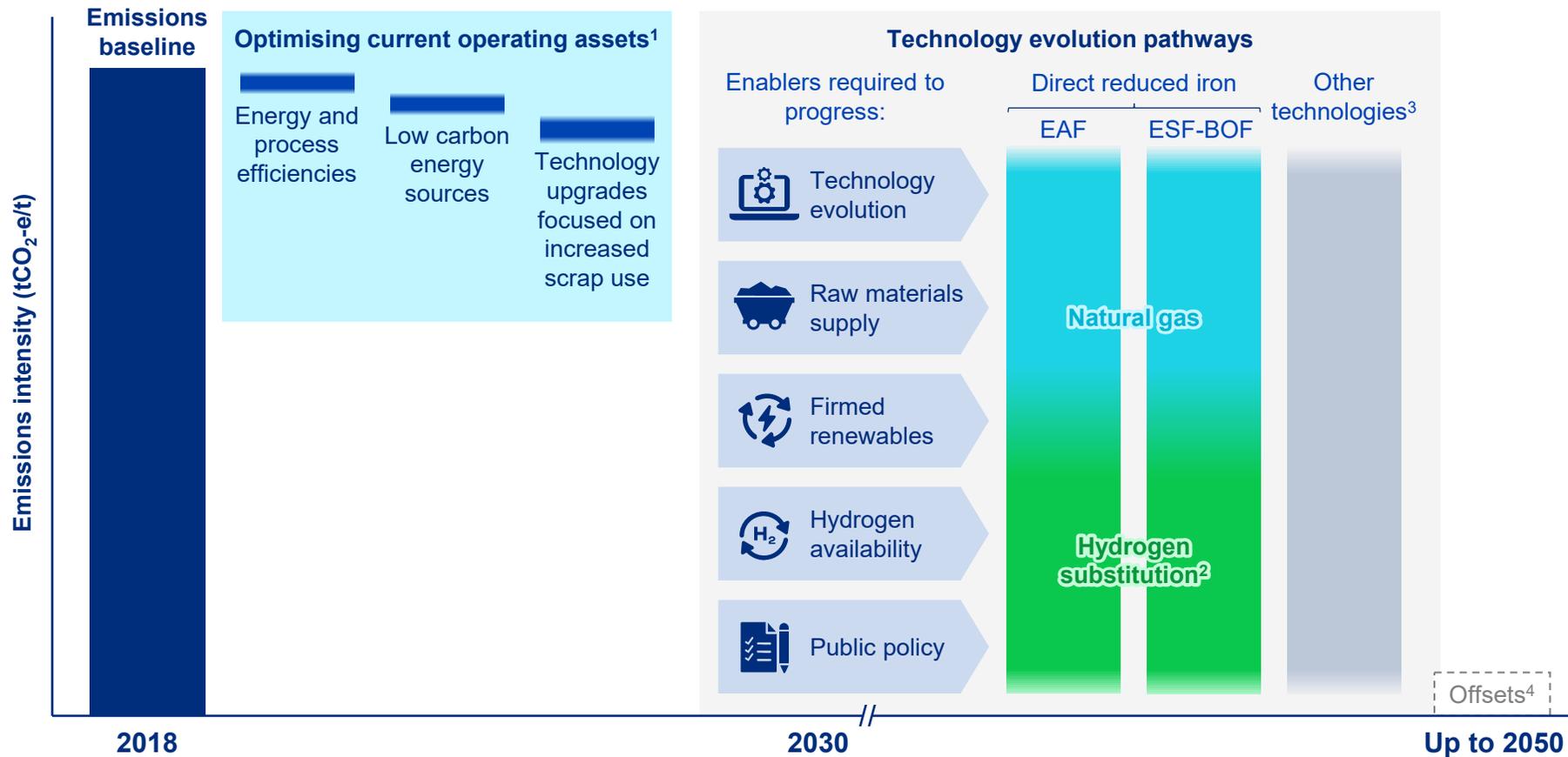
NEW ZEALAND CLIMATE POLICY SUPPORTS DECARBONISATION INVESTMENT

A partnership approach between government and industry supports shared environmental objectives



INDICATIVE IRON AND STEELMAKING DECARBONISATION PATHWAY

Taking a dual-stream approach; focus on both near term process asset optimisation and longer-term technology evolution



1. Optimising current assets involves working within currently available technology options to improve the efficiency of assets and processes, including upgrading technology where there are supportive enablers.
 2. Contingent upon commercial supply of hydrogen from renewable sources.
 3. Other technologies include electrolysis, CCUS and biocarbon, etc.
 4. We retain the option to use offsets to meet our 2050 net zero goal where direct abatement is not technically or commercially feasible.



Climate Action Port Kembla Steelworks

Tania Archibald (Chief Executive, ASP)

Chris Page (Head of Future Technologies)



DECARBONISATION LANDSCAPE IN AUSTRALIA

Steel decarbonisation can leverage Australia's competitive advantages, but faces energy and policy challenges

Comparative Advantages

-  Abundant, low-cost, domestically mined iron ore
-  Existing physical infrastructure and skilled workforce
-  Opportunity for significant volumes of low-cost renewable energy
-  Abundant resources of natural gas

Challenges

-  Low volumes of DRI-grade magnetite ores
-  Tightening domestic supply of gas, with existing volumes committed to export
-  Slow progress in build-out of firmed renewable electricity
-  Globally uncompetitive, high energy prices
-  Need for continued progress in policy

COLLABORATION WITH RIO TINTO

Recently completed a concept study exploring Direct Reduced Iron (DRI) and its application to Australia's Pilbara blend of ores in conjunction with Electric Smelting Furnaces (ESF)

Concept study outcomes

- Assessed several potential technology options across the DRI-ESF value chain
- Developed an understanding of the DRI and ESF technology – specifically:
 - the technology readiness and key risks, and
 - the technology's application to Australian Pilbara type iron ores
- Plans for the next phase of work under development

Where to next?



TECHNOLOGY COLLABORATIONS WITH GLOBAL STEELMAKERS

Working with leading global steelmakers to develop low emissions technology pathways

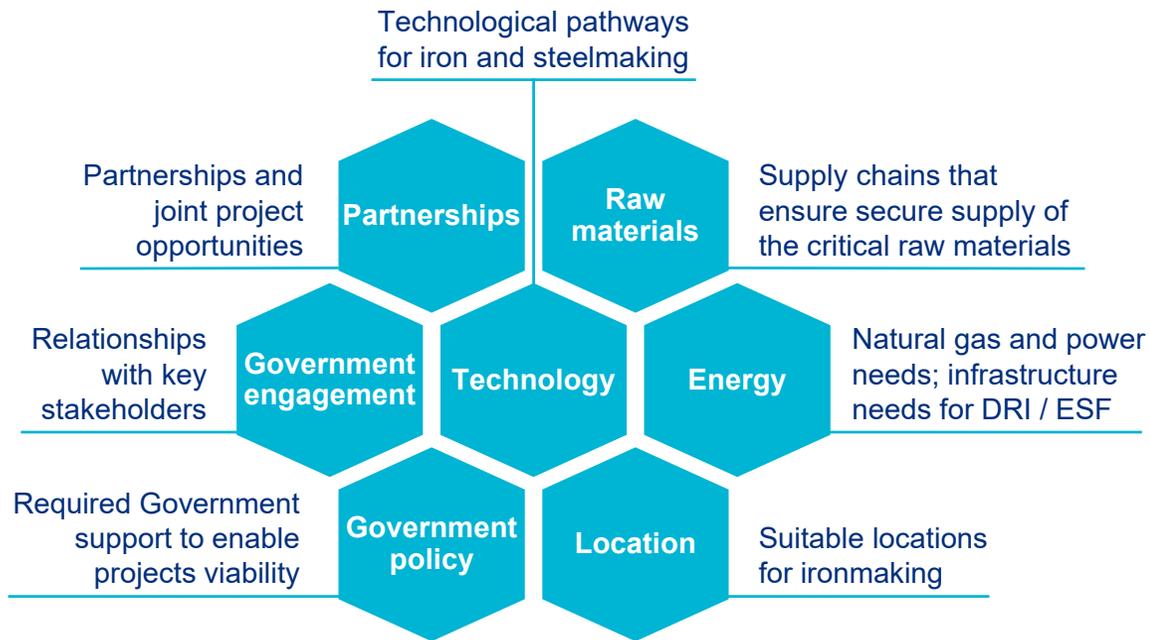
- Technology collaboration agreements with Tata Steel Europe, thyssenKrupp Steel Europe and POSCO
- The complex and unique nature of the steel supply chain lends itself to the establishment of partnerships across various technologies, resources and infrastructure
- Further partnerships and collaboration will be crucial to determining and developing iron and steelmaking decarbonisation pathways



DIRECT REDUCED IRON OPTIONS STUDY

Initiated a study to explore low emissions iron and steelmaking options in Australia, with a particular focus on DRI technology pathways and the necessary enablers

Workstreams / focus areas



Key objectives

- Study will enable BlueScope to evaluate low carbon steelmaking options, to decarbonise Australian steelmaking
- The concept study has two main objectives:
 - 1 Identify iron and steelmaking options** that provide a step-change in carbon emissions reduction, with a focus on DRI technology
 - 2 Identify and quantify the enablers** required for each option and any additional Government measures required to support on an economic basis

ASP & Climate Change Q&A Panel

Mark Vassella (Managing Director & Chief Executive Officer)

Tania Archibald (Chief Executive, ASP)

Gretta Stephens (Chief Executive Climate Change & Sustainability)

Anna Matysek (Head of Climate Change)

Chris Page (Head of Future Technologies)

Tim Rodsted (Head of Sustainability)

Climate Action BlueScope

Gretta Stephens
(Chief Executive Climate Change & Sustainability)



RECAP: CLIMATE STRATEGY

Climate action is a key component of our corporate strategy



Reduce our GHG emissions



Use quality and cost-effective carbon offsets only where direct abatement is not feasible



Create carbon-efficient and climate-resilient solutions



Making the case for local, sustainable steel



Increase use of affordable & reliable renewable energy



Monitor, manage and engage



PROGRESS AGAINST OUR TARGETS

Continuing our pursuit of emissions reduction projects in line with our 2030 steelmaking and non-steelmaking targets

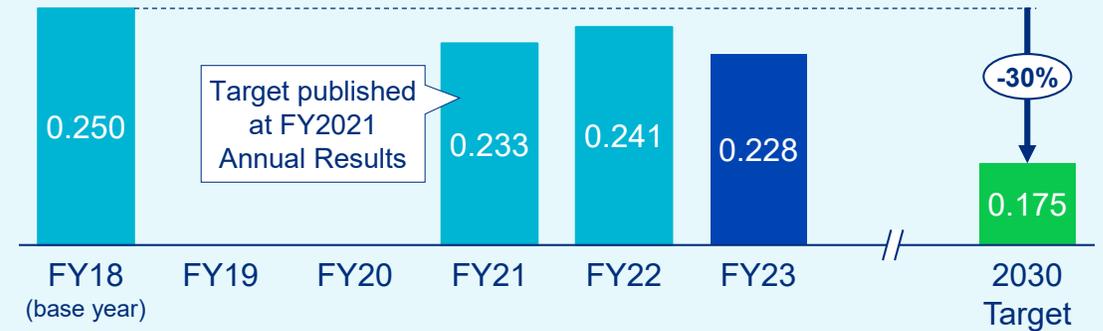
Steelmaking target¹: 92% of total emissions

GHG emissions intensity (tCO₂-e per tonne raw steel)



Non-steelmaking target³: 7% of total emissions

GHG emissions intensity (tCO₂-e per tonne despatched steel)



1. FY2023 steelmaking GHG emissions intensity has been updated from the preliminary data disclosed in the FY2023 annual result material following the completion of internal verification activities.
 2. Source: Worldsteel Association
 3. Non-steelmaking emissions cover BlueScope's midstream activities, and are reported on an equity accounted basis

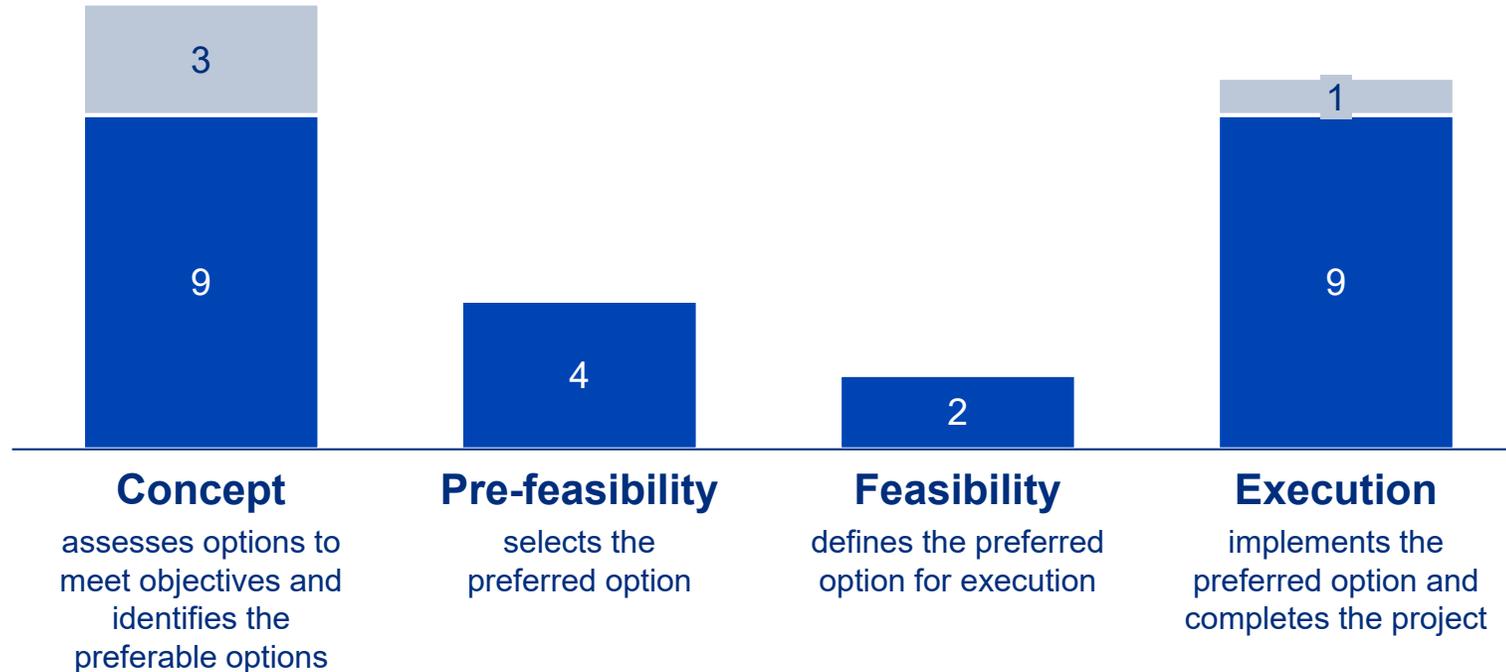


SOLID PIPELINE OF CLIMATE PROJECTS

We continue to make good progress towards our targets and net zero goal¹ by optimising existing assets in the near term and pursuing longer-term steelmaking transformation

Climate Project Pipeline² (number of projects)

■ Optimising existing assets ■ Steelmaking transformation



Key changes in last 12 months

- Moved to execution:
 - EAF at New Zealand Steel
 - Port Kembla No.6 Blast Furnace efficiency projects
- Removed from pipeline:
 - New Zealand Steel induction furnace (after decision to proceed with EAF)
 - Hydrogen electrolyser pilot plant at Port Kembla
 - Hydrogen blending project at Springhill

1. Achieving the 2050 net zero goal is highly dependent on several enablers, including: the development and diffusion of ironmaking technologies to viable, commercial scale; access to affordable, firm large-scale renewable energy; availability of appropriate volumes of affordable green hydrogen (with natural gas enabling the transition); access to appropriate quality and sufficient quantities of economic raw materials; and supportive policies across all these enablers to underpin decarbonisation investment and avoid carbon leakage.
 2. Chart reflects projects with abatement potential of greater than 10,000t CO₂-e for steelmaking and greater than 1,000t CO₂-e for non-steelmaking operations. Chart does not include projects in our downstream operations

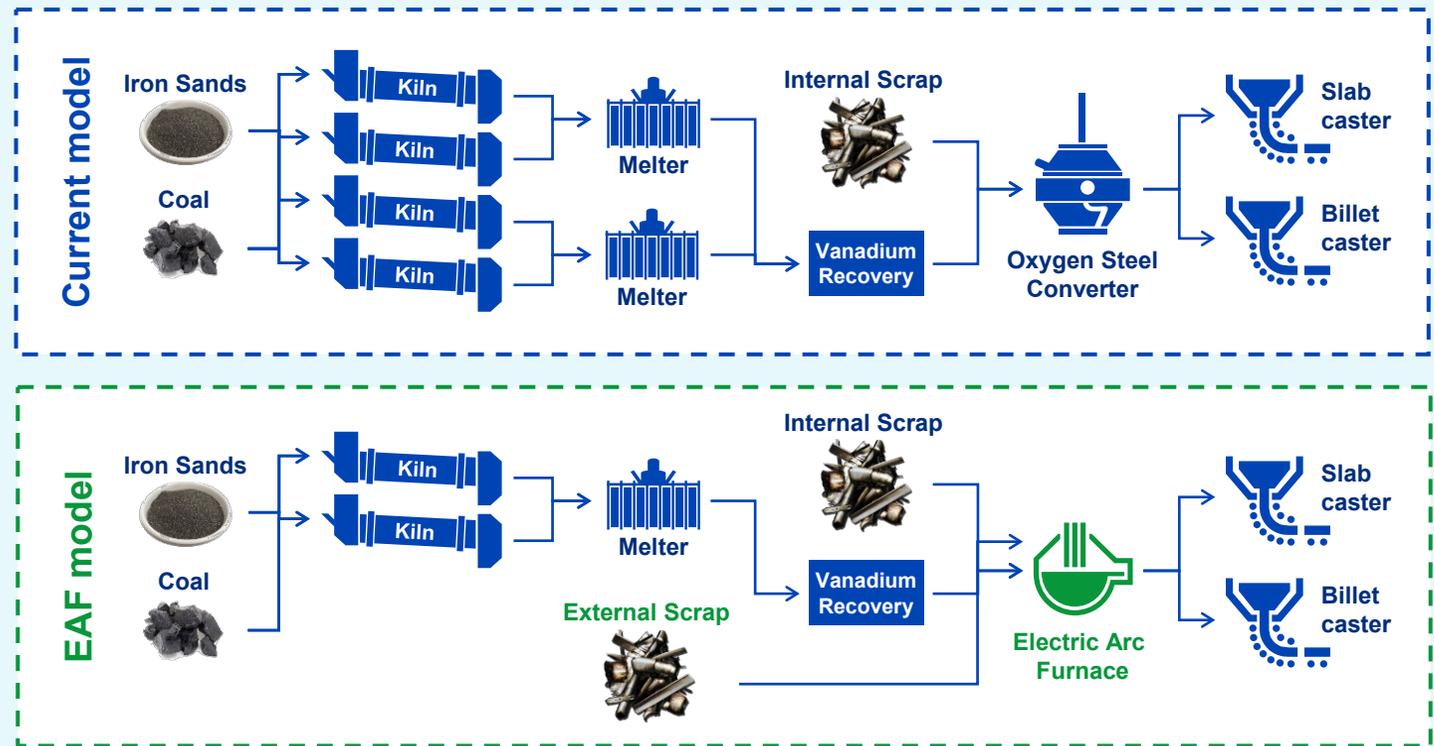
NEW ZEALAND STEEL ELECTRIC ARC FURNACE

BlueScope and NZ Government agreed to co-fund NZ\$300M in decarbonisation of NZ Steel

Project moved to execution phase in early Sep-23¹

- Expected cost ~NZ\$300 million
- NZ\$140M to be co-funded by the New Zealand Government
- Expected to be operational by 2026
- Reduces NZ Steel's Scope 1 and 2 greenhouse gas emissions by more than 45%
- Significant step towards BlueScope's 2030 steel decarbonisation target

NZS's unique kiln and melter operation allow for a smaller modular EAF solution



1. Delivery of the project remains subject to standard environmental regulatory approvals

EXAMPLES OF NON-STEELMAKING PROJECTS

Significant number of projects across our broader footprint of non-steelmaking assets

Westernport Paint line upgrade



- Project to upgrade one of the two paint ovens at Westernport Works
- Due for commissioning mid 2024
- The upgrade project has the potential to reduce Scope 1 emissions of the Western Port site by 16%

Waste heat recovery at Suzhou, China

- Replaced existing Thermal Oxidiser with a Rotating Concentrator - Regenerative Thermal Oxidiser (RCRTO) system
- Improves recovery of heat to the oven and other parts of the process and reduces GHG emissions by more than 3,200 tCO₂-e per year



Solar across NS BlueScope



- A range of solar installation projects across NS BlueScope , including
 - Malaysia – Kapar solar farm (completed 2022)
 - Thailand – Map Ta Phut rooftop (expected completion end-2023)
 - Indonesia – Cilegon rooftop solar (expected in 2024)
 - Vietnam – Phú Mỹ rooftop solar (expected in 2024)

Safe, Healthy and Inclusive Workplaces

Mike Hussey (Head of Health, Safety and Environment)

Kerri Thurlow (Head of Group Social Compliance)

Rebecca Roberts (General Manager People, ASP)





SAFETY, HEALTH AND WELLNESS

Safe and healthy workplaces are integral to the way we do business

- Evolved our approach to reflect the inclusivity of our culture by enhancing capability and capacity
- This evolved approach means we:
 - Focus on the presence of capacity in systems and processes rather than an absence of incidents
 - Systemise a culture of learning from our people who make and handle our products
 - Continue to acknowledge that human error is inevitable and the importance of strengthening controls



HSE PERFORMANCE

Our balanced indicators of capability, risk management and severity

Lead HSE indicators

>99% of planned HSE risk control projects completed in FY2023 (249)

>900 HSE risk control projects completed since FY2021

48 environmental improvement projects completed in FY2023

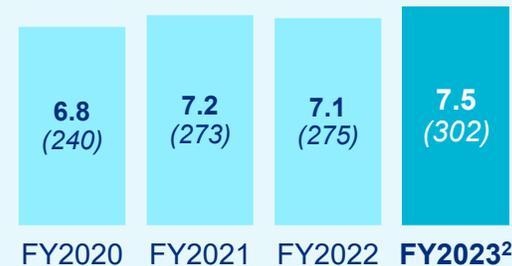
175 environmental improvement projects completed since FY2021

1,541 employees were involved in business-led HSE learning programs in FY2023

>3,000 employees participated in HSE workshops since FY2021

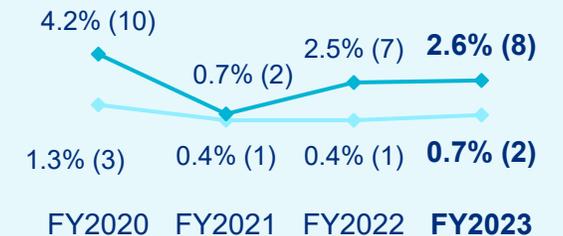
Lag HSE indicators

TRIFR¹
above long term range of 5-7, with inclusion of scrap asset acquisitions



Severity

— Total recordable injuries that resulted in permanent incapacity
— Total recordable injuries with potential to be a fatal incident



43 environmental non-compliances notified to relevant authorities in FY2023, largely due to extreme weather events in Auckland in 2023

1. Total recordable injury frequency rate per million hours (number of injuries).
2. Excludes recently acquired BlueScope Coated Products.

HEALTH AND WELLBEING

We strengthen what keeps us safe and well at work through a holistic and integrated approach to health and wellbeing

Brings together holistic factors impacting our health and wellbeing...



...and takes an integrated approach to improvement opportunities





**Thriving
Culture**

**Healthy
People**

Health + Wellbeing



Wellness works here

Development

Job Quality

Working

Facilities

Work

Plant &



**Thriving
at Work**

**Healthy
Workplaces**

SOCIAL IMPACT AND HUMAN RIGHTS

We are focused on protecting human rights across our business

- We are committed to driving positive social impact and to mitigate adverse impacts in our operations and through our supply chain
- We are committed to an integrated approach to managing key risks, including our modern slavery risks
- We aim to have a proactive risk culture, ensuring a balanced approach to managing uncertainty in the delivery of strategic and commercial outcomes
- Our Human Rights Policy outlines our expectations for all business partners (upstream and downstream) and holds everyone to the same standard

OUR APPROACH

Our Social Impact Steering Committee facilitates BlueScope's human rights due diligence process

Social impact steering committee

- Established in 2021
- Includes representatives from Sustainability, Procurement, Risk, Ethics & Compliance and Social Impact teams
- Oversees implementation of the social impact due diligence process
 - Also oversees our Responsible Sourcing Program and requirements to meet the Modern Slavery Act
- Key responsibilities include:
 - Annual human rights assessment of risk
 - Review and agree program of work
 - Track and monitor business actions and remediation

Due diligence framework



Objectives

- Identify actual or potential adverse impacts
- Build awareness, understanding and buy-in from senior leaders
- Establish a process to identify, prioritise, remedy and track actions
- Develop an iterative process involving refinements of BlueScope's risk profile as more is learned
- Build capability across the business for local identification and management of issues

OUR ASSESSMENT PROCESS AND PRIORITY AREAS

The Social Impact Steering Committee complete an annual assessment to identify any actual or potentially adverse impacts across key priority areas

Assessment process

Assessment criteria

- BlueScope exposure (potential or actual risk)
- Severity to the affected party

Assessment outcomes

- Risk categories as defined by ELEVATE Responsible Sourcing Assessment (ERSA) tool



Priority areas

Hours of work

Reasonable limitation of working hours and appropriate provision of paid holidays

Wages and benefits

Accurate and timely payment

Forced labour

All forms of forced labour for contract workers at our sites (and contractor management)

Grievance mechanisms

Accessibility of mechanisms for employees, labour hire and contractors

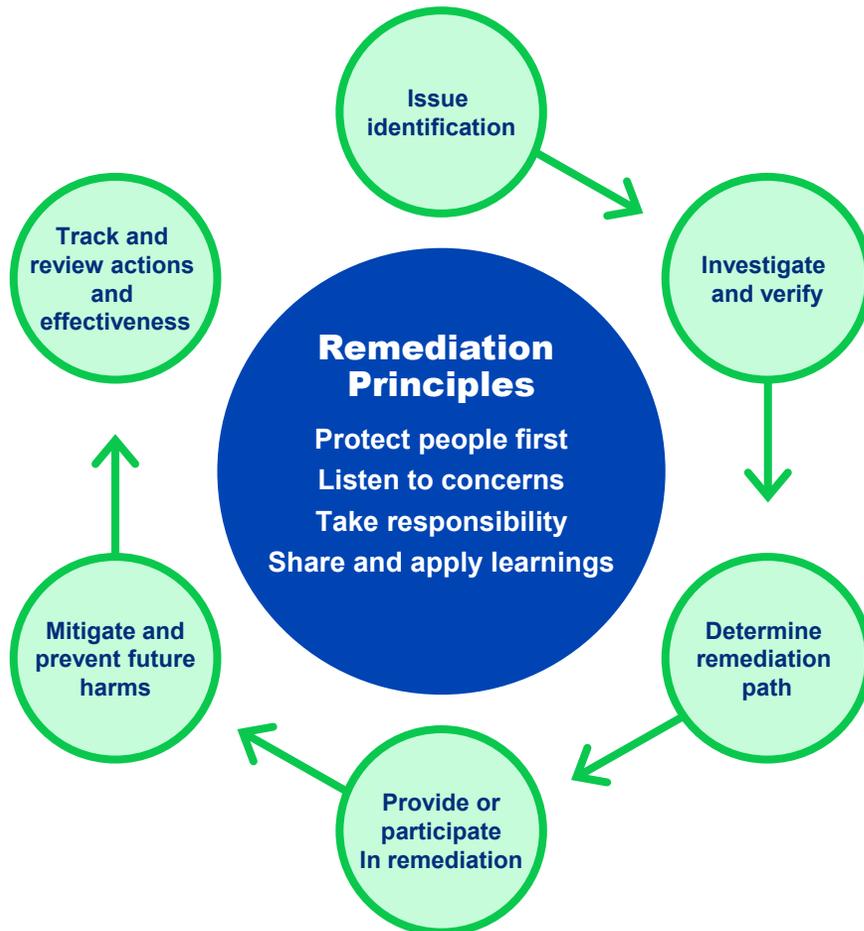
Harassment and abuse

Prevention of and response to harassment in the workplace

REMEDIATION APPROACH

Established crisis response process to guide the organisation through a modern slavery incident

Remediation framework and principles



CASE STUDY: Malaysia

- Following our annual desktop review across all sites, we engaged a third-party provider to conduct a Labour and Working Conditions Audit in Malaysia
- Key findings included:
 - Migrant workers are at highest risk
 - Contract workers are at high risk and contractor management is complex
 - Security, cleaning and catering are vulnerable sectors that require critical controls
- Through this process, we identified a number of modern slavery matters that required remediation
 - These matters were identified through worker interviews, third-party surveys, investigations, and grievance lines
- Remediation is ongoing. To date, it has included:
 - Reimbursement of recruitment fees (that had been charged to some of these workers)
 - Addressing supplier breaches of our policies

INCLUSION AND DIVERSITY

OUR INCLUSION AND DIVERSITY STRATEGIC APPROACH



Safe to speak up



Grow and support under-represented groups



Community partnerships



Inclusive leadership



Measure our progress



AN INCLUSIVE, SAFE AND RESPECTFUL WORKPLACE

An inclusive workplace is a key element of ASP's People Strategy

- Our focus is on enabling teams to operate at their best by embracing diversity, instilling an inclusive culture and maintaining safe and respectful workplaces
- To do this, we are actively celebrating and respecting the uniqueness Our People bring to work
- Employees across Australia joined together to celebrate a month of inclusion, with a focus on:
 - International Women's Day
 - Harmony Week
 - World Pride
- Events were held by local teams, Inclusion and Diversity Networks in each state, Women's Networks and the newly formed Pride Network
- Seeing a range of employee-led initiatives emerging across the business, a key success of the work to date in instilling an inclusive culture



BlueScope
INCLUSION MONTH
March 2023

#inclusionstartswithme
At BlueScope we value a workplace where everyone feels a sense of belonging and respect for who they are. In March we are celebrating all things inclusion as we strengthen our diverse, inclusive and respectful workplaces.

What is inclusion?
A culture which allows everyone to have a sense of belonging, feel safe being their authentic selves at work and respected and valued for who they are

HOW DO I GET INVOLVED?

- Make inclusion a focus for your team catch ups or tool box talks
- Share your personal stories with your colleagues and provide a safe space for them to do the same
- Host a morning tea or lunch and start conversations around what inclusion means to you – get to know your colleagues!
- Make your own inclusion starts with me video inspired by the [video](#) in this QR Code #inclusionstartswithme
- Join a webinar:
Keep an eye out for more information about internal webinars coming soon or join any external IWD, Harmony Week or World Pride webinars
- Build your own awareness – find out more about [World Pride](#), [International Women's Day](#) and [Harmony Week](#) online
- Share what your site or team is doing on workplace using #inclusionstartswithme – we want to see how you are celebrating inclusion!



AN INCLUSIVE, SAFE AND RESPECTFUL WORKPLACE

Programs proactively supporting a culture of respect have been introduced across the ASP business

- Recent launch of “**Step Up**”, part of our “**Respect is How We Work**” cultural program
- The sessions are leader-led, and facilitate team discussions
- Supports positive workplaces through relevant education
- Also provides attendees the tools and confidence to intervene should they notice a situation that is not inclusive, safe or respectful
- Supported by a range of collateral and promotional material across our sites



FIRST NATIONS FRAMEWORK

Continued to progress a range of initiatives under our First Nations Framework



Community

- Engaged Bangawarra to prepare the Connecting with Country Framework for the PKSW Master Plan
- Gifting building and land to a local Aboriginal Corporation



Employment

- Held a pre-employment program to increase Aboriginal applicants into our BlueBoots recruitment campaign.



Employee Engagement

- Held cultural awareness workshops, facilitated by the Illawarra Aboriginal Corporation's Cultural Centre
- Continued BlueScope's Jawun corporate partnership

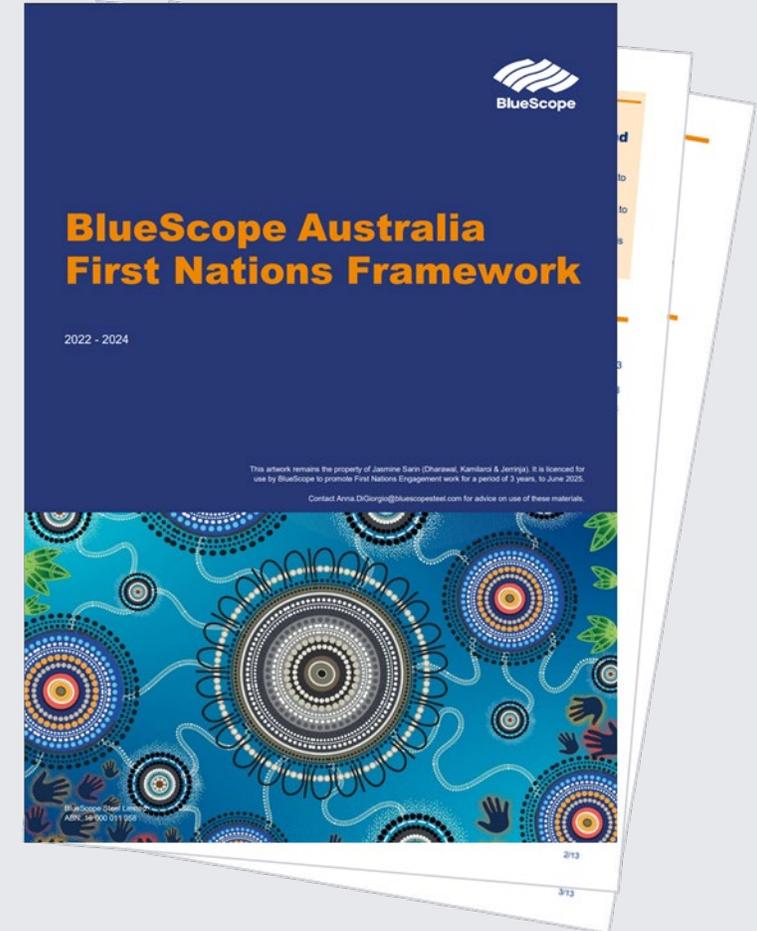


Supply Chain

- Supply Nation membership to support development of supplier relationships with Indigenous organisations
- \$6.3M spent with 23 First Nations suppliers in FY2023

Other Activities

- First Nations Working Group established
- First Nations Engagement Lead appointed to help manage implementation of the First Nations Framework



Responsible Products

Tim Rodsted (Head of Sustainability)

Pip Stone (Sustainability Manager, ASP)

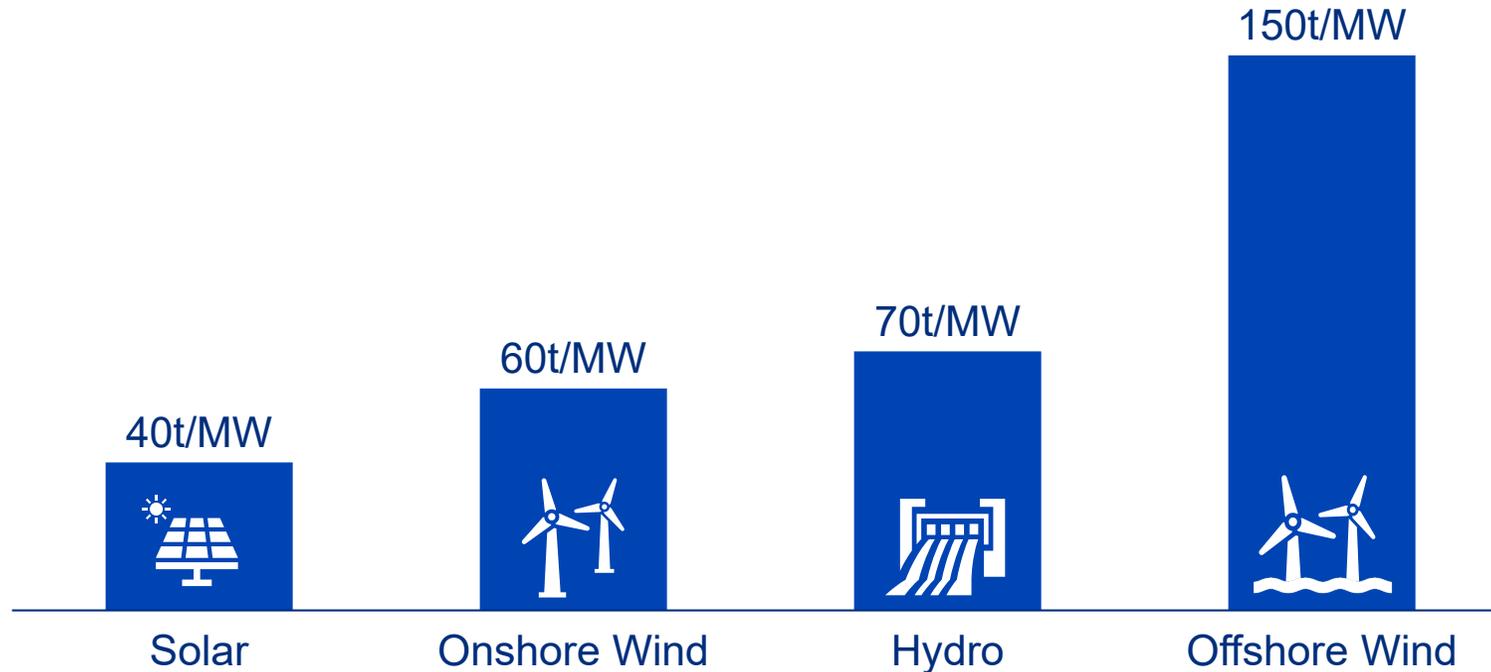
Colorbond®

BlueScope

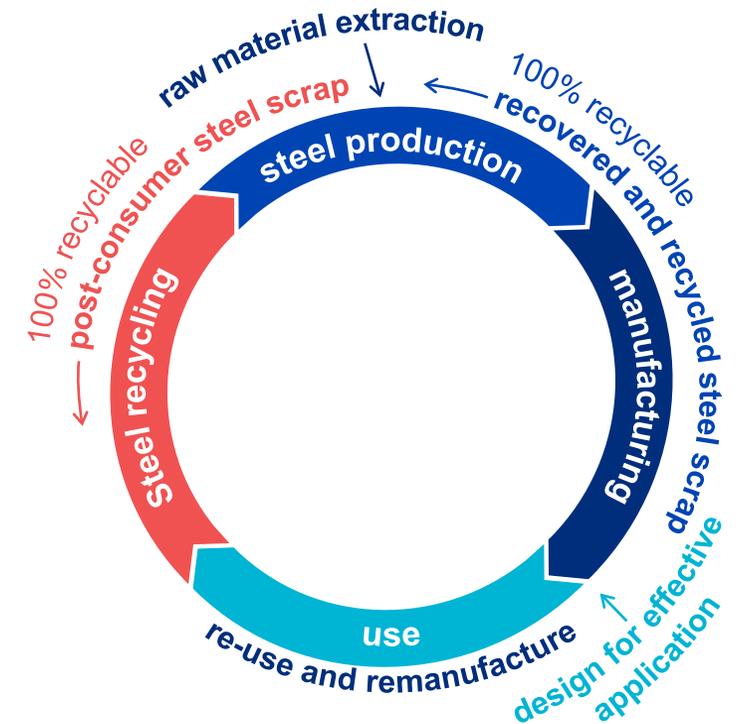
STEEL: CRITICAL TO THE WORLD'S FUTURE

A foundation for global decarbonisation; underpins the renewable energy transition and the circular economy

Estimated steel required for renewable energy infrastructure¹
(tonnes per megawatt of capacity)



Central to a circular economy
given its strength, durability and recyclability



1. Source: BlueScope analysis

For more information, see page 7-10 of BlueScope's FY2023 Sustainability Report, available at www.bluescope.com/sustainability/reports



RESPONSIBLE PRODUCT SOLUTIONS

BlueScope's products support sustainable outcomes through...



Supporting climate transition and resilience

- Components to underpin the renewable energy transition
- Roofing and products designed to provide and maintain high solar reflectance
- Light gauge steel framing
- Energy efficient products
- Products that support adaptive reuse



Improving product longevity and performance

- Advanced coating technologies and extensive performance testing.
- High toughness steel grades
- Weathering steel products for bridges and other applications



Solutions for specific applications

- Condensation and ventilation management.
- Resilient bar and coil products
- Engineered building solutions
- Structural decking for mid and high-rise developments



RESPONSIBLESTEEL™ SCALE & IMPACT

ResponsibleSteel™ is the only global multi-stakeholder standard and certification initiative for responsibly sourced and produced steel

Members include...



Key facts:

- **>150 members** across the iron and steel value chain and civil society
- **15% global steel market by volume** in membership
- **61 certified sites** on 5 continents, covering **110mt** of steel production
- **Site certification standard** covers over 13 ESG principles and >370 criteria; requires multistage independent audit
- **BlueScope certified sites:** Port Kembla Steelworks (Feb 2022) and Western Port (Sept 2023)



For more information, visit www.responsiblesteel.org



CUSTOMER AND INDUSTRY EDUCATION

We inform our customers and channel stakeholders of our sustainability credentials and educate on how the use of our steel can help achieve sustainable outcomes

Key messages



Design and whole of life considerations

Dematerialisation via high strength steel, adaptive reuse, design for disassembly, modular, prefabrication, product longevity and maintenance considerations



Encouraging systems thinking

Consideration of project targets alongside sectoral decarbonisation, holistic sustainability alongside embodied carbon



Product transparency and stewardship

Environmental Product Declarations (EPDs), Ecolabels, ResponsibleSteel™ certification

Memberships



Australian Institute of Architects



ENGINEERS AUSTRALIA



CREDENTIALS AND CERTIFICATIONS

Leading with product transparency and stewardship

Environmental Product Declarations (EPDs)

- Provides life cycle environmental impact of a product
- Based on life cycle assessment
- Transparent presentation of the facts, product specific
- Third party verified



Ecolabels

- Given to products that meet specific environmental performance criteria
- Holistic sustainability assessment



Stewardship scheme

- Steel industry specific
- Simple and robust framework for specifiers / design teams



ACHIEVING SUSTAINABLE OUTCOMES WITH STEEL

Examples of BlueScope's product applications

Adaptive reuse – TRUECORE® steel

- Renewed a 50 year old, 12 storey building at 388 Lonsdale St in Melbourne, Victoria
- Added eight storeys by using light gauge steel frames made from TRUECORE® steel, enabled by the strength-to-weight ratio of the product



COLORBOND® steel cool roofing colours¹

- Cool roofing - materials designed to have high solar reflectance and thermal emittance, to help keep the roof surface temperature cooler in the sun
- Featured on the Penguin Parade Visitor Centre in Phillip Island, Victoria



1. COLORBOND® steel cool roofing colours feature low Solar Absorptance (SA) values of less than or equal to 0.45, which enables 'deemed-to-satisfy' compliance for the roof cladding material within the National Construction Code (NCC) Section J energy efficiency provisions.

Sustainability Q&A Panel

Gretta Stephens (Chief Executive Climate Change & Sustainability)

Mike Hussey (Head of Health, Safety and Environment)

Kerri Thurlow (Head of Group Social Compliance)

Rebecca Roberts (General Manager People, ASP)

Tim Rodsted (Head of Sustainability)

Pip Stone (Sustainability Manager, ASP)

IN SUMMARY

✓ **Integrated and resilient Australian business, delivering returns across the cycle**

- Continued focus on product growth
- Progressing modern manufacturing initiatives
- Securing a long-term future for PKSW

✓ **Actively pursuing low emissions iron and steelmaking, noting importance of enablers**

- Progressing a range of initiatives at ASP
- EAF at NZ Steel demonstrates our intent to act where enablers are present

✓ **Operating sustainably is at the core of BlueScope's Purpose and Strategy**

- Placing people at the centre of our approach to address HSE and Social Impact risks
- Driving an inclusive, safe and respectful workplace

✓ **Enabled by BlueScope's financial strength and capabilities**

- Disciplined approach with strong governance
- Supported by our dedicated and capable team



BlueScope Investor Day

21 September 2023

Pictured:
The Mt Franklin Visitors Shelter in
Namadgi National Park, ACT
Features COLORBOND® Metallic steel
in Cosmic™ colour

BlueScope Steel Limited. ASX Code: BSL
ABN: 16 000 011 058
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