



BlueScope Investor Day

21 September 2022

Pictured:
Australian National
Maritime Museum, featuring
COLORBOND® Ultra steel
in Woodland Grey in
Kingspan® Benchmark
Evolution insulated panel

BlueScope Steel Limited. ASX Code: BSL
ABN: 16 000 011 058
Level 11, 120 Collins St, Melbourne, VIC, 3000

IMPORTANT NOTICE

This presentation should be read in conjunction with BlueScope's 2022 Investor Day webcast (when available), Climate Action Report, FY2022 Sustainability Report and Modern Slavery Statement, available at www.bluescope.com.

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Authorised for release by The Managing Director & Chief Executive Officer

BlueScope Contact:

Don Watters, Treasurer & Head of Investor Relations

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E don.watters@bluescope.com

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

- Introduction and Sustainability at BlueScope
- The Age of Steel
- Cracking the Green Iron Code
- Climate Action Update
- Australian Steel Products
- Panel Q&A

Morning Tea Break

Session 2

- Health Safety and Environment
- Inclusion and Diversity
- Supply Chain Sustainability
- Panel Q&A
- Innovation Update and Q&A

Lunch Break

Site Tour

- Port Kembla Steelworks and Springhill Works

Sustainability at BlueScope

Mark Vassella (Managing Director & CEO)

Colorbond®



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 5 & 6 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel



STRONG GOVERNANCE IS ENGRAINED IN BLUESCOPE'S CULTURE

Our commitment to sustainable governance is led from the top, with clear accountabilities for oversight and implementation of our sustainability commitments

BLUESCOPE BOARD

Risk & Sustainability
Committee

Health, Safety &
Environment
Committee

Remuneration &
Organisation
Committee

Audit
Committee

Nomination
Committee

Managing Director & CEO and Executive Leadership Team (ELT)

Functional-specific Leadership Teams and Forums

(including Sustainability Council, Climate Change Council, HSE Leadership Team, People Leadership Team and the Social Compliance Steering Committee)

Significant resources addressing sustainability throughout the organisation, embedded in the business units



For more information, see page 66 & 67 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel

COLLABORATION IS CORE TO OUR APPROACH

BlueScope is a small part of an enormous industry, yet has relationships with major players across the global steel value chain

Why is collaboration important?

- The global steel industry produces 1.6 billion tonnes annually; BlueScope produces 7 million tonnes
- Industry collaborates on technology (e.g. blast furnace copper stove issues)
- Steelmakers are an important part of longer value chain; collaboration with raw materials providers and customers is key to success
- Engagement with external research and development firms extends capability

Examples of collaboration initiatives

Technology partnerships

A range of partnerships with major steelmakers across the globe

Health and Safety approach

Collaboration has led to significant improvements in industry safety

Sustainable Supply Chains

NZ and Vietnam supplier / supply chain events

Industry initiatives and standards

ResponsibleSteel™, SBTi Expert Working Group, Industry ETI



For more information, see page 11 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel

KEEPING OUR STAKEHOLDERS UPDATED

We seek to provide transparent and meaningful disclosure of our approach and performance on material sustainability topics

History of BlueScope's sustainability disclosure



For more information, see BlueScope's 2021/22 Sustainability Data Supplement, available at www.bluescope.com/sustainable-steel

Disclosure aligned to key frameworks and standards



Participate in sustainability surveys and ratings



DIVERSE AND TALENTED TEAM

Presenting today:



Mark Vassella
Managing Director &
Chief Executive Officer



Tania Archibald
Chief Financial
Officer



Gretta Stephens
Chief Executive Climate
Change and Sustainability



John Nowlan
Chief Executive
Australian Steel Products



Chris Page
Head of Future
Technologies



Anna Matysek
Head of Climate Change



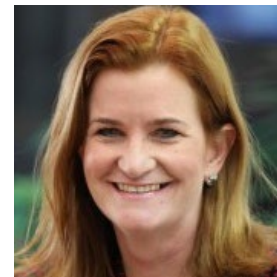
Dave Scott
General Manager Manufacturing
Australian Steel Products



Tim Rodsted
Head of Sustainability



Deanne Howard
Head of Health, Safety
and Environment



Rebecca Roberts
General Manager People
Australian Steel Products



Andrew Watson
Head of Group
Procurement



Sean Wong
Manager, Product
Innovation and Technology

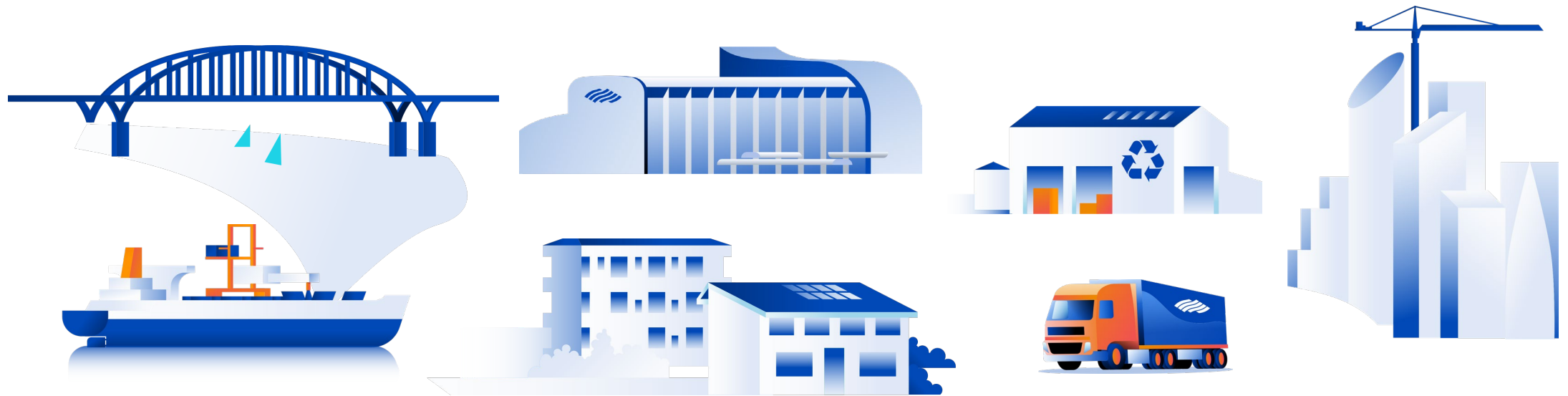
The Age of Steel

Mark Vassella (Managing Director & CEO)



THE AGE OF STEEL: USED IN EVERY ASPECT OF OUR LIVES

The world's most important and efficient construction material; underpins sustainable development

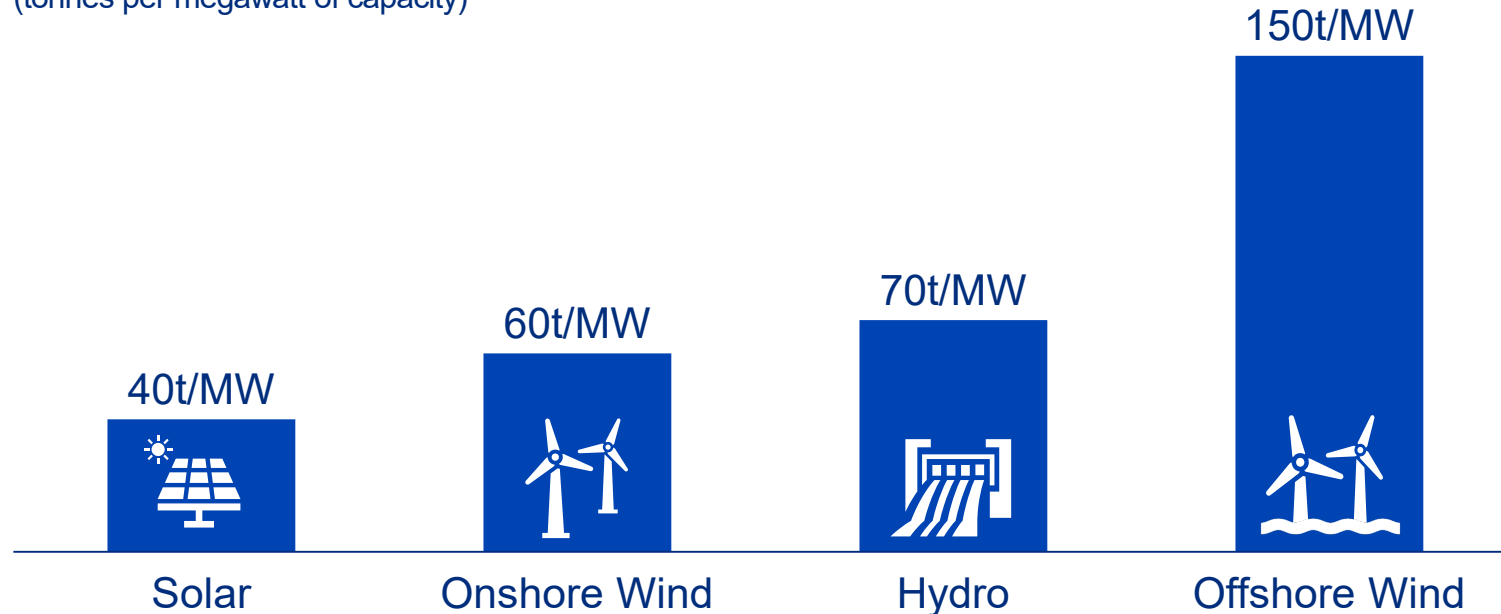


For more information, see page 9 & 10 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel

THE AGE OF STEEL: CRITICAL TO THE WORLD'S FUTURE

A foundation for global decarbonisation; underpins renewable energy transition

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



~2 million tonnes of additional steel needed to meet Australia's 2030 renewable energy targets; ~10 million tonnes to meet 2050 targets²

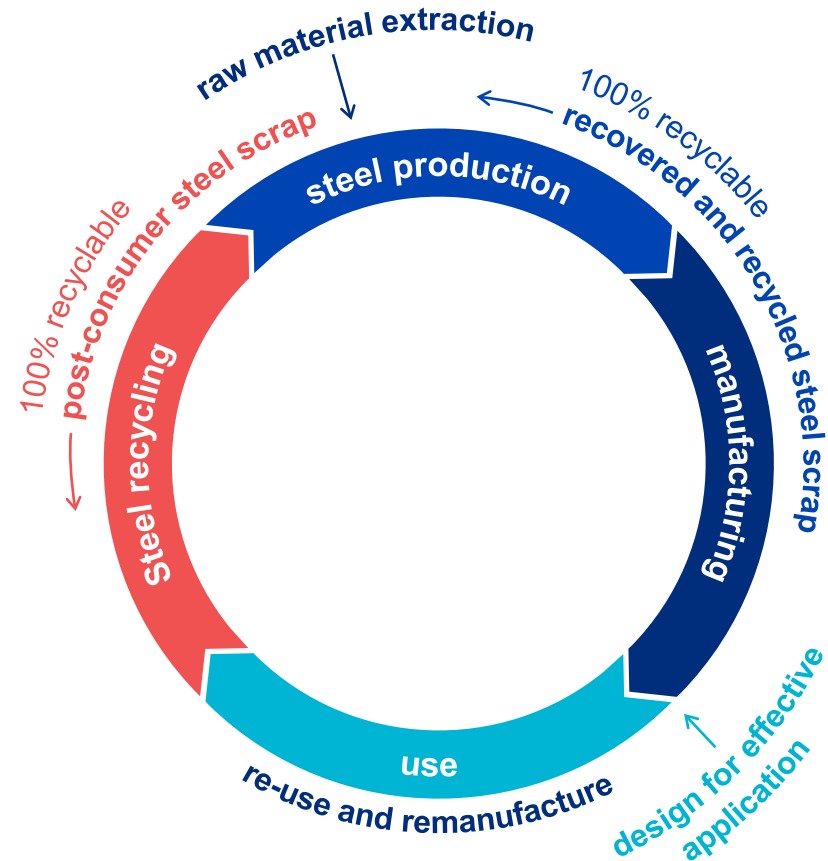
1. Source: BlueScope analysis
2. Source: BlueScope analysis, based on AEMO forecasting



THE AGE OF STEEL: INHERENTLY CIRCULAR

Steel is central to a circular economy, given its strength, durability and recyclability

The circular steel economy



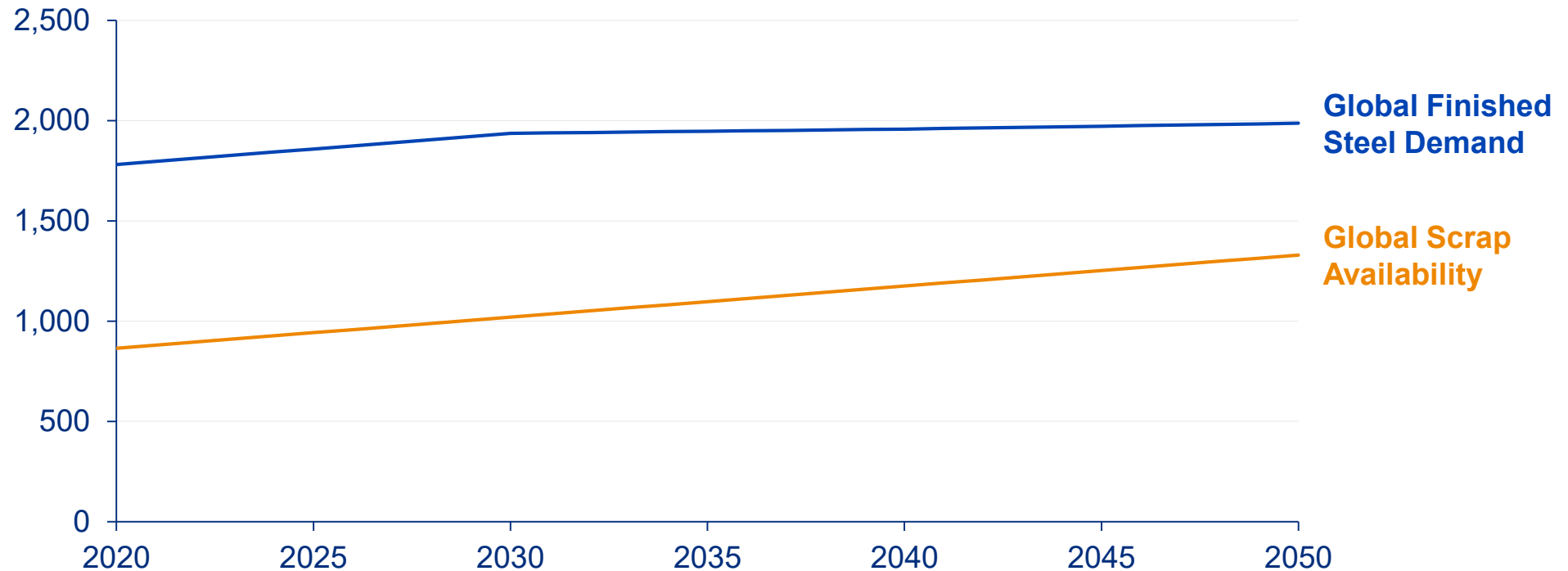
For more information, see page 12 & 13 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel

THE AGE OF STEEL: THE ROLE OF SCRAP

Will play a critical role in industry decarbonisation; but not enough scrap to meet steel demand

Global Finished Steel Demand and Scrap Availability Outlook¹

(million tonnes)



1. Predicated on 2020, 2030 and 2050 data, with straight-line averages between these key dates.
Sources: International Energy Agency (NZE Scenario), Worldsteel Association

For more information, see page 12 & 13 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel



Cracking the Green Iron Code

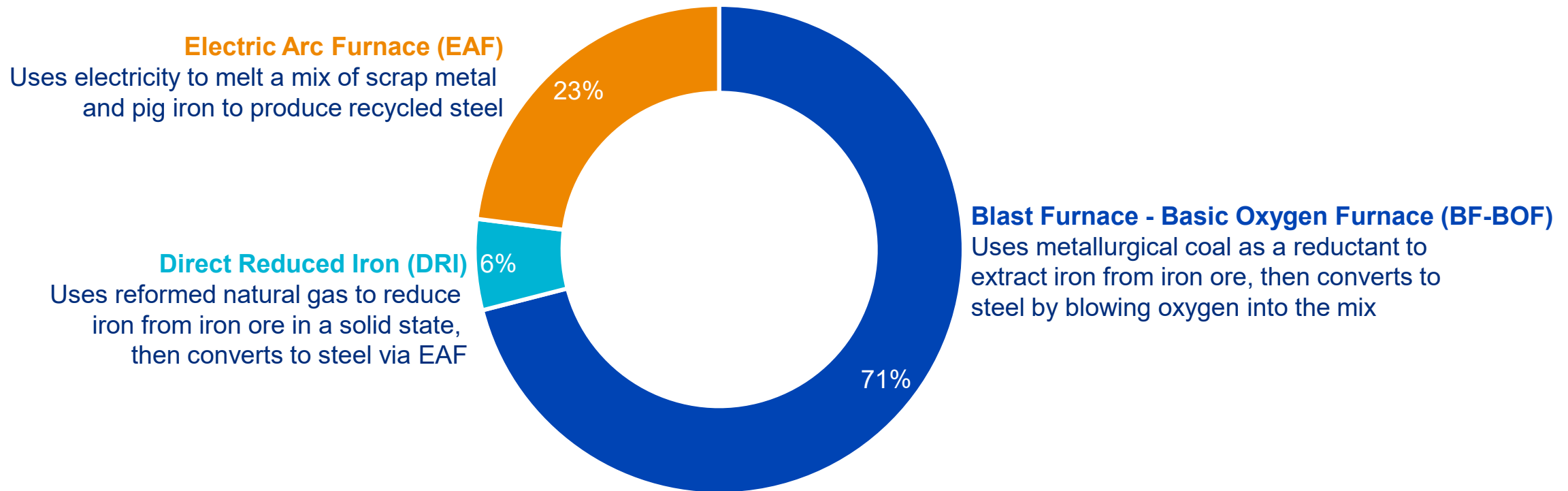
Chris Page (Head of Future Technologies)
Anna Matysek (Head of Climate Change)



RECAP: CURRENT STEELMAKING TECHNOLOGY

70% of the world's steel is produced via the blast furnace route

2021 Crude Steel Production by Process¹

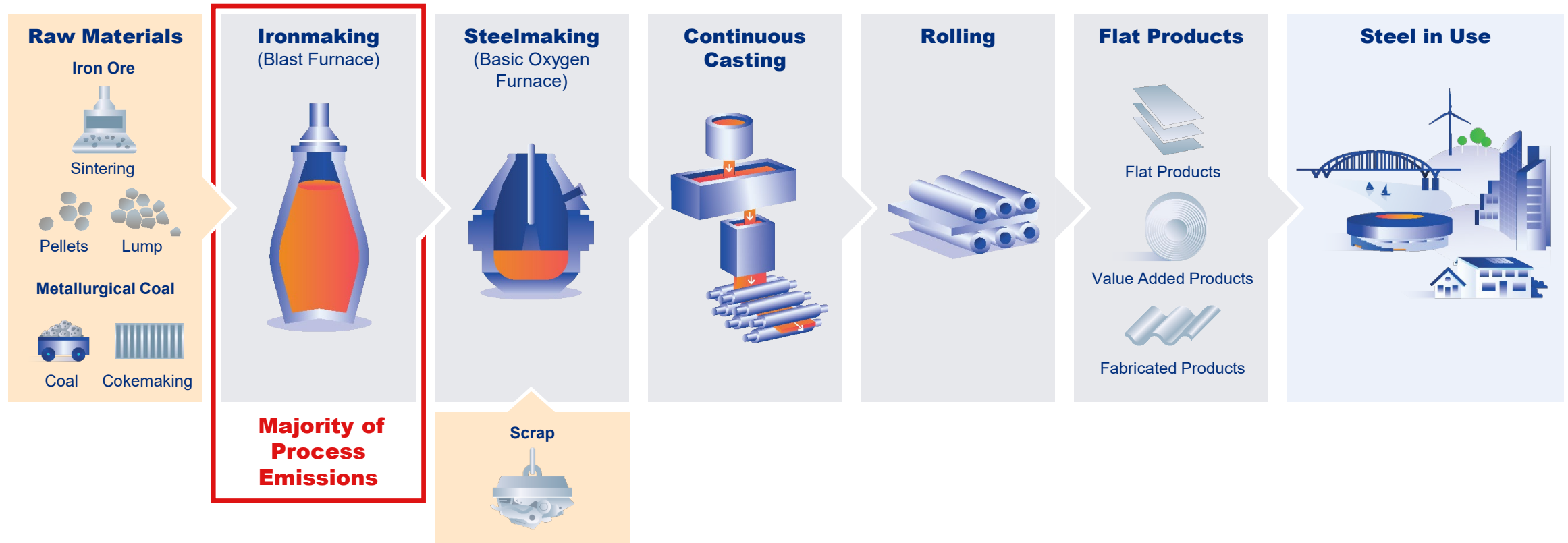


For more information, see page 14 & 15 of BlueScope's Climate Action Report, available at www.bluescope.com/sustainable-steel

1. Source: Worldsteel Association

RECAP: THE BLAST FURNACE PROCESS

The heart of the decarbonisation challenge for the steel industry is in ironmaking

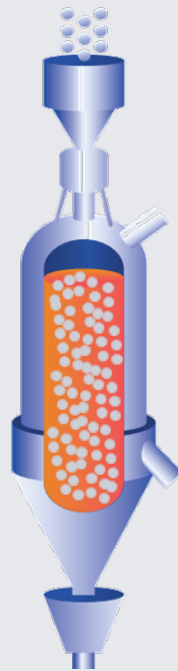


For more information, see page 14 & 15 of BlueScope's Climate Action Report, available at www.bluescope.com/sustainable-steel

THE IRONMAKING DECARBONISATION CHALLENGE



**Blast
Furnace
(BF)**



**Direct
Reduced Iron
(DRI) Furnace**

The ironmaking chemical reaction:

Now



- Carbon is key reductant in BF and natural gas DRI chemical reaction
- Reaction is exothermic (produces heat), which supports the process

Future?



- Hydrogen to potentially replace carbon as reductant
- Reaction is endothermic which inhibits the process



For more information, see page 14 & 15 of BlueScope's Climate Action Report, available at www.bluescope.com/sustainable-steel

THE STEEL INDUSTRY'S DECARBONISATION CHALLENGE

Key challenges:

The world doesn't have enough scrap for EAFs to replace blast furnaces

'Cracking the code':

- Limited availability of iron ore for EAF-quality DRI
- Breakthrough technologies need to be developed to viable, commercial scale

'Future energy landscape':

- Economy-wide investment in **firmed** and affordable renewable energy
- Significant investment to stand up a low-cost **green** hydrogen industry



For more information, see page 50 of BlueScope's Climate Action Report, available at www.bluescope.com/sustainable-steel



CRACKING THE CODE: RAW MATERIAL AVAILABILITY

Low emissions ironmaking requires the availability of iron ore of suitable concentration and purity

- Raw materials in the DRI process remain solid, meaning **impurities are not removed**
- EAF-quality DRI requires higher grade ores – e.g. beneficiated **magnetite**
 - Magnetite represents less than 15% of current seaborne ores
 - Will only support a proportion of global steel production
- For **hematite** ores (such as those found in the Pilbara) to be used in the DRI process, **additional processing is required**
 - Could be **via a melter**, but this not a commercially established process
 - Adds operating complexity and cost

Australian ore bodies¹

	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 (billion tonnes, saleable product)	~30Bt	~9Bt
Share of Global Seaborne Volumes	>85%	<15%



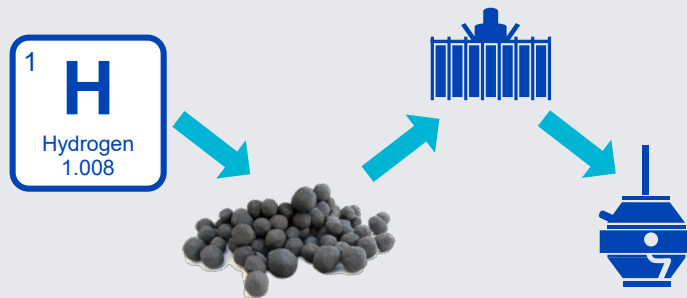
For more information, see page 50 of BlueScope's Climate Action Report, available at www.bluescope.com/sustainable-steel

1. Source: Geoscience Australia, publicly available iron ore production and operations reports, BSL analysis

CRACKING THE CODE: TECHNOLOGY EVOLUTION

Hydrogen Direct Reduced Iron (DRI) is a potential technology solution, however is at early stages of technology development, and requires supply of green hydrogen and consideration of ore supply

H₂ DRI – Melter – BOF



- Target use of Pilbara ores
- Melter to remove gangue
- Enables existing BOF-Caster to continue to be utilised
- Not a commercially established integrated process

H₂ DRI – EAF



- Seeks to replace natural gas with hydrogen in DRI production
- Requires high quality ores (such as magnetite pellet, which represent <15% of seaborne ores)
- Technology in early stages of development

Others

- **Direct electrolysis** uses electricity to reduce iron ore to liquid iron
 - Early-stage technology, undergoing small pilot trials
- **Carbon Capture Use / Storage (CCUS)** captures waste CO₂ for reuse or storage
 - Will likely play a part in decarbonisation, but is far from the scale required to be the solution

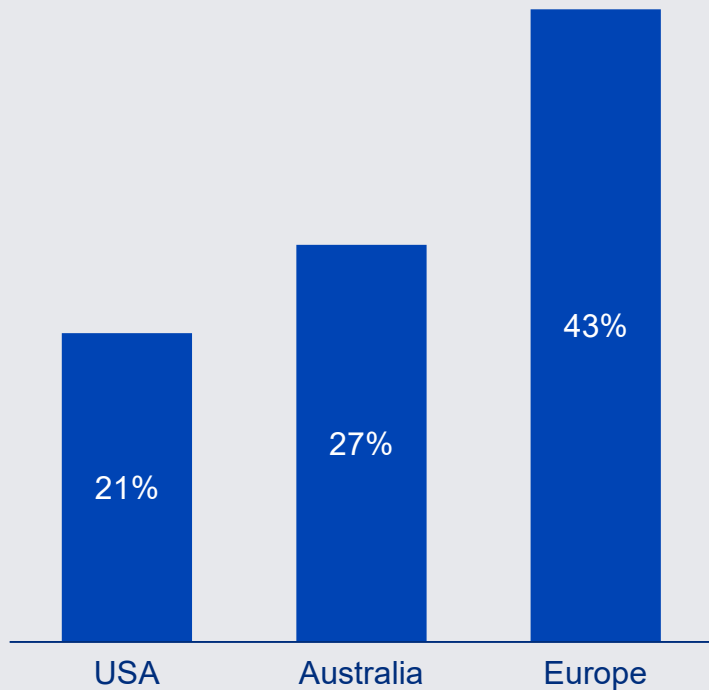
FUTURE ENERGY LANDSCAPE: FIRMED RENEWABLE ENERGY

Energy is a key enabler for iron and steel industry decarbonisation; competitively-priced, firming renewable energy is critical

Renewable

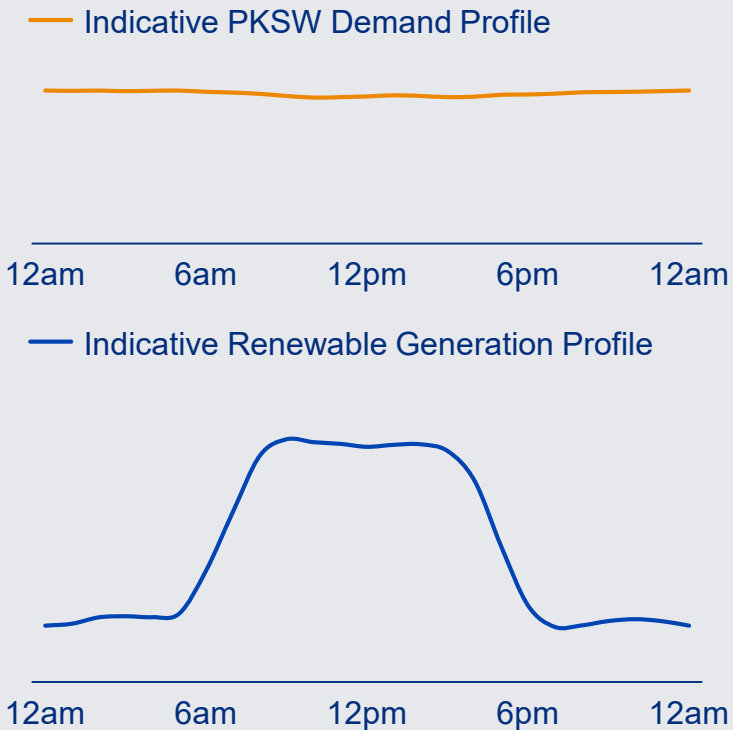
Share of Renewables

(Renewable % of Total Generation, FY2022)



Firmed

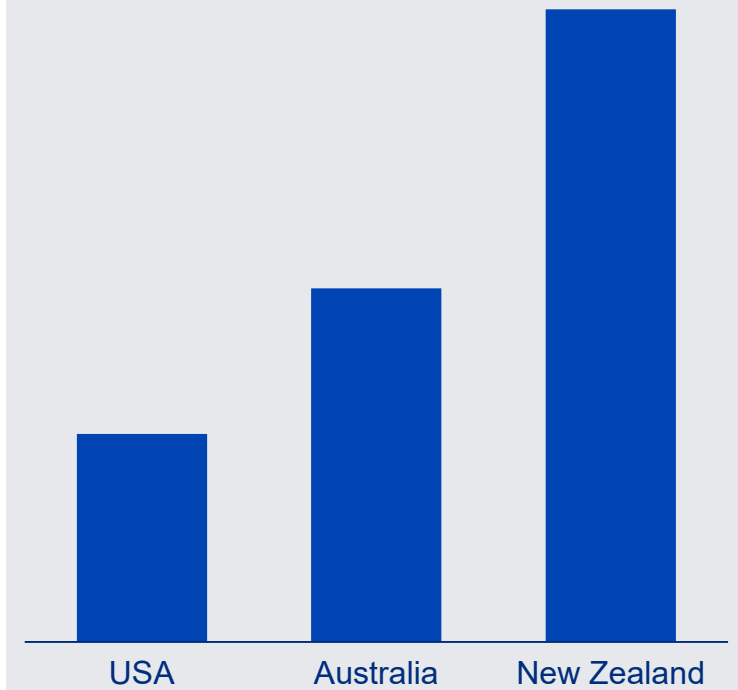
Indicative Electricity Profile



Competitively Priced

BSL Average Cost of Electricity

(US\$ per megawatt hour, FY2022)

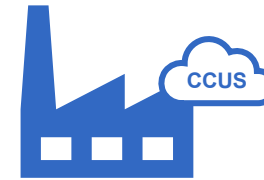
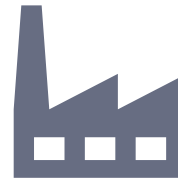
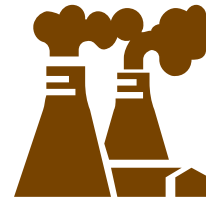


1. Sources: BlueScope analysis, Australian Energy Regulator, U.S. Energy Information Administration, International Energy Agency



FUTURE ENERGY LANDSCAPE: GREEN HYDROGEN

Energy is a key enabler for iron and steel industry decarbonisation; low-cost green hydrogen will underpin decarbonisation

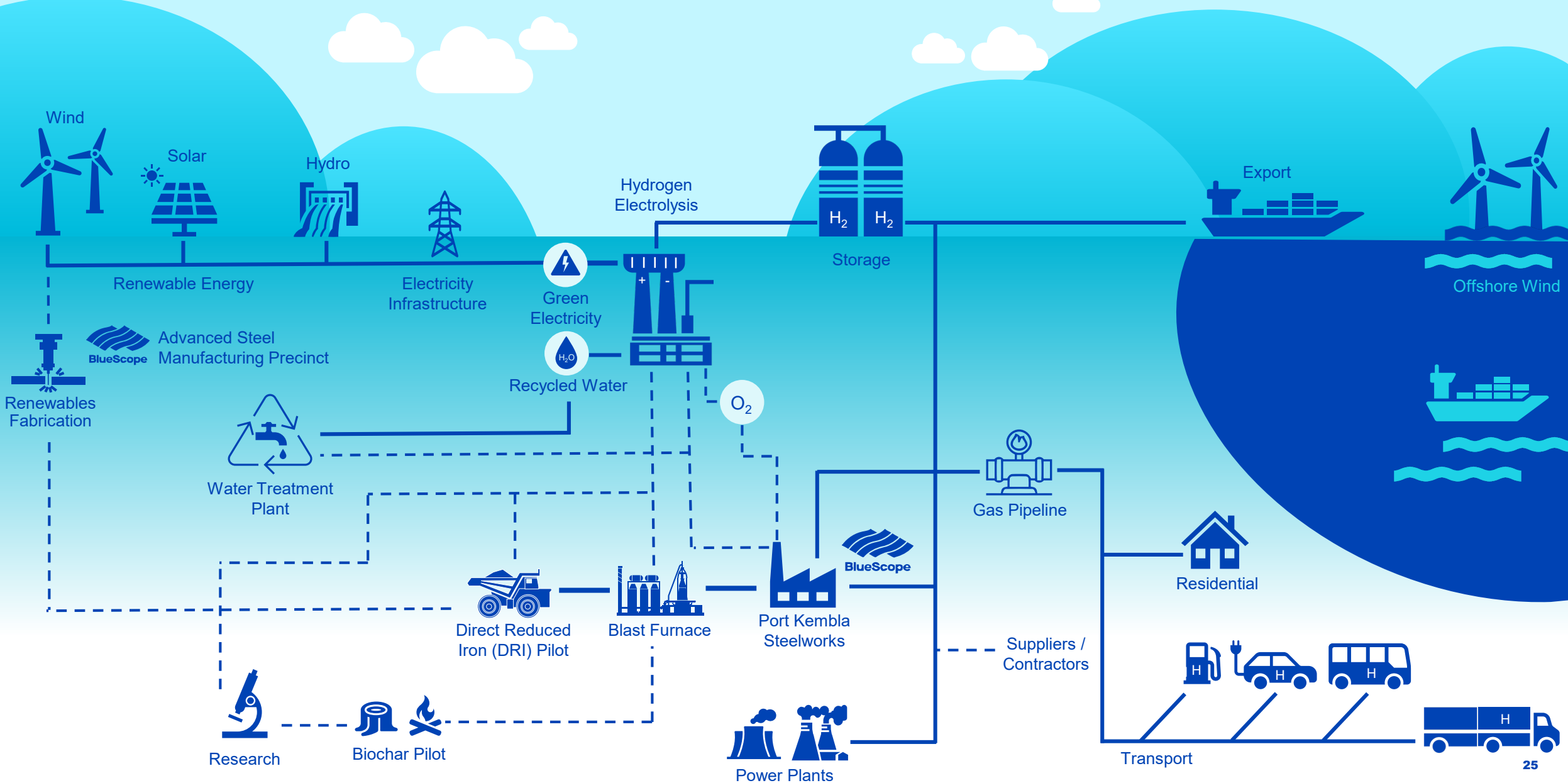


	Brown hydrogen	Grey hydrogen	Blue hydrogen	Green hydrogen
Process	Coal Gasification	Steam Reforming	Steam Reforming (with CCUS)	Electrolysis
Energy Source	Thermal Coal	Natural Gas	Natural Gas	Renewable Energy
% of 2020 Production	~15%	~70%	~1%	<0.5%
Emissions Lifecycle	Higher Emissions		Lower Emissions	Zero Emissions

1. Source: Wood Mackenzie, Global CCU Institute

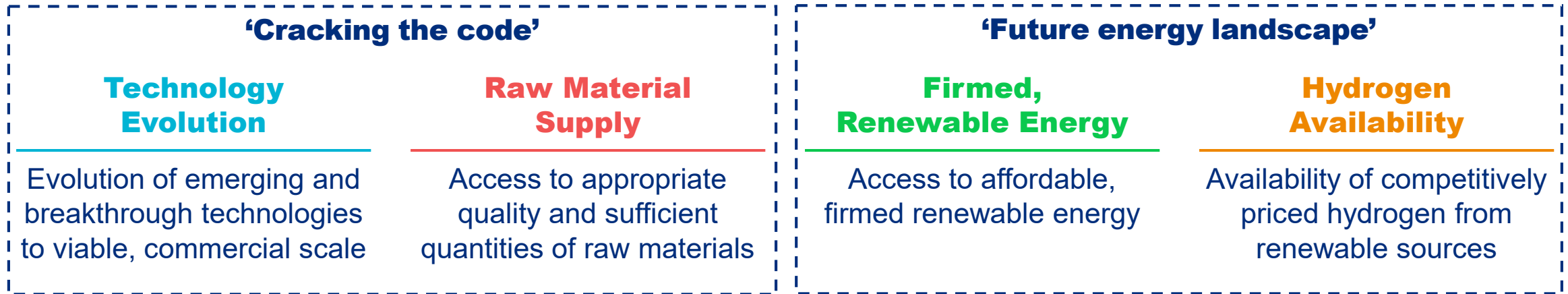


VISION OF A POTENTIAL ECOSYSTEM



RECAP: THE DECARBONISATION CHALLENGE

Steel industry decarbonisation will be enabled by:



Policy Support

Policy that supports decarbonisation investment & avoids carbon leakage



For more information, see page 50 of BlueScope’s Climate Action Report, available at www.bluescope.com/sustainable-steel

Climate Action Update

Gretta Stephens (CE, 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

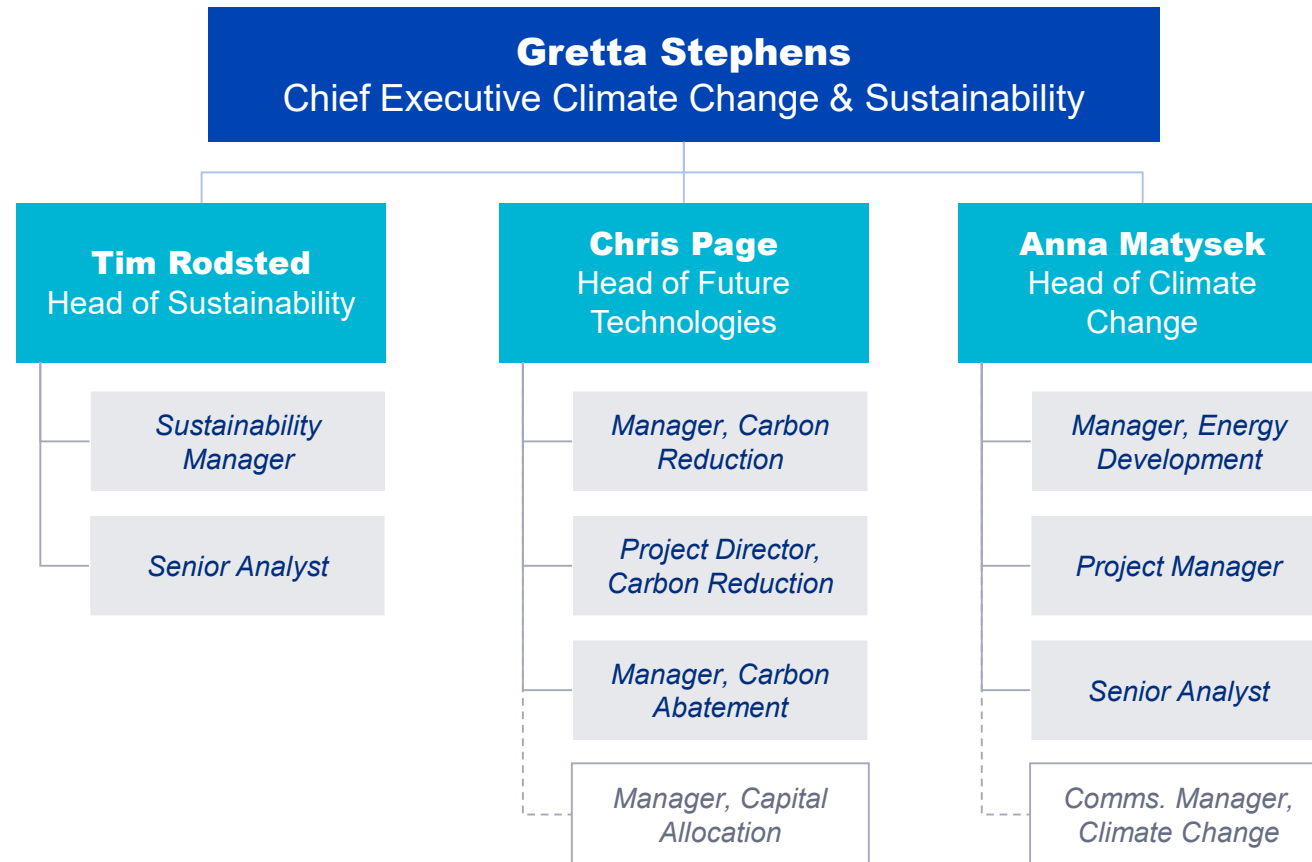


Monitor, manage and engage



RECAP: CLIMATE CHANGE & SUSTAINABILITY TEAM

Team supports the Board and ELT in developing and implementing BlueScope's climate and sustainability strategies

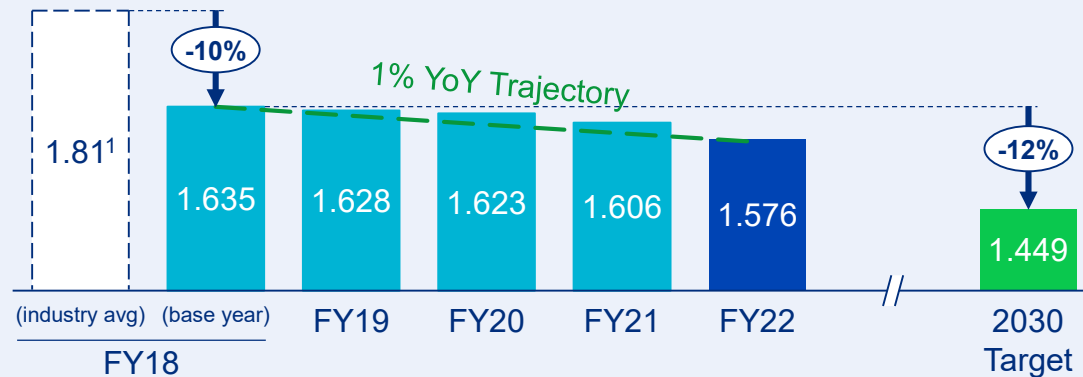


BLUESCOPE TARGETS AND GOAL

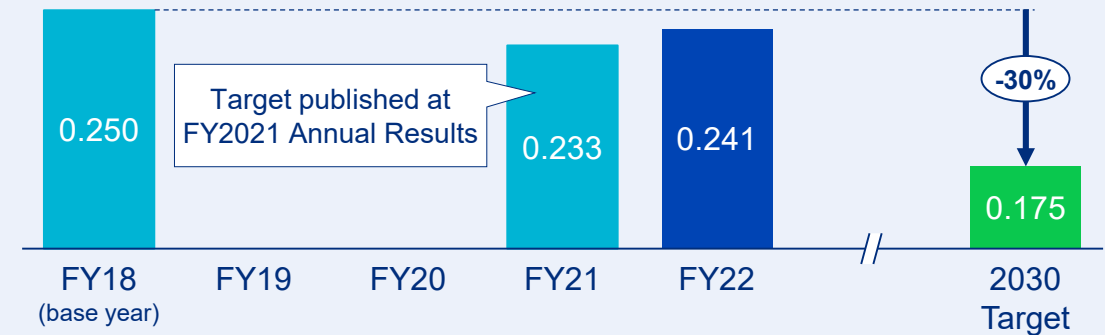
Continuing our pursuit of emissions reduction projects in line with our 2030 steelmaking and non-steelmaking targets

2030 Targets

Steelmaking target: 92% of total emissions
GHG emissions intensity (tCO₂-e per tonne raw steel)



Non-steelmaking target²: 7% of total emissions
GHG emissions intensity (tCO₂-e per tonne despatched steel)



Net Zero 2050 Goal

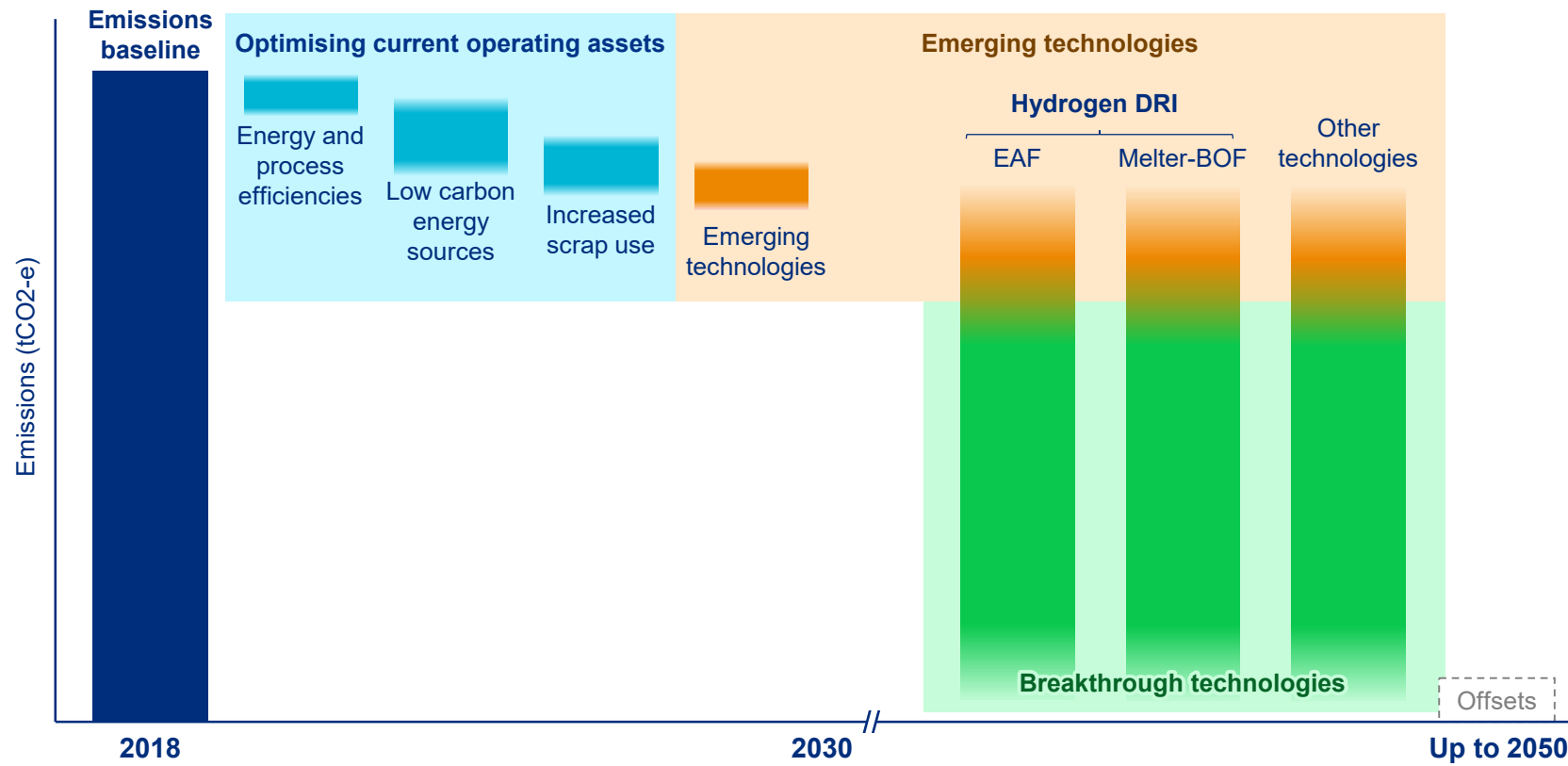
This goal applies to all of our global operational Scope 1 and 2 GHG emissions, and is dependent on several enablers, including the commerciality of emerging and breakthrough technologies, the availability of affordable and reliable renewable energy and hydrogen, the availability of quality raw materials and appropriate policy settings

1. Source: Worldsteel Association
2. Non-steelmaking emissions cover BlueScope's midstream activities, and are reported on an equity accounted basis



OUR INDICATIVE DECARBONISATION PATHWAY

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



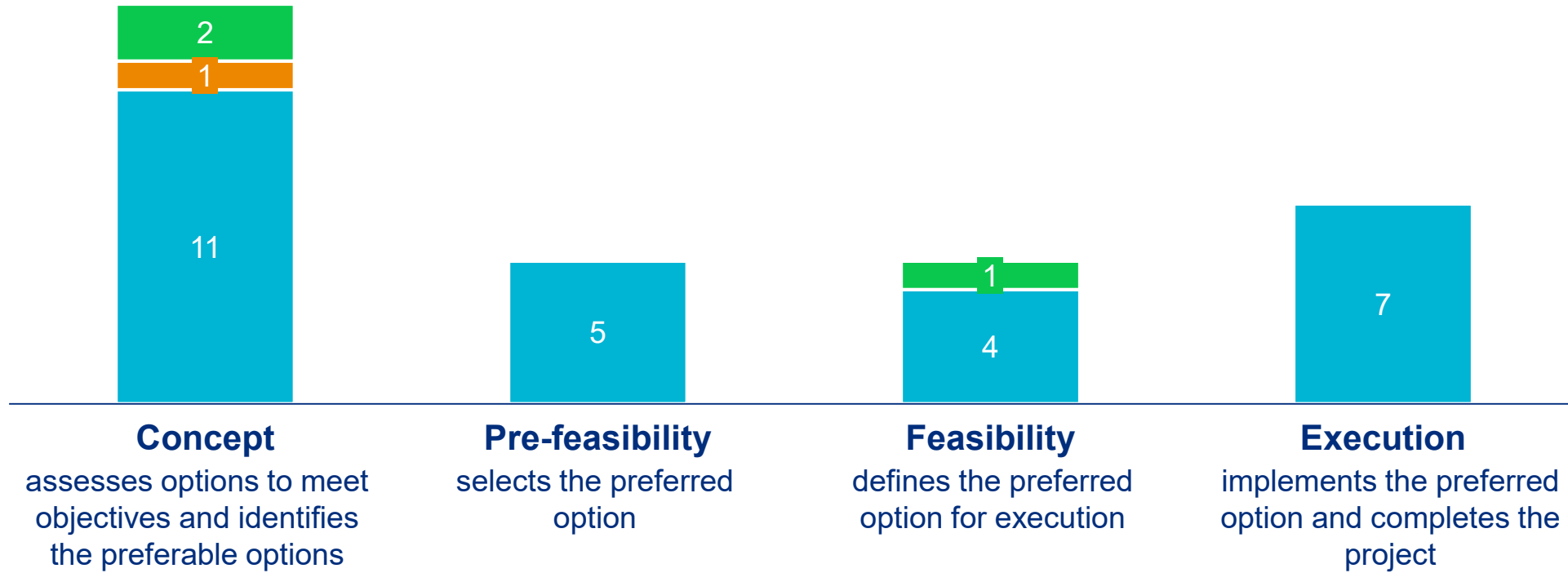
A RANGE OF INITIATIVES UNDERWAY

SOLID PIPELINE OF CLIMATE PROJECTS

We continue to make good progress towards our targets and goal by optimising existing assets and investigating emerging and breakthrough technologies

Climate Project Pipeline¹ (number of projects)

■ Optimising existing assets
 ■ Emerging technology
 ■ Breakthrough technology



Examples of projects in the pipeline are included on slides 33, 34 and 78

1. 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

A RANGE OF INITIATIVES UNDERWAY

PROJECT EXAMPLES: PORT KEMBLA

Significant number of projects across optimisation of existing assets and research into emerging and breakthrough technologies

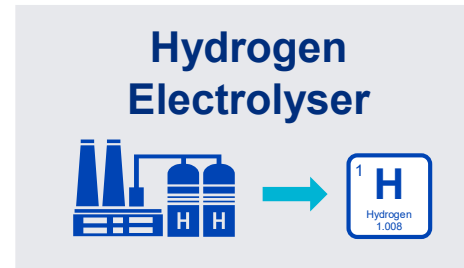
Optimising existing assets

- Carbon reduction digital twin model operational
- Coke ovens gas injection pre-feasibility study complete
- Scrap melter pre-feasibility study underway
- Feasibility studies underway for:
 - Waste gas heat recovery plant
 - Off-gas energy generation unit
 - Upgraded slag granulation facility

Emerging and breakthrough technology



- Pilot DRI-Melter to assess use of Pilbara iron ore
- Concept study underway



- Development of 10MW electrolyser pilot plant
- Feasibility study underway



- ARENA / University of Wollongong collaboration
- 600t of biochar purchase; trials underway

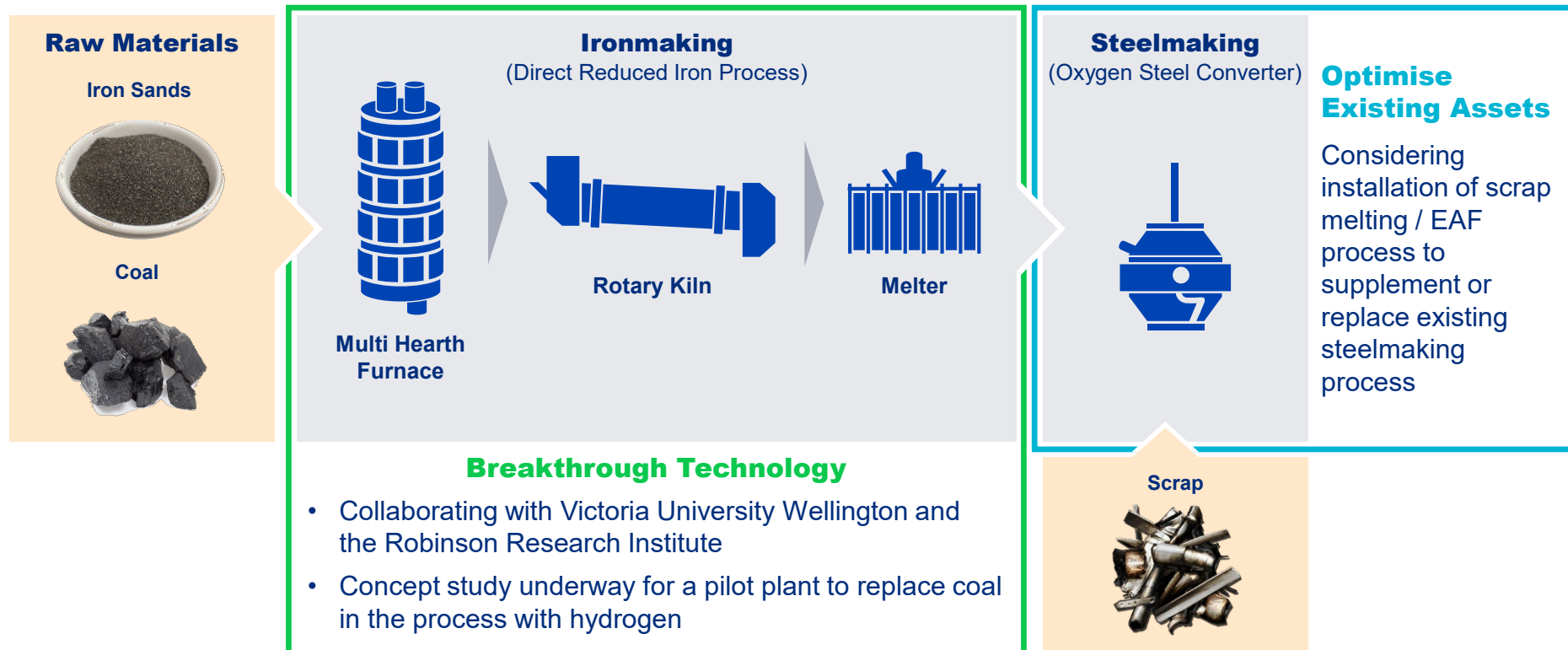


A RANGE OF INITIATIVES UNDERWAY

PROJECT EXAMPLES: NEW ZEALAND

Accelerating decarbonisation plans and actively evaluating technology options, both short and longer term

New Zealand Steel Iron and Steelmaking Process



SMART SOLUTIONS IN STEEL

Our range of steel solutions can help support sustainable outcomes, such as reduced embodied carbon and increased energy efficiency

Our products and solutions can help enable sustainable outcomes through



Advanced metal coating and painting technologies



Supporting product longevity and durability



Energy efficient building solutions and products



Infinite recyclability

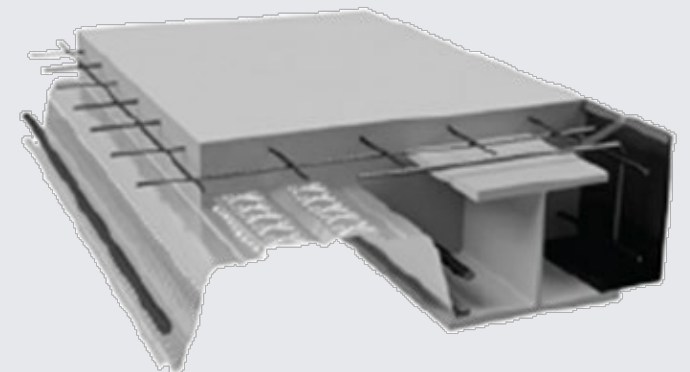


For more information, see page 55 & 56 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel

CASE STUDY

Fielders SlimDek 210®

- Provides a formwork system that combines strength, lightness and durability
- Concrete savings of up to 60% compared to other formwork solutions can be achieved, resulting in significant embodied carbon savings



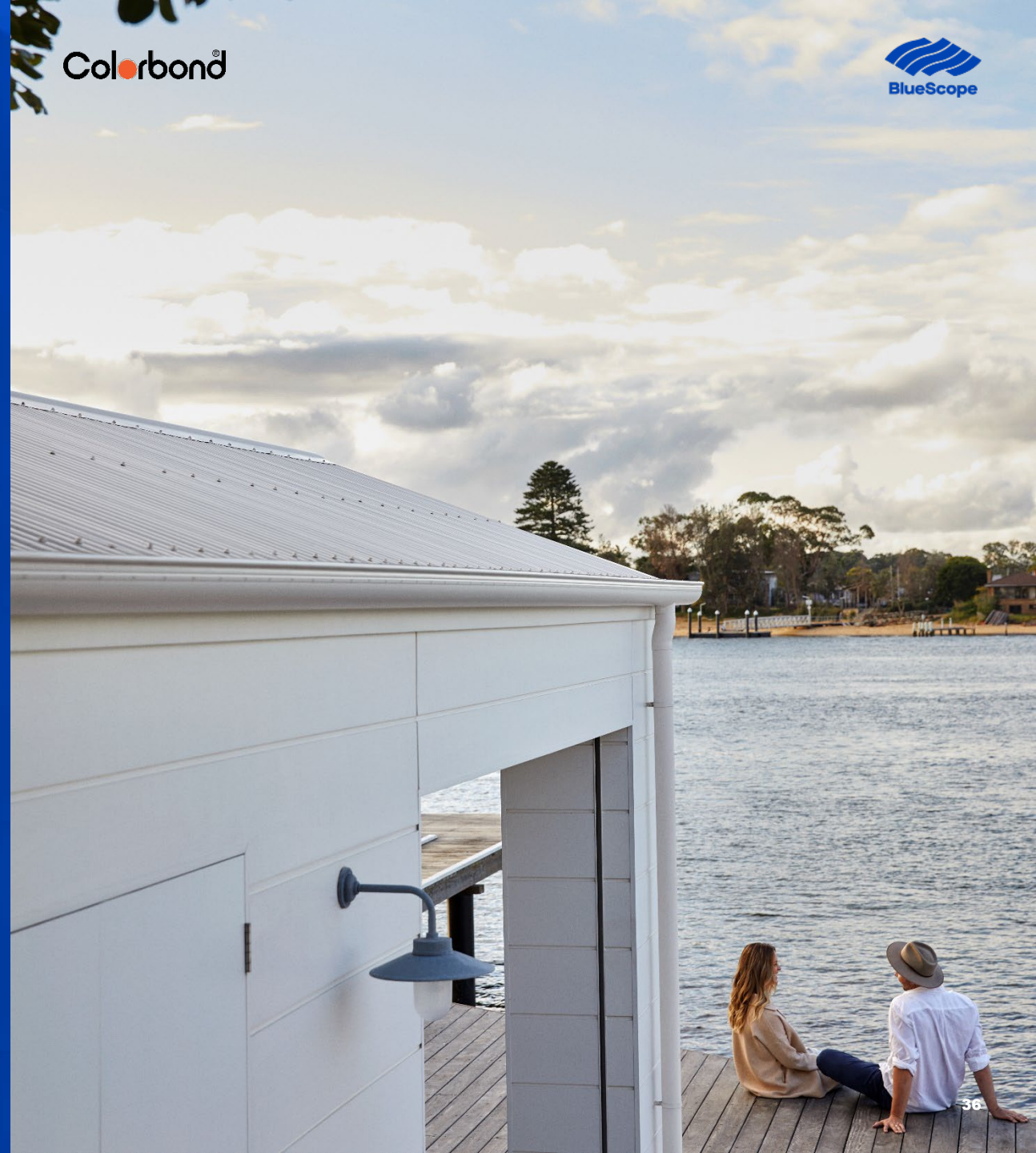
Australian Steel Products

John Nowlan (Chief Executive, ASP)

Dave Scott (General Manager Manufacturing, ASP)

Colorbond®

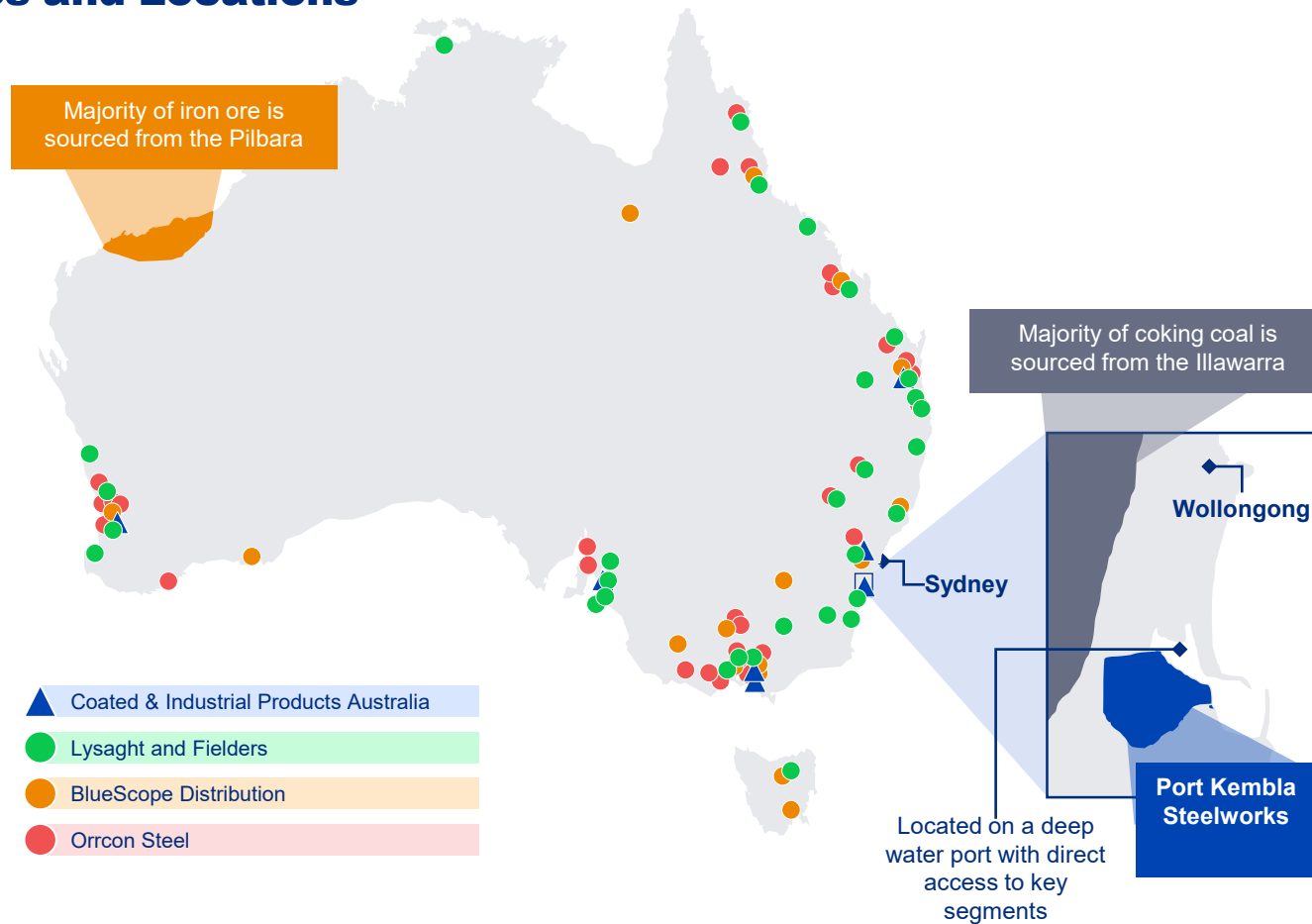
BlueScope



SEGMENT OVERVIEW

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

Sites and Locations

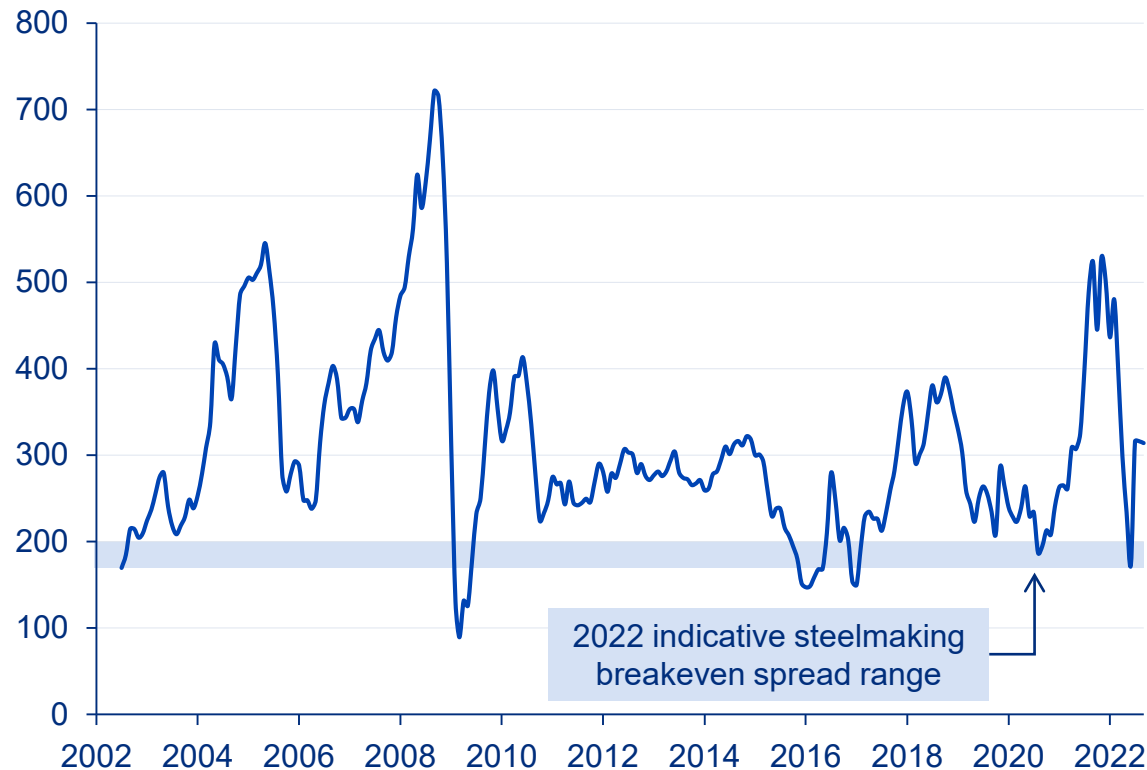


- Key asset at Port Kembla
- Advantageous access to raw materials and port
- Produces ~3mtpa of flat steel products
- Value-added metallic coated and painted products
- Iconic brands
- Extensive channels

INTEGRATED AND RESILIENT BUSINESS DELIVERING RETURNS ACROSS THE CYCLE

Australian steelmaking breakeven at bottom of cycle spreads; benefits from vertical integration

Asian steel spread¹ & estimated steelmaking cash breakeven² (US\$/t)



The value of vertical integration

Synergies between steelmaking and coated

- Optimising profitability, working capital and supply chain
- Focused customer service
- Shared overheads

Moderation of earnings volatility

- Capture margin through the cycle

Value of channel participation

- Pull-through demand for all products
- Customer familiarity

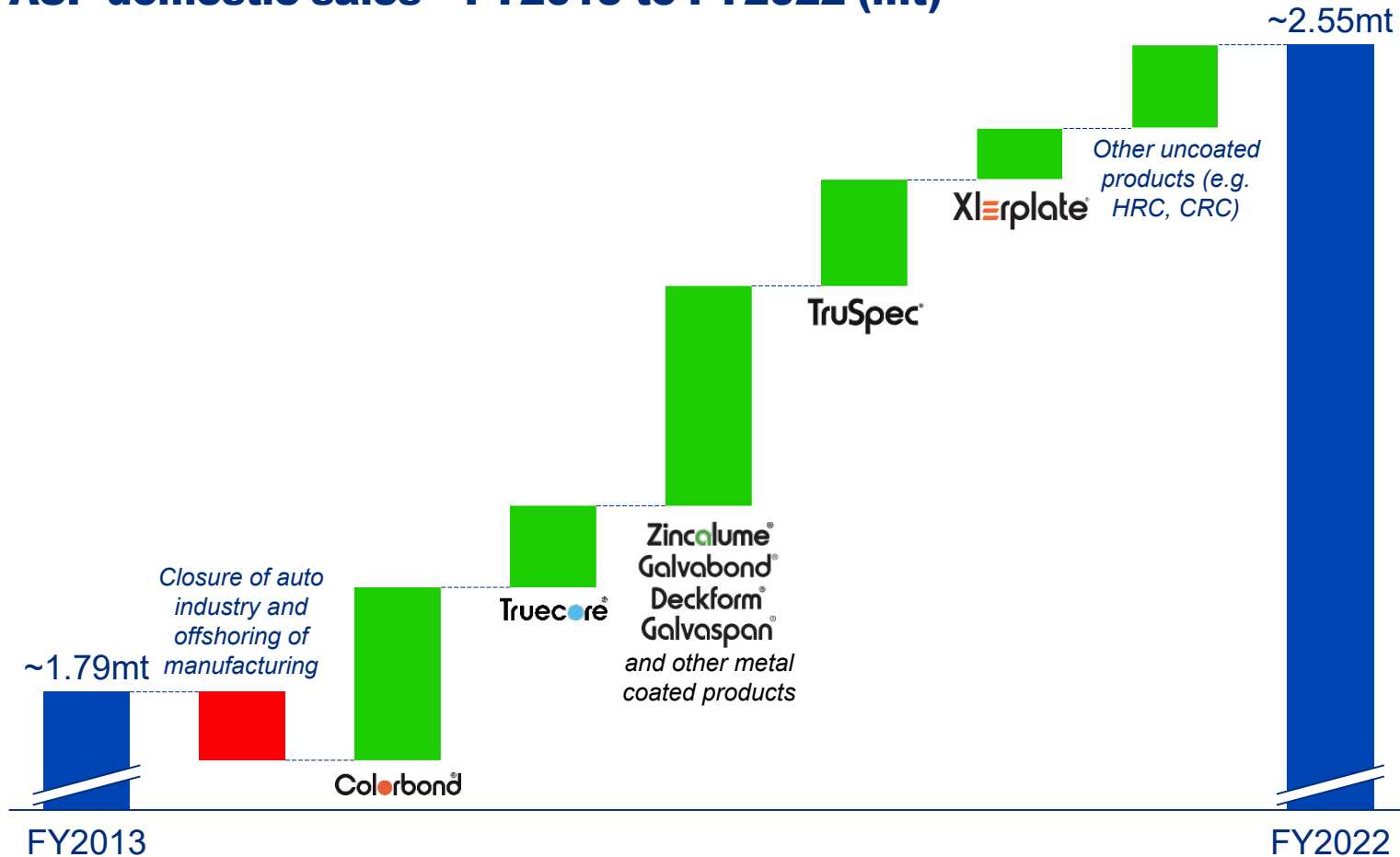
1. 'Indicative steelmaker HRC spread' representation based on simple input blend of 1.5t iron ore fines and 0.71t hard coking coal per output tonne of steel. Chart is not a specific representation of BSL realised HRC spread (eg does not account for iron ore blends, realised steel prices etc), but rather is shown to primarily demonstrate movements from period to period. SBB East Asia HRC price lagged by three months up to Dec 2017, four months thereafter – broad indicator for Australian domestic lag, but can vary. Indicative iron ore pricing: 62% Fe iron ore fines price assumed. Industry annual benchmark prices up to March 2010. Quarterly index average prices lagged by one quarter from April 2010 to March 2011; 50/50 monthly/quarterly index average from April 2011 to December 2012. Monthly thereafter. FOB Port Hedland estimate deducts Baltic cape index freight cost from CFR China price. Lagged by three months. Indicative hard coking coal pricing: low-vol, FOB Australia. Industry annual benchmark prices up to March 2010; quarterly prices from April 2010 to March 2011; 50/50 monthly/quarterly pricing from April 2011 to Dec 2017; monthly thereafter. Lagged by two months up to Dec 2017; three months thereafter.

2. EBITDA less stay-in-business capital expenditure

GROWTH IN DOMESTIC VOLUMES

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

ASP domestic sales – FY2013 to FY2022 (mt)

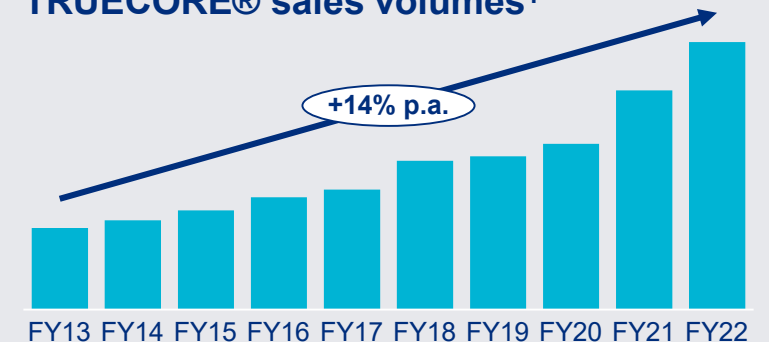


CASE STUDY

Light gauge steel framing

- Strong growth on the back of robust residential demand and execution of inter-material growth strategy
- Ongoing investment in industry capability, branding and promotions have established TRUECORE® steel as a mainstream building material

TRUECORE® sales volumes¹



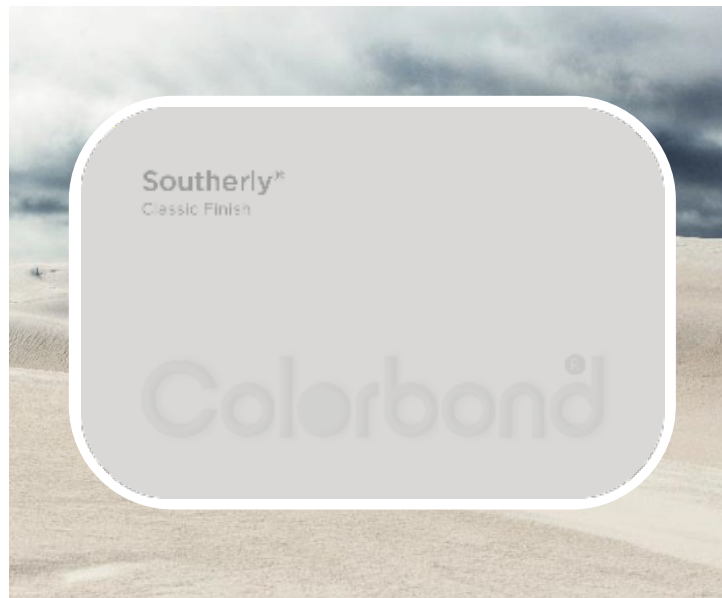
1. Domestic prime sales volume ex-mill

INVESTING IN OUR KEY BRANDS: COLORBOND® STEEL REFRESH

Investment in our **COLORBOND®** steel brand and product continues to support inter-material growth

- Major update of COLORBOND® steel colour palette in August
- Carefully designed to reflect the Australian landscape and current design trends
- Includes three new roofing and walling colours
- New colours provide additional choice, and will support increasing energy efficiency considerations

New **COLORBOND®** steel Roofing and Walling colours

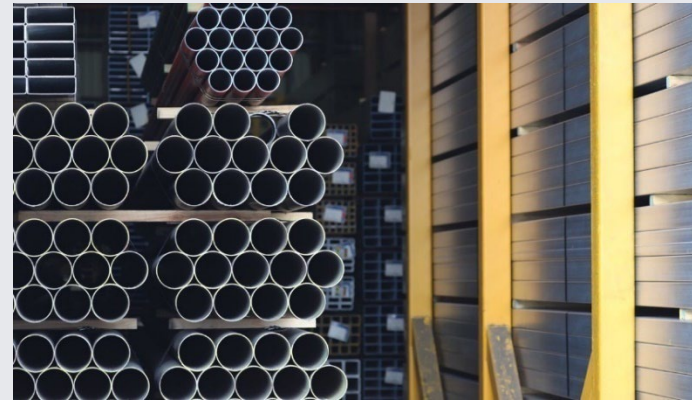


ADDING CAPACITY TO SUPPORT GROWTH

Progressing a range of capacity addition projects across the business to enable further growth in domestic demand

Additional Metal Coating Line

- Feasibility study of a ~200ktpa capacity line underway
- Indicative cost ~\$300M
- Considering locating line at Western Sydney Paint Line facility



New Pipe and Tube Mill

- To produce currently imported heavy gauge sections
- Pre-feasibility study underway
- Indicative cost ~\$70M
- To be located in the Illawarra

Plate Mill Modernisation

- New processing equipment
- Expected to reduce furnace GHG emissions by ~40%
- Investment supported by recently received grant from the Federal Government's Modern Manufacturing Initiative (MMI)



DIGITAL TECHNOLOGY ROLL OUT

Rolling out digital technologies, such as robotics and automation as we continue towards PKSW's modern manufacturing future

- A significant opportunity to deliver the next wave of customer, growth and productivity improvements
 - Opportunities for robotics, given scale and complexity of operations
 - Investing to build foundations for advanced automation
- Exploring technology to shift towards predictive maintenance
 - Will reduce downtime, avoid cost and improve efficiency
 - Smart wireless devices constantly measure and monitor lines, advanced Analytic tools continuously evaluate and visualise asset health
 - Digital processes eliminate or automate regular routine tasks
 - Eliminating paper-based inspections, transactions and records
 - Rolling out across other BSL sites

CASE STUDY Optimising BOF Testing

- Manual samples are taken for chemistry analysis on every steelmaking heat at the BOF
- Machine learning models were developed to reduce the delays waiting for manual chemistry results
- Resulted in an 11% reduction in average time between heats, delivering an estimated \$500,000 benefit per annum



PKSW ABATEMENT PROJECTS

Progressing a range of near- and longer-term abatement and decarbonisation projects

Current near-term abatement projects

Leveraging digital technology

- BF and carbon digital twin model operational

Increasing scrap use

- Scrap melter pre-feasibility study underway

Enhancing energy efficiency

- Feasibility studies underway for a waste gas heat recovery plant and off-gas energy generation unit

Blast furnace injection

- Coke ovens gas injection pre-feasibility study complete

Improving co-products

- Feasibility study underway for upgraded slag granulation facility

CASE STUDY

Replacing coal with biochar

- Biochar has the potential to partially replace coal injected into the blast furnace
- Progressing trial with the University of Wollongong and the Future Fuels Cooperative Research Centre
- Initial 600t supply of biochar secured; testing and trials underway



PORT KEMBLA BLAST FURNACE RELINE & UPGRADE

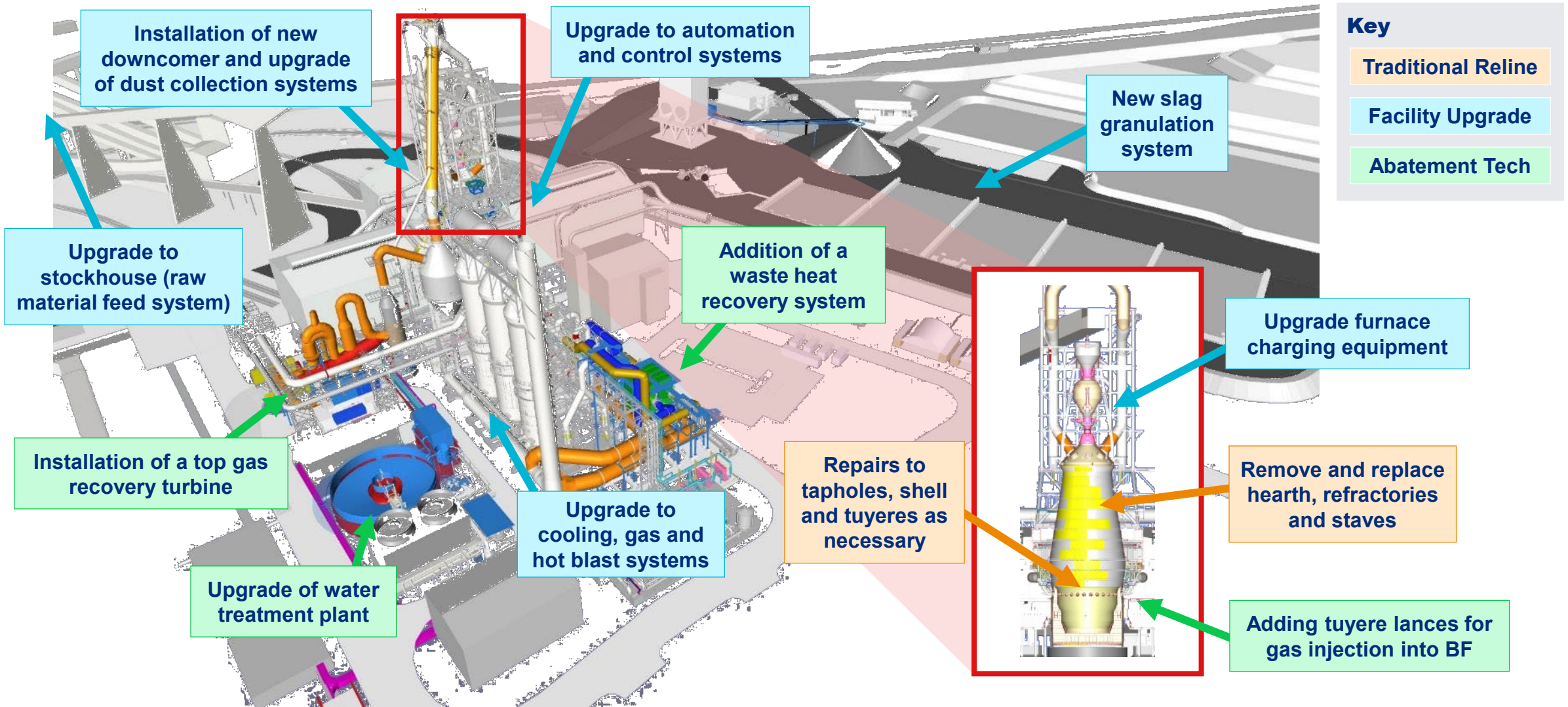
Securing the future of the business and bridging to new technology with the BF6 reline and upgrade project

- Feasibility study progressing well, update to be provided in Feb-23
- Reline provides PKSW a bridge to breakthrough lower emissions steelmaking when available
- Blast furnace reline is the only feasible option to secure iron making, given:
 - Lack of prime scrap availability for EAF production, and
 - ‘Green steel’ is decades from technical and commercial availability at scale
- Does not lock us in to a full 20 year campaign life; underpins strong financial capability to adopt new technologies when commercially ready
 - Access to metallurgical coal during the transition is crucial
- Project is broader than a typical reline scope; see next page
 - Includes technology options that will enable GHG emissions reduction
- Partnerships and collaborations with governments, technology vendors and industry bodies are critical



PORT KEMBLA BLAST FURNACE RELINE & UPGRADE

Scope of work includes traditional reline plus a significant upgrade of the furnace and supporting infrastructure, including investment in technologies to enable emissions abatement



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
 - 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
 - Strong environmental focus; turn unusable spaces into community assets
- Should unlock a wide range of new uses and enable significant long-term economic and social value for the whole Illawarra

Port Kembla Site Overview



Excess landholdings



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

Melbourne CBD (for scale)



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

ASP SUMMARY

- ✓ Integrated and resilient business, delivering returns across the cycle
- ✓ Structurally increased domestic demand over the last decade on intermaterial product growth
- ✓ Adding capacity across the business to enable further growth in domestic demand
- ✓ Investing in robotics, digital and automation to pursue our modern manufacturing future
- ✓ Progressing a range of near and longer term abatement and decarbonisation projects
- ✓ Securing the future of the business and bridging to new technology with the BF6 reline & upgrade
- ✓ Developing a Master Plan to create a vision for excess landholdings adjacent to PKSW

Climate Change & ASP Q&A Panel

Tania Archibald (Chief Financial Officer)

John Nowlan (Chief Executive, ASP)

Gretta Stephens (Chief Executive Climate Change)

Anna Matysek (Head of Climate Change)

Chris Page (Head of Future Technologies)

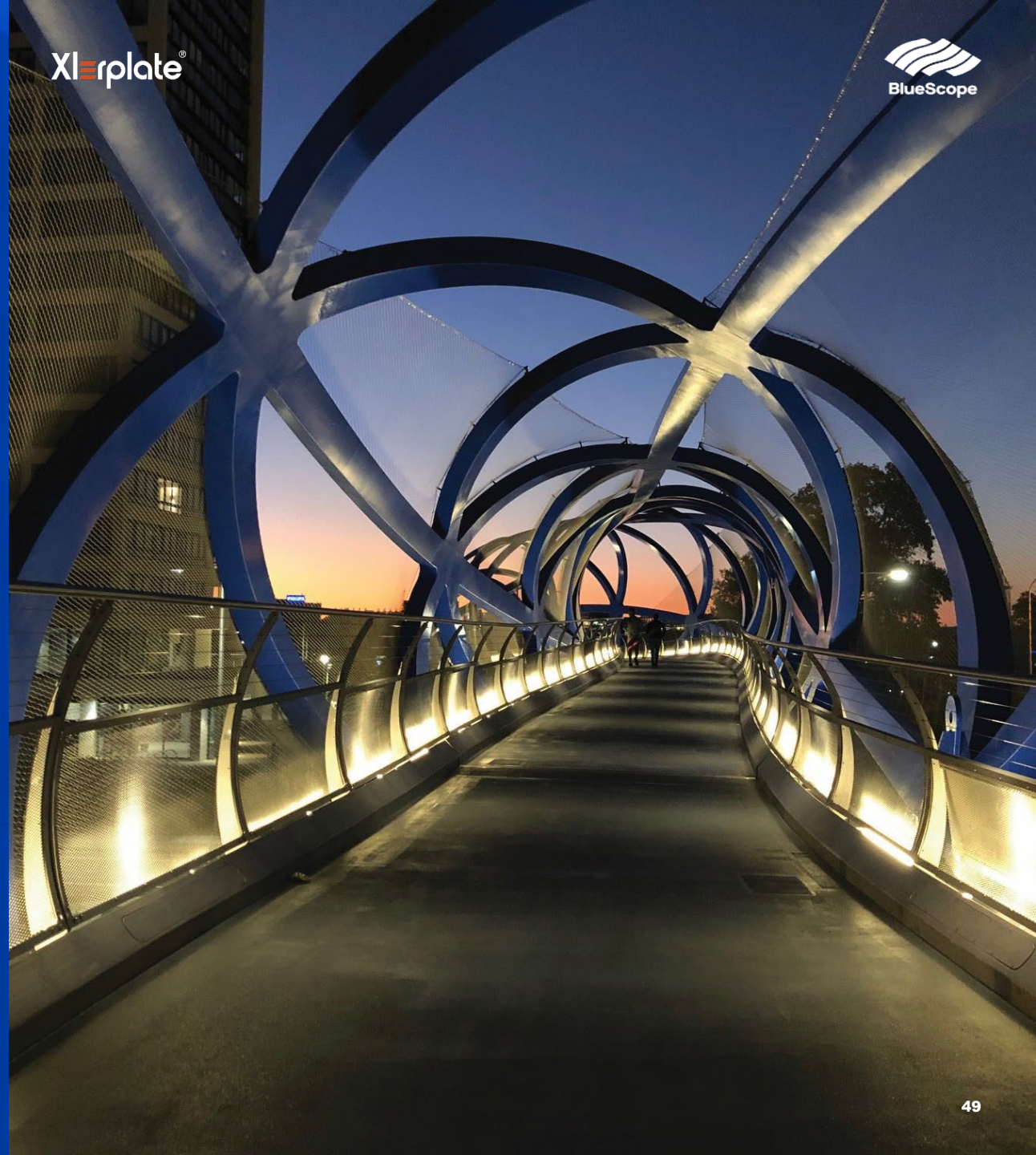
Tim Rodsted (Head of Sustainability)

Sustainability Update

Deanne Howard (Head of Health, Safety and Environment)

Rebecca Roberts (General Manager People, ASP)

Andrew Watson (Head of Group Procurement)



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 5 & 6 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel



HEALTH, SAFETY AND ENVIRONMENT

Safe, healthy and inclusive 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

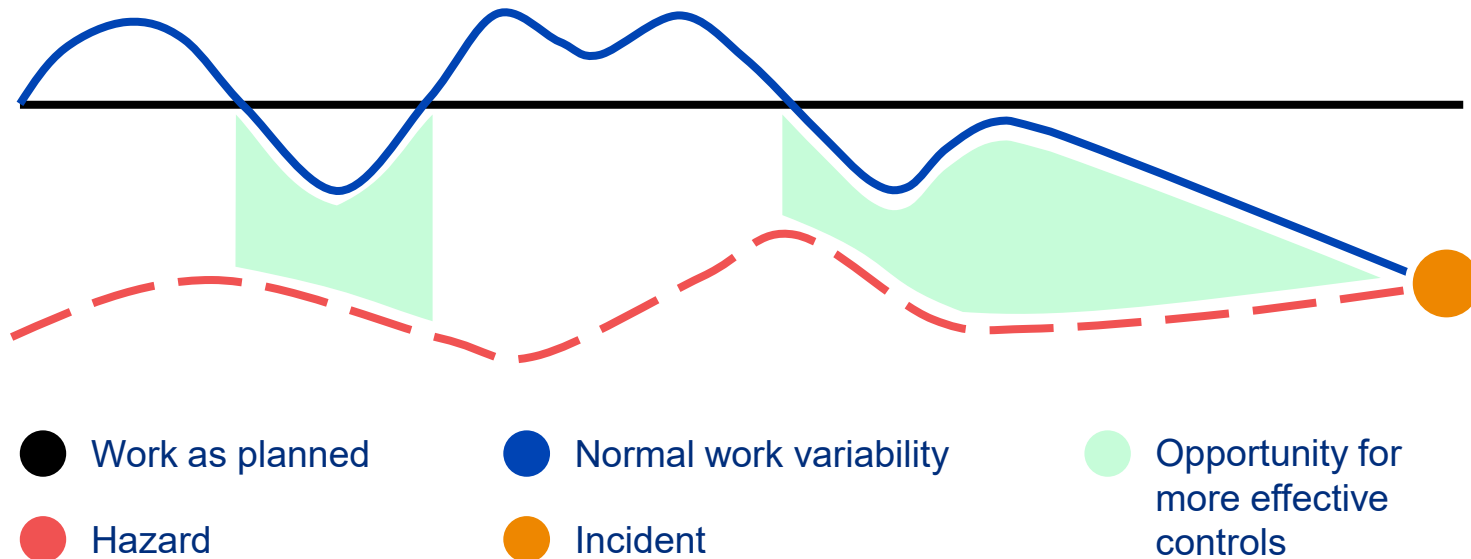
For more information, see page 23 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel



HSE EVOLUTION

Evolution program helps us learn from our people who make and handle our products

The “Blue Line / Black Line” Model¹



Better Questions, Stronger Solutions

S T K Y E
 (What is the Stuff That Kills You or harms the Environment)

The 4D s
 (What is Dumb, Dangerous, Difficult or Different)

1. Source: Dr Todd Conklin

For more information, see page 24 of BlueScope’s 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel



EVOLVED METRICS

Balancing lag indicators to measure performance and lead indicators for risk management

- Shifted indicators to more closely align with our strategic direction and industry standards
 - Focus on leading indicators for risk management
 - Includes risk control improvement projects and participation in leadership workshops
- Allows greater insight into HSE performance
 - Deriving meaningful insights from injury indicators
 - Presence of capacity in our processes and systems to reduce injury severity, both actual and potential

For more information, see page 26 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel



CASE STUDY

Risk Control Improvement Project: Debanding Robot

- Risk control improvement project developed a solution to eliminate the safety risk of stored energy and manual handling when debanding coils and disposing of strapping
- Automated system and robot work together to remove the need for an operator to interact directly with the equipment or the product



ENVIRONMENTAL ASPIRATIONS

Risk management approach extends to environment; enhanced aspirations

Our evolved environmental aspirations



Protecting the land



Eliminate waste



Preserve the air



Protect the community from operational noise



Preserve community water sources



Goal of net zero greenhouse gas emissions by 2050¹

1. Achieving our 2050 net zero goal is dependent on several enablers including commerciality of emerging and breakthrough technologies, availability of affordable and reliable renewable energy and hydrogen, availability of quality raw materials and appropriate policy settings.

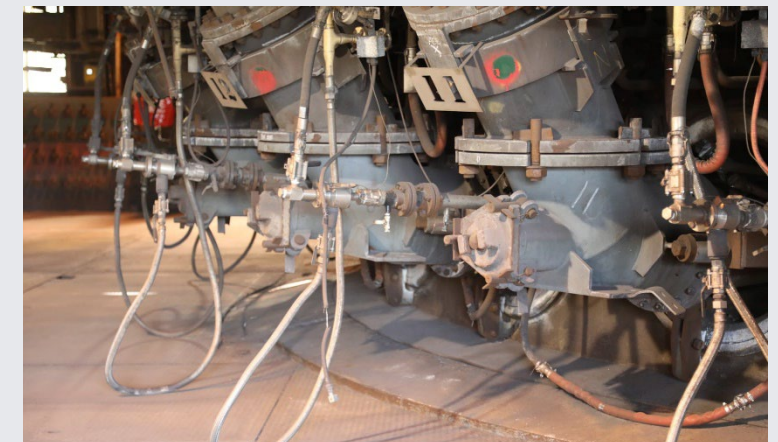
For more information, see page 28 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel



CASE STUDY

Blast Furnace Humidity Management

- A new humidity control process was devised for the Blast Furnace, utilising historical weather data to optimise steam injection
- Lowered coke consumption, leading to a reduction in GHG emissions by ~70,000 tCO₂-e per annum



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



For more information, see page 31 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel

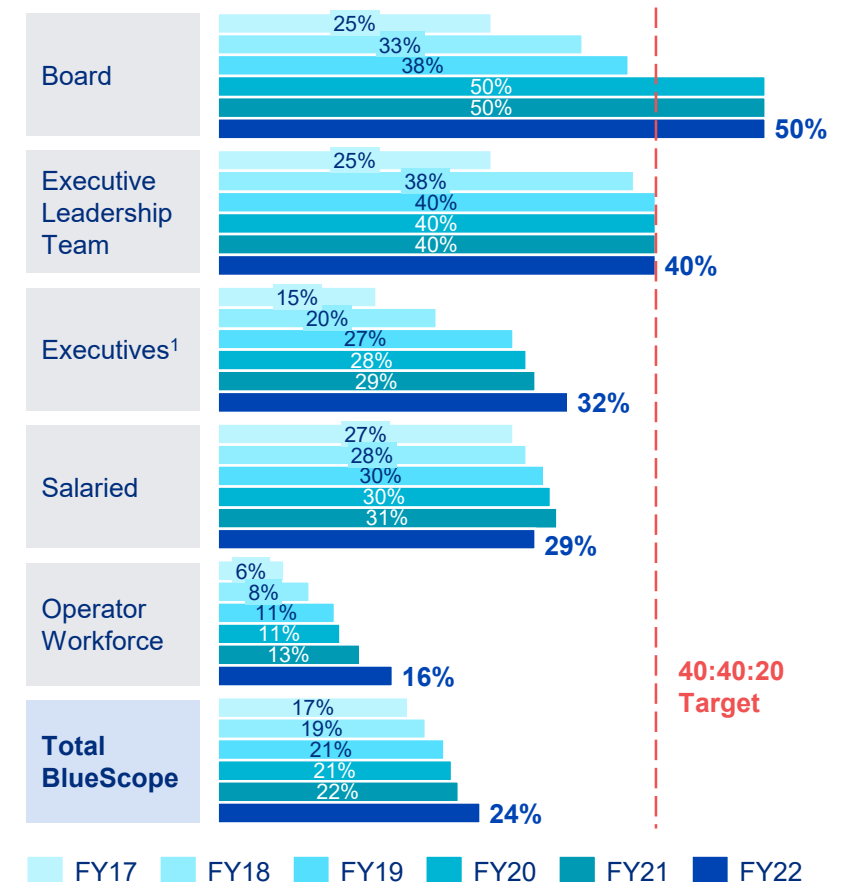


IMPROVING OUR GENDER DIVERSITY

An area where BlueScope has greatest opportunity to improve is how it reflects the communities in which it operates, across all levels of the business

- Continued to build an inclusive workforce which reflects the communities in which we operate
- Progress being made towards gender balance
 - Gender balance at Board and 40% female representation at ELT (CEO-1)
 - Strong growth in leadership pipeline
 - Women in operator and trade roles nearly tripled over the last five years
- Signatory to the HESTA 40:40 Vision initiative
- Focus on improving gender balance across operator and trade workforce, given it has the largest opportunity for improvement

Women in BSL workforce (%)



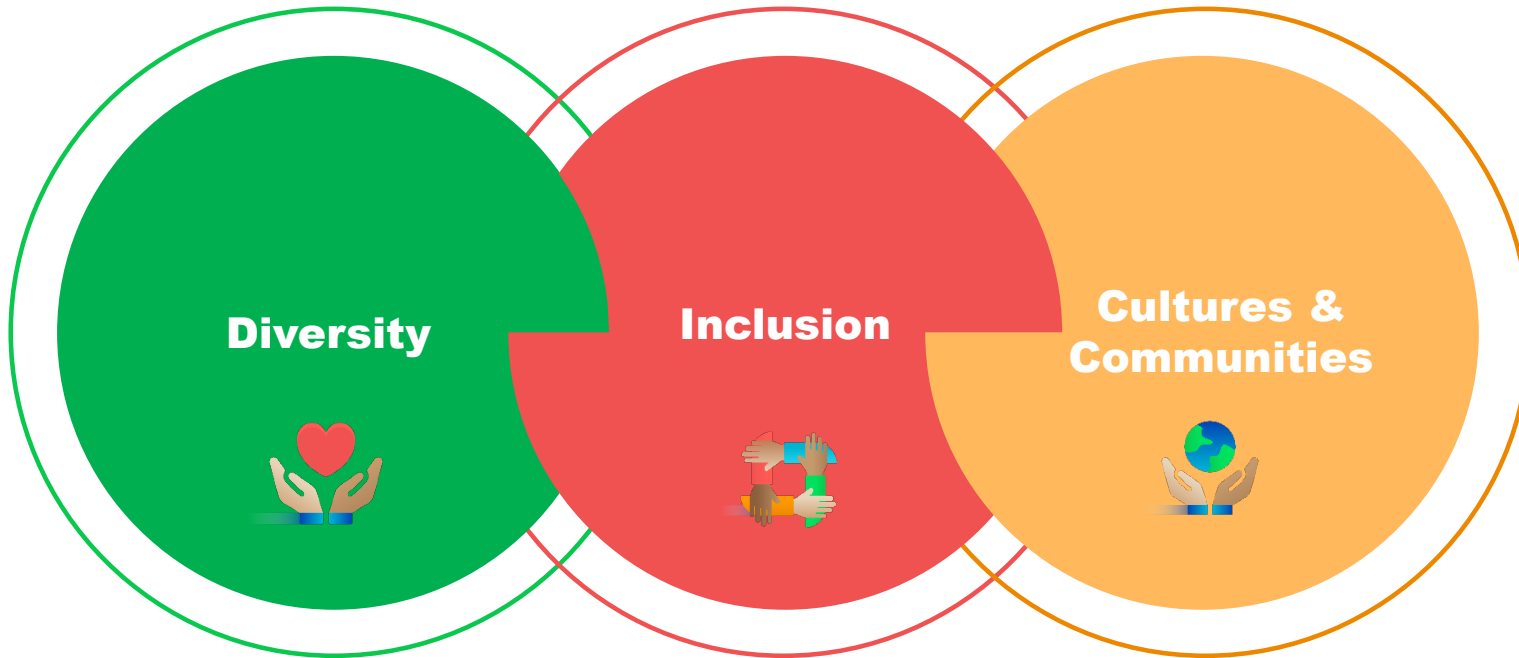
For more information, see page 23 of BlueScope's 2021/22 Sustainability Report, available at www.bluescope.com/sustainable-steel

1. Includes all employees that have an executive contract (CEO -1, -2 and -3) 56

IN FOCUS: INCLUSION & DIVERSITY AT ASP

Guided by a clear strategy and key focus areas, recent years have seen improvement— particularly in operator / trade gender balance

ASP Inclusion & Diversity Strategy



Focus areas:

- Gender Balance
- Reflecting our Communities

Focus areas:

- Inclusive Culture
- Life Stages & Ages

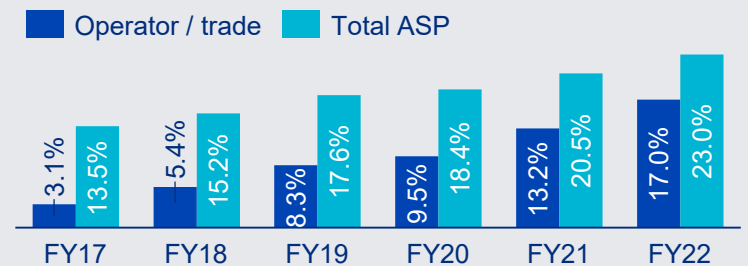
Focus areas:

- First Nations Engagement
- Partnerships

ASP Gender Diversity

- Biggest increase seen in operator / trade roles; representation of women has increased >5x
- Underpinned by:
 - Leadership commitment
 - Transformation of approaches
 - Focus on transferable skills
- Learnings applied to accelerate representation of women in professional and leadership ranks

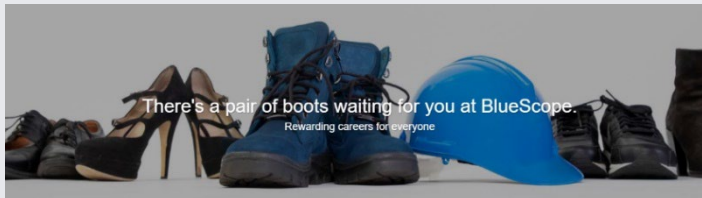
Women in ASP Workforce (%)



CASE STUDIES: INCLUSION & DIVERSITY AT ASP

A wide range of approaches to attract and retain a workforce reflective of our local communities

“Blue Boots” Campaigns



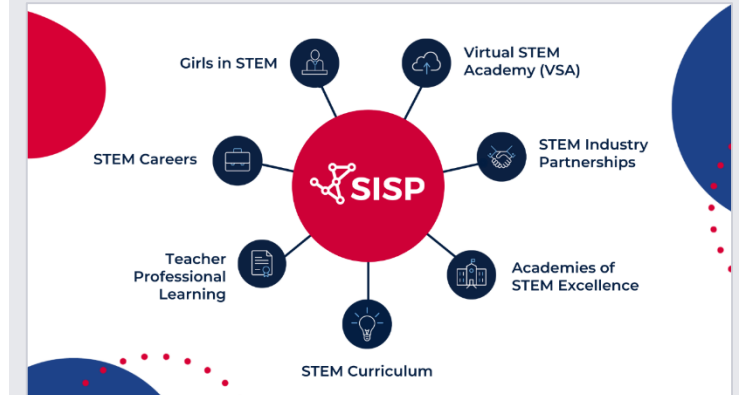
- Recent campaign attracted over 1,100 applicants with 111 people added to our talent community
- Of the successful candidates:
 - 59% are women
 - 1% identify as non-binary / gender fluid
 - 16% identify as Aboriginal or Torres Strait Islander

BOS Operations Pioneers

- The Port Kembla Basic Oxygen Steelmaking (BOS) plant reached a milestone in 2021, with their first ever all female operations team



STEM Industry School Partnership



- Industry Partner for the STEM Industry School Partnership in the Illawarra
- Embeds real world insights into the curricula as students undertake STEM related studies

OUR FIRST NATIONS FRAMEWORK

Sets out how we are seeking to impact change and address the gap between Indigenous and non-Indigenous Australians

- Have been engaging with First Nations communities for some time
 - Includes programs such as Jawun, Indigenous interns and Supply Nation
- Built upon this foundation with our First Nations Framework
 - Approach informed through discussions with First Nations groups
 - Sets out the approach to engaging with our First Nations Communities, noting that developing genuine sustainable relationships will take time
- Aboriginal and Torres Strait Islander employees have been invited to participate in the working group that will oversee this work



OUR FIRST NATIONS FRAMEWORK

Framework comprises four focus areas to drive change:



Community



Employment



**Employee
Engagement**



Supply Chain

SUPPLY CHAIN SUSTAINABILITY

We foster responsible business practices and uphold human rights through engagement, risk assessment and improvement activities

Our Approach



MANAGING RESPONSIBLE SOURCING IN A COMPLEX WORLD

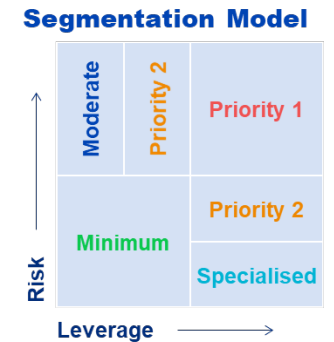
COVID, global conflicts and supply chain constraints have increased responsible sourcing risks across our supply chain

Partnering with leading organisations to identify and manage risk

- Partnering with:
 - ELEVATE Limited
 - EcoVadis
 - RightShip
 - ResponsibleSteel™
 - Be Slavery Free
 - UNGCNA Modern Slavery Community of Practice
- Continually enhance our approach based on learning and insights from these groups

Supplier assessment approach

- ~13,000 suppliers
- Focus on local suppliers a priority
- Use a segmentation model
 - Based on source product location risk and supplier leverage
- Assessment processes for prioritised suppliers can include combinations of: desktop review, self-assessment questionnaires, EcoVadis and 3rd party on-site audits
- 308 suppliers assessed since the start of the assessment program in FY2021
 - 139 of these were in FY2022



For more information, see BlueScope's 2021/22 Modern Slavery Statement, available at www.bluescope.com/sustainable-steel

KEY RISK AREAS IN OUR SUPPLY CHAINS

Risks and exposures monitored, with mitigating strategies being developed

Risk category	Potential exposure / risks	Examples and actions
Onsite contract services	Higher risk services; often attractive to vulnerable populations	<ul style="list-style-type: none"> Higher risk potential services (e.g. cleaning, security, catering, operations and maintenance) Piloting the use of deep-dive audits for labour hire and contract workers at several BlueScope sites Will use this to inform ongoing policy and/or tactical responses
Labour hire services	Unethical recruitment practices and contractual obligations amongst vulnerable populations	<ul style="list-style-type: none"> Will use this to inform ongoing policy and/or tactical responses
Raw materials	Complex supply chains / products; high risk geographies and vulnerable populations	<ul style="list-style-type: none"> Focused audits on known extreme risk factors
Shipping and logistics	Labour exploitation due to isolation and international nature / vulnerable populations	<ul style="list-style-type: none"> Chartered vessels vetted by RightShip and governed by BlueScope Charter Party Agreement
Manufactured goods	Multi-layer, global supply chains and lack of leverage	<ul style="list-style-type: none"> Focus on tier 1 suppliers, however we are engaging more deeply on supply chain controls Deep dive where extreme risk identified



For more information, see BlueScope's 2021/22 Modern Slavery Statement, available at www.bluescope.com/sustainable-steel

STRENGTHENING OUR APPROACH

Progress in identifying and managing ESG risks in our supply chain is constantly evolving

Beyond Assessments

- Initial focus on mapping direct supplier profile and understanding risks
- Now seeking to understand the risks within the layers of our supply chain:
 - Engaging with traders/brokers to ensure effective due diligence
 - EcoVadis assessments and 3rd-party audits
 - Verification of our raw material suppliers own responsible sourcing programs
 - Partnering with suppliers on responsible sourcing improvement opportunities

CASE STUDY Security Services in Malaysia

Local Malaysia procurement team collaborated with our security suppliers to ensure just treatment of Nepalese migrant security guards working onsite

Implemented the following:

- No recruitment fees collected by security firms from the migrant security guards
- Security firms pay for flights of migrant security guards, including flights home when they finish the work
- Migrant security guards given secure lockers for safe keeping of personal items
- Overtime limited as per applicable legislation and paid at the legislated overtime rate
- At least one 24-hour period off per week

Ongoing audit and verification process will be implemented to ensure controls remain in place



For more information, see BlueScope's 2021/22 Modern Slavery Statement, available at www.bluescope.com/sustainable-steel

Sustainability Q&A Panel

Tania Archibald (Chief Financial Officer)

Gretta Stephens (Chief Executive Climate Change)

Deanne Howard (Head of Health, Safety and Environment)

Rebecca Roberts (General Manager People, ASP)

Andrew Watson (Head of Group Procurement)

Tim Rodsted (Head of Sustainability)

Innovation Update

Sean Wong (Manager, Product Innovation and Technology)

LONG AND PROUD HISTORY OF INNOVATION

Over 50 years of innovation in products and solutions

Innovation Highlights

- **COLORBOND® steel:** innovated by BSL (Lysaght Pty Ltd)
- **Matt COLORBOND® steel:** innovated by BSL
- **ZINCALUME® steel:** invented in USA, innovated by BSL (Lysaght Pty Ltd)
- **Next Gen. ZINCALUME® steel:** invented and innovated BSL
- **TRUECORE® steel:** innovated in residential building by BSL (Lysaght Pty Ltd)

Colorbond®
Zincalume®
Truecore

 **COLORSTEEL**
clean Colorbond®

LYSAGHT

Better sheds. Bigger choice.

BUTLER
VARCO  PRUDEN

BLUESCOPE
Zacs

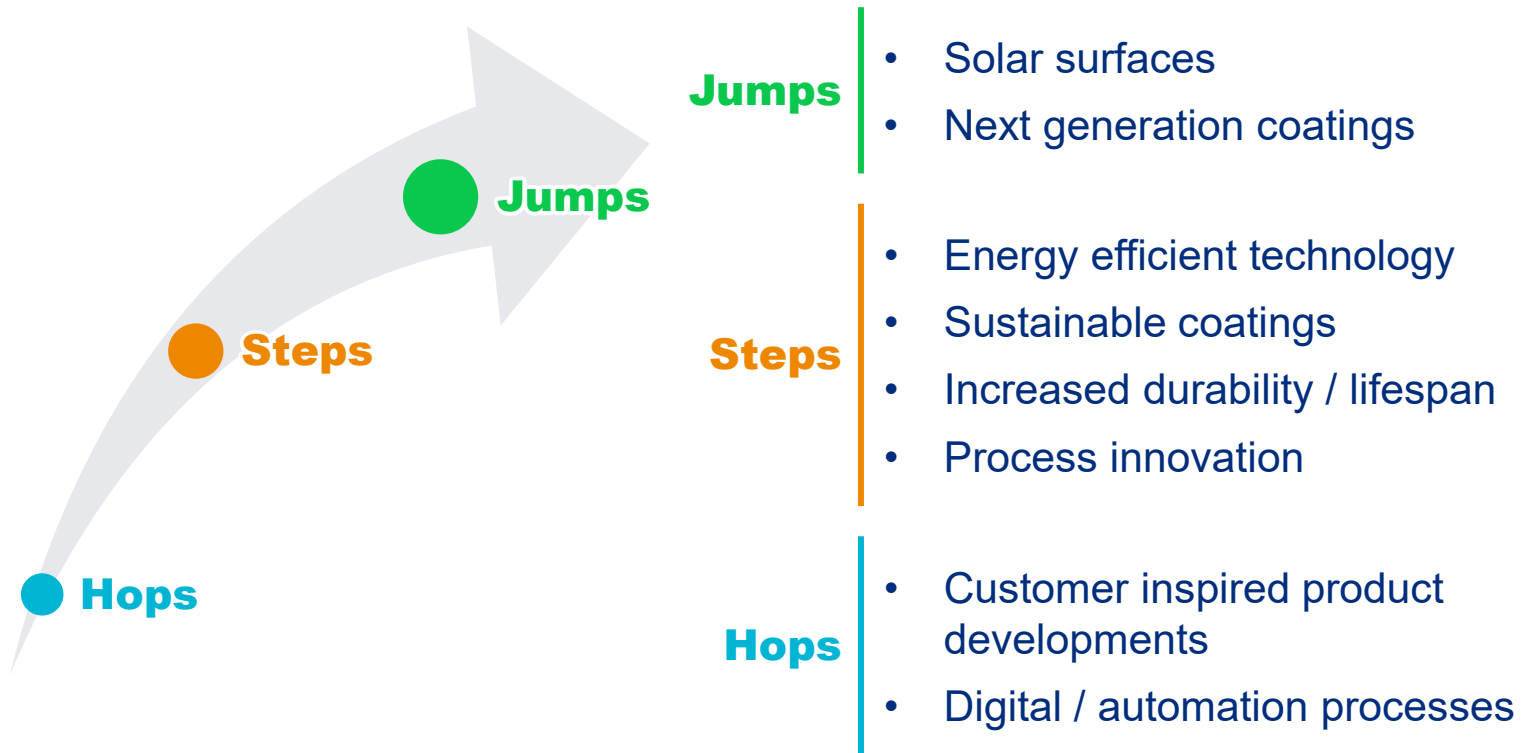
 North Star **BlueScope**



INNOVATION PIPELINE

Addresses current needs and anticipates those of the future

Pipeline approach



CASE STUDY Solar accelerator

- Brought together companies developing next-generation advancements in integrated solar cell technologies
- Five start-ups were selected to take part in the 12-week intensive program
- Program provided access to funding, state-of-the-art equipment, resources and technical expertise



OUR PEOPLE ARE OUR STRENGTH

A global centre-of-excellence for our metallic-coated and pre-painted technologies

Research, Development and Innovation

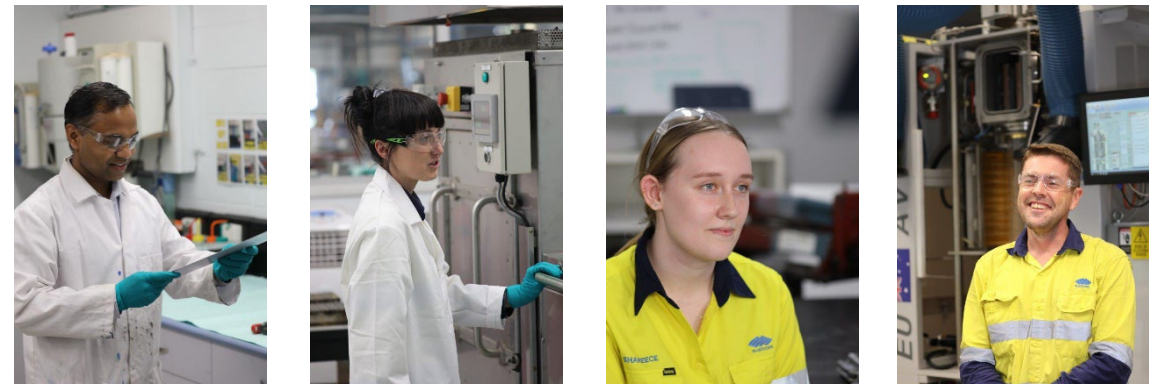
- 86 scientists, engineers, physicists and mathematicians
- 36 PhD and Masters qualified
- Portfolio management and commercialisation teams

Equipment and facilities

- State-of-the-art scientific equipment and instruments
- Access to supplementary University equipment
- Pilot plants
- NATA certified laboratories

Collaboration Partners

- 7 Australian Universities
- International research organisations
- Suppliers



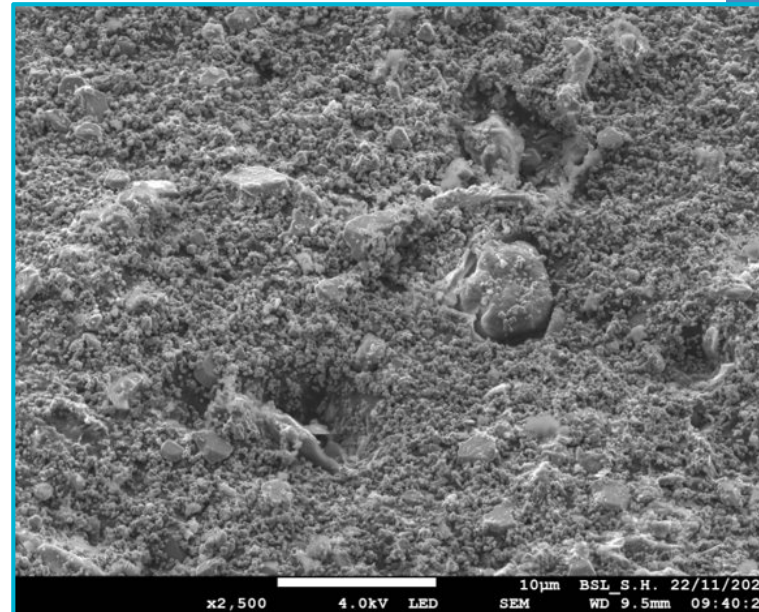
UNDERSTANDING END-USE SEGMENTS

Translating insights to desired products

Channel engagement

- Selecting target segments / applications
- Supporting product development
- Tailoring communications – from direct customers to consumers
- Translating feedback into product requirements
- In depth understanding of the applications and environments for product innovation

Material development



SUPPORTING MORE SUSTAINABLE PRODUCT SOLUTIONS

Energy efficiency, durability and lower material intensity

Thermal Efficiency for Roofing Applications

- Thermatech^{®1} increases the solar reflectance of a roof made from COLORBOND[®] steel
- Designed to reflect more of the sun's heat on sunny days
- Delivers a 5% reduction in solar absorptance, on average



1. Thermatech[®] technology is not available in Night Sky[®], or non-standard colours, and is not available in COLORBOND[®] steel in a Metallic finish, COLORBOND[®] Coolmax[®] steel or COLORBOND[®] Intramax[®] steel. Results will depend on roof colour, level and location of insulation, type and location of building shape and function.

ZINCALUME[®] steel with Activate[®] Technology




Next generation ZINCALUME[®] steel with Activate[®] Technology

Reduced Environmental Footprint

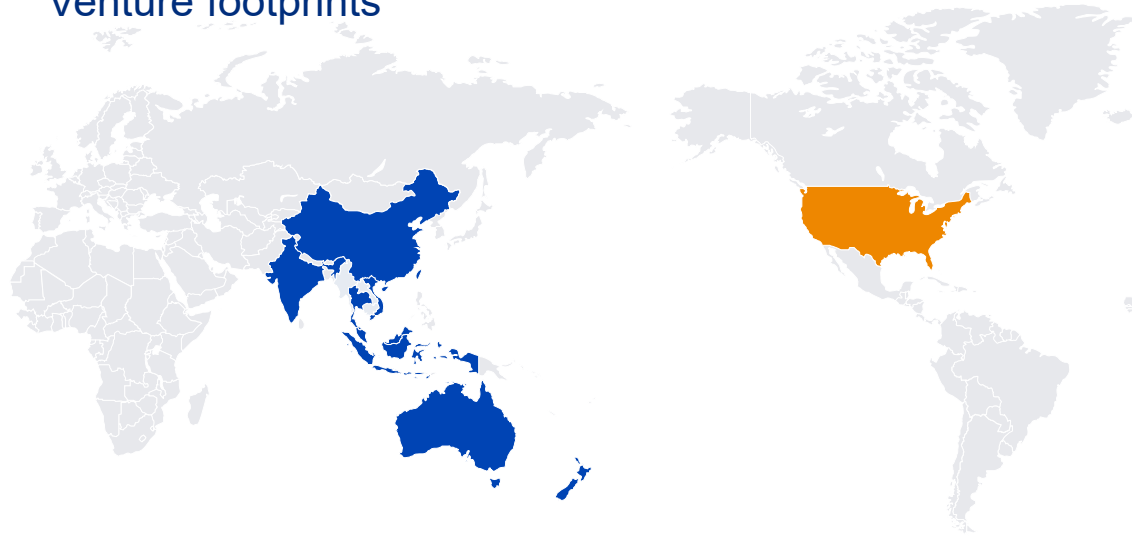
- ✓ A comprehensive Life Cycle Assessment (LCA) study illustrates improved sustainability credentials
- ✓ Next generation ZINCALUME[®] steel provides superior performance with reduced environmental impacts for next generation buildings and owners

LEVERAGING OUR GLOBAL FOOTPRINT

Scaling technology platforms across BlueScope

Transfer of COLORBOND® Steel Technology

- COLORBOND® steel has continued to evolve over the past 55 years, now incorporating Thermatech® technology and a High Durability Coating System
- Tailored to the local needs of the BlueScope and Joint-Venture footprints

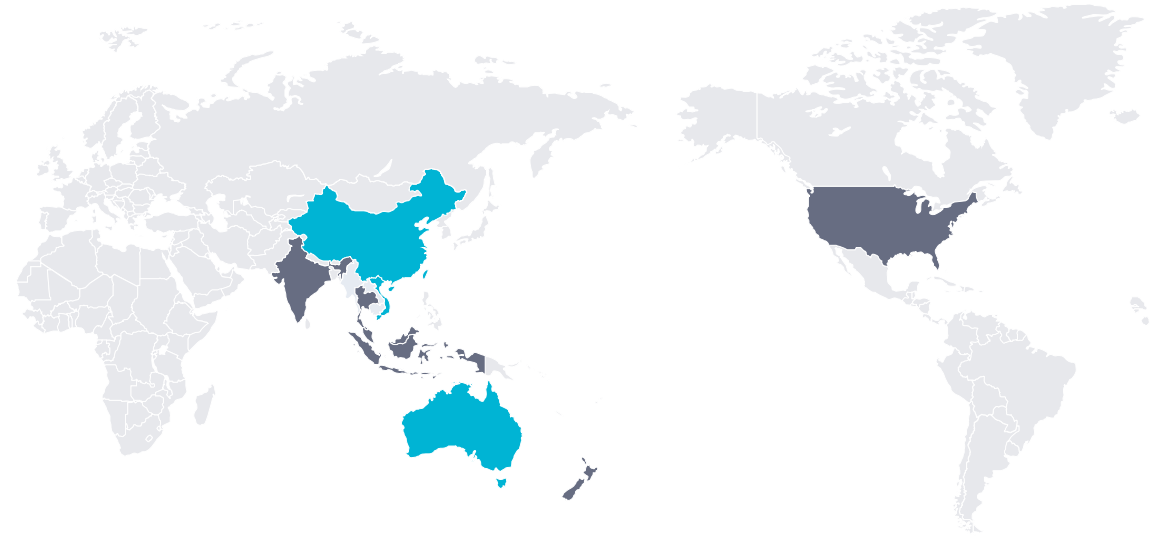


COLORBOND® technology

Paint supplier brands

Transfer of Activate® Technology

- The Aluminium / Zinc / Magnesium metallic-coating was jointly developed by BlueScope and Nippon Steel
- Launched in Australia in 2013, transferred to BlueScope China in 2018 and NS BlueScope Vietnam in 2019



Aluminium / Zinc / Magnesium

Aluminium / Zinc

SUPPORTING THE DEVELOPMENT OF KEY STANDARDS WITH ROBUST DATA AND ANALYSIS

Guiding the national construction code using building physics research

Building Codes are changing

- Sustainability and climate action is driving building design changes
- Understanding the changes, both benefits and adverse outcomes is important
- Testing and measuring the net effect of changes
- Participating in Standard and Codes development



IN SUMMARY

We are working across numerous innovation fronts with a pipeline of solutions that address customers needs today, anticipates the solutions desired by customers in the future, and sustains a high level of innovation capability



Innovation Q&A Panel

Tania Archibald (Chief Financial Officer)

Gretta Stephens (Chief Executive Climate Change and Sustainability)

John Nowlan (Chief Executive, ASP)

Sean Wong (Manager, Product innovation and Technology)

Tim Rodsted (Head of Sustainability)

BlueScope Investor Day

21 September 2022

Pictured:
Australian National
Maritime Museum, featuring
COLORBOND® Ultra steel
in Woodland Grey in
Kingspan® Benchmark
Evolution insulated panel

BlueScope Steel Limited. ASX Code: BSL
ABN: 16 000 011 058
Level 11, 120 Collins St, Melbourne, VIC, 3000

Appendix

A RANGE OF INITIATIVES UNDERWAY

EXAMPLES OF PROJECTS IN THE PIPELINE

We continue to make good progress towards our targets and goal by optimising existing assets and investigating emerging and breakthrough technologies

Phase	Project	Description	Focus area
Concept	Hydrogen ironmaking from iron sands	Wellington UniVentures / Robinson Research Institute collaboration, investigating the use of hydrogen to produce iron from local iron sands	Breakthrough technology
	DRI pilot plant	Progressing plans to construct a pilot renewable hydrogen electrolyser at Port Kembla Steelworks	Breakthrough technology
	Biochar trial	ARENA / University of Wollongong collaboration; 600t of biochar purchased for trials	Emerging technology
Pre-feasibility	Scrap melter	Supports further increase use of scrap in BOS, by increasing the total scrap charged per heat and slab tonnes	Optimising existing assets
	COG Tuyere injection	Hydrogen-rich coke ovens gas can be injected into the BF tuyeres to replace coke / PCI in the near term	Optimising existing assets
Feasibility	Electrolyser pilot plant	Development of 10MW electrolyser pilot plant at PKSW	Breakthrough technology
	Waste gas heat recovery	Equipment to recover and reuse heat from BF exhaust gases, to reduce the amount of coke ovens gas consumed at PKSW	Optimising existing assets
Execution	Multiple projects	Development of solar plants across ASEAN sites, Western Port paint line gas savings, regenerative thermal oxidisers, etc	Optimising existing assets