Annual Report
FY2026

BlueScope

Our Purpose

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

Our Bond

Our Bond outlines the guiding principles strengthening our business.

It identifies our key stakeholders, guides how we work together and conduct ourselves and continues to be our benchmark for success and choosing to do what is right.

Our Customers are our partners

Our success depends on our customers and suppliers choosing us. Our strength lies in working closely with them to create value and trust, together with superior products, service and ideas.

Our Shareholders are our foundations

Our success is made possible by the shareholders and lenders who choose to invest in us. In return, we commit to continuing profitability and growth in value, which together make us all stronger.

Our People are our strength

Our success comes from our people. We work in a safe and satisfying environment. We choose to treat each other with trust and respect and maintain a healthy balance between work and family life. Our experience, teamwork and ability to deliver steel inspired solutions are our most valued and rewarded strengths.

Our Local Communities are our homes

Our success relies on communities supporting our business and products. In turn, we care for the environment, create wealth, respect local values and encourage involvement. Our strength is in choosing to do what is right.

Contents

Message from the Chair and CEO	**4**
01. Earnings Report	**6**
02. Sustainability Overview	**24**
03. Corporate Governance	**35**
04. Directors' Report	**52**
05. Remuneration Report	**59**
06. Financial Report	**87**
07. Sustainability Report (Climate-related Disclosures)	**174**
08. Additional Information	**201**

FY2026 Reporting Suite

BlueScope's corporate reporting suite contains detailed information on the Company's strategy, financial and non-financial performance, risk management and governance frameworks.

BlueScope continually evolves its reporting suite in response to shareholder and stakeholder feedback, and to align with legislation, disclosure frameworks and leading practices. In FY2026, the reporting suite was updated to include the mandatory climate related disclosures under AASB S2, as well as the Company's corporate governance and broader sustainability reporting.

BlueScope's FY2026 Annual Reporting Suite includes:

- FY2026 Annual Report (this report)
- FY2026 Results ASX Release
- FY2026 Results Presentation
- FY2026 Results Supplementary Materials
- FY2026 Sustainability Data Supplement
- FY2026 Tax Contribution Report
- FY2026 Modern Slavery Statement (to be released late 2026)

To view these reports visit bluescope.com

Important Information

Forward Looking Statements

This report contains forward-looking statements, including statements relating to BlueScope's strategy, plans, financial outlook, objectives, targets and goals, and future events and intentions, including climate-related matters. These statements may be identified by the use of forward-looking terminology such as "may", "could", "would", "will", "should", "expect", "intend", "plan", "anticipate", "estimate", "continue", "assume", "target", "forecast" and similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Forward-looking statements reflect BlueScope's expectations, judgements, estimates and assumptions, and the information available as at the date of this report. They are not guarantees or predictions of future performance, and are subject to known and unknown risks, uncertainties and other factors, many of which are outside BlueScope's control and may cause actual outcomes, results, performance or achievements to differ materially from those expressed or implied, and include, but are not limited to, general economic, market and geopolitical conditions; commodity prices, exchange rates and demand; competition; technology availability, performance and cost; changes in laws, regulation, policy and reporting requirements; physical and transition impacts of climate change; access to energy, raw materials, finance and carbon markets; and operational and project performance.

Climate-related information, including emissions data, metrics, targets and possible scenarios, is subject to additional uncertainty arising from evolving science, policy, regulation, technology, methodologies, data and market practices; may rely on estimates, assumptions and third-party information; and may change as methodologies, data and assumptions evolve. Possible scenarios are illustrative, are based on assumptions that may not prove correct or eventuate, and do not represent BlueScope's definitive, preferred, expected or most likely outcome.

Readers should not place undue reliance on forward-looking statements or climate-related information, and past performance cannot be relied upon as a guide to future performance. BlueScope makes no representation, assurance or guarantee as to the likelihood of achievement of any forward-looking statement or climate-related outcome, or the reasonableness of any assumption on which it is based, except as otherwise stated in this report. Except as required by applicable laws or regulations, BlueScope does not undertake to publicly update or revise such statements or information to reflect changes in circumstances, expectations or assumptions.

Future Prospects and Likely Developments

This report contains information about BlueScope's business strategies and prospects for future financial years, including likely developments in its operations and the expected results of those operations.

Further information has not been included where, in the Directors' opinion, disclosure would be likely to result in unreasonable prejudice to BlueScope, including by revealing commercially sensitive or confidential information or providing a third party with a commercial advantage.

Non-IFRS Information

This report includes certain financial measures that are not prepared in accordance with Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS). These non-IFRS measures are used internally by management to assess the performance of the Company and make decisions about resource allocation.

The non-IFRS measures presented in this report include those referenced as 'underlying' information. These measures exclude items that management considers not representative of the underlying performance of the business.

While BlueScope believes these non-IFRS measures provide useful information for understanding its financial performance, they should not be viewed in isolation or used as substitutes for the equivalent IFRS measures. Non-IFRS measures in this report may not be comparable to similarly titled measures used by other companies and should be read in conjunction with BlueScope's audited financial statements.

Reconciliations between non-IFRS measures and their most directly comparable IFRS measures are provided in the relevant sections of this report. Investors should consider both IFRS and non-IFRS measures when evaluating BlueScope's performance. Non-IFRS financial measures have not been subject to audit or review.

Cover image: Flinders House located in Victoria, featuring COLORBOND® steel in Monument® Matt.

Message from the Chair and CEO

Fellow shareholders,

This has been a defining year for BlueScope. This result is not about one market or one moment. It reflects the strength of a diversified portfolio built to perform through the cycle, and a business now shifting decisively from investment to delivery of enhanced shareholder returns.

Safety

There is nothing more important than the health and safety of our employees and contractor partners. We have a strong safety culture built on a track record of extensive engagement with our workforce and an ongoing commitment to learn and improve.

The tragic loss of a contractor at Port Kembla last November was a stark reminder that this is the work that matters most. The incident remains under investigation by the regulator, and we are engaging fully with that process and are determined to learn from it – as we do with every serious incident across the business.

Through FY2026, our Global Safety Refocus program guided our work on critical risks and the effectiveness of the controls that manage them. But our performance is not yet where it needs to be.

Building on our progress, we are continuing to drive a systematic approach to managing critical risks and improving controls across the Company. This work is supported by our new operating model, which has brought our safety professionals into a single global team – lifting our capabilities, systems and processes as we work alongside our employees, contractor partners and regulators.

Business Performance

FY2026 demonstrated the strength of the portfolio we have built, the quality of our assets and the discipline of our execution through a period of significant change.

Underlying EBIT of $1.27 billion was materially higher than FY2025, on stronger US spreads, solid cost performance and growth of our value-added portfolio – including record despatches of COLORBOND® steel and TRUECORE® steel in Australia. This was delivered in a period of sustained low Asian steel spreads, with our Asian businesses also delivering an improved performance, as they become a more meaningful contributor to group earnings.

In February we committed to accelerate value delivery across four pillars.

We advanced our major projects through the peak capital expenditure period, with two now moving from construction into ramp-up. In New Zealand the new Electric Arc Furnace (EAF) delivers a flexible demand responsive model. And at Erskine Park in Western Sydney, the new state-of-the-art metal coating line will underpin long-term growth in value-added products.

We fully delivered our initial $200 million FY2026 cost and productivity program (on the FY2024 cost base), and reset the operating model to sharpen accountability and efficiency. This will deliver cost improvements of at least $150 million in FY2027. We also accelerated strategic value realisation from our surplus land portfolio, with transactions executed across the year.

Together, these actions position BlueScope for higher earnings, stronger cash generation and greater returns.

We also continued to embed sustainability across the business. The New Zealand EAF will deliver a major structural reduction in emissions – lowering that site's emissions by more than half. In Australia, we are progressing our assessment of lower emissions iron and steelmaking technology, including through Project NeoSmelt, which offers a potential decarbonisation pathway to 2050 and could help lay the foundations for a future green iron industry.

FY2026 Results

Underlying EBIT
$1.27Bn
73% higher than FY2025

Underlying EBIT ROIC
10.7%
Up from 6.2% in FY2025

Reported NPAT
$802M
857% higher than FY2025

Shareholder returns
$867M
Dividends and buy-backs

Net Debt
$600M
Up from $2M at 31 Dec 25

Financial Framework

BlueScope's Financial Framework continues to guide how we balance growth investment, balance sheet strength and shareholder returns through the cycle.

As our $2.5 billion major investment program nears completion, the investment phase is ramping down and shareholder returns are ramping up. We are maintaining our disciplined approach to capital management, while increasing the target distribution level to at least 75 per cent of free cash flow. In doing so, we have materially rebased shareholder returns during the year.

For 2H FY2026, the Board approved an unfranked final dividend of 65.0 cents per share and an unfranked special dividend of 70.0 cents per share, completing our plan to deliver $3.00 per share in the 2026 calendar year. We have also confirmed our intention to continue elevated returns into calendar year 2027, with a further $3.00 per share planned for distribution.

Board and Management

FY2026 was also a year of orderly leadership renewal.

Mark Vassella retired after eight years as Managing Director and CEO and 30 years of distinguished service. The Board thanks him for his leadership in building a more resilient, competitive and globally capable BlueScope.

Tania Archibald formally commenced as Managing Director and CEO in February 2026, bringing strong enterprise leadership and deep commercial and industry experience. The transition reflected both continuity of strategy and the strength of BlueScope's internal talent pipeline.

Board renewal continued through the year. We welcomed John Nowlan as a non-independent, Non-executive Director, and Cheri Phyfer and Michael Morley as independent Non-executive Directors in the year. We also refreshed our Board committee structure to better align oversight with the Company's strategic priorities.

During the year, the Board considered and rejected unsolicited acquisition proposals that significantly undervalued BlueScope and did not reflect the trajectory of its earnings and returns. We will always engage constructively where there is credible value. The Board remains focused on the disciplined execution of our strategy – and open to any proposal that genuinely reflects BlueScope's fundamental value.

Outlook

We have entered FY2027 with solid momentum.

Operating conditions remain mixed. We continue to see strength in the United States, recovery underway in Australia and strong momentum across Southeast Asia, while Chinese overcapacity continues to weigh on Asian spreads.

We thank our people for their dedication through a year of significant change, our customers and partners for their trust, and our shareholders for their continued support.

Jane McAloon AM
Chair

Tania Archibald
Managing Director and
Chief Executive Officer

Section

01.

Earnings Report

Operations and Strategy

BlueScope Overview

BlueScope is a lean, modern manufacturer of high-quality steel products, systems and solutions that customers know and trust.

The Company is strategically differentiated through its ability to combine highly competitive manufacturing capabilities with deep customer relationships, leading product development, extensive channels to market and strategic marketing. With a long-standing presence and deep manufacturing and market expertise across Australia, New Zealand, North America and Asia, BlueScope brings decades of know-how to every market it serves.

Operating in-country, for-country, BlueScope stays close to customers and end-use markets, supporting agility and responsiveness while reducing supply chain risk and margin volatility, and enabling local growth in attractive markets, such as building and construction. This is underpinned by an operating model that has been designed to leverage scale, standardisation and shared capability to drive efficiency and disciplined execution. Above all, BlueScope is disciplined in how it allocates capital and unwavering in its commitment to long-term, shareholder value delivery.

The Company is a technology leader in metal coated and painted steel building products, with leading brands such as COLORBOND® steel, ZINCALUME® steel and the LYSAGHT® range. Around 15,800[1] people operate at more than 160 sites in 14 countries, working to serve the needs of BlueScope's valued customer base.

Description of Operations[1]

Australia

BlueScope is Australia's largest steel manufacturer, employing around 6,900 people across approximately 100 manufacturing, rollforming and distribution sites. Anchored by the integrated Port Kembla Steelworks, the business is BlueScope's core innovation and technical engine. It combines manufacturing capability, deep customer relationships and leading brands to deliver higher-value, branded products and solutions for the domestic building and construction industry, with capabilities that have been leveraged into other markets.

North America

BlueScope operates five businesses in North America, employing around 4,550 people. The region is the clearest proof point of BlueScope's growth model at scale. North Star, in Ohio, is one of North America's lowest-cost and most efficient steel mills, strategically located near its customers and scrap supply. Alongside it, metals recycling supports reliable scrap feed, while the extensive downstream buildings and coated products businesses provide differentiated, value-added manufacturing for the large US non-residential construction market.

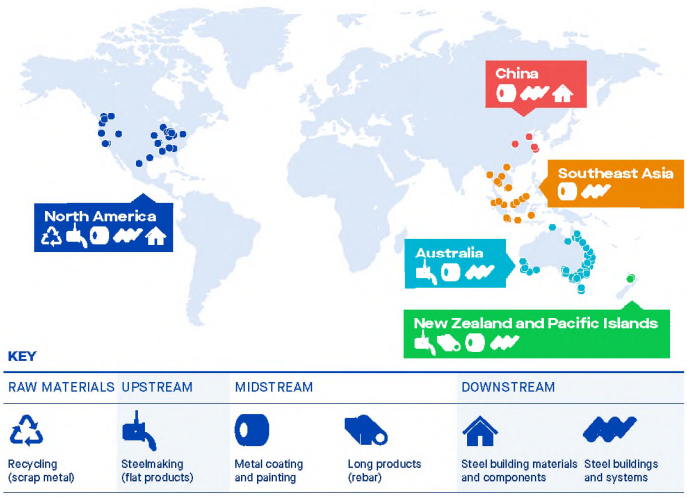
Asia[2]

BlueScope has an advantaged Asian footprint spanning Thailand, Indonesia, Vietnam, Malaysia and China, employing over 2,700 people across the region. It delivers profitable, capital-light growth through a downstream-led model of metal coating, painting and building products, serving large and growing construction markets that are increasingly attuned to brand and value. The footprint has latent capacity to capture growth, supported by BlueScope's well-established value propositions.

New Zealand and Pacific Islands

New Zealand Steel is the country's only steel producer, employing around 1,450 people across the Glenbrook Steelworks, the Pacific Steel long products business, the Waikato North Head ironsands mine and the Pacific Islands operations. The business is undergoing a structural reset through its transition to a hybrid electric arc furnace model, lowering its cost base and emissions intensity while continuing to grow value-added volumes for domestic customers.

BlueScope's Operating Footprint



1. Employee numbers as at 30 June 2026, adjusted to reflect changes to the operating model that were not yet in effect.
2. The Southeast Asian businesses operate as a 50:50 joint venture with Nippon Steel Corporation, which BlueScope controls and consolidates. Until 31 December 2025, BlueScope's Asian footprint included Tata BlueScope Steel (TBSL), a provider of coated and painted steel products in India. This business was jointly controlled by Tata Steel and BlueScope, and BlueScope equity accounted its interest. On 31 December 2025, BlueScope completed the sale of its 50% interest to its joint venture partner, Tata Steel.

Strategy and Value Creation

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

Our Focus Areas

Customer value creation: customers at the heart of everything we do
Operational excellence: a relentless focus on productivity
Shareholder value delivery: substantially higher shareholder returns

Our Financial Framework

Returns focus
Resilient capital structure
Disciplined capital allocation

Our Foundations of Value

High quality assets & capabilities
Resilient business model
Significant growth and upside

Outcomes: Resilient, through-cycle earnings | Robust and growing cash flows | Higher shareholder returns

BlueScope's purpose and values, expressed through its *'Purpose'* and *'Our Bond'* statements, guide how the Company conducts its business, treats people, and creates long-term stakeholder value.

- BlueScope's **Purpose** speaks to why BlueScope operates, sets its direction and helps attract and retain the best people to enable it to get there.
- **Our Bond** outlines the Company's key stakeholder groups and its values in how it works with them, covering customers, people communities and shareholders.

BlueScope's approach is guided by three strategic themes:

1. **Customer value creation** keeps customers at the heart of all BlueScope does, with the Company's products, service, technical capability and reliability key to earning customers' trust and repeat business.
2. **Operational excellence** applies a continuous focus on productivity at every level of the organisation – revenue, manufacturing functions, capital efficiency.
3. **Shareholder value delivery** strengthens cash generation, puts the balance sheet to work, and enhances shareholder returns.

BlueScope's **Financial Framework** guides the Company in balancing growth investment, balance sheet resilience and shareholder returns through the cycle. BlueScope's value is built on foundations of high-quality assets, a resilient multi-domestic business model, and significant growth and upside. BlueScope adds value through its manufacturing capability, customer focus, product development and brands, to drive resilient earnings, growing cash generation and higher shareholder returns.

Target Growth to 2030

BlueScope is targeting approximately $500 million of additional annual earnings by 2030[1] from initiatives already underway, including from a number of the major projects nearing completion.

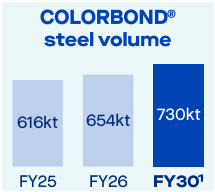
More than $200 million is targeted in North America, anchored by North Star debottlenecking, targeted growth at Buildings North America, and the coated and painted strategy, including the BlueScope Coated Products turnaround and Steelscape branded roll-out, in a market supported by manufacturing, non-residential construction, data centre and industrial demand.

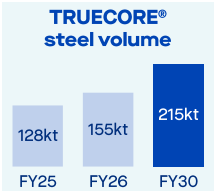
More than $125 million is targeted in Australia, driven by continued growth in COLORBOND® steel and TRUECORE® steel, supported by the start up of Metal Coating Line 7 (MCL7) in Western Sydney and the plate mill upgrade at Port Kembla.

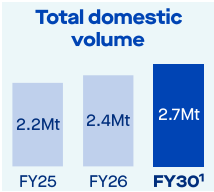
Around $75 million of capital-light growth is targeted across Asia, through value-added and premium branded products in Southeast Asia, along with adapting to evolving customer demands in BlueScope China.

A further $75 million is targeted in New Zealand, with COLORSTEEL® volume growth, along with other market opportunities that are driving demand. The new EAF model improves the cost position of the business, and enables a new low emissions product offering.

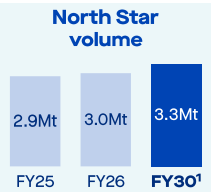
Australia Measures

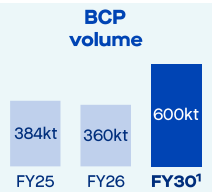


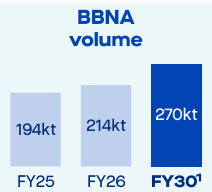




North America Measures







1. Target incremental annual EBIT and volume performance in FY2030.

Update on Major Projects

Project	Description	FY2026 Progress
Western Sydney Metal Coating Line (MCL7)	Addition of 240ktpa metal coating capacity to support growth in premium product volumes (e.g. TRUECORE® steel and COLORBOND® steel).	• 'Metal on strip' milestone achieved on 4 August 2026. • Ramp up underway. • Final cost expected to be ~$490M.
New Zealand Electric Arc Furnace (EAF)	Resetting the operating model with new electricity arrangements, improved demand response capability, lower costs and significantly reduced emissions	• Ramp up underway, with first 'heat' produced on 3 August 2026. • Final cost expected to be ~NZ$320M[1].
North Star Debottlenecking	Unlocking an additional ~300ktpa of latent steelmaking capacity through debottlenecking	• Project progressing well across all nine project components; three components now complete.
Port Kembla Plate Mill Upgrade	Mill upgrades enhancing product and service quality to replace low margin exports with domestic sales	• First phase of the upgrade (plate handling and processing) now complete and operational. • Second phase (furnace upgrade) progressing well.
No.6 Blast Furnace Reline and Update	Securing future iron supply for Port Kembla Steelworks as the bridge to low emissions ironmaking technology	• Targeting early CY2027 start up, final cost expected to be ~$1.3Bn[2]. • 5BF outperformance providing flexibility in cut over timing.

1. Does not include ~NZ$140M co-contribution from the NZ Government's 'Government Investment in Decarbonising Industry' fund. Amount to be deducted from capital spend across FY2024-FY2027.
2. The No.6 Blast Furnace Reline project was awarded a $136.8 million grant from the Australian Government under the Powering the Regions Fund. The pre-tax value of this grant will be recognised across the life of the project.

A Simpler Leaner More Agile BlueScope

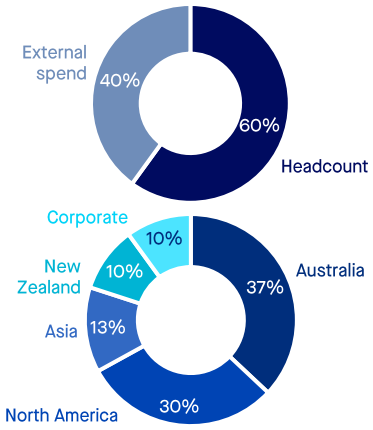
In FY2026, BlueScope completed its $200 million cost and productivity program on the FY2024 cost base. As part of this program, BlueScope also delivered on its working capital reduction target with a $201M release in FY2026[1].

BlueScope also reset its operating model in the year, which enables it to remain local at the front end, close to customers and manufacturing, while harnessing its scale through a global back end. Underpinning this is a relentless focus on operational excellence across every part of the organisation, with the reshaped operating model for functional teams that drives standardisation and shared capability.

The result is a simpler, leaner, more agile BlueScope, aligned to the next phase of execution, growth and returns.

At the half-year, BlueScope quantified the expected benefit of the operating model reset as ~$150 million on a gross basis, expected to be delivered in FY2027. The target has been outperformed such that the full $150 million will flow through on a net basis in FY2027. This outperformance was predominantly due to greater external spend savings than expected.

Breakdown of ~$150M net cost benefit in place for FY2027



1. On FY2024, includes transitional inventory accumulation associated with No.6 Blast Furnace reline and NZ EAF projects.

Accelerating Land Value Realisation

BlueScope's 1,200 hectare land portfolio is in sought after industrial locations, with over 60 per cent of the portfolio appropriately zoned and able to be developed. Below is an update on progress on the program to accelerate land value realisation.

Site	Land size[1]	Progress in FY2026	Focus for FY2027
Port Kembla, NSW	**~200ha**	• Rezoned to Special Purpose Zone (SP4) to allow broad use cases and streamlined approvals.	• Focus on development opportunities complementary to manufacturing, including energy precinct development.
Western Port, VIC	**~450ha**	• Completed EOI process for 65ha logistics hub at Western Port, which saw strong demand from tier one developers.	• Next phase of market engagement for logistics hub, with shortlist process underway.
Glenbrook, NZ	**~400ha**	• Expanded grid-scale battery facility ground lease with Contact Energy from 2.9ha to 3.3ha.	• Commenced process under NZ Fast-track Approval Act to deliver a streamlined approvals pathway.
West Dapto, NSW	**~170ha[2]**	• 33ha residential land sale delivered $76M. • Signed heads of agreement to develop 10ha hardstand facility for Prixcar.	• Progressing a range of additional ground lease opportunities.

1. For more information on BlueScope's land portfolio, visit the Property Portfolio section of its website.
2. Excludes the 33ha parcel that was sold during FY2026.

Group Financial Review

Table 1: Financial summary

$M unless marked	FY2026	FY2025	Variance %	2H FY2026
Sales revenue from continuing operations	**16,605.9**	16,252.8	2%	8,381.9
EBITDA - underlying[1]	**1,966.3**	1,452.1	35%	1,051.0
EBIT - reported[1]	**1,201.6**	295.8	306%	632.3
EBIT - underlying[1]	**1,273.4**	738.2	73%	715.9
Return (Underlying EBIT) on invested capital (%)	**10.7%**	6.2%	+4.5%	12.1%
NPAT - reported	**802.0**	83.8	857%	411.2
NPAT - underlying	**851.2**	420.8	102%	469.2
Interim dividend (cps)	**65.0**	30.0	117%	n/a
Final ordinary dividend (cps)[2]	**65.0**	30.0	117%	65.0
Special dividends (cps)[3]	**170.0**	-	100%	70.0
Reported earnings per share (cps)	**183.0**	19.1	858%	93.9
Underlying earnings per share (cps)	**194.2**	95.9	103%	107.1
Net debt / (cash)	**600.0**	28.4	>100%	
Gearing (%)	**5.2%**	0.3%	+4.9%	
Leverage (net debt / LTM underlying EBITDA)	**0.31x**	0.02x	>100%	

1. Underlying results in this report are categorised as non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. Tables 11, 12 and 13 provide reconciliations of underlying earnings to reported earnings.
2. The FY2026 final dividend is unfranked, with a record date of 9 September 2026.
3. Includes the $1.00 per share unfranked special dividend paid on 24 February 2026 and the 70 cents per share unfranked special dividend declared at FY2026 results, with a record date of 9 September 2026.

Revenue

The 2% increase in sales revenue from continuing operations was primarily due to higher selling prices, particularly in the US.

Earnings Before Interest & Tax

The $535.2M (73%) increase in underlying EBIT reflects:

- $441M spread increase, primarily due to higher domestic prices (predominantly in the US, $552M), partly offset by lower export prices ($103M) and higher raw material costs ($8M).
- $151M favourable impact of volume/mix.
- $81M unfavourable movement in costs, with cost escalation ($177M) and impact of lower volumes on cost ($44M) partly offset by cost improvement initiatives ($90M) and favourable timing, one-off and other costs ($38M).
- $60M unfavourable translation impact from a stronger A$:US$ exchange rate.
- $84M favourable movement in other items.

The $905.8M (306%) increase in reported EBIT reflects the movement in underlying EBIT and $370.6M in net underlying adjustments, as outlined in tables 12 and 13.

Tax[1]

FY2026 tax expense was $237.6M (FY2025 $69.6M), equivalent to an effective tax rate of 20.9% (FY2025 27.5%). The lower rate was due to the share of profit earned in lower-taxed jurisdictions and the non-assessable gain on the sale of BlueScope's 50% interest in Tata BlueScope Steel Limited.

In the year, the BlueScope Australian tax consolidated group made limited corporate tax payments and therefore generated low amounts of new franking credits.

Net Debt, Finance Costs and Funding

BlueScope seeks to maintain a strong balance sheet, with a target of up to $1.5Bn net debt, with ability to move above when needed. The Company also seeks to retain strong credit metrics. At 30 June 2026, BlueScope's net debt was $600.0M, compared to $28.4M at 30 June 2025. BlueScope also retained investment grade credit ratings from S&P Global Ratings and Moody's in FY2026.

Net finance costs increased by $24.1M in FY2026 compared to FY2025, driven mainly by higher borrowings during the period. Financial liquidity was $2,834.8M[2] at 30 June 2026 ($2,834.0M at 30 June 2025), comprising $1,667.8M committed undrawn bank debt capacity and $1,167.0M cash.

1. Further tax contribution details can be found in BlueScope's FY2026 Tax Contribution Report, available on BlueScope's website.
2. Includes $774.9M liquidity in the NS BlueScope Coated Products JV

Financial Position

Net assets decreased $375.0M to $10,897.7M at 30 June 2026 from $11,272.7M at 30 June 2025. Net assets were lower as a result of foreign exchange translation (approximately $385M) primarily as a result of a stronger A$:US$.

Significant movements in underlying currency were:

- $901M increase in property, plant and equipment, including assets associated with the 6BF reline.
- $328M increase in cash.
- $101M increase in receivables.

Partly offset by:

- $906M increase in borrowings and lease liabilities.
- $123M increase in payables.
- $102M decrease in equity accounted investments.
- $78M increase in deferred income.
- $55M decrease in intangible assets.
- $37M decrease in inventories.

Capital Management

BlueScope operates a disciplined, returns-focused capital allocation process that balances shareholder returns and investment in long-term profitable growth. The Company seeks to distribute at least 75 per cent of free cash flow[1] to shareholders.

In FY2026, BlueScope paid $866.9M in shareholder distributions, including 95.0 cents per share in ordinary dividends, a $1.00 per share special dividend and $12M in share buy-backs.

Delivering on its plan to distribute $3.00 per share to shareholders in CY2026, for 2H FY2026, the Board has approved $1.35 per share in shareholder returns. This comprises:

- A 65.0 cents per share final dividend, in line with the increased $1.30 per share target annual ordinary dividend level, and
- A 70.0 cents per share unfranked special dividend[2].
- Both the final and the special dividends will be unfranked for Australian and New Zealand tax purposes and are declared to be conduit foreign income. BlueScope's dividend reinvestment plan will not be active for the final or special dividends.
- Relevant dates for the final and special dividends are as follows:
  - Ex-dividend share trading commences: 8 September 2026.
  - Record date for dividend: 9 September 2026.
  - Payment of dividend: 13 October 2026.

BlueScope's improved cash flow generation and earnings resilience underpins ongoing enhanced return levels. Accordingly, for CY2027, the Company plans to again deliver $3.00 per share ($1.3Bn) in returns to shareholders[3], comprising:

- $1.30 in annual ordinary dividends, and
- $1.70 per share (or ~$750M) of returns in other forms such as special dividends and on-market buy-backs.

1H FY2027 Outlook[4]

Underlying EBIT in 1H FY2027 is expected to be in the range of $860M to $960M.

For the purposes of the outlook, the Company has made the following 1H FY2027 average assumptions:

- Lagged spreads:
  - US mini-mill benchmark spreads of ~US$750/t, ~US$140/t higher than 2H FY2026.
  - Asian benchmark spreads of ~US$245/t, ~US$65/t higher than 2H FY2026[5].
- Unlagged prices:
  - East Asian HRC price of ~US$545/t.
  - 62% Fe iron ore price of ~US$95/t CFR China.
  - Index hard coking coal price of ~US$220/t FOB Australia.
  - A$:US$ at US$0.70.
- Relative to 2H FY2026, expect higher underlying net finance costs, a similar underlying tax rate and a similar profit attributable to non-controlling interests.

1H FY2027 regional guidance is as follows:

- **Australia:** expect a result around two thirds higher than 2H FY2026.
  - Higher realised spreads broadly in line with benchmark movements, and stronger domestic volumes.
  - Expect cost performance to be maintained; impact from transition of major projects to operation[6].
- **North America:** expect a result more than one third higher than 2H FY2026.
  - North Star – expect a result more than one third higher than 2H FY2026.
    - Significantly stronger benchmark spread; softer pricing realisation on fixed pricing component of order book[7].
    - Partly offset by improved cost performance.
  - BCPNA – expect a result one third higher than 2H FY2026.
    - BNA – moderately stronger on increased volumes.
    - BCP – improved performance on continued turnaround efforts.
    - Steelscape – moderately stronger on increased volumes.
- **Asia:** expect a result similar to 2H FY2026.
  - Southeast Asia – moderately softer on seasonality.
  - China – moderately stronger on seasonality.
- **New Zealand and Pacific Islands:** expect a result around one third lower than 2H FY2026.
  - Impact of EAF commissioning partly offset by improved benchmark pricing.
- **Corporate & Group[8]:** expect to be approaching three times 2H FY2026.
  - Non-repeat of the $76M West Dapto land sale profit in 2H FY2026, partly offset by lower costs.

1. Operating cash flow less sustaining capex.
2. Reflects conversion of the previously announced $310M buy-back program at 1H FY2026 results (equivalent to 70cps) to a special dividend, given the buy back was unable to be transacted during 2H FY2026.
3. Announcements of future dividends and franking are subject to the Company's financial performance, business conditions, growth opportunities, capex and working capital requirements, amount and timing of tax payments and the Board's determination at the relevant time.
4. Expectations are subject to spread, foreign exchange, market conditions.
5. Calculation infers an FOB iron ore estimate by deducting the Baltic cape index freight cost from CFR China iron ore price.
6. Includes unfavourable cost impact on transitional inventory accumulation associated with the 6BF reline project, higher transitional depreciation charge relating to the 6BF reline and MCL7 projects and increased non-prime volumes relating to the MCL7 commissioning process.
7. Benchmark prices may not be representative of realised mill prices due to a range of factors. Movements in prices across the majority of sales correlate with Midwest regional benchmark pricing, on a short lag; a minority of sales are priced on a longer term basis. Accordingly the degree of correlation between realised and benchmark prices can vary in a given half but is more fully reflected over the medium term.
8. Includes group-wide technology projects and costs associated with progressing the property portfolio.

Regional Business Reviews

Australia

Australian Steel Products (ASP) employs around 6,900 people across approximately 100 sites, a mix of large manufacturing plants, rollforming facilities and distribution centres. The business specialises in flat steel products, including hot rolled coil, cold rolled coil, plate and value-added metallic coated and painted steel solutions, with a clear focus on higher value, branded products for the building and construction industry.

The Port Kembla Steelworks in the Illawarra region of New South Wales is the largest steel production facility in Australia, with annual crude steel production capacity of over three million tonnes. Its branded products are recognised market leaders and include COLORBOND® steel, TRUECORE® steel, ZINCALUME® steel and TRU-SPEC® steel. The segment also includes the LYSAGHT® and FIELDERS® ranges of building products, Orrcon® Steel pipe and tube manufacturing, and a steel distribution business comprising BlueScope Distribution, Metalcorp Steel and Impact Steel.

ASP is BlueScope's core domestic platform, built around an integrated manufacturing footprint, leading brands, technical capability and deep customer relationships. It is the Group's innovation and technical engine, and a customer-led, value-added manufacturer focused on growing domestic and branded volumes while lifting efficiency through enterprise-wide manufacturing, sales and supply chain disciplines.

Financial Performance – FY2026 vs. FY2025

Sales Revenue

The $103.7M decrease in sales revenue was primarily due to lower selling prices.

EBIT Performance

The $73.4M decrease in underlying EBIT was largely due to:

- lower realised spreads due to lower selling prices, partly offset by lower raw material costs.
- cost improvement initiatives broadly offsetting inflationary pressures.
- stronger domestic despatches with increases across all end-use segments, including record COLORBOND® steel and TRUECORE® steel sales.

Underlying adjustments in reported EBIT are set out in tables 12 and 13.

Key Financial and Operational Measures

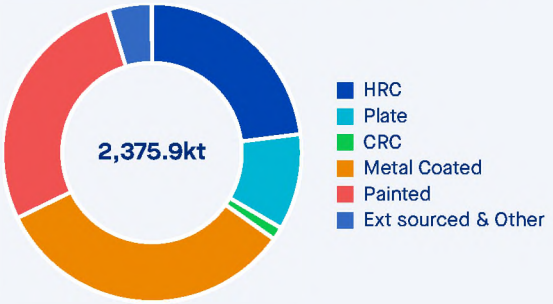
Table 2: ASP financial performance

$M	FY2026	FY2025	Var %	2H FY2026
Sales Revenue	**6,849.0**	6,952.7	(1%)	3,506.7
Reported EBIT	**158.4**	260.0	(39%)	39.3
Underlying EBIT	**188.2**	261.6	(28%)	66.4
NOA (pre-tax)	**5,226.6**	4,394.7	19%	5,226.6
Underlying EBIT ROIC	**3.8%**	6.2%	-2.4%	3.8%

Table 3: ASP steel sales volume

'000 tonnes	FY2026	FY2025	Var %	2H FY2026
Domestic				
- ex mill	**2,250.7**	2,128.5	6%	1,150.9
- ext sourced	**125.2**	116.2	8%	65.2
Export	**787.8**	940.7	(16%)	473.9
Total	**3,163.8**	**3,185.4**	**(1%)**	**1,690.1**

Chart 1: FY2026 ASP domestic sales volume mix



Return on Invested Capital

ROIC decreased to 3.8% driven by lower EBIT and higher net operating assets. Net operating assets at 30 June 2026 were $831.9M higher than at 30 June 2025, primarily due to higher fixed assets (including large capital projects currently in construction phase, including the 6BF reline, MCL7 and the Plate Mill upgrade).

Sales and Operations

Domestic Mill Sales

FY2026 domestic sales volumes ex-mill increased 6% on FY2025 to 2,250.7kt.

Despatch volumes remained solid across all end-use segments compared to FY2025, with construction segments particularly strong.

Sales into the residential construction segment strengthened in FY2026 compared to FY2025. Demand improved across most states, particularly in Queensland and Western Australia where rapid population growth, relatively favourable affordability and supportive public policy settings supported increased activity levels.

Targeted campaigns focused on consumers, builders and fabricators continued to accelerate growth, with total sales of COLORBOND® steel and TRUECORE® steel achieving all-time records in FY2026.

The number of detached dwelling commencements increased in FY2026, with ongoing strength in monthly building approvals continuing through the year. A sustained housing shortage, along with expanded First Home Buyer policy incentives supported demand in the year. Demand in the alterations and additions sub-segment remained robust, supported by high house prices.

Sales into non-residential construction were stronger in FY2026 compared to FY2025, supported by a robust pipeline of projects across the Commercial and Industrial sub-segments.

Non-residential approvals remained near record-high levels in the year. Private sector building approvals drove a significant increase in activity, largely for data centres. Investment in factories and warehouses also continued to rise, supported by the ongoing increase in e-commerce activity.

The value of public sector non-residential building approvals appeared to stabilise in the year. The Social and Institutional sub-segment continued to be supported by a solid pipeline of projects on the back of continued government investment in health, defence and education projects.

Sales in the engineering and mining segments stabilised in FY2026 following declines across the previous two years. Major transport projects, especially in the eastern states, continued to support activity. However, sustained inflationary cost pressures, severe weather disruptions and persistent skill shortages impacted some project delivery timelines and productivity.

Demand in the manufacturing sector improved in FY2026, supported by an increase in machinery and equipment demand related to the robust data centre rollout and engineering construction pipeline. Strong residential construction activity also provided support.

Demand in the agricultural segment improved, driven by strong export demand, favourable seasonal conditions for cropping, and high prices in the livestock sector.

Export Sales

Despatches to export customers in FY2026 (787.8kt) were lower than FY2025 (940.7kt), due to higher domestic sales. Margins on export sales were lower in FY2026 compared to FY2025, due to lower global steel prices and an unfavourable mix impact as shifting trade dynamics and tariffs resulted in lower sales into North America.

Export Coke Sales

In FY2026, despatch volumes were 601.0kt, down 9% on FY2025 primarily due to timing of shipments. Margins were lower in FY2026 due to lower global prices on an excess of supply out of Indonesia.

North America

BlueScope operates five businesses in North America, employing around 4,550 people, represented in two reporting segments: North Star BlueScope Steel (North Star) and Buildings and Coated Products North America (BCPNA). The North Star segment comprises the North Star and BlueScope Recycling and Materials (BRM) businesses; the BCPNA segment comprises Buildings North America (BNA), BlueScope Coated Products (BCP) and NS BlueScope Coated Products (Steelscape and ASC Profiles).

Established in 1996 in Delta, Ohio, North Star is one of North America's most efficient steel mills, producing high quality hot rolled coil from electric arc furnaces for the automotive, non-residential construction, manufacturing and agricultural segments, primarily through service centres. BRM is a full-service ferrous and non-ferrous scrap metal recycler focused on supplying North Star's scrap requirements, operating three sites at Delta, Ohio (adjacent to North Star), Waterloo, Indiana, and Mansfield, Ohio.

BNA is a leader in Precision-Engineered Building Solutions (PEBS) for the low-rise non-residential construction segment, providing an integrated offering through brands including BUTLER® and VARCO PRUDEN®. BCP is the second largest metal painter in the United States, serving the commercial and industrial construction industry with total capacity of around 900,000 tonnes per annum across seven facilities (five light gauge and two heavy gauge coil painting lines). NS BlueScope Coated Products, operated on the West Coast as part of the joint venture with Nippon Steel Corporation, comprises the Steelscape metal coating and painting business and the ASC Profiles building products business, primarily serving the western United States non-residential construction industry.

North America is the clearest proof point of the BlueScope growth model at scale, combining low-cost steelmaking, customer proximity and targeted downstream growth. The strategy is centred on maximising North Star volumes, growing the buildings business where returns are clear, expanding downstream value and improving coated products performance, while retaining flexibility as policy settings and profit pools evolve.

Financial Performance – FY2026 vs. FY2025

Sales Revenue

The $639.4M increase in sales revenue was predominantly due to higher selling prices at North Star and BCPNA along with higher despatch volumes at North Star.

EBIT Performance

The $519.6M increase in underlying EBIT was due to:

- **North Star:** Delivered an underlying EBIT of $805.3M in FY2026, compared to $267.2M in FY2025. The increase was mainly driven by higher spread, partially offset by higher costs and unfavourable impact of FX translation.
- **BCPNA:** Delivered an underlying EBIT of $229.6M in FY2026, compared to $249.3M in FY2025. The decrease was predominantly driven by softer performance at Steelscape, offset by an improved performance at BCP, along with an unfavourable impact of FX translation across the segment.

Underlying adjustments in reported EBIT are set out in tables 12 and 13.

Key Financial and Operational Measures

Table 4: North America performance

$M	FY2026	FY2025	Var %	2H FY2026
Sales Revenue	**7,636.7**	6,997.3	9%	3,882.1
Reported EBIT	**986.9**	65.1	1,416%	572.5
Underlying EBIT	**1,034.0**	514.4	101%	586.8
NOA (pre-tax)	**5,019.6**	5,508.5	(9%)	5,019.6
Underlying EBIT ROIC	**19.8%**	8.8%	+11.0%	19.8%
Despatches	**3,855.7**	3,781.2	2%	1,966.3

Table 5: North Star segment performance

$M	FY2026	FY2025	Var %	2H FY2026
Sales Revenue	**4,292.8**	3,702.2	16%	2,243.5
Reported EBIT	**805.1**	257.9	212%	487.3
Underlying EBIT	**805.3**	267.2	201%	484.4
NOA (pre-tax)	**3,642.8**	3,817.0	(5%)	3,642.8
Underlying EBIT ROIC	**21.9%**	7.1%	+14.8%	21.9%
Despatches	**2,976.5**	2,881.8	3%	1,522.1

Table 6: North Star segment performance in US$M

US$M	FY2026	FY2025	Var %	2H FY2026
Sales Revenue	**2,919.3**	2,393.1	22%	1,576.2
Underlying EBITDA	**644.2**	266.4	142%	387.4
Underlying EBIT	**551.2**	172.4	220%	340.8

Table 7: BCPNA performance

$M	FY2026	FY2025	Var %	2H FY2026
Sales Revenue	**3,405.5**	3,327.9	2%	1,658.3
Reported EBIT	**182.7**	(190.7)	196%	83.8
Underlying EBIT	**229.6**	249.3	(8%)	101.0
NOA (pre-tax)	**1,380.7**	1,694.4	(19%)	1,380.7
Underlying EBIT ROIC	**14.8%**	12.0%	+2.8%	14.8%
Despatches	**918.4**	921.9	(0%)	456.0

Return on Invested Capital

ROIC increased to 19.8% driven by higher EBIT and lower net operating assets. Net operating assets at 30 June 2026 were $488.9M lower than at 30 June 2025, primarily due to the impact of a stronger $A:$US, combined with lower working capital due to the wind down of the BlueScope properties Group business.

Sales and Operations

North Star BlueScope Steel (including BRM)

Benchmark Midwest steel prices and spreads increased materially through FY2026, following the bolstering of Section 232 tariffs. Prices and spreads increased to historically high levels throughout the second half of the financial year.

The business operated at its full post-expansion production rate in FY2026, with demand for North Star's product remaining strong. Activity levels in the automotive, non-residential construction, manufacturing and agricultural segments remained resilient in the year, while service centre inventories remained balanced, with lower levels of imports and some capacity outages in the year resulting in a tighter than normal supply/demand balance.

FY2026 also saw continued cost escalation, most of which related to industry-wide cost dynamics such as energy, freight and steelmaking consumables, along with a higher variable remuneration cost given the stronger financial performance of the business.

North Star remains well positioned on the industry cost curve delivering leading margin performance, and is set up to manage the impacts of ongoing cost escalation - including energy, through its hedging and peak demand period curtailment programs.

In the year, BRM processed around 20 per cent of North Star's expanding scrap needs. North Star also continued to receive hot briquetted iron during FY2026 under its multi-year supply agreement with Cleveland-Cliffs, sourced from the Toledo HBI facility as part of its diversified metallics strategy.

Buildings and Coated Products North America

Buildings North America

BNA delivered higher despatch volumes in FY2026 as customer confidence improved and deferred projects progressed. Strengthening demand across commercial construction and data centres supported growth, partly offset by higher raw material costs and unfavourable foreign exchange translation.

The outlook remains constructive, supported by positive demand fundamentals and opportunities across key end-use markets. Investments in brands, market intelligence, customer experience, and digital capabilities are improving how the business identifies opportunities, engages customers, and competes for demand. Combined with ongoing improvements across design, engineering, and manufacturing, these investments strengthen BNA's market position and support sustainable long-term growth.

BlueScope Coated Products

BCP's FY2026 performance improved on FY2025 supported by developments under the turnaround program, primarily through lower costs and improved inventory management. Building and construction demand for painted steel remained stable during the year, with the implementation of tariffs and trade measures reducing painted steel imports.

The turnaround program focused on manufacturing excellence to improve asset reliability and quality performance, providing the foundation for an improved customer experience. The medium to longer-term opportunity at BCP remains unchanged, and the business continues to progress initiatives such as its single-bill offering, particularly where it supports near-term earnings.

NS BlueScope Coated Products (Steelscape & ASC Profiles)

Steelscape (coating and painting) sales volumes declined in FY2026 as demand in the West Coast residential and non-residential construction segments remained subdued, reflecting ongoing economic and tariff uncertainty. Margins were impacted by higher raw material costs, following the implementation of tariffs and trade measures.

The business continued to roll out its premium packaged and branded product offering, drawing on the existing Steelscape product suite.

ASC Profiles (building components) sales volumes also declined, primarily reflecting softer demand in the residential and decking segments. Cost and productivity improvement programs helped mitigate the margin impact of lower decking project activity.

Asia

The Coated Products Asia (CPA)[1] segment comprises metal coating, painting, steel building product and PEBS operations in Thailand, Indonesia, Vietnam, Malaysia and China, primarily serving the domestic residential and non-residential construction industries in each country. Collectively these businesses employ over 2,700 people. As a technology leader in metal coated and painted steel building products, the business carries a brand portfolio including pre-painted COLORBOND® steel, ZINCALUME® steel, the LYSAGHT® range and BUTLER® precision-engineered buildings.

BlueScope operates its Southeast Asian businesses in a 50/50 joint venture with Nippon Steel Corporation, which it controls and therefore consolidates. The BlueScope China business is wholly owned, includes the segment's PEBS business, and increasingly supports the Group through IP and equipment sourcing.

CPA delivers profitable, capital-light growth from a non-integrated midstream and downstream business model, underpinned by an advantaged operating footprint across large and growing markets that are increasingly attuned to brand and value. The strategy is to strengthen customer propositions and channels to market, drive operational and cost performance, and selectively expand higher-value downstream solutions, while preserving flexibility amid geopolitical change.

Financial Performance – FY2026 vs. FY2025

Sales Revenue

The $76.7M decrease in sales revenue was primarily due to lower prices and despatch volumes across the segment.

EBIT Performance

The $38.4M increase in underlying EBIT was due to:

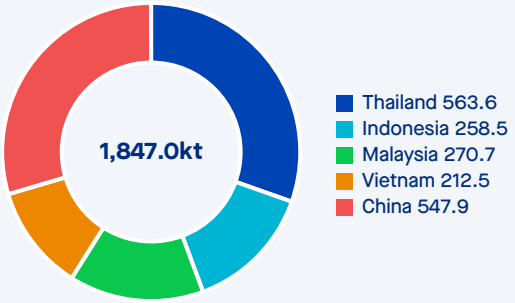
- **Southeast Asia:** Delivered an underlying EBIT of $156.7M in FY2026, compared to $113.2M in FY2025, driven by continued strong sales volumes and robust margin performance across the region.
- **China:** Delivered an underlying EBIT of $16.0M in FY2026, compared to $26.5M in FY2025, driven by lower prices and volumes on soft economic conditions.
- **India[1]:** Delivered an equity accounted profit of $3.3M (50 per cent basis) in FY2026, compared to $1.5M in FY2025.

Key Financial and Operational Measures

Table 8: CPA performance[1]

$M	FY2026	FY2025	Var %	2H FY2026
Sales Revenue	**1,847.0**	1,923.7	(4%)	895.0
Reported EBIT	**215.3**	142.3	51%	65.6
Underlying EBIT	**177.2**	138.8	28%	80.5
NOA (pre-tax)	**713.2**	920.3	(23%)	713.2
Underlying EBIT ROIC	**21.2%**	14.2%	+7.0%	21.2%
Despatches	**1,119.5**	1,204.4	(7%)	502.5

Chart 2: FY2026 Segment geographic sales revenue, $M[1]



1. Revenue and despatch data excludes India and intersegment eliminations.

Underlying adjustments in reported EBIT are set out in tables 12 and 13.

Return on Invested Capital

ROIC increased to 21.2% driven by higher EBIT and lower net operating assets. Net operating assets at 30 June 2026 were $207.1M lower than at 30 June 2025, primarily due to the sale of BlueScope's interest in the Tata BlueScope Steel joint venture.

Sales and Operations

Southeast Asia

Performance improved significantly across the Southeast Asian business in FY2026, delivering a record result. Continued focus on premium positioning, strengthening channels to market and effective price management contributed to both volume and margin improvements, despite increased import competition and softer pricing resulting from excess capacity in the region. Profitability was further supported by operational excellence programs, which continued to deliver substantial performance benefits.

China

BlueScope China delivered a weaker result in FY2026 as market conditions remained challenging, with a subdued economic recovery, ongoing structural pressures in construction and manufacturing, and weak private sector confidence. Despatch volumes declined due to lower project activity, longer order cycles and stronger price competition. The business maintained its focus on customer engagement, premium positioning and disciplined pricing, while ongoing efficiency, cost and productivity initiatives helped mitigate the impact of weaker market conditions.

1. On 31 December 2025, BlueScope completed the sale of its 50% interest in the Tata BlueScope Steel (TBSL) joint venture in India to its joint venture partner, Tata Steel, simplifying the regional footprint.

New Zealand & Pacific Islands

New Zealand & Pacific Islands (NZPI) comprises the Waikato North Head mine, New Zealand Steel, Pacific Steel and the Pacific Islands businesses, and employs around 1,450 people. As the only steel producer in New Zealand, New Zealand Steel uses locally sourced ironsand to manufacture up to approximately 650,000 tonnes a year of steel slab and billet at the Glenbrook Steelworks, south of Auckland. The business supplies a range of flat and long steel products for domestic and export use across construction, manufacturing, infrastructure, packaging and agriculture.

NZPI is prioritising asset transformation through its transition to a hybrid electric arc furnace model, with customer-led value preservation and selective growth as supporting pillars. The transformation is expected to reset the cost base and emissions intensity of the business, and provide a potential platform for early-stage development of lower-emissions products across the Group.

Financial Performance – FY2026 vs. FY2025

Sales Revenue

The $49.5M decrease in sales revenue was primarily due to lower selling prices, along with lower export volumes due to the temporary inventory build required to support the EAF project commissioning.

EBIT Performance

The $15.1M increase in underlying EBIT reflects improved volume and mix along with lower costs, partly offset by lower selling prices and higher raw material costs.

Underlying adjustments in reported EBIT are set out in tables 12 and 13.

Key Financial and Operational Measures

Table 9: NZPI financial performance

$M	FY2026	FY2025	Var %	2H FY2026
Sales Revenue	**812.9**	862.4	(6%)	394.3
Reported EBIT	**(12.7)**	(16.5)	23%	13.2
Underlying EBIT	**(1.4)**	(16.5)	92%	16.1
NOA (pre-tax)	**955.4**	847.5	13%	955.4
Underlying EBIT ROIC	**-0.2%**	-1.9%	+1.7%	-0.2%

Table 10: NZPI steel sales volume

000 tonnes	FY2026	FY2025	Var %	2H FY2026
Domestic flats	**204.3**	183.0	12%	107.1
Domestic longs	**116.3**	137.4	(15%)	56.7
Domestic	**320.6**	**320.4**	**0%**	**163.8**
Export flats	**89.9**	183.4	(51%)	32.1
Export longs	**47.6**	2.2	>100%	30.5
Export	**137.5**	**185.6**	**(26%)**	**62.6**

Return on Invested Capital

ROIC increased to (0.2%) driven by higher EBIT, despite higher net operating assets. Net operating assets at 30 June 2026 were $107.9M higher than at 30 June 2025, mainly due to the temporary inventory build required to support the EAF project commissioning.

Sales and Operations

Domestic Sales

Domestic flat despatch volumes were 12 per cent higher in FY2026 compared to FY2025, as the business progressed a range of initiatives to grow share and capture product-specific demand trends.

This was delivered against a backdrop of continued soft macroeconomic conditions, with domestic pricing on a range of products impacted by softer regional steel price indices.

In terms of specific product demand trends:

- Demand for metal coated and COLORSTEEL® products increased compared to FY2025 on successful share growth as residential new builds stabilised in the year.
- Demand for AXXIS® steel for light gauge residential steel framing into new builds also improved in FY2026, on improved share of stable residential new builds, especially for project home builders.

Sales of domestic long products in FY2026 decreased 15 per cent compared to FY2025, with continued low levels of infrastructure construction activity, and continued uncertainty around timing of potential future infrastructure projects.

Export Sales

Export volumes decreased 26 per cent in FY2026 compared to FY2025, due to the inventory build required to support the EAF project commissioning. Export pricing was softer across the year, impacting margins, due to lower regional steel prices and changing global trade measures late in the period.

Risks and Risk Management

Risk Management

BlueScope's Risk Management Framework sets out the policies, processes, and responsibilities for identifying, assessing, managing and monitoring risk across the Group. BlueScope reviewed the Risk Management Framework in FY2026, and the Board confirmed it remained sound.

The Board-approved risk appetite settings provide guidance on the level and type of risk the Company is willing to accept in pursuing its strategy. Applied across the Group risk taxonomy, these settings support decision-making and guide the management, escalation, and oversight of risk. Performance against the risk appetite settings is reported quarterly to the Audit, Risk and Technology Committee.

The material business risks for the Group are set out below and are managed within the Risk Management Framework. Climate-related risks are managed alongside other material business risks and are discussed further in the Sustainability Report section of this Annual Report.

Material Risks

The risks described below are those that could have the greatest impact on BlueScope's ability to deliver its strategy, financial performance and long-term value. These risks are actively monitored and managed through BlueScope's Risk Management Framework and are reviewed regularly.

Risk	Preventing fatalities and life-altering injuries to workers	
Description	BlueScope's operations involve high-risk activities that could result in serious injuries or fatalities. A significant safety incident may also lead to operational disruption, asset damage, regulatory or legal consequences, financial loss, and reputational harm. Major hazards in our operations include physical risks associated with live equipment, traffic management, product transport, working at heights, storage and handling, cranes, mobile equipment, and process safety events with potential to release hazardous substances or energy, including fires, explosions, and uncontrolled release of molten metal or off-gas.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Continued strengthening of safety performance through safety leadership, critical control effectiveness and workforce engagement. • Enhanced operational reliability and stakeholder confidence through a strong safety culture.	• Fatality or life-altering injuries leading to investigations, enforcement action, litigation or financial penalties. • Operational disruption, increased costs and adverse impacts to workforce morale, reputation and stakeholder confidence.
Management response	This risk is managed through BlueScope's Global Safety Refocus program, critical controls verification, targeted assurance activities and sharing of lessons learned to support consistent management of material safety risks across operations.	

Refer to the Safe, Thriving People and Engaged Communities section of the Sustainability Overview for detail on HSE performance and safety initiatives.

Risk	Sustaining financial resilience through the cycle	
Description	BlueScope operates in cyclical steel markets where demand, pricing and profitability are influenced by economic conditions, customer demand and global steel trade dynamics, particularly China's steel export intensity. Prolonged market downturns may adversely affect earnings, cash flows and financial performance.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Resilience through BlueScope's geographic diversification, differentiated products and customer-focused solutions. • Strategic flexibility through a robust balance sheet and disciplined capital allocation approach.	• Sustained downturns, increased competition or adverse trade conditions may reduce earnings, margins and cash flows. – The current sustained overcapacity in China resulting in materially elevated export levels is a clear example of this. • Reduced financial flexibility may constrain investment, capital returns or strategic growth initiatives.
Management response	BlueScope manages this risk through its Financial Framework, disciplined capital allocation, cost competitiveness, diversified operations and prudent liquidity management. These capabilities support resilience through economic cycles while maintaining flexibility to pursue strategic growth opportunities.	

Risk	Managing exposure to input cost volatility and steel price dynamics	
Description	BlueScope's financial performance is influenced by movements in international steel prices and key inputs including iron ore, coking coal, scrap, energy and other operating costs. If there is a substantial and sustained increase in the price of these raw materials, without a corresponding rise in steel prices, it will negatively affect the Group's financial performance. Conversely, a decline in steel prices without a proportional decrease in raw material prices will also have an adverse impact. Additionally, BlueScope's short-term financial performance is susceptible to rapid price fluctuations in both raw materials and steel products. This is particularly relevant for products exposed to import parity pricing.	
Key exposures	Upstream, Midstream	
Impacts	**Opportunities**	**Threats**
	• Enhanced resilience through BlueScope's diversified portfolio of markets, products and business models. • Improved profitability through the Company's focus on operational excellence, disciplined procurement and cost discipline.	• Margin compression occurs when raw material costs increase or steel prices fall and these changes cannot be recovered through customer pricing. • Rapid price movements affect inventory values, increase working capital requirements and create earnings volatility.
Management response	Management actively monitors steel price and input cost exposures and manages these through commercial arrangements, supply chain optimisation, cost discipline and selective use of commodity price hedging where available.	

Risk	Competing with other materials and with other steel producers	
Description	BlueScope's products compete with other materials such as aluminium, concrete, composites, plastic and wood in various end use applications. Improvements in the technology, production, pricing, embodied carbon or acceptance of these competitive materials relative to steel could adversely impact BlueScope's sales volumes and/or prices. BlueScope competes with local and international steel suppliers. This global competition means that changes to trade measures (e.g. tariffs and anti-dumping duties, changes to local content requirements) could directly or indirectly have an adverse impact on the volumes and/or prices of the Group's sales.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Market differentiation through BlueScope's trusted brands and premium value-added products. • Growth opportunities through innovation and development of lower-carbon steel solutions. • Growth opportunities enabled by BlueScope's multi-domestic operating model and strong customer relationships.	• Competition from alternative materials reduces demand for steel in key end-use applications. • Increased competition reduces market share and places pressure on prices and margins. • Changes to trade measures, including tariffs, anti-dumping duties and local content requirements, adversely affect sales volumes, pricing and competitiveness.
Management response	This risk of competitive pressures is managed through business diversification, a multi-domestic operating model, product innovation, customer relationships, operational excellence and engagement with governments and industry associations to support fair trading conditions.	

Risk	Maintaining brand strength and strategic market positioning	
Description	BlueScope's brands, including COLORBOND® steel, ZINCALUME® steel, TRUECORE® steel, Butler® and LYSAGHT®, support customer loyalty, market differentiation and long-term value creation. Brand value may be affected by product quality issues, supply disruptions, customer experience failures, changing customer preferences, imitation products or concerns relating to sustainability and responsible business practices.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Competitive advantage through BlueScope's trusted brands and differentiated product portfolio. • Long-term brand value through innovation, quality and responsible product stewardship.	• Quality, compliance or service failures may weaken customer confidence and brand reputation. • Changes in customer preferences, market trends or competitive dynamics may affect demand and margins.
Management response	BlueScope continues to develop its market presence and brand positioning of premium branded products in Australia and New Zealand, expand coating and painting capabilities in the United States and strengthen its position in the premium coated and painted segment in key Southeast Asian markets through product governance, intellectual property protection, quality management, customer experience programs, innovation and ongoing monitoring of market trends.	

Risk	Responding to climate change	
Description	BlueScope faces climate change-related transition and physical risks that may impact the long-term viability of iron and steelmaking and its multinational operations. These include regulatory changes, the availability of cost-competitive energy, raw materials and ironmaking technologies at commercial scale, and the susceptibility of BlueScope's operations and supply chains to physical climate-related hazards such as extreme flooding, heat stress and sea level rise. Failure to secure commercially viable low-emission technologies, energy and policy settings (particularly if introduced without measures to support trade-exposed industries), may affect its ability to deliver low-emission steel and maintain stakeholder trust.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Strengthened competitive position through progress towards lower-emission steel production and customer solutions. • Long-term value creation through innovation, technology development and responsible transition.	• Delays in accessing commercially viable low-emission technologies, energy or policy support may affect decarbonisation pathways. • Increasing physical climate impacts may affect operations, assets and supply chains.
Management response	Management is progressing the decarbonisation of BlueScope through operational improvements, technology development and strategic partnerships, including initiatives such as NeoSmelt and the Glenbrook Electric Arc Furnace project. Management continues to engage with governments, customers and industry stakeholders to support practical pathways for steel sector decarbonisation.	

Refer to the Climate-related Risks and Opportunities section of the Sustainability Report for additional details.

Risk	Building and sustaining trust in local communities	
Description	BlueScope's ability to operate depends on maintaining trusted relationships with local communities, governments, customers, employees and broader stakeholders. Loss of trust or social licence may arise from environmental impacts, safety concerns, regulatory issues or ineffective stakeholder engagement.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Strong community relationships supporting long-term operational resilience and licence to operate. • Reputation as a responsible employer and contributor to local economies.	• Loss of community trust may affect operational continuity, reputation and stakeholder confidence. • Environmental, safety or regulatory concerns may increase scrutiny and constrain operations.
Management response	BlueScope is committed to operating responsibly and maintaining strong relationships with the communities in which it operates. The Company engages regularly with stakeholders to understand concerns, manage impacts and foster transparency. BlueScope supports initiatives that strengthen community partnerships, including First Nations engagement, local investment programs and employee-led community initiatives.	

Risk	Upholding compliance and ethical standards	
Description	BlueScope may be exposed to the risk of serious breaches of laws, regulations or ethical standards by employees, officers, contractors or third parties. These may include violation of anti-bribery and corruption policies, sanctions, competition, human rights and other regulatory obligations.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Stakeholder confidence through strong governance, transparency and ethical business practices. • Sustainable growth supported by responsible decision-making and accountability.	• Legal, financial and operational consequences arising from compliance breaches. • Loss of trust with investors, customers, regulators and communities. • Erosion of culture, including reduced willingness to Speak Up and delayed identification of issues.
Management response	BlueScope manages compliance and ethical risks through its Business Conduct governance framework, Code of Conduct, policies, training, risk assessments, internal audit activities and Speak Up program. The Company continues to strengthen its compliance management capabilities through improved accountability and managing obligations.	

Risk	Maintaining technology resilience and cyber security	
Description	BlueScope's operations rely on increasingly integrated Information Technology and Operational Technology environments to support safe and efficient production, customer engagement and business performance. As the organisation continues to digitalise and modernise its technology landscape, the complexity, interconnectivity and external threat environment continue to increase. Technology disruption or cyber security incidents may affect operational continuity, compromise sensitive information or impact regulatory compliance.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Enhanced operational resilience and productivity through secure digital transformation. • Improved decision-making through effective use of data and technology.	• Increasing risk of systemic technology failure due to complex, highly integrated and legacy systems across regions • Disruption to production or supply chains arising from cyber-attacks impacting IT or operational technology environments • Loss or compromise of sensitive information leading to regulatory, financial and reputational impacts
Management response	Management continues to strengthen its technology and cybersecurity capabilities to protect people, operations and critical assets, supporting safe and reliable production outcomes. Regular testing, incident response planning and business continuity exercises are undertaken to enhance preparedness and ensure safe, resilient operations. Employee awareness, third-party risk management and enhanced cyber risk reporting support strong governance, informed decision-making and a culture aligned to safety and operational integrity.	

Risk	Delivering strategic and capital investments	
Description	Successful delivery of major investments – whether sustaining, growth or climate-related investments - is critical to achieving BlueScope's strategic objectives. These investments require disciplined capital allocation, effective execution, and delivery of project objectives. Delays, cost overruns or failure to achieve expected outcomes may affect future returns, operational performance and strategic priorities.	
Key exposures	Upstream, Midstream, Downstream	
Impacts	**Opportunities**	**Threats**
	• Long-term value creation through disciplined investment in resilient, efficient and competitive assets. • Strategic advantage through successful delivery of growth, productivity and decarbonisation initiatives.	• Project delays, cost overruns or underperformance may reduce expected returns and delay strategic outcomes. • Poor delivery performance may affect stakeholder confidence and future investment opportunities.
Management response	BlueScope has a disciplined approach to capital allocation as described in its Financial Framework and further informed by its Capital Allocation and Investment Frameworks. They establish key principles for the allocation of available capital to investments, require independent project reviews pre- and post- execution, and project performance monitoring.	

The nature and potential impact of risks are inherently uncertain and subject to change. BlueScope is exposed to a range of risks that could materially affect the Group's strategy and future prospects. BlueScope remains committed to proactive risk management across the enterprise.

Detailed Explanatory Tables

(A) Detailed Income Statement

The Group comprises five reportable operating segments: Australian Steel Products; North Star; Buildings and Coated Products North America; Coated Products Asia and New Zealand & Pacific Islands.

Table 11: Detailed income Statement

	Revenue		Reported Result		Underlying Result	
$M	FY2026	FY2025	FY2026	FY2025	FY2026	FY2025
Sales revenue / EBIT[1]						
Australian Steel Products	**6,849.0**	6,952.7	**158.4**	260.0	**188.2**	261.6
North Star	**4,292.8**	3,702.2	**805.1**	257.9	**805.3**	267.2
Buildings and Coated Products North America	**3,405.5**	3,327.9	**182.7**	(190.7)	**229.6**	249.3
Coated Products Asia	**1,847.0**	1,923.7	**215.3**	142.3	**177.2**	138.8
New Zealand and Pacific Islands	**812.9**	862.4	**(12.7)**	(16.5)	**(1.4)**	(16.5)
Discontinued operations	**0.0**	0.0	**4.4**	9.6	**0.0**	0.0
Segment revenue / EBIT[1]	**17,207.2**	**16,768.9**	**1,353.2**	**462.6**	**1,398.9**	**900.4**
Inter-segment eliminations	**(601.3)**	(516.1)	**(3.6)**	(5.3)	**(3.7)**	(5.3)
Segment external revenue / EBIT	**16,605.9**	**16,252.8**	**1,349.6**	**457.3**	**1,395.2**	**895.1**
Other revenue / (net unallocated expenses)	**85.2**	74.0	**(148.0)**	(161.5)	**(121.8)**	(156.9)
Total revenue / EBIT[1]	**16,691.1**	**16,326.8**	**1,201.6**	**295.8**	**1,273.4**	**738.2**
Borrowing costs			**(89.8)**	(69.6)	**(89.5)**	(67.2)
Interest Revenue			**28.5**	32.4	**28.5**	32.4
Profit from ordinary activities before income tax			**1,140.3**	**258.6**	**1,212.4**	**703.4**
Income tax (expense) / benefit			**(237.6)**	(69.6)	**(257.8)**	(178.8)
Profit from ordinary activities after income tax expense			**902.7**	**189.0**	**954.6**	**524.6**
Net profit attributable to non-controlling interest			**(100.7)**	(105.2)	**(103.5)**	(103.8)
Net profit attributable to equity holders of BlueScope Steel			**802.0**	**83.8**	**851.2**	**420.8**
Basic Earnings per share (cents)			**183.0**	19.1	**194.2**	95.9

1. Performance of operating segments is based on EBIT, which excludes the effects of interest and tax. The Company considers this a useful and appropriate segment performance measure because Group financing (including interest expense and interest income) and income taxes are managed on a Group basis and are not allocated to operating segments.

(B) Reconciliation of Underlying Earnings to Reported Earnings

The Company has provided an analysis of unusual items included in the reported IFRS financial information. These items have been considered in relation to their size and nature, and have been adjusted from the reported information to assist readers to better understand the financial performance of the underlying operating business. Throughout this report, the Group has used the term 'reported' to reference IFRS financial information and 'underlying' to reference non-IFRS financial information. These adjustments are assessed on a consistent basis from period to period and include both favourable and unfavourable items. Non-IFRS financial information, while not subject to audit or review, has been extracted from the financial report which has been audited by BlueScope's external auditors. An explanation of each adjustment and reconciliation to the reported IFRS financial information is provided in the table below.

Table 12: Reconciliation of Underlying Earnings to Reported Earnings

	EBITDA $M		EBIT $M		NPAT $M		EPS $[1]	
	FY2026	FY2025	FY2026	FY2025	FY2026	FY2025	FY2026	FY2025
Reported Earnings	**1,894.4**	**1,009.6**	**1,201.6**	**295.8**	**802.0**	**83.8**	**1.83**	**0.19**
Underlying adjustments:								
Net (gains) / losses from businesses discontinued[2]	**(4.4)**	(9.6)	**(4.4)**	(9.6)	**(4.0)**	(7.2)	**(0.01)**	(0.02)
Asset Impairments[3]	**-**	438.9	**-**	438.9	**-**	333.6	**-**	1.00
Business development and acquisition costs[4]	**27.4**	-	**27.4**	-	**20.6**	-	**0.05**	-
Operating disruptions[5]	**0.2**	12.8	**0.2**	12.8	**0.2**	9.5	**0.00**	0.02
Restructure and redundancy costs[6]	**79.8**	0.4	**79.8**	0.4	**55.1**	1.2	**0.13**	0.00
Climate related investments[7]	**7.4**	-	**7.4**	-	**5.1**	-	**0.01**	-
Business to be discontinued[8]	**18.5**	(0.0)	**18.5**	(0.0)	**14.3**	-	**0.03**	-
Net gain on sale of joint venture interest[9]	**(57.0)**	-	**(57.0)**	-	**(42.0)**	-	**(0.10)**	-
Underlying Operational Earnings	**1,966.3**	**1,452.1**	**1,273.4**	**738.2**	**851.2**	**420.8**	**1.94**	**0.96**

1. EPS is based on the average number of shares on issue during the respective reporting periods of 438.3M in FY2026 and 438.9M in FY2025.
2. FY2026 reflects royalty revaluation gain ($6.8M pre-tax) relating to the previously sold Taharoa iron sands operations, and net losses ($2.4M pre-tax) from other discontinued operations. FY2025 reflects royalty revaluation gain ($6.8M pre-tax) relating to the previously sold Taharoa iron sands operations, and net gains ($2.8M pre-tax) from other discontinued operations.
3. FY2025 reflects the impairment of goodwill and intangible assets of the BlueScope Coated Products CGU that forms part of BlueScope Coated Products North America ($438.9M pre-tax).
4. FY2026 reflects pre-commissioning costs associated with the construction of the EAF in New Zealand ($8.2M pre-tax) and costs associated with the suspension of the project investigating the feasibility of a North America midstream greenfield investment ($19.2M pre-tax).
5. FY2026 reflects costs relating to fire damage, net of insurance, at the BlueScope Recycling and Materials Mansfield site ($0.2M pre-tax). FY2025 reflects costs relating to fire damage, net of insurance, at the BlueScope Recycling and Materials Mansfield site ($9.3M pre-tax) and other business interruption impacts ($3.5M pre-tax).
6. FY2026 reflects restructure and redundancy costs associated with the Group-wide cost and productivity program, incurred across ASP ($22.3M pre-tax), Corporate & Group ($25.9M pre-tax), Coated Products Asia ($19.2M pre-tax), BlueScope Coated Products North America ($9.3M pre-tax) and New Zealand ($3.1M pre-tax). FY2025 reflects restructure and redundancy costs in ASP ($1.6M pre-tax), Corporate & Group ($1.2M pre-tax) and BlueScope Coated Products North America ($1.1M pre-tax) partially offset by a net gain in the Coated Products Asia business from the restructure of Lysaght Singapore ($3.5M pre-tax).
7. FY2026 reflects costs associated with Project NeoSmelt, the project to investigate developing a Direct Reduced Iron (DRI)-Electric Smelter Furnace (ESF) pilot plant using Pilbara ores.
8. FY2026 reflects costs associated with the BlueScope Properties Group business in North America which is in the process of being wound down.
9. FY2026 reflects net gain on sale from the disposal of the 50% interest in the Tata BlueScope Steel joint venture.

Table 13: Segmental underlying EBIT adjustments

FY2026 EBIT Underlying Adjustments $M	ASP	North Star	BCPNA	CP Asia	NZPac	Corp	Discon Ops	PISE[1]	Total
Net (gains) / losses from businesses discontinued	-	-	-	-	-	-	(4.4)	-	**(4.4)**
Business development and acquisition costs	-	-	19.2	-	8.2	-	-	-	**27.4**
Operating Disruptions	-	0.2	-	-	-	-	-	-	**0.2**
Restructure and redundancy costs	22.3	-	9.3	19.2	3.1	25.9	-	-	**79.8**
Climate related investments	7.4	-	-	-	-	-	-	-	**7.4**
Business to be discontinued	-	-	18.5	-	-	-	-	-	**18.5**
Net gain on sale of joint venture interest	-	-	-	(57.3)	-	0.3	-	-	**(57.0)**
Underlying Adjustments	**29.8**	**0.2**	**46.9**	**(38.1)**	**11.3**	**26.2**	**(4.4)**	**-**	**71.8**

1. Profit in stock eliminations

(C) Cash Flow Statement

Table 14: Consolidated cash flow statement

$M	FY2026	FY2025	Variance %
Reported EBITDA	**1,894.4**	**1,009.6**	**88%**
Adjust for non cash items			
- Share of profits from associates and joint venture partnership not received as dividends	**22.8**	15.4	48%
- Expensing of share-based employee benefits	**24.3**	22.0	10%
- Impairment of assets	**-**	438.9	(100%)
- Net (gain) loss on sale of assets & investments	**(139.2)**	14.3	(1,077%)
Cash EBITDA	**1,802.3**	**1,500.2**	**20%**
Changes in working capital	**183.7**	53.4	244%
Gross operating cash flow	**1,986.0**	**1,553.6**	**28%**
Finance costs	**(83.9)**	(69.5)	(21%)
Interest received	**28.5**	34.9	(18%)
Tax received / (paid)	**(205.0)**	(106.1)	(93%)
Net cash from operating activities	**1,725.6**	**1,412.9**	**22%**
Capex: payments for P,P&E and intangibles	**(1,485.7)**	(1,233.3)	(20%)
Other investing cash flows	**251.5**	3.4	7,354%
Cash from operating and investing (post-tax)	**491.4**	**183.0**	**169%**
Share buy-backs	**(12.5)**	(29.9)	58%
Dividends to BSL shareholders	**(854.4)**	(263.3)	(224%)
Dividends to non-controlling interest[1]	**(91.2)**	(96.4)	5%
Net drawing / (repayment) of borrowings	**919.4**	88.3	941%
Repayment of leases	**(124.3)**	(110.9)	(12%)
Other	**-**	(11.6)	100%
Net increase / (decrease) in cash held	**328.4**	**(240.7)**	**236%**

1. These dividend payments primarily relate to dividend payments to Nippon Steel Corporation (NSC) in respect of the NS BlueScope Coated Products joint venture.

Section

02.

Sustainability Overview

Approach to Sustainability

Sustainability supports the long-term resilience and value of BlueScope's business. It is integrated into strategic planning, risk management and day-to-day operations, and reflects the balance of business objectives, external trends and stakeholder interests.

The Sustainability at BlueScope framework, refreshed in FY2025, sets out four focus areas supported by Group commitments and indicators. It provides a consistent basis for identifying, managing and reporting sustainability-related impacts, risks and opportunities across the Group.

BlueScope's Global Approach

Action on climate and environment (page 30)

- Climate change and energy transition
- Environmental management

Safe, thriving people and engaged communities (page 26)

- Safety, health and wellbeing
- Culture and capability
- Social impact and human rights[1]
- Community engagement and contribution

Enduring business strength and growth

- Business strength and resilience
- Governance

Responsible products and supply chains (page 34)

- Supply chain sustainability
- Responsible products

1. Refer to the FY2025 Modern Slavery Statement, available at bluescope.com. BlueScope's FY2026 Modern Slavery Statement is expected to be released in the second half of CY2026.

Board and Committee oversight of sustainability matters is described in the Corporate Governance section of this report. Climate-related governance is described in the Sustainability Report (Climate-related Disclosures).

Reporting what matters most

In FY2026, BlueScope reviewed its material sustainability topics. The review identified a continued focus on safety, increased emphasis on climate resilience and decarbonisation, and rising expectations relating to sustainable products, environment and nature. No new material topics were identified. The Sustainability at BlueScope framework reflects the outcomes of the review, consolidating related topics into four integrated focus areas.

Sustainability reporting principles

This Sustainability Overview is prepared with reference to the Global Reporting Initiative (GRI) Standards. Additional data and information, including GRI content index, definitions, reporting boundaries, and assumptions, are provided in BlueScope's FY2026 Sustainability Data Supplement, available at bluescope.com.

The independent limited assurance report is included in the Sustainability Report (Climate-related Disclosures). AASB S2-aligned climate-related disclosures are presented in the Sustainability Report (Climate-related Disclosures).

This Sustainability Overview should be read together with BlueScope's second Climate Action Report (published in September 2024), Modern Slavery Statement, and Tax Contribution Report. These reports are available at bluescope.com.

Safe, Thriving People and Engaged Communities

Key Indicators

This table presents a subset of the full data set. The complete data set is available in the FY2026 Sustainability Data Supplement available at bluescope.com.

	FY2026	FY2025
HSE risk control projects	**182**	192
Total recordable injury frequency rate (TRIFR)	**8.5**	8.5
Percentage of women in the workforce	**25%**	25%
Value distributed	**$17.0Bn**	**$16.2Bn**

Safety, Health and Wellbeing

Managing employee and contractor safety is central to how BlueScope operates. Tragically, in November 2025 a contractor was fatally injured while working at the No.6 Blast Furnace Reline Project at the Port Kembla Steelworks. BlueScope issued a safety alert to all its sites, subsequently followed by an alert issued by SafeWork New South Wales (NSW). BlueScope is co-operating with SafeWork NSW's ongoing investigation into the incident. Our thoughts remain with the contractor's family, friends and co-workers, and with colleagues across the Company.

BlueScope fosters a learning culture and a people-centred approach to safety, health and wellbeing. This is supported by strengthening leadership capability and continuing to focus deeply on workforce engagement. Through FY2026, the Global Safety Refocus program guided the Company's work on critical risks and the effectiveness of the controls that manage them.

BlueScope is continuing to drive a systematic approach to managing critical risks and improving controls across its operations through engagement with employees and contractor partners, and learnings from regulatory engagements. The new operating model has brought BlueScope's safety professionals into a single global team, which will support the business in lifting capabilities, systems and processes.

Activities in FY2026

BlueScope's safety activities during the year focused on strengthening the controls for the risks most likely to cause serious harm. Priority areas included:

- continuing to embed safety foundations, including tiered audits;
- ensuring that leaders are equipped with resources and time to support their teams; and
- completing critical risk workshops across all Australian operating sites and subsequently extending the program to global operations, with further workshops planned for FY2027.

BlueScope updated several Critical Risk Codes of Practice and supporting technical guidelines during the year, drawing on operational experience and lessons learned, to further systematise minimum standards and strengthen the critical controls they set out. Updates included revised guidance on slit coil handling within the Product Storage Technical Guideline, structural inspections of stairs and walkways within the Falls Technical Guideline, and release of the Coater Room Safety Requirements (risks related to live equipment, hazardous chemicals, and fire hazards).

BlueScope continued to embed its Process Safety Code of Practice across its global operations. During FY2026, steelmaking sites progressed 'bow-tie' risk assessments and implemented new process safety performance standards.

BlueScope is upgrading its HSE technology systems to support a more consistent, Group-wide approach to identifying, managing and reporting safety risks, and to improve access to critical information for frontline teams.

Safety Performance

Safety lagging indicators (FY2023-FY2026)

	FY2023[1]	FY2024	FY2025	FY2026
Serious Injuries[2]	10	15	18	19
SInjFR[3]	0.2	0.3	0.4	0.4
Total Recordable Injuries (TRIs)	302	387	363	376
TRIFR	7.7	9.1	8.5	8.5

1. Excludes BCP.
2. The number of fatalities, Total Recordable Injuries resulting in permanent incapacity, and Total Recordable Injuries with the potential to result in a fatality.
3. Serious Injury Frequency Rate (SInjFR): the number of fatalities, Total Recordable Injuries resulting in permanent incapacity, and Total Recordable Injuries with the potential to result in a fatality, per million hours worked (employee and contractor).

In addition to the fatality in November 2025, two members of BlueScope's workforce were affected by a serious injury resulting in permanent incapacity while performing tasks related to live equipment. BlueScope has multiple programs underway to deliver improvement, with a sharp focus on critical risks and effective controls.

The lagging injury metric TRIFR[1] remained stable at 8.5 per million hours worked in FY2026, unchanged from FY2025. The total number of Total Recordable Injuries (TRI[2]) was 376 (FY2025: 363). TRIFR remains above the long-term target range of 5–7.

To provide a broader view of risk exposure, BlueScope also monitors TRIs with the potential to result in a fatality. In FY2026, there were 16 TRIs with the potential to result in a fatality.

Efforts to reduce TRIs continue; however, BlueScope's primary focus remains on eliminating or mitigating the risks associated with activities that could result in fatalities or life-altering injuries, including those with permanent or long-term impacts. To reflect this focus, BlueScope has introduced the Serious Injury Frequency Rate (SInjFR), a severity-focused measure reported for the first time in FY2026. SInjFR brings together fatalities, TRIs resulting in permanent incapacity and TRIs with the potential to result in a fatality into a single frequency measure. The introduction of SInjFR builds on BlueScope's existing metrics and

1. Total Recordable Injury Frequency Rate (TRIFR): the number of Total Recordable Injuries per million hours worked (employee and contractor).
2. A work-related injury or illness to an employee or contractor requiring management and care by a Medical Practitioner (Doctor, GP, Medical Specialist, etc) as it is beyond the scope of first aid. Total Recordable Injuries are inclusive of fatalities, lost time injuries and work restrictions of more than seven days.

reflects its increasing focus on the most serious safety outcomes and critical risks. To support a culture of reporting and learning, and the continuous improvement of controls, BlueScope does not set year-on-year reduction targets.

During FY2026, 182 HSE Risk Control Projects were completed. HSE Risk Control Projects are defined using internally established criteria and are subject to formal governance processes. To qualify, projects are expected to improve a high-priority risk and demonstrate a shift to controls higher in the hierarchy of controls.

Project selection may reflect either or both of the severity of potential harm and the frequency of injury, which is why activity spans categories such as falls and cranes (higher-consequence risks) alongside manual tasks (a more frequent injury source). Learnings and effective controls from these projects are integrated into BlueScope's Codes of Practice and Technical Guides.

Safety Risk Profile

This overview provides insight into the Group's safety risk profile, including the distribution of injuries across risk categories, the nature of high-potential events, and the focus of risk control activity. BlueScope's priority remains on removing or mitigating risks associated with areas or activities that could impact people's lives permanently or for a prolonged period. The following charts summarise this profile for FY2026.

FY2026 TRIs, FY2024-2026 serious near misses[1] and Risk control projects per risk category

Risk category	FY2026 TRIs	Of those TRIs[2]		FY2024-FY2026 serious near misses[1]	FY2024-FY2026 Risk control projects finalised
		Could have led to a fatality	Resulting in permanent incapacity		
Manual tasks		–	–	-	
Falls		7	–		
Storage & handling		1	–		
Tools		-	–	-	-
Live equipment		4	2		
Overhead cranes		2	–		
Mobile equipment		1	–		
Process safety		-	–		
Product transport & load restraint	-	-	–		-
Other[3]		1	–		

0 50 100 150 | 0 50 100 150 | 0 50 100 150

1. A potential hazard or incident in which no personal injury was sustained, but where, given a slight shift in time or position, a fatal injury could have occurred.
2. Fatality not included.
3. "Other" includes but is not limited to risks such as: confined space, occupational health, rail, site security, and dust.

Culture and Capability

BlueScope's Commitment to Safe, Healthy and Inclusive Workplaces

Across its global operations, BlueScope takes a values-led approach to fostering a respectful and inclusive culture - recognising that a diverse workforce strengthens decision-making, enhances performance, and supports sustained business success.

BlueScope cares about its people and their health and wellbeing, and this remains a priority for all. This approach extends beyond compliance, embedding inclusion, respect and wellbeing into everyday workplace practices so that all employees feel safe, supported and able to contribute.

Diversity at BlueScope refers to all the ways that its people are unique, including their backgrounds, experiences, skills, perspectives and personal identities. BlueScope is committed to valuing these differences and ensuring they are recognised and respected.

This reflects a consistent, values-driven approach to building an inclusive culture — one that is embedded in how BlueScope operates globally and essential to the long-term success of the business.

Inclusion and Diversity Governance

BlueScope's Inclusion and Diversity Policy is administered in accordance with local laws. BlueScope has measurable inclusion and diversity targets, including pay equity, for its businesses outside the United States. Mindful of its position as a multi-national company operating across various legal and regulatory landscapes, the specifics are not disclosed in the Annual Report.

However, the People, Culture and Remuneration Committee conducts an annual assessment of the progress toward and effectiveness of those objectives across BlueScope's non-US locations. Inclusion and diversity progress is also discussed and reviewed during quarterly business reviews and Executive Lead Team (ELT) meetings in a manner that fully complies with relevant local laws.

BlueScope's goal is to attract and retain the best talent from our communities, and only make hiring decisions based on merit.

Across BlueScope, all hiring and promotion practices are focused on retaining the most qualified team members, and required reporting will be conducted in compliance with applicable legal obligations.

BlueScope will continue to measure its progress in recruiting, hiring, and retention with internal dashboards and regular reviews with management and leaders.

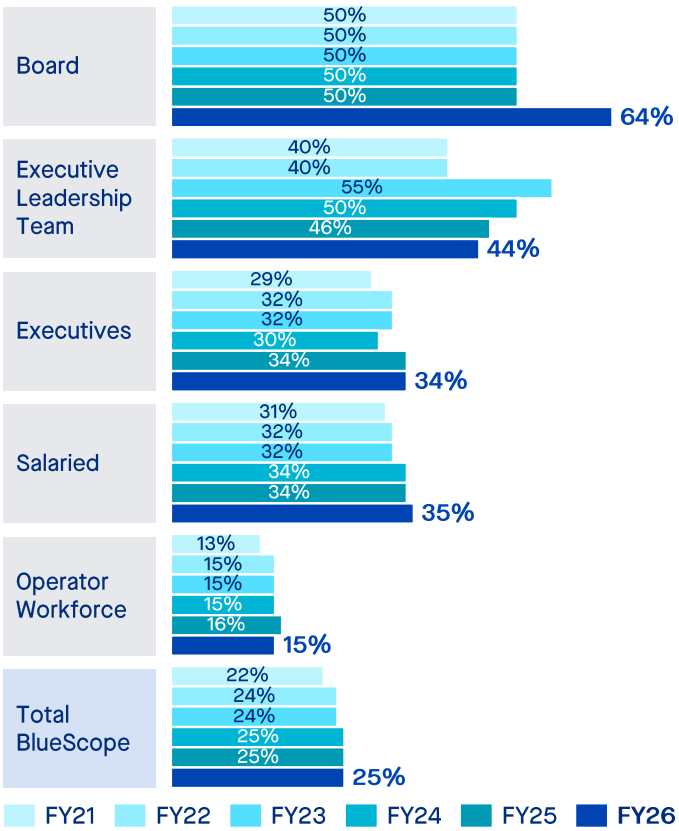
In locations other than the United States, representation demographics remain the core metric to measure the effectiveness of BlueScope's actions towards greater gender balance among employees.

BlueScope is committed to complying with all anti-discrimination laws in the regions where it operates. This includes, for the avoidance of doubt, that in the United States, employment decisions are made without regard to race, colour, religion, sex (including pregnancy, sexual orientation, or gender identity), nation of origin, age (40 or older), disability, genetic information or any other characteristic protected by applicable law.

This commitment ensures that all employment practices, including hiring, promotion, and compensation, are based solely on merit and qualifications, in strict adherence to federal, state, and local laws, and provide employees of all backgrounds equal access to the opportunity, skill, experience, and information necessary to perform well.

Refer to bluescope.com for a copy of BlueScope's 2026 Workplace Gender Equality Agency Report (covering BlueScope's Australian workforce) and BlueScope's Inclusion and Diversity Policy.

Women in BlueScope (%)[1,2]



Organisational capability

BlueScope seeks to attract and retain people aligned with our Purpose and desired behaviour. Ongoing initiatives focus on employee experience and development.

Leading at BlueScope

Developing talented BlueScope leaders is vital to BlueScope's aspiration of creating strength. BlueScope aims to achieve this using data-driven talent insights, practical experience, and continuous learning. The Leading at BlueScope Framework defines capability expectations and supports leaders in their development against this framework.

Executive-level leaders participate in Leading for Impact, BlueScope's leadership development program. Since its launch, 159 leaders have completed the program.

Learning at BlueScope

BlueScope continued to create learning and development opportunities in FY2026, including access to premium learning content through LinkedIn Learning, enabling BlueScope people to develop the skills important to them and their careers.

Throughout FY2026, BlueScope provided upskilling opportunities across the organisation in AI tools and their application. Through external partnerships, the Company recorded 4,300 attendances across 17 live learning sessions and 5,744 views of on-demand learning resources. By embedding AI into everyday work, BlueScope supports employees to streamline workflows, improve decision-making and deliver greater value to customers and the business.

Community Engagement and Contribution

Community engagement

The Strengthening our Communities framework guides community investment across the Group. It prioritises long-term partnerships with local communities and not-for-profits aligned with BlueScope's values, focused on community building, diversity and inclusion, health, safety and environment, STEAM (Science, Technology, Engineering, Arts, and Mathematics), shelter and education, with flexibility to reflect local priorities.

The annual independent reputation study confirms continued strong community support for BlueScope across its three steelmaking operations – Port Kembla (Australia), Glenbrook (New Zealand) and North Star (United States). The study provides an important measure of BlueScope's reputation and social licence to operate, helping inform stakeholder engagement and community investment priorities.

In FY2026, all three steelmaking regions recorded reputation scores in the 'Strong' to 'Excellent' categories, reflecting the strength of BlueScope's local relationships and its longstanding contribution as an employer and community partner. These outcomes were achieved despite a challenging external environment characterised by geopolitical uncertainty and broader economic volatility.

The study assesses community perceptions across Products and Services, Innovation, Workplace, Leadership, Conduct, Citizenship and Performance, providing valuable insights into evolving stakeholder expectations and helping BlueScope maintain a strong reputation and enduring social licence to operate.

1. Executive Leadership Team (ELT) includes the MD&CEO and direct reports. Executives include all employees that have signed an Executive employment contract (CEO -1, -2, -3). BlueScope has complied with the Australian Workplace Gender Equality Act 2012 by submitting its annual compliance reports (Australian employees only).
2. Employee numbers as at 30 June 2026, adjusted to reflect changes to the operating model that were not yet in effect.

Economic contribution

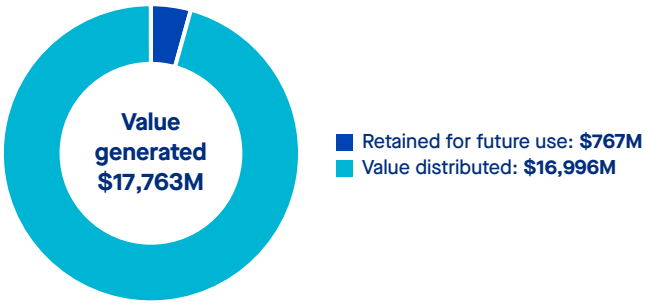
BlueScope's "in-country, for-country" operating model directs long-term investment into the countries where the Company operates, supported by ongoing local and national engagement. The communities in which BlueScope operates are important partners to its businesses, and meaningful economic contribution to them underpins the Company's licence to operate.

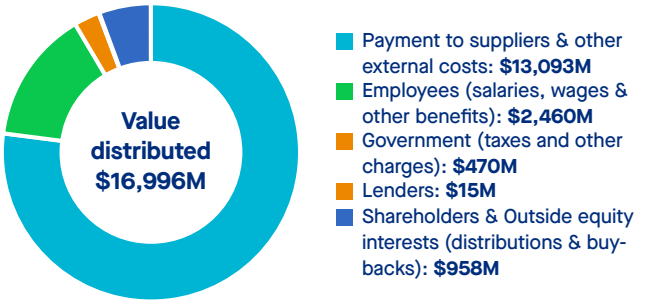
Most of the direct economic value generated by BlueScope remains in the countries where the Company has a presence, with a significant portion flowing directly into local communities near operating sites, generally through payments to employees and suppliers. More than 80 per cent of BlueScope's suppliers are based in the same country as the BlueScope site they supply. BlueScope's economic contribution also includes payments to governments, in the form of taxes and other charges, and returns to shareholders.

BlueScope is subject to the tax regimes in each country where it has a taxable presence and makes a significant tax contribution through corporate income tax, employment-related taxes and other government charges. In addition to the FY2026 Tax Contribution Report, BlueScope has lodged its first public country-by-country tax return, covering FY2025, with the Australian Taxation Office (ATO). The ATO is expected to publish that data, alongside data from other taxpayers, in the second half of CY2026.

BlueScope is committed to transparent tax reporting. Refer to the FY2026 Tax Contribution Report, available at bluescope.com.

BlueScope's direct economic value generated[1] and distributed in FY2026





1. Based on direct revenue representing receipts from customers and other income as outlined in this report.

Action on Climate and Environment

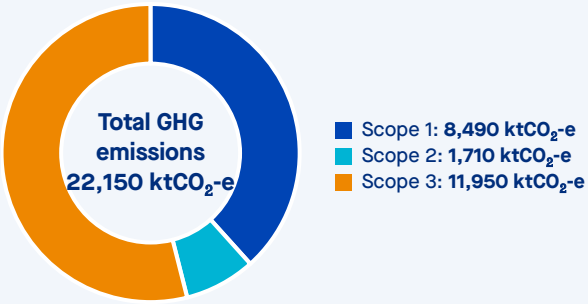
Key Indicators

This table presents a subset of the full data set. The complete data set is available in FY2026 Sustainability Data Supplement available at bluescope.com.

	FY2026	FY2025
Steelmaking emissions intensity (tCO_2-e/t)	**1.38**	1.41
Non-steelmaking emissions intensity[1] [2] (tCO_2-e/t)	**0.22**	0.22
Scope 1 and 2 emissions[3] ($ktCO_2$-e)	**10,200**	10,200
Scope 3 emissions ($ktCO_2$-e)	**11,950**	12,770
Fresh water intensity for steelmaking activities (kL/t)	**1.4**	1.5
Total water consumption (recycled + fresh) (ML)	**18,200**	18,500
Recovered and recycled scrap steel use	**55%**	52%
Environmental improvement projects delivered through the employee recognition program	**44**	45

1. The non-steelmaking target applies to BlueScope's midstream activities, including cold rolled, metal coating and painting lines and long products, and excludes BlueScope's downstream activities, including roll-forming, pre-engineered building and other activities.
2. The sale of BlueScope's 50 per cent interest in the Tata BlueScope Joint Venture was completed 31 December 2025. BlueScope's midstream GHG emissions intensity target has not been re-baselined as the divested facilities do not have a material impact on the GHG emissions intensity in the base year. Accordingly, data for the divested facilities is excluded from 2H FY2026.
3. Scope 2 GHG emissions are reported using the location-based method.

FY2026 GHG emissions by Scope (%)



Climate Change and Energy Transition

Steel is fundamental to the built environment, transport and energy infrastructure and is a significant global source of greenhouse gas emissions. BlueScope is committed to pursuing the commercial decarbonisation of its operations and working with stakeholders to progress the enablers that underpin the Company's ability to transition to a low emissions future.

Climate Strategy and Decarbonisation Pathway

BlueScope's climate strategy recognises the importance of proactively managing climate-related risks and opportunities to support long-term business resilience. The Company's climate strategy is anchored to its two medium-term 2030 targets and 2050 net zero goal. Achievement of the Company's 2050 net zero goal is dependent on several key enablers[1].

BlueScope's decarbonisation pathway adopts a dual-stream approach, leveraging near-term operational improvements to support its 2030 medium-term targets while progressing medium- and long-term transformation options. Further information on BlueScope's decarbonisation pathway can be found in the Sustainability Report (Climate-related Disclosures) and indicative decarbonisation pathways for each of the steelmaking operations are outlined in the second Climate Action Report.

NET ZERO Scope 1 and 2 GHG Emissions by 2050

All global operations (steelmaking and non-steelmaking)

12% Emissions intensity reduction by 2030

Steelmaking sites (Port Kembla, Glenbrook and North Star)

30% Emissions intensity reduction by 2030

Midstream sites that include painting and coating lines

Climate-related Disclosures under AASB S2

In FY2026, BlueScope commenced implementation of the requirements of the Australian Sustainability Reporting Standard (ASRS), specifically Australian Accounting Standards Board (AASB) S2 – *Climate-related Disclosures*, building on work undertaken in prior years, including the Company's second Climate Action Report (published in September 2024) and previous annual Sustainability Reports.

BlueScope's broader approach to climate governance, strategy, metrics and targets and risk management alongside BlueScope's identified Climate Related Risks and Opportunities (CRROs) are outlined in the Sustainability Report (Climate-related Disclosures) section of this Report. The following pages outline broader updates on climate action that occurred in FY2026 as they relate to achieving BlueScope's decarbonisation ambitions.

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 internationally cost-competitive, firmed large-scale renewable energy; availability of competitively priced green hydrogen with natural gas enabling the transition to green hydrogen; access to appropriate quality and sufficient quantities of economic raw materials; and supportive and consistent policies across all these enablers to underpin decarbonisation.

FY2026 Progress on Strategy

BlueScope is committed to working with others to progress the enablers[1] that underpin the transition to a low carbon future. The Company monitors and where possible is taking deliberate action to progress these enablers. While BlueScope seeks to influence progress on these key enablers, outcomes are largely outside the Company's direct control and depend on collaboration and advocacy across multiple stakeholders. This includes global mining, steel, energy, building & construction, and financial and government representatives with appropriate policy settings that underpin the success of the decarbonisation enablers, to work toward the transformational changes required.

In FY2026, BlueScope continued to progress its strategy, including supporting the progression of the enablers; notably:

- BlueScope believes that DRI technology is the most prospective pathway towards lower emissions steelmaking in Australia. Alongside the progression of Project NeoSmelt (noted below), BlueScope continued its collaborations with global steelmakers including thyssenkrupp Steel Europe to deepen its understanding of technical aspects of the DRI-ESF pathway.
- BlueScope advocated for fair gas prices and the introduction of a national gas reservation scheme via the Australian Government's Gas Market Review. Transitioning BlueScope's Port Kembla Steelworks to natural gas based DRI could provide a 60 per cent emission reduction towards lower emission steel; while emissions reductions of more than 85 per cent may be achieved when using hydrogen based DRI in an EAF or ESF-BOF, compared with Port Kembla's existing BF based operations. The Company also identified opportunities to repurpose its ~1200ha of surplus land portfolio to co-locate energy and infrastructure precincts on land adjacent to Port Kembla and Glenbrook.
- BlueScope has continued to advocate for the decarbonisation enablers and public policy needed to support investment in domestic lower emissions iron and steelmaking. Following its advocacy through the Australian Government's Gas Market Review in FY2026 and support of Manufacturing Australia's *Fair Gas Prices* campaign, BlueScope welcomes the Government's May 2026 decision to implement a domestic gas reservation scheme from July 2027, requiring up to 20 per cent of gas exports to be reserved for the domestic market. While key details of the scheme remain unresolved (and its effectiveness for BlueScope's DRI transition is uncertain), it is a positive step towards enabling this transition.

Key Project Updates

Steelmaking operations

Australia: Piloting lower emissions ironmaking

The Project NeoSmelt feasibility study continued during FY2026, bringing together expertise from BlueScope, Rio Tinto, BHP, Mitsui Iron Ore Development and Woodside Energy, with ARENA co-funding. The study is expected to be completed in 1H FY2027. Subject to final investment decision, the pilot plant could be operational in 2029, if approved. If successful, this project has the potential to unlock alternatives to the traditional blast furnace steelmaking route and help underpin the future viability of Pilbara ores in a decarbonising world.

New Zealand: Electric Arc Furnace installation

BlueScope continued to progress the installation of an EAF, with cold commissioning commencing in 2H FY2026, and hot commissioning in July 2026. Once operational, the EAF will mark a significant shift in decarbonising steelmaking at Glenbrook, enabling an up to one million tonnes per annum, or approximately 55 per cent[2] reduction, in the facility's Scope 1 and 2 GHG emissions. This has enabled the launch of PACIFIC DCRB®, a locally made, lower-emissions steel brand produced using EAF technology, which supports customers in reducing their supply chain emissions.

North America: Debottlenecking program at North Star

North Star's new EAF has increased capacity to up to 3 Mt per annum. A targeted debottlenecking program is expected to unlock a further 10 per cent capacity at the site, delivering efficiency gains and further reducing BlueScope's total steelmaking emissions intensity per tonne, although it is anticipated that BlueScope's absolute emissions will increase due to the higher volume of steel produced. In FY2026, North Star executed a new electricity supply agreement that continues the retirement of Emission–Free Energy Certificates (EFECs) supporting the site's electricity consumption[3].

Non-steelmaking operations

Progress has been made in FY2026 across midstream and downstream operations to improve operational process and energy efficiency. Of note is the completion of the installation of the Direct Fire Furnace Pre-heater at Kapar, Malaysia which enables pre-heating of steel strips by diverting hot waste gas to the new furnace, reducing natural gas consumption of the furnace by 20 per cent and saving approximately 1,200 tCO_2 per year. In Thailand, the Map Ta Phut operations transitioned to a lower-emission private power provider (from the state-owned electricity supplier), resulting in a 14 per cent reduction in Scope 2 emissions at the site. During FY2026, BlueScope China's Suzhou operations completed the upgrade of its metal coating line from near-infrared to induction heating resulting in a reduction in the site's emissions. Following the installation of a more efficient paint line oven at Western Port Works, Scope 1 emissions at the site have declined by more than 20,000 tCO_2-e since completion of the project.

BlueScopeX forms part of BlueScope's R&D activities, focused on early–stage technologies aligned to BlueScope's five key enablers and the built environment. BlueScopeX has completed its most recent investment phase and is now focused on supporting and monitoring existing investments and generating insights from these activities. Knowledge and capabilities derived from BlueScopeX investments are being progressively embedded into relevant Business Units.

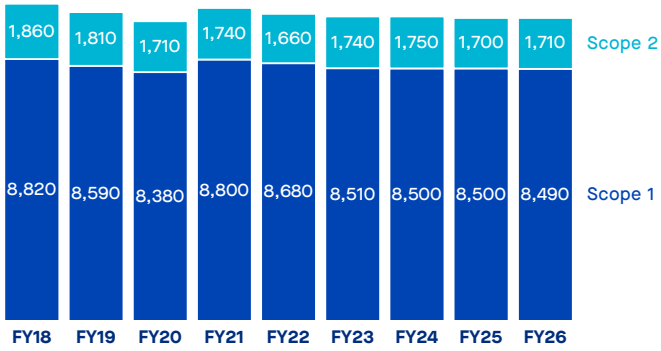
1. Achieving the 2050 net zero goal is highly dependent on several enablers, including; the development and diffusion of ironmaking technologies to viable, commercial scale; access to internationally cost-competitive, firmed large-scale renewable energy; availability of competitively priced green hydrogen with natural gas enabling the transition to green hydrogen; access to appropriate quality and sufficient quantities of economic raw materials; and supportive and consistent policies across all these enablers to underpin decarbonisation.
2. Subject to securing additional renewable energy power purchase agreements and recycling more domestic scrap steel in New Zealand.
3. Involves all of North Star's electricity consumption being matched with Emission Free Electricity Certificates (EFECs) which refer to electricity generated without producing CO_2 emissions. These certificates are independently verified by the electricity market operator PJM Environmental Information Services.

FY2026 Outcomes

Scope 1 and 2 GHG emissions

Total Scope 1 and 2 GHG emissions have remained stable over recent years, including FY2025, with FY2026 emissions 4 per cent lower than 2018 levels on an absolute basis. The reduction was primarily driven by emissions and energy efficiency improvements across both steelmaking and non-steelmaking operations, including operational improvements at Port Kembla Steelworks and lower steel production volumes at Glenbrook. Further emissions reductions were achieved from the upgraded paint line oven at Western Port, with FY2026 being the first reporting period to reflect a full year of operational benefits.

BlueScope's total Scope 1 and 2 GHG emissions
($ktCO_2$-e)



Scope 3 emissions

BlueScope's FY2026 Scope 3 GHG emissions represent 54 per cent of the Company's overall emissions profile.

As in prior years, total Scope 3 GHG emissions and their largest contributors have remained largely consistent, with the extraction, processing and production of raw materials and the use and processing of sold products (e.g. coke sales and processing of intermediate products, such as slag) contributing most to BlueScope Scope 3 GHG emissions profile.

In FY2026, BlueScope made progress to increase the coverage of supplier-specific emission factors and updated underlying emission factors for transport emissions.

A detailed breakdown of the Company's Scope 3 GHG emissions is presented in the FY2026 Sustainability Data Supplement, available at bluescope.com. Information on the Scope 3 long-term work program is outlined in BlueScope's second Climate Action Report.

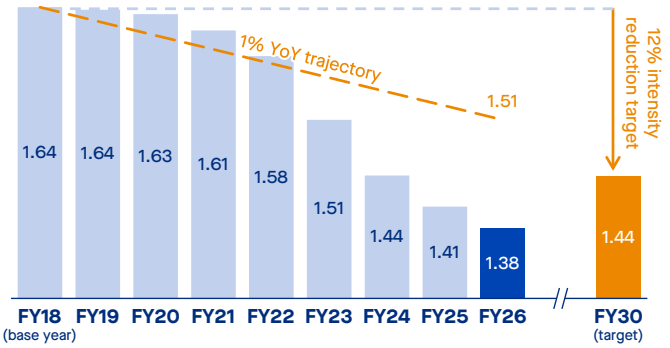
Steelmaking performance

In FY2026, BlueScope achieved a 16 per cent reduction in steelmaking emissions intensity against its FY2018 baseline. This performance is ahead of the 12 per cent emissions intensity target for 2030. This was primarily driven by operational and efficiency improvements at Port Kembla, together with North Star's continued growth following its EAF expansion, while maintaining a lower emissions intensity.

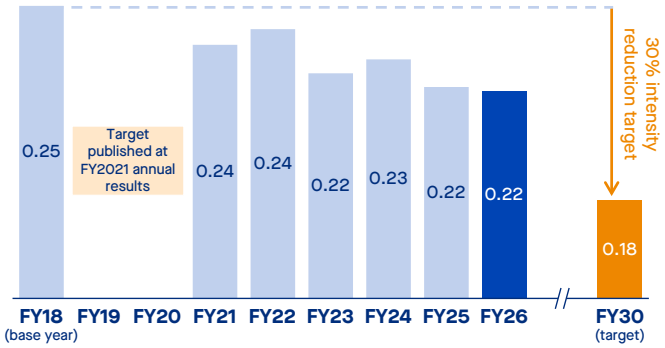
Non-steelmaking performance

BlueScope's non-steelmaking emissions intensity has reduced by 13 per cent since FY2018. Progress towards the 2030 non-steelmaking emissions intensity target has been driven by operational improvements and grid decarbonisation. Key emissions reduction projects include the installation of a more efficient paint line oven at Western Port, enhanced waste heat recovery in Malaysia, and renewable electricity projects across Southeast Asian sites.

GHG emissions intensity for steelmaking activities
(Scope 1 and 2, tCO_2-e per tonne raw steel)



GHG emissions intensity for non-steelmaking activities
(Scope 1 and 2, tCO_2-e per despatched tonne of steel)[1,2]



Looking ahead to 2030

Upon finalisation of commissioning the EAF at Glenbrook in CY2026, together with the debottlenecking at North Star, BlueScope's steelmaking GHG emissions intensity is estimated to be below 1.3 tCO_2-e per tonne by 2030[3]. This would represent at least a 20 per cent reduction in BlueScope's steelmaking GHG emissions intensity on the FY2018 baseline.

1. The non-steelmaking target applies to BlueScope's midstream activities that include cold rolled, metal coating and painting lines and long products.
2. The sale of BlueScope's 50 per cent interest in the Tata BlueScope Joint Venture was completed 31 December 2025. BlueScope's midstream GHG emissions intensity target has not been re-baselined as the divested facilities do not have a material impact on the GHG emissions intensity in the base year. Accordingly, data for the divested facilities is excluded from 2H FY2026.
3. Estimated 2030 emissions intensity is based on the existing operational footprint as at 30 June 2026, assuming an approximate 850,000 tCO2-e reduction in GHG emissions at Glenbrook Steelworks and an increase in production to 3.3 Mt per annum at North Star at FY2026 emissions intensity. This estimate incorporates no other changes from FY2026, including emissions reductions from additional internal projects or changes in electricity grid intensities across the regions in which BlueScope operates.

Environmental Management

BlueScope manages environmental matters as part of its Health, Safety and Environment (HSE) strategy, with a focus on effective management of environmental risks, responsible use of shared natural resources and compliance with environmental laws. BlueScope's Environmental Aspirations provide a Group-level framework for environmental performance, guiding business unit targets and workstreams. They help align business activities and support the management of environmental risks and opportunities, and delivery of continuous improvement across operations.

Environmental management requirements are incorporated into foundational training and site-level operating practices. BlueScope engages with local communities, water catchment participants, and other stakeholders where environmental impacts extend beyond the boundary of operations.

Many of BlueScope's operating facilities, including the three steelmaking sites, maintain ISO 14001 certification for their environmental management systems. This reflects the use of a structured, externally audited environmental management system, with processes for control, monitoring and continual improvement.

BlueScope's performance across key environmental metrics is provided in the FY2026 Sustainability Data Supplement available at bluescope.com. In FY2026, all reported non-compliances were low severity, with no material environmental or health impacts. Refer to the Directors' Report chapter for further information.

Water Use and Stewardship

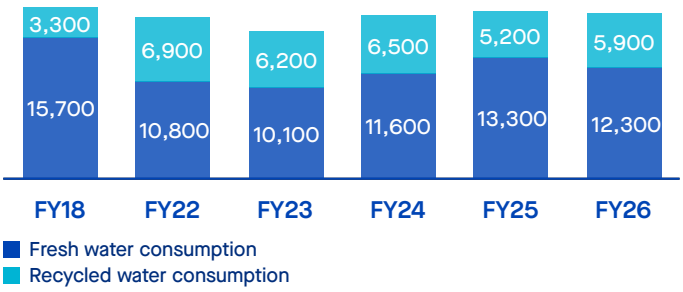
BlueScope's Environmental Aspiration for Water focuses on conserving fresh water and protecting aquatic biodiversity. Water scarcity and variability in supply continue to be key considerations in several regions in which BlueScope operates.

Water is a key operational input at BlueScope's steelmaking sites, where it is used for cleaning, cooling and recirculation. Where practicable, sites capture and reuse rainwater, use seawater, and use internally or externally recycled water to reduce demand on community fresh water sources.

During FY2026, fresh water use and discharge quality continued to be managed through site-level monitoring and water quality management processes, with controls in place to support effective performance. Water consumption remains a key metric monitored across BlueScope's operations, and water discharge quality is managed in line with applicable regulatory requirements.

Since FY2025, fresh water intensity across the three steelmaking sites has reduced from 1.5 to 1.4 kL per tonne of raw steel. Fresh water and recycled water metrics have returned to historical averages due to the resolution of issues with the external supply of recycled water to one of our steelmaking facilities.

Recycled and fresh water consumption (ML)



Air Quality Management

BlueScope manages air emissions through operational controls, monitoring and compliance processes at relevant sites. Local air quality remains an important environmental and community consideration, particularly for larger manufacturing and steelmaking operations.

During FY2026, air emissions continued to be managed through established site-level processes, BlueScope maintains a strong focus on reducing impact on local air quality, with strict monitoring processes in place to capture and report performance. During FY2026, air emissions were within historical ranges.

Waste and Resource Efficiency

BlueScope's manufacturing approach focuses on resource efficiency, materials reuse and waste reduction. Across the business, teams continue to identify opportunities to optimise material use, increase scrap consumption where technically and commercially feasible, and reduce waste to landfill.

Materials efficiency performance remained consistent with prior years, with 97 per cent of outputs converted to products and co-products. The proportion of raw steel production from recovered and recycled scrap steel was 55 per cent (FY2025: 52 per cent), broadly consistent with recent trends.

During FY2026, BlueScope continued to progress site-based waste and materials efficiency initiatives, including projects focused on reuse of materials, avoidance of landfill, and reduction of future environmental liabilities.

Land Use and Stewardship

BlueScope's Environmental Aspiration for land drives a holistic consideration of actual and potential impacts on land, cultural heritage and biodiversity. Impacts are managed through site-level management plans and remediation activities where required, with established controls in place to support performance.

Operations are predominantly located on brownfield industrial sites, with some in proximity to areas of cultural or ecological significance. Where historic contamination is identified, management plans are maintained and, where appropriate, remediation activities progressed.

At sites near areas of cultural or ecological significance, local controls and management processes continued to be applied to support preservation of these areas and manage potential operational impacts.

A list of areas of cultural or ecological significance in proximity to BlueScope's sites is provided in the FY2026 Sustainability Data Supplement available at bluescope.com.

Environmental Improvement Projects

BlueScope encourages individuals and teams to participate in the environmental recognition program through Environmental Improvement Projects ('STARs'). These employee-led, site-based initiatives are aligned to the Environmental Aspirations framework (available on bluescope.com), with outcomes documented and lessons learned shared across operations.

During FY2026, BlueScope employees submitted 44 (FY2025: 45) STARs to the recognition program, engaging a broad range of employees, community members, customers and supply chain partners. Collectively, these initiatives support operational discipline, employee engagement and continuous improvement, contributing to incremental efficiency gains and reinforcing a culture of environmental accountability.

Responsible Products and Supply Chains

Responsible Products

Steel can be recycled repeatedly without loss of its inherent properties when material composition is appropriately controlled, which can support efficient material use and enable design for disassembly, reuse and remanufacturing. These attributes underpin BlueScope's lower embodied carbon and circular steel solutions, which may assist customers in reducing value chain emissions.

As a value-added steel manufacturer committed to customer-centricity, BlueScope's approach to responsible products includes product innovation and stewardship, supported by transparent, product-specific information and data. Product stewardship is considered across the lifecycle, including manufacturing processes, product durability, and end-of-life recovery. BlueScope publishes environmental credentials for a range of its products to support customers' decision-making and sustainability objectives, including through third-party certification, ecolabelling and Environmental Product Declarations (EPDs). In many regions, BlueScope publishes EPDs to communicate the environmental impacts of its products over their lifecycle, including global warming potential. EPDs may contribute to customers' project outcomes under green building rating tools such as Green Star and Leadership in Energy and Environmental Design (LEED) frameworks. BlueScope's EPDs are compliant with International Standards ISO 14025 and EN 15804 and are available on the Company's business unit websites.

Circularity

In North America, BlueScope Recycling and Materials (BRM) completed a new non-ferrous sorting facility at its Delta, Ohio, site in June 2026. The facility improves recovery of non-ferrous metals from shredder residue using additional eddy-current and sensor-based sorting technology and enables extraction of materials previously sent to landfill, including zorba, insulated copper wire and stainless metals.

Supporting Climate Transition and Resilience

Pacific Steel (NZ) has developed a new reinforcing steel product, PACIFIC DCRB®, expected to be available in the market from late 2026. The product is produced using a 100% scrap steel blend, including a mixture of internal and post-consumer or industrial scrap, reflecting a circular approach to material use. It is manufactured in New Zealand, where the electricity grid has a low emissions intensity relative to global averages, reflecting a high share of renewable generation. PACIFIC DCRB® is intended to support reduced embodied carbon in buildings and infrastructure and may assist customers in meeting requirements under certification frameworks such as Green Star, Homestar and Infrastructure Sustainability rating tools. The product is supported by Environmental Product Declarations (EPDs), which are available on the Pacific Steel website.

Enabling the Renewable Energy Transition

BlueScope manufactures and supplies steel used in renewable energy infrastructure. During FY2026, BlueScope supplied steel for the Fulham Solar Farm and Battery in Victoria (Australia). This included a custom-developed steel grade tailored to the project's requirements, drawing on a local supply chain spanning steelmaking, fabrication and delivery. The project reflects BlueScope's role in supporting domestic renewable energy infrastructure through locally produced steel and connected local manufacturing capability.

Credentials that Support Transparency

During FY2026, BlueScope published Digital Product Passports (DPPs) for a selection of its Australian products. DPPs provide digital product profiles and can include metrics and information such as embodied carbon, recycled content, technical information and environmental certifications. DPPs are recognised under the Green Star rating system in Australia.

Read more about BlueScope's EPDs, ecolabels, and other certifications in the FY2026 Sustainability Data Supplement, available at bluescope.com.

Supply Chain Sustainability

BlueScope's approach to supply chain sustainability focuses on responsible sourcing and communicating its expectations throughout its supply chain. The Company seeks to partner with suppliers who share the core values expressed in Our Bond and adhere to the standards set out in the Supplier Code of Conduct. This approach is structured around five guiding pillars: Business Ethics, Labour and Human Rights, Health and Safety, Environment, and Community. Steel production is closely linked to mining, minerals processing, scrap reclamation, logistics and contract labour, including in regions that may present higher risks. BlueScope implements a four-step process (prioritise, engage, assess, and improve) to understand and manage ESG risk and potential adverse impacts and support continuous improvement across its supply chain.

BlueScope continues to respond to evolving stakeholder expectations and regulatory requirements relating to responsible supply chains. This includes increased expectations for transparency in product and value chain (Scope 3) emissions data, to support informed decision-making by customers and other stakeholders. BlueScope collaborates with suppliers, customers and industry participants to support responsible practices across the steel value chain.

Supplier Assessments

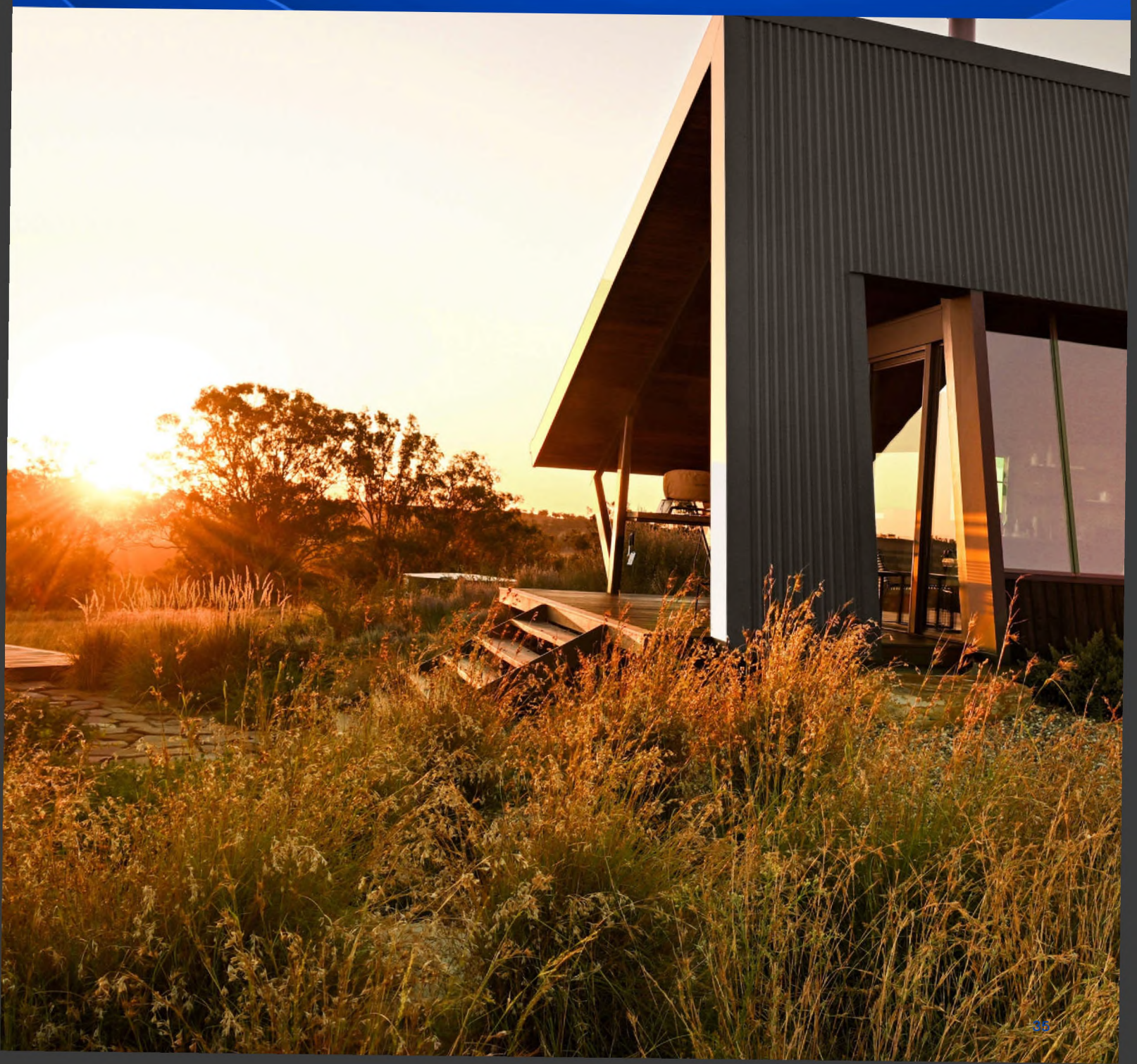
BlueScope's global supplier assessment program remains a key component of its responsible sourcing approach. During FY2026, the Company assessed 557 suppliers (FY2025: 336 suppliers), predominantly using the independent EcoVadis assessment process. Assessment outputs, including supplier scorecards and reassessment results, are used to inform supplier engagement and identify opportunities for improvement.

BlueScope continues to undertake targeted audits of higher-risk suppliers as part of its broader supplier assessment program. These audits provide further visibility of ESG risks across the supply chain, including beyond direct suppliers where appropriate. Findings inform supplier engagement, with a continued focus on corrective actions and improvement plans to address identified risks. Further information on supplier audits and assessments, outcomes and actions taken is available in BlueScope's FY2025 Modern Slavery Statement, available at bluescope.com. BlueScope's FY2026 Modern Slavery Statement is expected to be published in the second half of CY2026.

Section

03.

Corporate Governance



Governance at BlueScope

This Corporate Governance Statement describes BlueScope's corporate governance framework, policies and practices for the financial year ended 30 June 2026. The Board and Executive Leadership Team (ELT) of BlueScope consider good corporate governance to be fundamental to the Group's continued growth and success. BlueScope's corporate governance framework provides the structure through which our Purpose, culture, strategy and business objectives are set, performance is monitored, and risks are managed.

The Company complies with the Fourth Edition of the ASX Corporate Governance Principles and Recommendations (ASX Recommendations) other than partial compliance with Recommendation 1.5 for the reasons set out in the Culture and Capability section of the Sustainability Overview on pages 27 to 28 and in the Company's Appendix 4G.

This Corporate Governance Statement is current as at 17 August 2026 (except as otherwise stated) and has been approved by the Board.

BlueScope's Corporate Governance Framework is summarised in the graphic on this page.

The Appendix 4G and corporate governance policies referred to in this Corporate Governance Statement are published in the Governance and Board Governance sections of BlueScope's website.

Board and Committees

The Board is responsible for the overall governance of BlueScope. It approves the strategic direction and financial objectives of the Group while challenging management and holding them to account.

Board

The membership, composition requirements and key responsibilities of the Board are set out below:

Board Members:	Composition requirements:	Key responsibilities:
• **Jane McAloon AM** (Chair) • **Tania Archibald** (Managing Director and CEO) • **Rebecca Dee-Bradbury** • **Jennifer Lambert** • **Kathleen Conlon** • **K'Lynne Johnson** • **ZhiQiang Zhang** • **Alistair Field** • **Cheri Phyfer** • **John Nowlan** • **Michael Morley** All members except for Ms Archibald and Mr Nowlan are independent Directors.	• a minimum of three members; • a majority of independent Directors; and • chaired by an independent Director.	The Board is responsible for demonstrating leadership, including in the following areas: • **Values and standards** – setting values and standards of conduct to underpin BlueScope's culture and overseeing adherence to them; • **Strategy and performance** – defining BlueScope's purpose and setting its strategic direction and financial objectives, including its climate targets and goals; and overseeing resourcing and performance; • **Governance and risk management** – overseeing compliance with regulatory requirements and industry standards; approving BlueScope's risk appetite and overseeing risk management frameworks; and • **People** – appointing, reviewing the performance of, and terminating, the Managing Director and CEO; overseeing executive talent development and succession; and satisfying itself that the Group's people and remuneration policies align with its values, purpose and risk appetite.

Directors' Biographies

The skills and expertise of the Directors in office at the date of this Annual Report are set out below.

Jane McAloon AM

Chair (Independent)
BEc (Hons), LLB, GDip CorpGov, FAICD

Chair since: November 2023
Director since: September 2022

Directorships of other Australian listed entities in the past three years:

- Commonwealth Bank of Australia (October 2025 to current)
- Newcrest Mining Ltd (July 2021 to November 2023)

Ms McAloon is a Non-executive Director of Commonwealth Bank of Australia and Allianz Australia Insurance Limited. She is an independent member of the advisory board of Allens Lawyers and a part-time member of The Takeovers Panel. She has recently held positions as Chair and Non-executive Director of Energy Australia Holdings Ltd and was a member of the Monash University Council.

Ms McAloon held executive leadership positions with BHP, as well as senior executive roles at AGL, the NSW Cabinet Office and the NSW Energy, Rail and Natural Resources Departments. She previously worked as an economist and in private legal practice.

She brings to BlueScope over 30 years of business, government and regulatory experience at senior executive and board levels across the natural resources, energy, infrastructure and utilities sectors. Having spent most of her career in emissions intensive industries, she has deep experience working at the intersection of business and sustainability challenges including across the UK, US and Asia.

Ms McAloon is Chair of the Nomination Committee and a member of the People, Culture and Remuneration Committee.

Tania Archibald

Managing Director and CEO
BEc, CA

Director since: February 2026

Directorships of other Australian listed entities in the past three years: Nil.

Ms Archibald was appointed Managing Director and CEO of the Company in February 2026.

Prior to that, Ms Archibald was the Chief Executive Australian Steel Products from 2023 to 2026, where she led all major operations in Australia, including the Company's key operations at Port Kembla (NSW) and Western Port (VIC). Ms Archibald was BlueScope's Chief Financial Officer from 2018 to 2023, with responsibility for managing the Group's financial activities, and was a director of the NS BlueScope Joint Venture with Nippon Steel. She joined the ELT in 2016 with responsibility for the optimisation of investment returns from BlueScope's global coated products assets, in addition to her role as Chief Financial Officer, BlueScope ANZ, which she held from May 2015. Ms Archibald has also held positions in strategy, business development and corporate finance, and finance leadership roles in Vietnam and Indonesia.

Rebecca Dee-Bradbury

Non-executive Director (Independent)
BBus (Mkt), GAICD

Director since: April 2014

Directorships of other Australian listed entities in the past three years:

- Bapcor Limited (September 2023 to December 2023)
- Australian Foundation Investment Company Ltd (May 2019 to date)

Ms Dee-Bradbury is a Non-executive Director of the Australian Foundation Investment Company Ltd. She is a former Non-executive Director of Energy Australia Holdings Ltd (April 2017 to April 2026) and Bapcor Limited, GrainCorp Limited and The Benevolent Society. She is also a member of Chief Executive Women and a former member of the Federal Government's Asian Century Strategic Advisory Board and the Business Advisory Board at the Monash Business School.

Ms Dee-Bradbury has extensive business and leadership experience at the senior executive and board level across FMCG, retail and e-commerce. She was Chief Executive Officer/President Developed Markets Asia Pacific and ANZ for Kraft/Cadbury from 2010 to 2014, leading the business through significant transformational change. Prior to this, Ms Dee-Bradbury was Group CEO of the global Barbeques Galore group and held other senior executive roles in organisations including Maxxium, Burger King Corporation and Lion Nathan/Pepsi Cola Bottlers. Ms Dee-Bradbury brings to the Board extensive experience in business transformation, strategic brand marketing, customer relationship management, digitisation and innovation.

Ms Dee-Bradbury is a member of the People, Culture and Remuneration Committee, the Safety and Sustainability Committee and the Nomination Committee.

Jennifer Lambert

Non-executive Director (Independent)
BBus, MEc, CA, FAICD

Director since: September 2017

Directorships of other Australian listed entities in the past three years:

- NEXTDC Limited (October 2019 to November 2025)
- REA Group Limited (December 2020 to date)

Ms Lambert is a Non-executive Director and Chair of the Audit and Risk Committee for each of REA Group Limited, Investa Wholesale Funds Management Limited and Investa Management Holdings Pty Limited. Ms Lambert is also on the Council of the Sydney Church of England Grammar School (Shore). She is a Fellow of the Australian Institute of Company Directors and a member of its Reporting Committee and a Member of Chartered Accountants Australia and New Zealand.

Ms Lambert has extensive business and leadership experience at the senior executive and board level. Ms Lambert was Group Chief Financial Officer of 151 Property (previously known as Valad Property Group) from 2003 to 2016 and prior to this, a director at PricewaterhouseCoopers in transaction services. Ms Lambert was previously on the boards of NEXTDC Limited, Mission Australia and Place Management NSW.

Ms Lambert brings more than 30 years of business, financial management and accounting experience, with significant experience in the property industry and more than 20 years of experience as a director of for-purpose entities.

Ms Lambert is Chair of the Audit, Risk and Technology Committee and a member of the People, Culture and Remuneration Committee and the Nomination Committee.

Kathleen Conlon

Non-executive Director (Independent)
BA (Econ)(DIST), MBA, FAICD

Director since: February 2020

Directorships of other Australian listed entities in the past three years:

- Lynas Rare Earths Limited (November 2011 to November 2023)
- Aristocrat Leisure Limited (February 2014 to date)
- PLS Group Limited (January 2024 to date)

Ms Conlon is Chair and a Non-executive Director of PLS Group Limited (formerly Pilbara Minerals Limited). She is also a Non-executive Director of Aristocrat Leisure Limited and a former Non-executive Director of CSR Limited, REA Group Limited and The Benevolent Society. Ms Conlon is a member of Chief Executive Women. She is also a former Chair of Lynas Rare Earths Limited, and formerly held several roles at the Australian Institute of Company Directors (AICD) including President of the NSW Council, Chair of the Corporate Governance Committee and National Board member.

Ms Conlon brings over 20 years of professional management consulting experience specialising in strategy, supply chain, technology and operational improvement and has advised leading companies across a wide range of countries and industries including mining and building products. An American/Australian dual national, Ms Conlon joined the Chicago office of The Boston Consulting Group (BCG) in 1985, before transferring to the Sydney office in 1994. In her seven years as partner and director, Ms Conlon led BCG's Asia Pacific operations practice and the Sydney office. She was awarded a Commonwealth Centenary Medal for Services to Business Leadership in 2003.

Ms Conlon is a member of the Audit, Risk and Technology Committee, the People, Culture and Remuneration Committee and the Nomination Committee.

K'Lynne Johnson

Non-executive Director (Independent)
BSc(OrgPsych), MOrgBehav

Director since: January 2022

Directorships of other Australian listed entities in the past three years: Nil.

Ms Johnson is a Non-executive Director of US based companies JM Huber Corporation (2020 to present), DMC Biotechnologies, Inc (March 2025 to present) and FMC Corporation (2013 to present). She is also Chair of Trinseo SA (2017 to present). The latter two companies are listed on the NYSE.

Ms Johnson has had a global career with extensive knowledge of the US market and has spent significant time in Asia. Ms Johnson was an executive in the chemicals industry for over 28 years and has worked in early stage sustainability-driven ventures as well as in more mature businesses.

Ms Johnson is the former Chair of Elevance Renewable Sciences Inc (2015 to 2016) following eight years as President and founding CEO (2007 to 2015). Prior to joining Elevance, Ms Johnson spent over fifteen years in the oil and petrochemical industry with Amoco Corporation (1991 to 1999) and BP Chemicals (1999 to 2004), joining BP after its merger with Amoco in 1998. During this time, Ms Johnson held both operational and functional roles, culminating in her role as Senior Vice President of Global Derivatives with BP's Innovene business (2004 to 2005) (which was sold to the Ineos group in 2005). In addition, Ms Johnson was the co-founder and owner of BeauLily LLC (2006 to 2014), a therapeutic hand products company and a Non-executive Director of Sylvatex Inc (2016 to March 2025), an advanced materials technology company.

Ms Johnson brings to BlueScope extensive experience in the areas of technological led transformation, sustainability, renewables, human resources, customers and innovation. She also brings traditional high capital-intensive sector experience.

Ms Johnson is based in North America.

Ms Johnson is Chair of the People, Culture and Remuneration Committee and a member of the Safety and Sustainability Committee and the Nomination Committee.

ZhiQiang Zhang

Non-executive Director (Independent)
BEng(Elec), MBA, FAICD

Director since: January 2022

Directorships of other Australian listed entities in the past three years: Nil.

Mr Zhang is President of the Swiss Chamber of Commerce in Beijing. He is also a member of the Supervisory Board of Freudenberg Co.& SE, headquartered in Weinheim, Germany. Mr Zhang was the Head of China for Fortescue Energy (2023 to 2026), an advisor to CLEC Co Ltd (2022 to 2023) and a Non-executive Director of the Swedish Chamber of Commerce in China (2016 to 2022). He was also a Non-executive Director of Georg Fischer AG (2005 to 2021) and Datwyler Holding AG (2016 to 2021), companies listed on the Swiss Stock Exchange.

Mr Zhang has extensive business and leadership experience at the senior executive level including over 25 years at Siemens and Siemens Nokia Networks with his last role as President & Chief Executive Officer, Greater China Region (2005 to 2012). More recently, Mr Zhang was President of Asia Pacific Region and a member of the Group Executive Management team of Sandvik AB (2012 to 2018), Group Senior Vice President & President of ABB China (2018 to 2021) and Operating Partner of CITIC Capital (2021 to 2025).

Mr Zhang has a background in blue-chip manufacturing and product development, including industrial digitisation, automation and robotics. Having worked in asset-heavy industrials for most of his career, Mr Zhang has deep sector knowledge in automotive, machine tools, steel making, foundry, telecommunications and infrastructure. He also brings to BlueScope a deep understanding of China and broader Asian markets and insight into areas of innovation and growth.

Mr Zhang is based in China.

Mr Zhang is a member of the Safety and Sustainability Committee and the Nomination Committee.

Alistair Field

Non-executive Director (Independent)
Mech Eng, MBA

Director since: January 2024

Directorships of other Australian listed entities in the past three years:

- Sims Limited (October 2015 to September 2023)
- Alumina Limited (January 2024 to August 2024)
- Alcoa Corporation (August 2024 to date)

Mr Field is a Non-executive Director of Alcoa Corporation in the USA and an appointed Director of Fonterra Co-operative in New Zealand.

Mr Field has most recently held the position of Chief Executive Officer and Managing Director of Sims Limited based in the US and Australia. Mr Field has more than 30 years' experience in the mining, metals and manufacturing sectors. Prior to joining Sims Limited, he held a number of senior leadership positions including as Director of the Patrick Terminal & Logistics division of Asciano Limited and as Chief Operating Officer of Rio Tinto's Bauxite and Alumina Division.

Mr Field brings to BlueScope a global perspective, having worked at a senior executive level in North America, the Middle East, South Africa and the UK with extensive heavy industry experience, operational and safety expertise, including an understanding of complex and large scale capital projects.

Mr Field is Chair of the Safety and Sustainability Committee and a member of the Audit, Risk and Technology Committee and the Nomination Committee.

Cheri Phyfer

Non-executive Director (Independent)
BS, MBA

Director since: October 2025

Directorships of other Australian listed entities in the past three years: Nil

Ms Phyfer is an Independent Non-executive Director of Diploma PLC (LSE) and has served on the boards of O-I Glass (NYSE: OI) since 2024 and W.C. Bradley Company since 2017. She previously served as a director of Western Forest Products (TSX: WEF) from 2019 to 2022.

Ms Phyfer was formerly an experienced C-suite executive of global multi-billion dollar businesses in the building products segment in the US. Ms Phyfer held various leadership roles at Fortune Brands Innovations from 2018 to 2025, including serving as Group President of the Global Plumbing Group. Prior to that, she spent over 20 years at The Sherwin-Williams Company, where she held several senior positions, including President of the Consumer Brands Group.

Ms Phyfer is a member of the Board of Trustees at Clemson University and has also previously served as a director of Clemson University Foundation. Ms Phyfer is a former chair of the Trevillian Cabinet for the College of Business and was formerly a member of the Management Advisory Council at the University of Texas.

Ms Phyfer has extensive experience navigating through changing consumer environments and has worked with branded products for most of her career. She brings deep consumer and branded products experience to BlueScope.

Ms Phyfer is based in North America.

Ms Phyfer is a member of the Audit, Risk and Technology Committee and the Nomination Committee.

John Nowlan

Non-executive Director (Non-independent)
B.E.(Hons) (Mech.), MBA, Fellow of University of Wollongong (Australia)

Director since: November 2025

Directorships of other Australian listed entities in the past three years: Nil

Mr Nowlan is a highly experienced business leader with a distinguished career in steel manufacturing and building products across Australia, New Zealand, and the US. Most recently, he has led operations exposed to changes in the US market dynamics, and the growth in Asian economies, particularly China.

Mr Nowlan retired as an executive at BlueScope in September 2025 after almost 50 years at the Company and, prior to that, at BHP Group Limited (BHP). In his executive career at BlueScope, Mr Nowlan was Chief Executive of Australian Steel Products and then Chief Technical and Development Officer. He previously held senior management positions at BlueScope and BHP prior to the de-merger of BlueScope in 2002.

Mr Nowlan brings considerable technical expertise and strategic leadership experience spanning health and safety, major capital projects, manufacturing excellence and sustainability initiatives.

Mr Nowlan is a member of the Safety and Sustainability Committee and the Nomination Committee.

Michael Morley

Non-executive Director (Independent)
MTax, LLB, B.Ec.

Director since: June 2026

Directorships of other Australian listed entities in the past three years: Nil

Mr Morley is Chair of Developing East Arnhem Limited and Modra Technology Pty Ltd.

Mr Morley is an accomplished senior executive and Non-executive Director with extensive strategic and operational experience across the mining and metals sector. His involvement in the steel industry spans nearly 30 years, including his early work as a corporate lawyer with Clayton Utz advising Smorgon Steel Group and later serving as its General Counsel. He held several senior positions at global mining and metals company Nyrstar N.V., a key supplier to the global steel industry, including Senior Vice President of the Metals Processing division, leading operations spanning Europe, the US and Australia. Mr Morley was also a Non-executive Director of Liberty InfraBuild Limited from January 2019 to July 2025.

As a qualified lawyer, Mr Morley brings significant governance, corporate and mergers and acquisitions experience.

Mr Morley is a member of the Safety and Sustainability Committee and the Nomination Committee.

Board Committees

During FY2026, the Board reviewed its Board Committee structure to better align with BlueScope's legal and regulatory obligations, strategic priorities, risk profile and stakeholder expectations. As BlueScope continues to navigate a complex and evolving operating environment, the Board determined that a more streamlined Committee structure enhances Executive accountability, improves coordination across related governance matters and supports more effective Board oversight of material risks and opportunities.

Effective from 1 February 2026, the Board restructured its standing committees to optimise its governance oversight as follows:

- The Audit Committee, Risk and Sustainability Committee, Remuneration and Organisation Committee, and Health, Safety, Environment and Community Committee were discontinued.
- The Audit, Risk and Technology Committee, People, Culture and Remuneration Committee and Safety and Sustainability Committee were established with new charters.
- There was no change to the Nomination Committee.

Details of the Committees before and after the restructure are set out below. The revised structure integrates oversight of financial, risk and technology matters, elevates sustainability governance through a dedicated Safety and Sustainability Committee, and enables focus on people, culture and remuneration oversight in a single committee. The Board believes these changes strengthen governance effectiveness while maintaining rigorous oversight across all key areas of responsibility.

From time to time the Board may also establish ad hoc sub-committees and delegate powers to those sub-committees having regard to what is appropriate to achieve effective and prudent oversight.

Membership, composition requirements and key responsibilities of the discontinued Committees are set out below.

Members:	Composition requirements:	Key responsibilities:
Audit Committee (AC)		
• **Jennifer Lambert** (Chair) • **Kathleen Conlon** • **Alistair Field** • **Ewen Crouch AM** (until 18 November 2025) All members are independent Directors. Separate discussions are held by the Committee with the external and internal auditors without management present.	• Only Non-executive Directors; • a minimum of three members; • a majority of independent Directors; and • chaired by an independent Director who is not the Chair of the Board.	Assists the Board to fulfil its responsibilities in relation to financial governance, external financial reporting, sustainability disclosure governance and reporting, external financial and other statutory report audits and internal audit, including oversight of: • financial governance, including approving the financial, taxation, treasury, capital and investment governance frameworks; • the sustainability disclosure governance framework and external statutory sustainability reporting; • credit management policy; • the capital management policy and the monetary authority limits delegated by the Board, which the Committee recommends to the Board for approval; • integrity of external financial reporting; • external audit engagement, including recommendations to the Board on non-audit services; • the effectiveness and independence of the external auditor; • the independence and performance of BlueScope's internal audit function; and • specific categories of risk delegated by the Board to the AC.
Risk and Sustainability Committee (RSC)		
• **Alistair Field** (Chair from 18 November 2025) • **Jennifer Lambert** • **ZhiQiang Zhang** • **Cheri Phyfer** (from 1 October 2025) • **Ewen Crouch AM** (Chair until 18 November 2025) • **Peter Alexander** (until 18 November 2025) All members are independent Directors. The Chair of the Audit Committee will always be a member of the Committee.	• Only Non-executive Directors; • a minimum of three members; and • a majority of independent Directors, including an independent Director as Chair.	Assists the Board to fulfil its responsibilities in relation to risk management, ethics and compliance, legal proceedings, corporate governance, sustainability and insurance, including oversight of: • the soundness of the risk management framework and supporting risk management systems; • ethics and compliance including monitoring effectiveness of the Code of Conduct, the Speak Up Policy and other Group-level business conduct policies; • litigation and regulatory risks; • corporate governance, including compliance with ASX Listing Rules, Corporations Act and applicable laws and regulations; • climate or other sustainability related risk and opportunity frameworks in statutory reporting; • sustainability and climate-related strategy; • insurance (with the exception of Directors' and Officers' liability insurance); and • specific categories of risk delegated by the Board to the RSC.

Members:	Composition requirements:	Key responsibilities:
Health, Safety, Environment and Community Committee (HSEC)		
• **K'Lynne Johnson** (Chair) • **Rebecca Dee-Bradbury** • **ZhiQiang Zhang** • **John Nowlan** (from 18 November 2025) • **Peter Alexander** (until 18 November 2025) All members except for Mr Nowlan are independent Directors.	• Only Non-executive Directors; • a minimum of three members; and • chaired by an independent Director, who is not the Chair of the Board	Assists the Board to fulfil its responsibilities in relation to the oversight of health, safety and environmental matters and community impact arising out of BlueScope's activities as they may affect employees, contractors, and the local communities in which it operates, including oversight of: • the effectiveness of relevant programs and the strategic direction of BlueScope in relation to health, safety and environmental (HSE) activities; • the HSE management framework; • Board advice on significant HSE legislative updates; • HSE compliance and due diligence; • community engagement; and • specific categories of risk delegated by the Board to the HSEC.
Remuneration and Organisation Committee (ROC)		
• **Rebecca Dee-Bradbury** (Chair) • **Kathleen Conlon** • **K'Lynne Johnson** • **Jane McAloon AM** All members are independent Directors.	• Only Non-executive Directors; • a minimum of three members; and • a majority of independent Directors, including an independent Director as Chair.	Assists the Board to fulfil its people, culture and remuneration responsibilities, including oversight of: • people and remuneration strategy, policies and practices; • culture measures and risks; • the effectiveness of the Inclusion & Diversity Policy, and measuring progress toward achievement of gender diversity; • the executive remuneration framework, incentives and equity-based plans and awards for the ELT; • performance targets for the ELT and recommending performance targets for the MD&CEO to the Board; • development and succession of executive management; • Non-executive Director remuneration; and • specific categories of risk delegated by the Board to the ROC.

Membership, composition requirements and key responsibilities of the current Committees are set out below:

Members:	Composition requirements:	Key responsibilities:
Nomination Committee (NOM)		
• **Jane McAloon AM** (Chair) • **Rebecca Dee-Bradbury** • **Jennifer Lambert** • **Kathleen Conlon** • **ZhiQiang Zhang** • **K'Lynne Johnson** • **Alistair Field** • **Cheri Phyfer** (from 1 October 2025) • **John Nowlan** (from 18 November 2025) • **Michael Morley** (from 1 June 2026) • **Ewen Crouch AM** (until 18 November 2025) • **Peter Alexander** (until 18 November 2025) All members are independent Directors except for Mr Nowlan.	• Only Non-executive Directors; • a minimum of three members; and • a majority of independent Directors, including an independent Director as Chair.	Assists the Board to fulfil its responsibilities for ensuring that the Board is comprised of individuals who can discharge the responsibilities of Directors effectively, including oversight of: • Board composition, renewal, appointment and re-election of Directors; • Board, Committee and Non-executive Director performance; • Board induction and continuing professional development; and • Board, Chair and MD&CEO succession planning.

Members:	Composition requirements:	Key responsibilities:
Audit, Risk and Technology Committee (ARTC)		
• **Jennifer Lambert** (Chair) • **Kathleen Conlon** • **Alistair Field** • **Cheri Phyfer** All members are independent Directors. Separate discussions are held by the Committee with the external and internal auditors without management present.	• Only Non-executive Directors; • a minimum of three members; • a majority of independent Directors; and • chaired by an independent Director who is not the Chair of the Board.	Assists the Board to fulfil its responsibilities in relation to finance, audit, risk and technology related matters, including oversight of: • financial governance frameworks and policies; • integrity of external financial and sustainability reporting; • the statutory sustainability disclosure governance framework; • external and internal audit functions, including independence, effectiveness and audit findings; • risk management frameworks and policies, emerging and material business risks and Group risk performance; • insurance (excluding Directors' and Officers' insurance); • effectiveness of the Code of Conduct and Group level ethics and compliance policies; • the Speak-Up program (whistleblower) including effectiveness of the Speak-Up policy; • corporate governance practices and legal matters, including material disputes and legal proceedings; and • technology strategy, resilience and security.
Safety and Sustainability Committee (SSC)		
• **Alistair Field** (Chair) • **Rebecca Dee-Bradbury** • **K'Lynne Johnson** • **ZhiQiang Zhang** • **John Nowlan** • **Michael Morley** (from 1 June 2026) All members are independent Directors except for Mr Nowlan.	• Only Non-executive Directors; • a minimum of three members; and • a majority of independent Directors, including an independent Director as Chair.	Assists the Board to fulfil its responsibilities in relation to health, safety, environment, sustainability and community related matters, including oversight of: • effectiveness of the Group's health, safety and environmental (HSE) management frameworks, policies, systems and controls; • stakeholder and community engagement and impacts; • HSE compliance, governance, developments in HSE regulation and industry knowledge and supporting Director due diligence activities; • HSE performance and risk management; • climate or other sustainability related risk or opportunity frameworks, including recommending to the Board the climate or sustainability related risk and opportunity disclosures in statutory sustainability reporting; and • HSE and sustainability management strategies and targets.
People, Culture and Remuneration Committee (PCRC)		
• **K'Lynne Johnson** (Chair) • **Jennifer Lambert** • **Rebecca Dee-Bradbury** • **Kathleen Conlon** • **Jane McAloon AM** All members are independent Directors.	• Only Non-executive Directors; • a minimum of three members; and • a majority of independent Directors, including an independent Director as Chair.	Assists the Board to fulfil its responsibilities in relation to people, culture and remuneration related matters, including: • oversight of people strategies, policies and management frameworks; • recommending MD&CEO and ELT performance and executive development and succession frameworks to the Board; • oversight of effectiveness of organisational culture and employee engagement frameworks; • oversight of serious employee conduct matters; • monitoring diversity and inclusion and human rights frameworks and performance; • recommending to the Board the executive remuneration framework, remuneration and incentive arrangements for the MD&CEO, incentive plan arrangements; • making recommendations to the Board on Non-executive Director fees; and • oversight of policies, remuneration and performance outcomes for the ELT.

Copies of the Board and Committee Charters are available in the Governance Structure and Management section of BlueScope's website.

Board, Committee and Management Responsibilities and Meetings

The Board has delegated responsibility for the day-to-day management of BlueScope, and the implementation of approved strategy, business plans and policies, to the Managing Director and CEO, who in turn delegates to senior management. The scope of, and limitations to, these delegations are set out in BlueScope's Delegation of Authority Policy. The respective roles and responsibilities of the Board and management, the matters delegated to the Managing Director and CEO, and those matters that are specifically reserved to the Board or delegated to its Committees, are set out in the Board and Committee Charters, which are reviewed annually.

The Board and each Committee hold scheduled meetings during the financial year, and additional meetings that may be necessary to address any significant matters as and when they arise. To facilitate independent decision making, the Non-executive Directors also meet at Board and Committee meetings without management present. Board and Committee meetings are held in person, virtually or in hybrid format to facilitate participation by Non-executive Directors residing outside Australia.

All Directors have access to all Committee papers and Minutes and may attend Committee meetings (whether or not they are Committee members). The Committee Chairs provide a verbal report at the following Board meeting as to any material matters arising from the relevant Committee meeting.

Each Director's attendance at meetings of the Committees and the number of times each Committee met in FY2026 are set out in the Meetings of Directors section of the Directors' Report. The independence and qualifications of each Director are set out in the Directors' Biographies on pages 37 to 39.

Board Effectiveness

Composition of the Board

The Board currently comprises ten Non-executive Directors and one Executive Director (being the Managing Director and CEO), details of which are set out on page 36. The Company's Constitution provides for a minimum of five Directors and a maximum of twelve Directors, or such other number as the Company may resolve in general meeting.

Chair of the Board

The Chair of the Board is Jane McAloon AM, an independent Non-executive Director. Further information regarding Ms McAloon's experience and qualifications is set out in her biography on page 37.

The Board Charter sets out the role of the Chair, which includes to lead the Board, facilitate effective Director contribution and promote constructive relations between Directors and between the Board and management, and maintain a regular dialogue and mentoring relationship with the Managing Director and CEO. The Chair oversees Board performance and engages with the Managing Director and CEO and Company Secretaries to set the agendas and schedule Board meetings.

Board Skills and Experience

The Board recognises that the combination of diverse skills, experience and personal qualities of BlueScope's Directors enhances Board decision making and governance.

Information about the Directors' skills and experience is set out in their biographies on pages 37 to 39.

The Board, on recommendation of the Nomination Committee, determines the composition (including in relation to skills and experience), size and structure requirements for the Board. Each year the Board undertakes a Board skills and experience assessment of both the currency of the skills and experience categories and the Directors' individual and collective capability against BlueScope's Board skills and experience matrix.

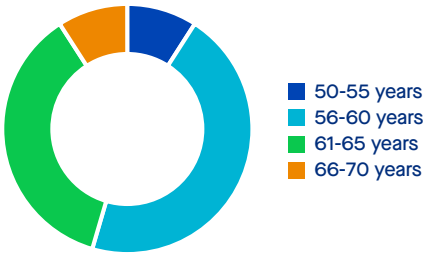
The Board, having considered the key skills and experience desirable for those on the Board and, relying upon the outcomes of the 2026 Board Skills and Experience Assessment, has determined that the current composition of the Board provides coverage of all these identified skills and experiences and considers that, as a collective, the Board is continuing to function effectively in the discharge of its responsibilities.

The Board also looks for gender diversity. The Company is a signatory to the 40:40 Vision[1], a commitment to maintain a gender balanced Board and executive leadership team.

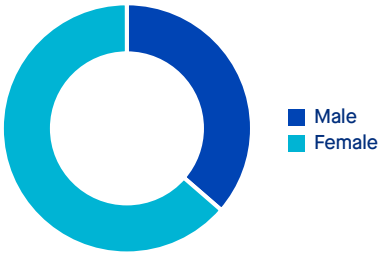
Based on the Nomination Committee's assessment of the diversity and skills to complement current Board members, recommendations are made to the Board on candidates it considers appropriate for appointment.

The following charts illustrate the diversity of the Board by reference to age and gender as at 30 June 2026.

Age



Gender



1. 40:40 Vision is an investor-led initiative seeking to achieve gender balance in executive leadership across all ASX300 companies by 2030. As noted in more detail in on pages 27 and 28, all hiring and promotion practices at BlueScope are focused on retaining the most qualified team members, and are made in accordance with the equal employment laws in the regions where it operates.

Skills/Experience	Description	No. of Directors rated as Expert, Advanced, Capable & Limited
Strategy and Commercial Acumen	Experience in delivering sustained business performance through strategy development and execution, including assessing strategic opportunities and risks, oversight of capital management frameworks and complex corporate transactions or projects.	8 / 3
Financial Oversight	Proficiency in analysing financial statements and forecasts in comparable industries or organisations, including an understanding of the key financial drivers and controls. Expertise in accounting, audit, corporate finance or related financial management experience or qualifications.	3 / 8
Leadership	Senior executive or board experience in listed companies or other large enterprises in Australia or internationally. Track record of effective leadership in a cyclical industry and/or through periods of disruption or rapid change.	8 / 3
Risk Management	Experience implementing or overseeing risk management frameworks in global operations. Experience in identifying and overseeing the management of new and emerging material or strategic risks.	3 / 7 / 1
Steel Industry Experience	Senior executive or board experience in a company involved in the steel industry, including steelmaking, scrap recycling, mining, manufacturing, value-add processing, distribution or engineering/technical operations.	3 / 5 / 2 / 1
Health and Safety	Knowledge and experience in physical and psychosocial health and safety management, performance and governance and building a strong safety culture in large organisations.	3 / 7 / 1
Corporate Governance and Legal	Experience in corporate governance and legal compliance in listed companies or large organisations with significant or global operations.	5 / 4 / 2
Stakeholder Engagement	Track record in delivering customer focused solutions through innovation, product development or marketing. Experience in developing constructive government and regulatory relationships and effective shareholder and community engagement.	8 / 3
People, Culture and Remuneration	Experience in oversight of a company's culture, remuneration and people management framework, including employee engagement, talent development and retention and succession planning.	7 / 4
Sustainability and Climate	Experience with the identification and management of sustainability-related risks, opportunities and trends (including reporting requirements).	4 / 7
Technology, Digital and Innovation	Experience in the oversight of transformational technology and innovation. Experience in cyber security risk management and responding to digital disruption.	2 / 3 / 6
Global Experience	Experience working in multiple geographies over an extended period, understanding of global markets and exposure to diverse political, economic, cultural and regulatory business environments.	10 / 1

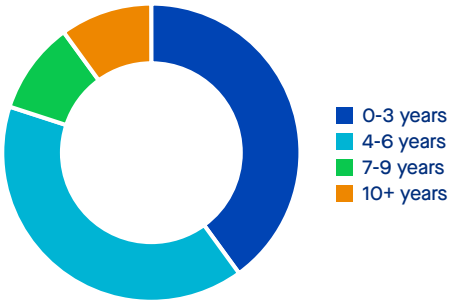
Legend

Expert	More than ten years' experience as a director, senior executive or practitioner, and/or recognised by a professional body as a leading practitioner in the field, and/or recognised by a court as an 'expert' in the field.
Advanced	Five to ten years' experience as a director. senior executive or practitioner, and/or recognised by a professional body as a practitioner in the field, and/or able to identify complex issues, oversights or mistakes.
Capable	Two to five years' experience as a director, senior executive or practitioner, and/or broad knowledge and understanding if limited practical experience, and/or able to probe and ask insightful questions.
Limited	Less than two years' experience as a director, senior executive or practitioner, and/or limited knowledge and understanding, and/or able to make a limited contribution to discussions.

Length of Service

The length of service of each Director is included in their biographies on pages 37 to 39. In accordance with the ASX Listing Rules and BlueScope's Constitution, no member of the Board (other than the Managing Director and CEO) may serve for more than three years without being re-elected by shareholders at the Company's AGM. The chart below illustrates the current Non-executive Directors' tenure.

Length of service



The Board has adopted a Non-executive Director Tenure Policy which provides that a Non-executive Director may serve a maximum of three terms of three years from the date of first election by shareholders, subject to extension at the discretion of the Board, if it forms the view that to do so would benefit BlueScope. If the Board requests a Director (and such Director consents) to continue serving beyond three terms, the Director must submit themselves for re-election at the next AGM.

Over the past two years, the Board has undertaken a significant program of renewal designed to maintain an appropriate balance of skills, experience, diversity and continuity. During this period, the Board welcomed Mr Field (January 2024), Ms Phyfer (October 2025), Mr Nowlan (November 2025) and Mr Morley (June 2026), each bringing complementary skills and perspectives aligned to BlueScope's strategic priorities. The Board has also overseen an important leadership transition, with Ms Archibald appointed Managing Director and CEO in February 2026. This followed her extensive executive career with BlueScope and represents a significant milestone in BlueScope's executive succession planning. Together, these changes have refreshed the composition and expertise of both the Board and executive leadership.

The Board also seeks to deliberately balance renewal with the retention of critical experience through planned overlap between incoming and longer-serving directors. It is the Board's intention that Ms Lambert, who was re-elected at the 2023 AGM for a third term, will serve some or all of a fourth term, subject to re-election at the 2026 AGM, with the objective of providing continuity, retaining critical experience and ensuring knowledge transfer through a period of transition.

At the 2026 AGM Ms Dee-Bradbury will retire at the conclusion of her fourth term, Ms Conlon will have completed a three year term and will stand for re-election, and Mr Morley will stand for election for his first term. At the 2024 AGM, Ms McAloon was re-elected for a second term and Mr Field was elected for his first term. At the 2025 AGM, Ms Johnson and Mr Zhang were re-elected for their second terms and Ms Phyfer and Mr Nowlan were elected for their first terms.

Director Appointment

The Nomination Committee supports the Board in developing and reviewing succession plans aimed at maintaining an appropriate mix of skills, experience and diversity. The Committee also oversees Director recruitment and annual re-election processes. Appropriate background and reference checks are conducted before any potential candidate is appointed by the Board or recommended to shareholders as a candidate for election. Prior to a Director's election or re-election, the Board considers their independence, potential conflicts of interest and ability to devote sufficient time to the role.

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

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

Director Induction, Training and Education

Following appointment, Non-executive Directors undertake a Board and Committee Induction Program covering BlueScope's policies, operations and operating landscape. This includes site visits and meetings with key management and BlueScope's auditors. The Induction Program is tailored to individual Directors' skills and experience and addresses relevant aspects of BlueScope's financial, strategic, operational and risk management position, its values and culture, the rights, duties and responsibilities of Directors, the roles and responsibilities of management, the role of the Board and Board Committees and governance arrangements.

The Nomination Committee ensures that ongoing education is available to Directors to develop and maintain the professional skills and knowledge required to perform their roles effectively.

The Company's Director education program includes:

- a professional development program whereby the Nomination Committee considers professional development needs for the relevant year to enhance Directors' knowledge and skills and keep Directors up to date with new developments;
- update briefings on material industry developments (including technology) and material developments in law, regulation and accounting standards relevant to BlueScope.

The Non-executive Director Education and Training Policy also allows each Non-executive Director to attend relevant education or training seminars or events.

In FY2026, Directors participated in briefings on geopolitical matters and health, safety and environmental obligations. They also undertook education and training in technology (including cybersecurity), which included presentations from external experts.

A program of regular site visits strengthens the Non-executive Directors' knowledge of BlueScope's businesses and management personnel. In FY2026, the Board visited sites in Australia and North America, gaining insights into business operations, hazards and risks, talent development, local projects, health and safety, environmental and community activities.

Director Independence

Independent Directors play an important role in assuring BlueScope's shareholders that the Board is able to act in the best interests of the Company as a whole and independent of management. The Board assesses the independence of its Non-executive Directors against its Director Independence Policy prior to appointment and annually, having regard to any relevant disclosures made by them, the relationships affecting independence described in the ASX Recommendations and any other matters the Board considers relevant.

The Board considers all of its Non-executive Directors (including the Chair), other than Mr Nowlan, are and have been independent throughout FY2026 when assessed against the Director Independence Policy. Mr Nowlan is a Non-independent Non-executive Director as he was formerly a member of the ELT.

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

Board Performance Reviews

Board, Committee and Director performance is evaluated annually through either an internal review, which may use confidential evaluation questionnaires and one-on-one interviews between the Chair and each Director, or an externally facilitated review typically conducted through observation and/or interview.

For FY2026, an externally facilitated performance evaluation of the Board and Committees was undertaken through interviews conducted by the external facilitator with each Director. The Chair discussed the outcomes of the reviews with the Nomination Committee, which comprises all of the Non-executive Directors. An online evaluation platform was used for Director evaluations and the Chair engaged with the Nomination Committee in respect of outcomes. Ms Lambert conducted and provided feedback on the Chair's evaluation.

Other review mechanisms, including one-on-one discussions with the Chair and meeting feedback, are also routinely used throughout the year.

ELT Appointments and Reviews

BlueScope has a written agreement with each member of the ELT, setting out the terms of their appointment.

Each year, the ELT participates in a structured performance review process conducted by the Managing Director and CEO, assessing their performance against the criteria for their role agreed by the Board and Managing Director and CEO, which may include financial and operational performance, safety, climate, and the delivery of specific strategic initiatives. All ELT members participated in a performance evaluation process for FY2026.

The Board sets performance criteria and conducts a structured performance review for the Managing Director and CEO. The Managing Director and CEO participated in a performance evaluation process for FY2026.

The Remuneration Report details the MD&CEO and Executive Key Management Personel's (KMP) performance criteria and outcomes for FY2026.

Prior to the appointment of any new ELT member, BlueScope carries out appropriate reference and background checks. The pre-appointment process has been in place for the reporting period.

Company Secretaries

The Company Secretaries are accountable directly to the Board through the Chair on all matters to do with the proper functioning of the Board. The Company Secretaries' role is outlined in the Board Charter and information about the Company Secretaries' experience and qualifications is set out in the Company Secretaries section of the Directors' Report.

Access to Independent Advice

The Board may obtain independent advice to assist it in the proper exercise of its powers and responsibilities at BlueScope's cost. Each Director individually may obtain independent advice to assist them in the proper exercise of powers and discharge of duties as a Director of the Company, at BlueScope's cost subject to prior approval from the Chair (or where the Chair is seeking advice, subject to prior approval of a majority of the Non-executive Directors).

Inclusion and Diversity

Information on BlueScope's commitment to safe, healthy and inclusive workplaces, and inclusion and diversity governance, is set out in the Culture and Capability section of the Sustainability Overview.

The Company's Inclusion and Diversity Policy is contained under the Board Governance section of BlueScope's website.

Corporate Ethical Standards

Our Purpose and Our Bond

BlueScope's purpose and values, expressed through our Purpose and Our Bond, underpin its commitment to acting lawfully, ethically and responsibly. They guide how BlueScope conducts its business, treats people, and creates long-term stakeholder value.

Our Purpose speaks to why BlueScope operates, sets its direction and helps attract and retain the best people to enable it to get there. Our Bond outlines BlueScope's guiding principles and benchmark for success, directing how we create value for communities and foster genuine connections with our stakeholders.

For further details on our Purpose and Our Bond, please refer to the Our Purpose & Our Bond section of BlueScope's website.

Code of Conduct

BlueScope's **Code of Conduct – "How We Work"** sets the behavioural standards expected of all Directors, officers, employees, contractors and third parties acting on behalf of BlueScope. It provides a clear framework for making decisions consistent with BlueScope's principles and legal obligations, and is supported by targeted training that equips BlueScope's people to identify and respond appropriately to issues as they arise.

Our Code of Conduct is available in 10 languages under the Ethics & Compliance and Resource Centre sections of BlueScope's website.

Speaking Up and Raising Concerns

Speaking up is central to BlueScope's culture of trust, integrity and accountability. BlueScope's Speak Up Policy provides a safe and confidential process for raising concerns about suspected wrongdoing or an improper state of affairs, including conduct that may be unlawful, unethical, unsafe, or inconsistent with Our Bond or the Code of Conduct.

Reports can be made 24 hours a day, 7 days a week through BlueScope's externally hosted Speak Up Hotline powered by Whispli (online or by phone at bluescope.whispli.com/speakup), or directly to BlueScope's Head Office Investigations Team in Melbourne via Help_SpeakUp@bluescope.com. Reports are treated as confidential and can be made anonymously.

All Speak Up reports are assessed promptly to determine appropriate next steps and are investigated where required, in accordance with BlueScope's investigation protocols. Investigations are conducted professionally, fairly and with respect for all involved, and BlueScope seeks to keep reporters informed where possible (subject to confidentiality obligations).

BlueScope has zero tolerance for retaliation or detrimental treatment against anyone who raises a concern or who participates in an investigation. It takes all reasonable steps to protect confidentiality and to support those who Speak Up. BlueScope also recognises the importance of fair treatment for employees mentioned in a report while matters are assessed and investigated.

A copy of the Speak Up Policy is available under the Ethics & Compliance section of BlueScope's website.

Oversight of the Code of Conduct

Material breaches of the Code of Conduct and other significant compliance issues are reported quarterly to the ARTC[1]. The ARTC oversees the effectiveness of BlueScope's framework for ethical conduct and speaking up (including the Speak Up Policy), and monitors trends, outcomes and any remedial actions arising from material incidents[2] reported through the Speak Up channels. The PCRC oversees outcomes of serious employee conduct matters and the effectiveness of organisational culture frameworks.

Anti-bribery and corruption

BlueScope has a zero-tolerance approach to bribery and corruption. This is clearly articulated in our Code of Conduct and reinforced through targeted training for employees in higher-risk roles and locations. This approach to training is designed to ensure that employees understand their obligations and are equipped to identify and manage bribery and corruption risks relevant to their roles.

Risk-based compliance monitoring

BlueScope adopts a risk-based approach to compliance monitoring. Compliance monitoring and review activities are focused on areas of higher inherent risk, informed by changes in our operating environment, regulatory expectations and insights from incidents, Speak Up reports and assurance activities.

This approach provides confidence that key controls and behaviours are operating as intended. The Board and its Committees receive regular reporting on compliance trends, emerging risks and the effectiveness of monitoring activities.

1. From 1 July 2025 to 31 January 2026, the Risk and Sustainability Committee had oversight of these matters.
2. This includes material breaches of BlueScope policies, including without limitation its anti-bribery and corruption policy.

Securities Trading Policy

BlueScope's Securities Trading Policy sets out the rules that restrict dealing in the Company's shares and is designed to assist employees to comply with the laws on insider trading. Additional trading restrictions apply to employees deemed to be Restricted Persons, including Directors and the ELT. Under the Policy, and as required by law, all Directors and employees are prohibited from trading in the Company's shares at any time if they are aware of any market sensitive information that is not publicly available.

Restricted Persons are only permitted to trade in the Company's shares during the 45-day periods from the commencement of trading the day following the announcement of the full-year and half-year results, and the 15-day period from the commencement of the trading day following the AGM, and if they have notified the Company Secretary in writing in advance and received clearance. All Company share dealings by Directors are notified to the ASX within the required time. The Policy also specifically prohibits entry into transactions in associated products that limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.

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

Political and Stakeholder Engagement

BlueScope engages with elected representatives, government officials, industry associations, think tanks and advocacy groups to discuss public policy matters that affect its performance and investment plans. The purpose is to help ensure a fully informed debate and to seek public policy that supports the competitiveness of its operations, investment in sovereign capability, decarbonisation, and beneficial trade and commercial opportunities. As a large energy user, manufacturer, investor, and exporter in several jurisdictions, BlueScope has expertise regarding the design and relative impact of policies, which it seeks to bring to the attention of policymakers.

BlueScope's engagement with stakeholders on public policy matters is guided by Our Bond, governed by BlueScope's Political Contributions Standard and Industry Associations Governance Standard, and conducted in accordance with its Continuous Disclosure Policy. BlueScope also has rules governing interactions with investors, media and governments and for making public comment generally.

BlueScope takes a bipartisan approach to political engagement in all jurisdictions where it operates, focusing on relevant policy matters. It does not endorse candidates for office, or the election (or re-election) of political parties. It will, however, take public positions in support of or opposition to policies, legislation and regulations that could have a significant effect on its operations or financial performance, including seeking amendments to such policies.

In line with its Political Contributions Standard, BlueScope will pay admittance or membership fees for the purpose of attending a briefing, or having a dialogue with political figures to debate policy issues that may affect it. This includes payment to attend events organised or hosted by a political party or an organisation associated with a political party. The Company spent $115,000 on such activities in FY2026.

Industry associations

BlueScope belongs to various industry associations in many countries where it operates. Most are professional or technical associations, such as those supporting employee career development, or the development of industry standards. Several memberships allow BlueScope to take positions on, and participate in, consultation on developing public policy. BlueScope participates in these associations to access industry-wide expertise, contribute its views and expertise, and jointly put to governments views about the most effective policy mechanisms to support a vibrant and growing steel manufacturing sector.

BlueScope's key memberships in Australia include: Australian Industry Group; Australian Industry Greenhouse Network (AIGN); Australian Steel Institute (ASI); Business Council of Australia (BCA); Energy Users' Association of Australia (EUAA); Manufacturing Australia (MA); and Australian Aluminium Council (AAC).

BlueScope's Industry Associations Governance Standard details the principles that guide its membership and how it assesses alignment between the public policy positions of the industry association and BlueScope's position. An annual summary of these assessments is reported to the SSC[1]. Since BlueScope is an Australian public listed company, the yearly assessment includes Australian industry associations, while the industry memberships outside Australia are managed by the relevant regions. The latest assessment of Australian memberships conducted in 2026 did not find any material differences in policy positions between BlueScope and the main industry associations of which it is a member.

A copy of BlueScope's Industry Associations Governance Standard is available in the Resource Centre on BlueScope's website: Industry Associations Governance Standard

1. From 1 July 2025 to 31 January 2026, the Risk and Sustainability Committee had oversight of these matters.

Corporate Reporting and Assurance

CEO and CFO Certification of Financial Statements

Before approving the financial statements for each half year and full year, the Board receives a declaration from the Managing Director and CEO and the Chief Financial Officer that, in their opinion:

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

A declaration was received for each of the FY2026 half-year and full-year financial statements.

Verification of Periodic Corporate Reports

BlueScope is committed to providing clear and meaningful disclosures to its investors in its periodic corporate reports. In all circumstances, including where BlueScope's auditor is required to review or audit period corporate reports, BlueScope conducts internal review and verification processes to ensure they are accurate, balanced and provide investors with appropriate information to make informed decisions about BlueScope. This includes review, verification and sign-off by relevant management and functional subject matter experts and quality review by an internal review team, prior to release to the market.

External Auditor Engagement

BlueScope's external auditor is Ernst & Young. BlueScope recognises the critical importance of audit independence, both real and perceived, to the integrity of financial reporting. The ARTC[1] is responsible for reviewing and approving the terms and scope of the external auditor's engagement and making a recommendation to the Board regarding their appointment or replacement.

The Board has established general principles and related policies for the appointment of the external auditor and their use for non-audit services. Unless required by law, the Company does not consider it necessary to apply any mandated restriction on the timeframe an incumbent audit firm can provide external audit services to BlueScope.

The ARTC reports to the Board annually on whether the non-audit services provided by the external auditor during the year were compatible with the general standards of independence for auditors in accordance with the Corporations Act. When taken as a whole, these principles and policies are more onerous than mandatory or audit industry practices.

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

- robust annual assessments of independence, global service quality and cost competitiveness;
- a comprehensive review of audit quality and service at least every three years, including an assessment of the audit market and whether to tender the engagement;
- a three-year commitment to an audit firm, subject to annual independence confirmation, performance review, cost benchmarking and reassessment of general engagement terms;
- engagement of a single 'top tier' global audit firm throughout the Group;
- central audit team located close to the corporate head office with access to strong technical, valuation, actuarial, IT controls and manufacturing industry specialists;
- leverage of business knowledge and continuity of audit firm through business cycles;
- rotation of signing and review partners at least every five years, with a strong preference not to 'recycle' signing partners;
- appropriate rotation of audit managers and offshore subsidiary entity partners;
- regular independent discussion, not in the presence of management, between the auditor and the ARTC[1], the ARTC Chair and the Board Chair;
- adherence to BlueScope's requirements for the hiring of current and past employees of the external auditor (as outlined in policy), with a strong bias to not hire anyone to an audit critical role who has been involved in the delivery of the BlueScope audit in the past two years; and
- adherence to BlueScope's non-audit services policy which prohibits certain services and permits some subject to an independence assessment and ARTC[1] approval with a strong bias to minimise permitted advisory services.

1. From 1 July 2025 to 31 January 2026, the Audit Committee had oversight of these matters.

Shareholders and Disclosure

Shareholder Communications Approach

Respecting the rights of shareholders is fundamental to BlueScope. The Company recognises that shareholders must receive timely, relevant and high-quality information to enable them to exercise their rights.

BlueScope provides information to shareholders about its business and governance through the Our Company/Governance and Investors sections of its website. This includes a summary of the Company's approach to shareholder communications and the governance framework that supports it.

Investor Relations

The Company has an investor relations program designed to facilitate effective, two-way communication with shareholders and prospective investors, while supporting the Company's disclosure obligations. Key elements of the program include:

- releasing new and substantive investor or analyst presentation materials to the ASX ahead of those presentations;
- webcasting or recording significant events, including financial results briefings, investor presentations and the AGM, and maintaining archived recordings on BlueScope's website;
- providing access to executive and operational management through webcasts, the AGM, investor days and site visits;
- conducting one-on-one and small group meetings with investors and analysts, when requested and in compliance with applicable governance standards;
- responding to investor and analyst enquiries in a timely manner;
- providing a subscription email service for ASX announcements, a facility for shareholders to submit questions via the Company's website, and publishing investor relations contact details on ASX Releases and investor presentations; and
- making available business and financial information on the Company's website, including an extended financial and dispatch history.

Shareholder Involvement in AGMs

The Company has measures in place to facilitate shareholder participation at its AGMs. BlueScope's practice is to hold a hybrid AGM, enabling participation both in-person and online. Shareholders are able to ask questions during the AGM in person, by telephone and through the online portal. Voting occurs by proxy, in person or online. The Board encourages shareholders to attend meetings in person.

All resolutions at BlueScope's AGM are decided by way of a poll.

Communication and Engagement

Shareholders may elect to receive communications from, and send communications to, the Company and its share registry electronically. The Company also engages with retail shareholders through its webcasts and AGM, regular engagement with the Australian Shareholders' Association, and by responding promptly to enquiries directed to the investor relations team.

Continuous Disclosure

The Company is subject to continuous disclosure obligations under the ASX Listing Rules and Corporations Act. Subject to limited exceptions, the Company must immediately notify the market, through the ASX, of any information that a reasonable person would expect to have a material effect on the price or value of its securities. As part of its continuous disclosure responsibilities, the Company has established a Continuous Disclosure Policy and Guidelines to establish procedures aimed at ensuring the Company complies with the legal and regulatory requirements under the Corporations Act and ASX Listing Rules.

The Company Secretary, Virginia Porter, is responsible for communications with the ASX for the purposes of Listing Rule 12.6.

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

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

Recognise and Manage Risk

Risk and Risk Management

BlueScope's approach to risk management and a summary of BlueScope's material risks (including economic, climate change, environmental and social risks) are set out in the Risks and Risk Management section (including the Sustainability Report and other sections of the Annual Report referenced in the Risks and Risk Management section).

Each year, the Board assesses whether BlueScope's Risk Management Framework is sound and that BlueScope is operating with due regard to the risk appetite set by the Board. This was confirmed by the Board with respect to FY2026 following a consideration by the Board and ARTC.

Further information on BlueScope's approach to risk management can be found at the Governance section of BlueScope's website.

Internal Audit

BlueScope's Internal Audit function is separate from external audit, internally led and resourced, with supplemental resourcing provided by specialist third parties. Throughout the reporting period it reported to the Vice President Internal Audit. From 1 July 2026, internal audit forms part of BlueScope's integrated Assurance and Risk function. The head of internal audit[1,2] has at least a quarterly engagement with the Chair of the ARTC[3], and ARTC[3] members, without other management present.

Internal audit assists the Board and management to co-ordinate the broader assurance program and delivers a comprehensive audit program to provide additional comfort around significant risks, processes, systems and regulatory requirements in priority areas. The Board and management receive regular reports from internal audit on the control environment, opportunities for improvement and progress in addressing agreed actions. The ARTC[3] approves the Internal Audit Charter, the annual internal audit plan and resourcing and the appointment of the head of internal audit[2]. During FY2026, the ARTC[3] reviewed, and assessed the independence and effectiveness of, the internal audit function.

Remunerate Fairly and Responsibly

Board and People, Culture and Remuneration Committee Oversight

As outlined in the PCRC summary in the Board and Committees section, the Board has delegated responsibility to the PCRC[4] to oversee the Company's remuneration strategy and framework and assess their effectiveness, ensuring BlueScope is appropriately governed and that the framework aligns executives' behaviours and performance to grow shareholder value in line with BlueScope's Purpose, Bond and Strategy.

Remuneration

BlueScope is committed to fair, transparent and responsible remuneration practices that support the Company's long term strategic objectives and align the interests of its executives and Directors with the Company's shareholders.

Full details of the fees and remuneration paid to Non-executive Directors and Key Management Personnel (KMP), along with details of BlueScope's policies and practices for remunerating Directors and KMP can be found in BlueScope's Remuneration Report.

Details of BlueScope's Securities Trading Policy are set out on page 48.

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

1. During FY2026, this role was performed by the Vice President Internal Audit
2. From 1 July 2026, this role will be performed by the Head of Assurance and Risk.
3. From 1 July 2025 to 31 January 2026, the Audit Committee had oversight of these matters.
4. From 1 July 2025 to 31 January 2026, the Remuneration and Organisation Committee had oversight of these matters.

Section

04.

Directors' Report

Board of Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this Directors' Report, except as otherwise stated:

- Jane McAloon AM *(Chair)*
- Tania Archibald *(Managing Director and Chief Executive Officer)* (appointed 1 February 2026)
- Rebecca Dee-Bradbury
- Jennifer Lambert
- Kathleen Conlon
- K'Lynne Johnson
- ZhiQiang Zhang
- Alistair Field
- Cheri Phyfer (appointed 1 October 2025)
- John Nowlan (appointed 18 November 2025)
- Michael Morley (appointed 1 June 2026)
- Ewen Crouch AM (retired 18 November 2025)
- Peter Alexander (retired 18 November 2025)
- Mark Vassella (retired 31 January 2026)

Particulars of the skills, experience, expertise and special responsibilities of the Directors in office at the date of this report are set out in the Directors' Biographies and Board Skills and Experience parts of the Corporate Governance section of this Annual Report, and are incorporated by reference into, and form part of, this Directors' Report.

Company Secretaries

Virginia Porter
BA, LLB (Hons), MBA

Ms Porter was appointed as Chief Legal Officer on 3 February 2025 and Company Secretary on 22 April 2025. She has responsibility for Legal, Company Secretariat and Ethics & Compliance.

Prior to joining BlueScope, Ms Porter was a chief legal officer at National Australia Bank, where she worked for nine years. She has previously held senior legal, governance and investor relations roles across a number of industries, based in the US, UK and Australia.

Yasmine Gardner
LLB, BSc (Hons)

Ms Gardner was appointed as a Company Secretary on 19 August 2025.

Ms Gardner is an experienced corporate and commercial lawyer and has held senior legal roles at law firms in Australia and England and within BlueScope.

Directors' Interests

As at the date of this Directors' Report the relevant interests of the Directors in shares and options of the Company are:

Director	Ordinary shares	Share rights
J McAloon AM	22,457	-
T Archibald	201,567	154,822[1]
R Dee-Bradbury	27,300	-
J M Lambert	23,419	-
K Conlon	10,208	-
K Johnson	-	6,529[2]

Director	Ordinary shares	Share rights
Z Zhang	12,800	-
A Field	9,060	-
C Phyfer	-	-
J Nowlan	157,361	39,530[1]
M Morley	-	-

1. Unvested rights, subject to achieving performance hurdles.
2. Rights will remain as vested share rights until the exercise and allocation of shares, which occurs automatically at the end of the Trading Restriction Period (i.e. 12 years after the date the share rights are granted, or the date the Director ceases to be a Director of the Company, whichever occurs earlier, unless BlueScope determines otherwise).

Refer to the Remuneration Report for total shares and share rights held by Directors and/or their related parties.

Meetings of Directors

During the reporting period, the Board restructured its standing Board Committees, other than the Nomination Committee. Details of the changes are set out in the Board Committees part of the Corporate Governance section. Attendance of the Directors at Board and Board Committee meetings is set out below separately for the period before and after the committee restructure.

Attendance of the Directors at Board and Board Committee meetings from 1 July 2025 to 31 January 2026 is as follows:

	Board Meetings		Audit Committee		Remuneration and Organisation Committee		Health, Safety and Environment Committee		Nomination Committee		Risk and Sustainability Committee		Annual General Meeting	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
J McAloon AM	6	6	-	3[1]	6	6	-	3[1]	3	3	-	2	1	1
R Dee-Bradbury	6	6	-	1[1]	6	6	3	3	3	3	-	-	1	1
J Lambert	6	6	3	3	-	-	-	1[1]	3	3	2	2	1	1
K Conlon	6	6	3	3	6	5	-	-	3	3	-	-	1	1
Z Zhang	6	5	-	-	-	-	3	2	3	3	2	2	1	1
K Johnson	6	6	-	1[1]	6	6	3	3	3	3	-	-	1	1
A Field	6	5	3	3	-	-	-	1[1]	3	3	2	2	1	1
C Phyfer[2]	5	5	-	-	-	1[1]	-	1[1]	2	2	1	1	1	1
J Nowlan[2]	3	3	-	-	-	-	1	1	1	1	-	-	-	-
E Crouch AM[3]	4	4	3	3	-	1[1]	-	-	2	2	2	2	1	1
P Alexander[3]	4	4	-	1[1]	-	-	2	2	2	2	2	2	1	1
M Vassella[3]	6	6	-	3[1]	-	4[1]	-	3[1]	-	1[1]	-	2[1]	1	1

1. The Director is not a Committee member and attended pursuant to their standing invitation.
2. Ms Phyfer was appointed as Non-executive Director on 1 October 2025 and Mr Nowlan was appointed as a Non-executive Director on 18 November 2025.
3. Mr Crouch and Mr Alexander retired as Non-executive Directors at the close of the Annual General Meeting on 18 November 2025. Mr Vassella retired from the role of Managing Director and Chief Executive Officer on 31 January 2026.

A = Number of meetings held in the period 1 July 2025 to 31 January 2026, during which time the relevant Director was a member of the Board or the Committee.
B = Number of meetings attended by the relevant Director.

Attendance of the Directors at Board and Board Committee meetings from 1 February 2026 to 30 June 2026 is as follows:

	Board Meetings		Audit, Risk & Technology Committee		People, Culture & Remuneration Committee		Safety & Sustainability Committee		Nomination Committee	
	A	B	A	B	A	B	A	B	A	B
J McAloon AM	5	5	-	2[1]	2	2	-	2[1]	1	1
T Archibald	5	5	-	2[1]	-	2[1]	-	2[1]	-	1[1]
R Dee-Bradbury	5	5	-	1[1]	2	2	2	2	1	1
J Lambert	5	5	2	2	2	2	-	1[1]	1	1
K Conlon	5	5	2	2	2	2	-	1[1]	1	1
Z Zhang	5	5	-	1[1]	-	-	2	1	1	1
K Johnson	5	5	-	1[1]	2	2	2	2	1	1
A Field	5	5	2	2	-	-	2	2	1	1
C Phyfer	5	5	2	2	-	-	-	1[1]	1	1
J Nowlan	5	5	-	1[1]	-	-	2	2	1	1
M Morley[2]	1	1	-	-	-	-	1	1	-	-

1. The Director is not a Committee member and attended pursuant to their standing invitation.
2. Mr Morley was appointed as a Non-executive Director on 1 June 2026.

A = Number of meetings held in the period 1 February 2026 to 30 June 2026, during which time the relevant Director was a member of the Board or the Committee.
B = Number of meetings attended by the relevant Director.

From time to time the Board also establishes ad hoc committees to support the Board in carrying out its responsibilities. In FY2026 ad hoc committees were established to oversee specific matters, including a Special Committee which was established to oversee specific strategic matters.

Directors also meet regularly in the absence of management.

Other Matters

Review of Operations

A review of the Group's operations during the financial year and the results of those operations is set out in the FY2026 Earnings Report on pages 6-23 and FY2026 Sustainability Overview on pages 24-34 of this Annual Report, which are incorporated by reference into, and form part of, this Directors' Report.

Remuneration Report

The FY2026 Remuneration Report is set out on pages 59-86 of this Annual Report and is incorporated by reference into and forms part of, this Directors' Report.

Environmental Regulation

BlueScope's manufacturing operations are subject to significant environmental reporting obligations. In FY2026, BlueScope notified relevant authorities of 30 incidents resulting in environmental non-compliance (16 in Australia, five in New Zealand and nine in the US), which is similar to the level of FY2025 reportable environmental non-compliances. All the reported non-compliances were low severity, with no material environmental or health impacts. The operations continue to treat low level incidents seriously, focusing on opportunities to minimise the likelihood of re-occurrence.

The NSW Environment Protection Authority (EPA) issued Australian Steel Products two official cautions and one formal warning in FY2026. The two official cautions were in response to a dust emissions occurrence from the Port Kembla Steelworks Sinter Plant Room Dedusting Stack and a cooling tower water overflow at the Springhill Works Couple Pickled Cold Mill. The formal warning was in response to a loss of furnace cooling water from the Port Kembla Steelworks Hot Strip Mill.

In addition, BlueScope North America received four separate environment-related fines (totalling US$30,195) in FY2026, relating to (i) failure to meet hazardous waste closure requirements for the Media building at the Mansfield recycling facility, (ii) two reporting related violations at the Rancho Cucamonga facility, (iii) the 3-yearly testing of the paint line thermal oxidiser system at the Visalia facility failing to meet the required VOC destruction efficiency, and (iv) an exceedance of zinc limits for wastewater discharge at the Marietta facility.

No other environment related penalty infringement notices, fines or prosecutions were reported across BlueScope's operations in FY2026.

Indemnification and Insurance of Officers

The Company has entered into directors' and officers' insurance policies and paid an insurance premium in respect of the insurance policies, to the extent permitted by the *Corporations Act 2001*. The insurance policies cover former Directors of the Company along with the current Directors of the Company (listed on page 53). Executive officers and employees of the Company and its related bodies corporate are also covered.

In accordance with Rule 21 of its Constitution, the Company to the maximum extent permitted by law:

- must indemnify any current or former Director or Secretary; and
- may indemnify current or former executive officers,

of the Company or any of its subsidiaries, against all liabilities (and certain legal costs) incurred in those capacities to a person, including a liability incurred as a result of appointment or nomination by the Company or its subsidiaries as a trustee or as a Director, officer or employee of another corporation.

Current and previous Directors of the Company and a previous Chief Financial Officer, a previous Chief Legal Officer and Company Secretary, and a previous Company Secretary have entered into an Access, Insurance and Indemnity Deed (Deed) with the Company. The Deed addresses some or all of the matters set out in Rule 21 of the Constitution and includes, among other things, provisions requiring the Company to indemnify an officer to the extent to which they are not already indemnified as permitted under law, and to use its best endeavours to maintain an insurance policy covering the period while they are in office and seven years after ceasing to hold office. It is the Company's practice that its employees should be protected from any liability they incur as a result of acting in the course of their employment, while acting in good faith.

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability insurance contract, as (in accordance with normal commercial practice) such disclosure is prohibited under the terms of the contract.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

Proceedings on Behalf of BlueScope

As at the date of this Report, there are no leave applications or proceedings made in respect of BlueScope or that a person has brought or intervened in on behalf of BlueScope under section 237 of the *Corporations Act 2001*.

Matters Subsequent to the Year Ended 30 June 2026

Other than matters outlined elsewhere in the Directors' Report and the Financial Report, no matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

Rounding of Amounts

BlueScope is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2026/183*, dated 27 March 2026 and in accordance with that Corporations Instrument amounts in the Directors' Report are rounded off to the nearest hundred thousand dollars, unless otherwise indicated.

Auditor's Independence

Ernst & Young was appointed auditor for BlueScope at the 2002 Annual General Meeting.

Auditor Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included on page 58 within the Directors' Report for the year ended 30 June 2026.

Non-Audit Services

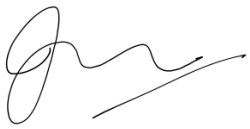
During the year Ernst & Young has performed other services in addition to their statutory duties.

Details of the amounts paid or payable to the auditor for non-audit services provided during the year are set out in note 32 to the consolidated financial statements.

The Directors have considered the non-audit services provided by Ernst & Young and, in accordance with written advice provided by resolution of the Audit, Risk and Technology Committee, are satisfied that the auditor's provision of those non-audit services is compatible with, and did not compromise, the general standard of independence for auditors imposed by the *Corporations Act 2001* for the following reasons:

- all non-audit services were reviewed and approved to ensure that they would not impact the integrity and objectivity of the auditor; and
- all of the non-audit services provided did not, and do not, undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

This report has been made in accordance with a resolution of the Directors.



Jane McAloon AM
Chair

Tania Archibald
Managing Director and Chief Executive Officer

17 August 2026

Shape the future with confidence

Ernst & Young
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Auditor's independence declaration to the directors of BlueScope Steel Limited

As lead auditor for the audit of the financial report of BlueScope Steel Limited and for the review of selective sustainability information in the Sustainability Report (Climate-related Disclosures) for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of *the Corporations Act 2001* in relation to the audit and review;

b. No contraventions of any applicable code of professional conduct in relation to the audit and review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit and review.

This declaration is in respect of BlueScope Steel Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Matthew A. Honey
Partner
17 August 2026

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Section

05.

Remuneration Report

Message from the Board

Fellow shareholders,

On behalf of the Board, we are pleased to present BlueScope's Remuneration Report for the financial year ended 30 June 2026.

FY2026 has been a defining year. We successfully managed our planned Managing Director and Chief Executive Officer (MD&CEO) transition, delivered our initial $200 million cost and productivity program, and neared the completion of our major capital investment program (now decisively shifting our business from investment to delivery of enhanced shareholder returns). Reaching these milestones was made possible by our portfolio of assets, which are built to perform through the cycle, and our capable leadership and skilled workforce.

Remuneration Framework

Our remuneration framework is designed to support safe and sustainable performance, and create long-term value for our shareholders through the cycle. We set fixed remuneration at or slightly above market median and incentive opportunities below market median, offset by the Long Term Incentive (LTI) (Alignment Rights) Plan which is designed to vest more often than a traditional LTI plan. Together, these elements broadly deliver realised pay that is aligned with the market median.

This year, as in previous years, we have relied on our established principles in calculating incentive outcomes. In applying these principles, capital employed is adjusted to add back impairments and to exclude capital spend on major projects until these are commissioned and operating. LTI ROIC is therefore measured on current operations while executives progress the projects that underpin future sustainable earnings and growth, and shareholder value creation. These principles are particularly important in a year where the $2.5bn major capital investment program, which included a once-in-twenty year large investment in relining the No.6 Blast Furnace, reached its peak. This approach is consistent with market practice in companies operating in capital intensive industries.

The remuneration framework continues to receive strong shareholder support.

Fixed Remuneration

In FY2026, Executive KMP fixed remuneration remained unchanged, except for Tania Archibald, whose remuneration was reset following her appointment as MD&CEO, considering her experience, the responsibilities of the role, and market benchmarks. The decision not to adjust fixed remuneration for other Executive KMP reflected a balanced assessment of market competitiveness, the operating environment and shareholder interests.

Short Term Incentive (STI) Awards

Managing employee and contractor safety is central to how BlueScope operates. Tragically, in November 2025, a contractor was fatally injured while working on the No.6 Blast Furnace Reline Project at the Port Kembla Steelworks. The incident remains under investigation by the regulator, and we are engaging fully with that process. In response to this fatality, the safety component of the STI scorecard was reduced to zero (reducing STI awards by 10 per cent) for all Executive KMP.

In addition, consistent with the established principles, the FY2026 Group and North America STI ROIC targets increased to account for the BCP impairment that occurred in 2025. As a result, the Executive KMP did not receive any monetary benefit from this impairment.

Regarding business performance, underlying EBIT was $1.27 billion which was materially higher than FY2025, on stronger US spreads, solid cost performance and growth in our value-added portfolio – including record despatches of COLORBOND® steel and TRUECORE® steel in Australia. During FY2026, we reset our operating model to sharpen accountability and efficiency delivering further benefits of at least $150 million in FY2027. We also accelerated strategic value realisation from our surplus land portfolio, with transactions executed across the year.

Considering this, the Board assessed Ms Archibald's performance against her Chief Executive, Australian Steel Products and MD&CEO STI scorecards for the relevant periods that she held these roles during FY2026, including the period when she was appointed MD&CEO Elect. Ms Archibald was awarded an STI payment of 70.3% of her prorated target STI opportunity (46.8% of her prorated maximum), prorated for her performance and remuneration across these roles.

Mark Vassella's performance was assessed against his MD&CEO STI scorecard and his performance while he was an advisor to Ms Archibald during FY2026. He was awarded an STI payment of 72.1% of his prorated target STI opportunity (48.1% of his prorated maximum).

FY2026 STI outcomes for other Executive KMP ranged from 54.0% to 114.1% of their target STI opportunities (36.0% to 76.1% of maximum), reflecting differentiated performance across the operating regions.

The Board considers these outcomes to reflect the differentiated performance of the Executive KMP while recognising the broader macroeconomic environment and industry cycle.

Long Term Incentive (LTI) (Alignment Rights) Vesting

LTI (Alignment Rights) are assessed at the end of the three-year performance period against return on invested capital (ROIC), balance sheet and behavioural performance conditions. The principle of excluding impairments and major capital investments in progress is consistently applied so that there are no unintended vesting outcomes for our Executive KMP.

The FY2023 LTI (Alignment Rights) were assessed at the end of the three-year performance period following 30 June 2025. Both performance conditions were met, and all eligible Executive KMP met the required behavioural and service conditions. Accordingly, the grant vested in September 2025.

Stronger than expected earnings late in the second half of FY2026 contributed to both 2024 LTI (Alignment Rights) performance conditions being met. Subject to Executive KMP meeting behavioural and service conditions, this grant will vest in September 2026.

The Board considers these outcomes to appropriately reflect management and BlueScope's performance through a significant investment period and to be aligned with the shareholder experience.

All Executive KMP continue to meet BlueScope's minimum shareholding requirements, reinforcing alignment between the experience of the Executive KMP and that of shareholders. See Section 9.3 for details.

MD&CEO Transition

On 31 January 2026, Mr Vassella stepped down as MD&CEO, following eight years in the role, and retired from BlueScope on 1 July 2026. On behalf of the Board, we thank him for his leadership and significant contribution over his tenure.

As announced on 5 November 2025, Ms Archibald was appointed as MD&CEO effective 1 February 2026. Her appointment provides continuity as the Company enters its next phase, reflecting the strength of our succession planning and the depth of BlueScope's leadership capability.

Board Fees and Shareholdings

In FY2026, Board Chair and base Board Member fees remained unchanged. New Board committees were established in February 2026, with fees set considering committee responsibilities and market benchmarks. These fees are detailed in Section 8 of this report.

All Non-executive Directors meet BlueScope's minimum shareholding requirements, except for Mr Morley (appointed 1 June 2026) and Ms Phyfer (appointed 1 October 2025). These Non-executive Directors, who are building their shareholdings, comply with the minimum shareholding policy, which provides five years from appointment to the Board to reach the minimum shareholding requirements.

Changes in FY2027

Effective 1 July 2026, our Australian and New Zealand businesses were brought together under the leadership of Robin Davies, as Chief Executive, Australia and New Zealand. His remuneration was reset considering the responsibilities of the role and market benchmarks.

The Chief Financial Officer, David Fallu, will receive a 3.0 per cent fixed remuneration increase in FY2027. No other Executive KMP are expected to receive an increase in FY2027.

Considering market benchmarks, the base Board Member fee will increase by 2.2 per cent in FY2027. This fee has not changed since October 2023. It is anticipated that the Board Chair and committee fees will remain unchanged in FY2027.

In Conclusion

Building on FY2026, BlueScope enters its next phase with a focus on disciplined execution, strengthening enterprise capability, embedding the benefits of its new operating model and delivering value from recent major investments.

The Board remains committed to BlueScope's remuneration framework which has proven to support sustainable performance, leadership accountability and long-term value creation across the cycle.

On behalf of the Board and the People, Culture and Remuneration Committee, we thank shareholders for their continued support and engagement.

As always, we welcome your feedback.

K'Lynne Johnson
Chair
People, Culture and Remuneration Committee

Jane McAloon AM
Chair
BlueScope Steel Limited

1. MD&CEO Transition

1.1 MD&CEO Appointment

Ms Archibald's appointment as MD&CEO was announced to the ASX on 5 November 2025 and became effective on 1 February 2026. Prior to 1 February 2026, she served as Chief Executive, Australian Steel Products and MD&CEO Elect.

Ms Archibald's annual Total Fixed Remuneration (TFR) of $1,850,000 as MD&CEO was set from 1 February 2026, considering her extensive experience within BlueScope and the steel industry, with reference to the median of BlueScope's Australian Peer Group (see Section 7.1 for details) and ASX 100 companies (top 100 ASX-listed organisations by market capitalisation) and considering internal relativities. Her TFR is approximately 8 per cent lower than the TFR paid to the prior MD&CEO, Mr Vassella.

Ms Archibald has an STI target opportunity of 45.0 per cent of TFR (with a maximum opportunity of 67.5 per cent of TFR) and an LTI maximum opportunity of 100.0 per cent of TFR. For FY2026, Ms Archibald's actual STI award (see Section 6.9 for details) and LTI (Alignment Rights) grant were calculated on a prorata basis, reflecting her remuneration and performance as Chief Executive, Australian Steel Products (including as MD&CEO Elect), and as MD&CEO. Ms Archibald elected to receive her entire FY2026 STI award in equity, resulting in only her TFR being paid in cash. She has also elected to receive her FY2027 STI award in equity.

1.2 MD&CEO Retirement

Mr Vassella stepped down as MD&CEO on 31 January 2026 and retired from BlueScope on 1 July 2026. From 1 February 2026 to 1 July 2026, Mr Vassella supported Ms Archibald's transition into the MD&CEO role and continued to advise on strategic projects. As Mr Vassella was employed for the full FY2026 period, he remained eligible to receive an FY2026 STI award.

A portion of Mr Vassella's unvested FY2024 (6%), FY2025 (39%) and FY2026 (72%) LTI (Alignment Rights) grants lapsed on cessation of his employment, calculated with reference to the relevant grant's requisite service period that elapsed on his cessation date. The remainder of his Alignment Rights remain on foot, subject to vesting conditions included in the original terms and conditions of his relevant grants, including performance.

In accordance with his contractual arrangements, Mr Vassella and BlueScope are required to provide 12 months' notice of cessation of employment. Mr Vassella received a payment in lieu of part of his notice period and accrued statutory leave entitlements (see Section 9.1 for details regarding these payments).

2. Remuneration at a Glance

2.1 Remuneration Summary for FY2026 and FY2027

The following table provides a snapshot of the current Key Management Personnel's (KMP) remuneration arrangements and incentive outcomes for FY2026. It also provides a view of their anticipated remuneration arrangements for FY2027.

	FY2026			FY2027	
MD&CEO remuneration					
TFR[1]	$1,850,000 (From 1 February 2026)			$1,850,000 (No change anticipated)	
STI	**Target opportunity**	**Maximum opportunity**	**Actual FY2026 award**	**Target opportunity**	**Maximum opportunity**
	$832,500 (45.0% of TFR)	$1,248,750 (67.5% of TFR)	$399,883 (21.6% of TFR[2])	$832,500 (45.0% of TFR)	$1,248,750 (67.5% of TFR)
	Ms Archibald's STI award was calculated on a prorata basis, considering the remuneration and portions of FY2026 she spent as the Chief Executive, Australian Steel Products (including as MD&CEO Elect), and as MD&CEO. Ms Archibald elected to receive 100 per cent of her FY2026 STI award in Share Rights, which are subject to malus and clawback provisions.			Ms Archibald has elected to receive 100 per cent of her FY2027 STI award in share rights, which are subject to malus and clawback provisions.	
LTI	**Maximum opportunity**	**Value of FY2023 LTI (Alignment Rights) grant vesting**[3]		**Maximum opportunity**	
	$1,850,000 (100.0% of TFR)	$935,413 (50.6% of TFR[2])		$1,850,000 (100.0% of TFR)	
Other Executive KMP					
TFR	**Average TFR as at 30 June 2026**[4]			**Average TFR as at 1 September 2026**	
	$951,186			$1,072,481	
	There were no changes to other Executive KMP TFR during FY2026.			Mr Davies' TFR increased to $1,150,000 on 1 July 2026 when he was appointed Chief Executive, Australia and New Zealand. Mr Fallu will receive a 3.0 per cent TFR increase. It is anticipated that no other Executive KMP will receive a TFR increase in FY2027.	
STI	**Average target opportunity**[4]	**Average maximum opportunity**[4]	**Average actual FY2026 award**[4]	**Average target opportunity**[5]	**Average maximum opportunity**[5]
	$332,915 (35.0% of TFR)	$499,373 (52.5% of TFR)	$322,529 (33.9% of average TFR)	$375,368 (35.0% of TFR)	$563,052 (52.5% of TFR)
LTI	**Average maximum opportunity**[4]	**Average FY2023 LTI (Alignment Rights) grant vesting**[3,4]		**Average maximum opportunity**[5]	
	$618,271 (65.0% of TFR)	$722,888 (76.0% of average TFR)		$697,112 (65.0% of TFR)	
	As the share price on the grant date (15 December 2022) was $17.68 and the share price on the vesting date (2 September 2025) was $22.96, the value of the FY2023 grant that vested was higher than the maximum opportunity on the grant date.				
Non-executive Director fees					
Board and Board Committee fees	Board Chair and base Board Member fees remained unchanged. From 1 February 2026, the existing Board committees were dissolved, and new Board committees were established. New fees were set, based on responsibilities and market benchmarks. See Section 8 for details.			It is not anticipated that the Board Chair fee and committee fees will change in FY2027. The base Board Member fee will increase by 2.2 per cent, effective from 1 September 2026. This fee was last increased in October 2023.	

1. TFR includes base salary and mandatory superannuation contributions.
2. The STI target and maximum opportunities and the LTI vesting value are expressed as a percentage of the MD&CEO's current TFR (i.e. $1,850,000).
3. The FY2023 LTI (Alignment Rights) grant was tested following 30 June 2025 with 100 per cent of the grant vesting. The value of the grant that vested has been calculated using the BlueScope share price of $22.96 at the date of vesting (being 2 September 2025). Alignment Rights are subject to malus and clawback provisions.
4. Mr Zhang's and Mr Davies' TFR levels, and STI and LTI opportunities were converted using an average exchange rate of 1 AUD: 0.87 SGD and 1 AUD: 1.16 NZD respectively.
5. Due to Mr Davies' and Mr Fallu's TFR increases in FY2027, the average target and maximum STI opportunities, and maximum LTI opportunity will increase in value.

2.2 BlueScope's Approach to Remuneration and Link to Performance

BlueScope's remuneration framework is designed to drive sustainable performance and long-term value creation for its shareholders across all phases of the industry cycle, while being cost effective and valued by our highly experienced Executive KMP. It seeks to:

- reward consistent strong financial performance, including investment returns, and balance sheet health over the long term.
- reward for non-financial performance that is important for BlueScope, including:
  - promoting a safe and healthy work environment, so that employees have the tools and support to do their work without harm.
  - reducing our environmental impact and investing in new technologies that create a sustainable and responsible business.
  - fostering a diverse[1] and inclusive work environment where everyone is remunerated fairly for what they do.
  - executing on strategic initiatives like business growth and transformation, and enhancing manufacturing capabilities.
  - growing the business organically and inorganically in a thoughtful and sustainable manner.
- fairly and transparently reward Executive KMP for performance that they are able to influence, independent of macroeconomic impacts.
- align Executive KMP and shareholder interests through equity ownership and minimum shareholding requirements.

Executive KMP TFR is set at or slightly above the market median, with STI and LTI opportunities set below market median. This is balanced by the LTI (Alignment Rights) Plan which is designed to vest more often than a traditional LTI plan, resulting in realised pay that is broadly aligned with market median.

The LTI (Alignment Rights) Plan performance hurdles are set in line with the median performance of BlueScope's steel industry peers, at threshold levels representing the minimum performance expectations that deliver shareholder returns across the industry cycle, and broadly in line with BlueScope's weighted average cost of capital over the long term. A cliff vesting approach limits Executive KMP being rewarded for macroeconomic-driven windfalls that are beyond their level of influence, and shareholders' interests are protected during the low points in the industry cycle.

For more information on the Remuneration Framework, refer to Section 5.1

2.3 Paying Competitively at BlueScope

BlueScope operates across Australia, New Zealand, Asia and North America. Competitive and equitable remuneration is essential to attracting, motivating and retaining the global talent required to deliver on our strategy.

So that our reward practices remain fit for purpose in a dynamic and highly competitive global talent market, we apply a disciplined and data-driven approach. This includes benchmarking our Executive KMP remuneration against comparable positions in companies of similar scale, complexity and geographic reach with a focus on companies that compete with BlueScope for leadership talent. We consider factors such as role responsibilities, location, skills, qualifications and experience. We also conduct annual performance reviews and apply rigorous governance processes to drive accountability and alignment with shareholder expectations. For more information on BlueScope's remuneration philosophy, refer to Section 5 and Section 7.1 for peer group company details.

1. When we talk about a diverse work environment, or diversity at BlueScope, we are referring to all the ways that our people are unique - our backgrounds, experiences, skills, personal identities and viewpoints. Diversity is about welcoming and respecting these differences including in thought, approach, ability and knowledge, and reflecting the values outlined in Our Bond.

3. Our Key Management Personnel

This Remuneration Report (including the prior sections) has been prepared in accordance with the requirements of Section 300A of the Corporations Act 2001 for the Company and its consolidated entities ('BlueScope' or 'Group') for the year ended 30 June 2026. The information provided in this Remuneration Report has been audited as required by Section 308(3C) of the Corporations Act 2001. This Remuneration Report forms part of the Directors' Report.

Name	Position	Location	Term
Executive KMP			
Tania Archibald	MD&CEO	Australia	From 1 February 2026
	Chief Executive, Australian Steel Products		1 July 2025 – 31 January 2026
Robin Davies	Chief Executive, New Zealand and Pacific Islands	New Zealand	Full year
David Fallu	Chief Financial Officer	Australia	Full year
Kristie Keast	Chief Executive, North America	United States of America	Full year
Connell Zhang	Chief Executive, NS BlueScope and China	Singapore	Full year
Former Executive KMP			
Mark Vassella[1]	MD&CEO	Australia	1 July 2025 – 31 January 2026
Non-executive Directors			
Jane McAloon AM	Board Chair	Australia	Full year
Rebecca Dee-Bradbury	Non-executive Director	Australia	Full year
Kathleen Conlon	Non-executive Director	Australia	Full year
Alistair Field	Non-executive Director	Australia	Full year
K'Lynne Johnson	Non-executive Director	United States of America	Full year
Jennifer Lambert	Non-executive Director	Australia	Full year
Michael Morley	Non-executive Director	Australia	From 1 June 2026
John Nowlan[2]	Non-executive Director	Australia	From 18 November 2025
Cheri Phyfer	Non-executive Director	United States of America	From 1 October 2025
ZhiQiang Zhang	Non-executive Director	China	Full year
Former Non-executive Directors			
Peter Alexander	Non-executive Director	United States of America	Until 18 November 2025
Ewen Crouch AM	Non-executive Director	Australia	Until 18 November 2025

1. Mr Vassella's retirement date was 1 July 2026. Payments made on his cessation of employment are detailed in Section 9.
2. After retiring from the Executive Leadership Team, effective 30 September 2025, Mr Nowlan was elected to the Board as a Non-executive Director on 18 November 2025 at the 2025 Annual General Meeting.

4. Remuneration Governance

The People, Culture and Remuneration Committee advises the Board on the Group's remuneration policies, framework and practices.

4.1 People, Culture and Remuneration Committee Responsibilities

The PCRC helps align BlueScope's people and remuneration strategies with the Group's strategic objectives, risk profile, regulatory obligations, shareholder interests, and market developments. Its core responsibilities are:

- overseeing executive remuneration policies, incentive and governance frameworks, and recommending changes to the Board.
- recommending and approving market-competitive and cost-effective remuneration arrangements.
- recommending and approving executive incentive outcomes, aligned with BlueScope's results, behavioural expectations, and shareholder value creation.
- exercising discretion to adjust remuneration outcomes based on business performance, risk, other internal and external factors and governance considerations, where appropriate.
- overseeing the Group's people strategies, policies and management frameworks, including executive performance, development and succession frameworks.
- overseeing organisational culture and employee engagement frameworks.
- overseeing serious employee conduct matters.
- monitoring inclusion and diversity, and human rights frameworks and performance.

For further details, refer to the Corporate Governance Statement found in Section 3 of the FY2026 Annual Report.

4.2 Board Discretion, Risk and Other Adjustments

To align incentive outcomes with BlueScope's financial performance, risk appetite and compliance with regulatory and governance standards, the PCRC works closely with the ARTC, and the Chair of the ARTC is also a member of the PCRC. The Chair of the ARTC provides a financial, risk and compliance update to the PCRC before Executive KMP incentive decisions are made.

The PCRC retains discretion to adjust Executive KMP incentive outcomes to align with Group and individual performance, accountability and shareholder expectations, including considerations relating to compliance, reputation and other matters. Adjustments may include reducing current or future incentive awards or applying malus or clawback provisions in cases of financial misstatement, misconduct or reputational harm. Where an investigation may result in forfeiture, malus or clawback, cash payments or the vesting and release of equity may be deferred pending the completion of the investigation.

During FY2026, the Board did not exercise discretion to adjust remuneration outcomes or apply malus or clawback provisions.

4.3 External Advisers

The PCRC may seek expert external advice to support its duties. No remuneration recommendations by external advisors, as defined under the Corporations Act 2001 (Cth), were provided in relation to KMP remuneration during FY2026.

4.4 Securities Trading Policy

BlueScope's Securities Trading Policy governs how employees and Directors may deal in the Company's securities.

Under the Policy, and as required by law, all Directors and employees are prohibited from trading in BlueScope shares at any time if they are aware of market sensitive information that has not been made public. The Policy restricts trading in BlueScope securities during non-trading periods and when in possession of market-sensitive information. Additional controls apply to Directors and other designated individuals. The Policy also prohibits transactions that hedge the economic risk of unvested equity awards, reinforcing long-term alignment with shareholder outcomes. For further details, refer to the Corporate Ethical Standards in the Corporate Governance section of the FY2026 Annual Report.

BlueScope's Securities Trading Policy is available at www.bluescope.com/investor-resource-library.

4.5 Our Bond and our Code of Conduct

Our Bond and our Code of Conduct, 'How We Work', set clear expectations for ethical and professional conduct. They reinforce our values, guide behaviour, and underpin our remuneration framework. Adherence to Our Bond and our Code of Conduct is a prerequisite for payments and equity vesting under all incentive plans and reflects our commitment to integrity, accountability, and responsible leadership.

In FY2026, the Board (for the MD&CEO) and the MD&CEO (for other Executive KMP), together with the PCRC, rigorously assessed Executive KMP behaviours and conduct against Our Bond and our Code of Conduct. All Executive KMP were assessed as having conducted themselves consistently with these standards.

BlueScope's Code of Conduct Policy 'How We Work' is available on BlueScope's website.

5. Remuneration Overview

5.1 Remuneration Framework and Principles

Our remuneration objective and principles guide the design of our remuneration framework. Our remuneration framework is structured to attract and retain capable and experienced people to support the delivery of BlueScope's strategy and value to our shareholders.

Objective	To pay fairly for delivering on our strategy, and to create value over time in the eyes of internal and external stakeholders.				
Principles	**Owners** Encourages our people to behave like owners	**Strategy** Enables the delivery of BlueScope's strategy	**Retention** Retains top talent and skills	**Fair** Feels fair over the industry cycle for all stakeholders	**Simple** Easily explained

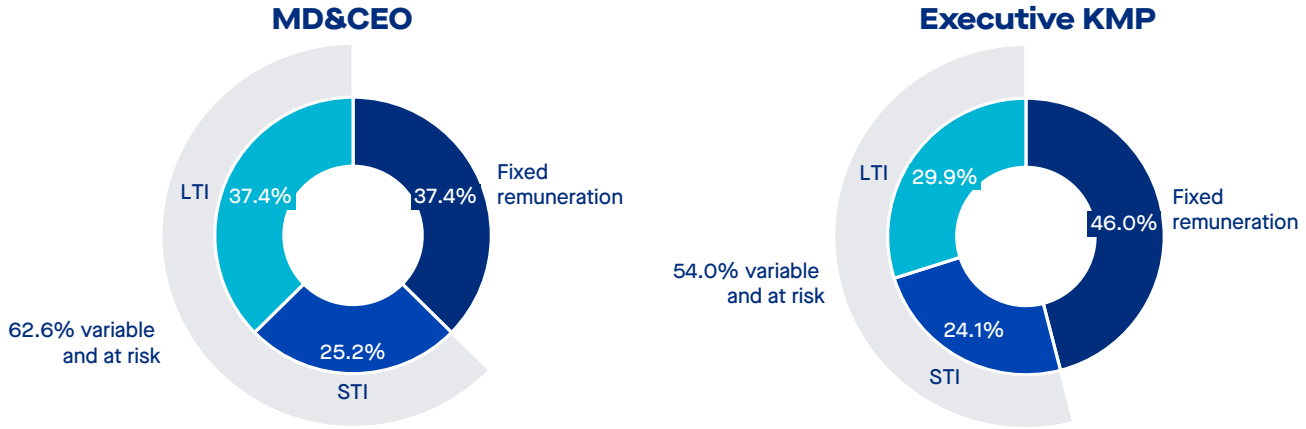
5.2 Executive KMP Remuneration Approach

		Element	Description	Measures and Timeframe	Link to Strategy and Shareholder Alignment
FIXED		**Fixed remuneration**	**Cash** - base salary, salary sacrificed benefits and superannuation/pension. Set at or slightly above the market median. Compensates for role responsibilities, skills and experience.	N/A	✔ Attraction and retention of skilled and experienced Executive KMP. ✔ Market competitive and fair over the industry cycle for all stakeholders.
PERFORMANCE BASED REMUNERATION	1 YEAR	**STI**	**Annual cash incentive** - based on the achievement of key Group, business unit and individual performance targets, linked to the Group's strategic priorities. Target and maximum opportunity set below the market median.[3] Executive KMP may elect to take all or 50 per cent of their potential STI payment in equity.	**Values gateway:** • Executive KMP must behave in line with Our Bond and Code of Conduct. **Objectives:** • 50 per cent financial[1]. • 10 per cent safety. • 15 per cent environment, social and governance (ESG). • 25 per cent strategic.	✔ Rewards for the achievement of strategic priorities. ✔ Fosters sustainable, responsible performance and growth, enhancing long-term shareholder value. ✔ Retains high-performing and experienced Executive KMP who are essential to executing strategy and delivering shareholder returns.
PERFORMANCE BASED REMUNERATION	3 YEARS	**Long Term Incentive (LTI)**	**Long-term equity (Alignment Rights) grant** - vesting based on the achievement of balance sheet and return-based measures. Opportunity is set below the market median, offset by the increased likelihood of vesting.[3]	**Values gateway** • Executive KMP must behave in line with Our Bond and Code of Conduct. **Performance conditions:** • Minimum 10 per cent rolling three-year average LTI ROIC[2]. • Average net debt to EBITDA ratio of less than 1.3x over three years. **Service condition:** • Executive KMP must remain employed up to and including the vesting date (subject to limited exceptions).	✔ Aligns with shareholders' interests through Executive KMP equity ownership. ✔ Drives long–term performance, growth and value creation. ✔ Encourages our Executive KMP to behave like owners.

1. Financial STI targets reflect asset impairments and major capital investments in progress, to ensure there are no unintended payments to Executive KMP.
2. The three-year average ROIC measure used to determine LTI vesting (LTI ROIC) is calculated by adjusting capital employed to add back impairments and to exclude capital spend on major projects until these are commissioned and operating. LTI ROIC is therefore measured on current operations while executives progress the projects that underpin future sustainable earnings and growth, and shareholder value creation.
3. The current Executive remuneration structure was set in 2018, when STI and LTI opportunities were reduced in value, offset by the current LTI (Alignment Rights) structure which has an increased likelihood of vesting through the industry cycle.

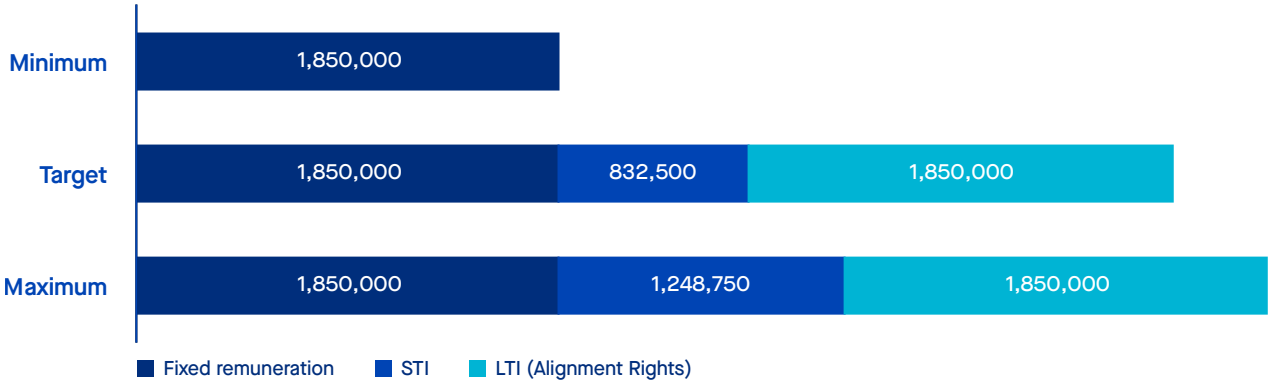
5.3 Executive KMP Remuneration Mix

The following graphs show the MD&CEO and other Executive KMP pay mixes at maximum opportunity. The actual STI payments and LTI (Alignment Rights) grants that may vest are subject to performance against pre-determined targets and may differ to what has been shown in the graphs. The significant weighting towards at-risk variable remuneration and equity, combined with the minimum shareholding requirements, means Executive KMP are encouraged to act like owners, and their remuneration outcomes are directly aligned with the shareholder experience.



5.4 Range of Possible Remuneration Outcomes

The diagram below illustrates the range of possible remuneration outcomes for the MD&CEO. As actual business and individual performance over the performance period determines reward outcomes, the total remuneration received by Executive KMP each year will vary. Actual remuneration outcomes can also vary, depending on BlueScope's share price, from what is depicted below.



Under the **Minimum** scenario, no STI is paid and no LTI Alignment Rights vest. The MD&CEO would only receive their TFR.

Under the **Target** scenario, STI is paid out at target levels (i.e. 45 per cent of TFR) and LTI Alignment Rights vest in full (vesting value assumes no share price movement between the grant date and vesting date).

Under the **Maximum** scenario, STI is paid out at stretch levels, resulting in a maximum STI award of 67.5 per cent of TFR and the LTI Alignment Rights vest in full (vesting value assumes no share price movement between the grant date and vesting date).

6. Group Performance and Reward Outcomes

6.1 Summary of BlueScope's Performance

A snapshot of BlueScope's performance for the past five financial years is set out below.

The three-year average ROIC measure used to determine LTI vesting (LTI ROIC) is calculated by adjusting capital employed to add back impairments and to exclude capital spend on major projects until these are commissioned and operating, in accordance with established principles. LTI ROIC is therefore measured on current operations while executives progress the projects that underpin future sustainable earnings and growth, and shareholder value creation. This approach (first flagged in the FY2019 Remuneration Report to exclude the North Star expansion project) has been applied consistently each year.

LTI ROIC has historically been higher than headline underlying ROIC (Underlying ROIC), and the three-year average for both have exceeded the 10 per cent LTI vesting threshold since the remuneration framework was introduced in 2018. As such only Underlying ROIC has been disclosed in prior Remuneration Reports. For the FY2024 LTI (Alignment Rights) grant, the Underlying ROIC result was below the 10 per cent LTI vesting threshold while the LTI ROIC remained above 10 per cent. Consequently, from this year's Remuneration Report onwards, BlueScope will disclose both measures to provide more clarity and transparency regarding the link between ROIC performance and LTI vesting outcomes.

	FY2022	FY2023	FY2024	FY2025	FY2026
Underlying NPAT ($M)	2,701	1,099	861	421	851
Underlying EBIT ($M)	3,787	1,608	1,339	738	1,273
Share price at beginning of period ($)[1]	21.96	15.90	20.55	20.43	23.11
Share price at end of period ($)[1]	15.90	20.55	20.43	23.11	31.87
Dividends per ordinary share (cents)	50	50	55	60	300[2]
Buy-backs ($M)[3]	650.6	272.3	323.3	29.9	12.5
Reported earnings per share (cents)	571.5	217.4	180.0	19.1	183.0
Underlying EBIT ROIC	41.6%	14.6%	11.9%	6.2%	10.7%
Annual total shareholder return (TSR)[4]	(25.2%)	32.9%	1.8%	16.1%	48.1%
MD&CEO STI award (% of maximum)	82.0%	88.9%	66.2%	38.6%	46.8%
3-year total shareholder return[4]	39.0% (FY20 - FY22)	90.0% (FY21 - FY23)	1.7% (FY22 - FY24)	56.9% (FY23 - FY25)	74.5% (FY24 - FY26)
3-year average underlying ROIC	24.7% (FY20 - FY22)	27.0% (FY21 - FY23)	22.7% (FY22 - FY24)	10.9% (FY23 - FY25)	9.6% (FY24 - FY26)
3-year average LTI ROIC	26.8% (FY20 - FY22)	29.5% (FY21 - FY23)	24.7% (FY22 - FY24)	11.6% (FY23 - FY25)	10.2% (FY24 - FY26)
LTI (Alignment Rights) award vesting (performance period)	✔ (FY20 - FY22)	✔ (FY21 - FY23)	✔ (FY22 - FY24)	✔ (FY23 - FY25)	✔ (FY24 - FY26)

1. Not adjusted for dividend and/or capital gain distributions.
2. FY2026 dividends announced include interim dividend (65 cents), final dividend (65 cents) and special dividend (100 cents & 70 cents).
3. Value of shares purchased during period.
4. TSR is calculated as the share price at the end of the period multiplied by the Cumulative Dividend Factor divided by the share price at the beginning of period and assumes that dividends are reinvested on the payment date.

6.2 Executive KMP Behavioural Assessment

At the end of FY2026, the Board rigorously and formally assessed the MD&CEO's behaviours and conduct against Our Bond and Code of Conduct, while the MD&CEO assessed each Executive KMP against the same criteria. The Board and the MD&CEO were satisfied that the behaviours and conduct of the MD&CEO and Executive KMP, respectively, were consistent with BlueScope's expectations.

6.3 STI Scorecard Outcomes

The FY2026 Group (MD&CEO) STI scorecard was weighted equally between financial and non-financial measures, aligned to BlueScope's strategy. Non-financial measures included safety (10 per cent, with a "no fatalities" gateway), ESG (15 per cent) and strategy (25 per cent). Executive KMP STI scorecards were set with reference to the Group (MD&CEO) STI scorecard, reflecting the same categories and similar weightings, balanced between Group and business unit objectives.

Managing employee and contractor safety is central to how BlueScope operates. Tragically, in November 2025, a contractor was fatally injured while working on the No.6 Blast Furnace Reline Project at the Port Kembla Steelworks. The incident remains under investigation by the regulator, and we are engaging fully with that process. In response to this fatality, the safety component of the STI scorecard was reduced to zero (reducing STI awards by 10 per cent) for all Executive KMP.

Ms Archibald's FY2026 STI award was calculated based on two scorecards: her FY2026 Chief Executive, Australian Steel Products and her FY2026 Group (MD&CEO) STI scorecards and her remuneration and STI opportunities for the periods she served in these roles (including as MD&CEO Elect), on a prorata basis. The Board's assessment of Ms Archibald's performance resulted in an STI award of 70.3 per cent of her prorated STI target opportunity (46.8 per cent of her prorated maximum STI opportunity),

Mr Vassella's FY2026 STI award reflects his time as MD&CEO and as an advisor to Ms Archibald. The Board's assessment of Mr Vassella's performance resulted in a prorated STI award of 72.1 per cent of his STI target opportunity (48.1 per cent of his maximum STI opportunity).

Other Executive KMP STI awards ranged from 54.0 to 114.1 per cent of their target STI opportunities (36.0 to 76.1 per cent of maximum), reflecting differentiated performance across the businesses.

6.4 FY2026 MD&CEO STI Scorecard

Ms Archibald's performance was assessed against the following MD&CEO STI scorecard while she occupied the role of MD&CEO Elect and MD&CEO during FY2026. Mr Vassella was assessed against the same scorecard for the period he occupied the role during FY2026.

Measure	Target weighting	Performance targets Threshold- target - stretch	FY2026 outcome M. Vassella	T. Archibald	Commentary
Group financial	**50.0%**		**31.3%**		
Underlying ROIC[1,2] Drive earnings growth and returns on capital invested.	35.0%	8.4% 11.3% 14.1%	31.3%		Group underlying ROIC of 10.7%, mainly driven by higher steel prices and spreads in the US, partly offset by the impact of lower margins in Australia.
Free cash flow Maximise free cash flow from operations.	15.0%	$732M $915M $1,098M	0.0%		Free cash flow from operations of **$613M**. Higher than in FY2025, on higher earnings partly offset by higher capital expenditure.
Safety ("no fatalities" gateway)	**10.0%**		0.0%		The "no fatalities" gateway was not passed, resulting in no payment for this component
Group TRIFR Operate a safe work environment.	5.0%	8.0 7.0 6.6	0.0%		The TRIFR result of **8.5** did not meet threshold.
HSE risk control improvement projects[3] Implement risk controls for a safe and sustainable work environment.	5.0%	95% 100% 100% + TRIFR <=6.6	0.0%		Good progress made in the year with **98%** of the **186** committed risk control improvement projects completed.
Environmental, Social & Governance	**15.0%**		**10.0%**		
Reduction in Group steelmaking Scope 1 & 2 GHG emissions intensity from 2018 baseline	5.0%	14.1% 16.0% 17.0%	4.6%		Achieved **15.7%**[4] reduction. The change from FY2025 was largely driven by a relative increase in the contribution of raw steel tonnes produced from North Star and operational efficiency improvement at Port Kembla.
Reduction in Group non-steelmaking GHG emissions intensity from 2018 baseline	5.0%	13.0% 16.0% 20.0%	2.7%		Emissions intensity has reduced by approximately **13.3%**[4] since FY2018, largely impacted by reduced despatch volumes relative to the baseline year.
Gender diversity in recruitment[5]	5.0%	35% 40% 43%	2.7%		Achieved **35.3%** gender diversity in recruitment across all roles.

Measure	Target weighting	Performance targets Threshold- target - stretch	FY2026 outcome M. Vassella	FY2026 outcome T. Archibald	Commentary
Individual strategic	**25.0%**		**35.0%**	**n/a**	
Delivery of strategic objectives	5.0%	Deliver to plan	5.0%	n/a	Strategic objectives delivered in line with plan.
Progress organic growth opportunities	5.0%	Deliver to plan	5.0%	n/a	Opportunities progressed in line with plan, including the Metal Coating Line 7 and Plate Mill upgrade in Australia, and the New Zealand Electric Arc Furnace.
Long-term inorganic growth opportunities	5.0%	Deliver to plan	5.0%	n/a	Opportunities assessed with progression of key opportunities.
Group cost and productivity improvements	5.0%	Deliver to plan	10.0%	n/a	Delivered cost and productivity savings in excess of stretch target.
Leadership succession	5.0%	Deliver to plan	10.0%	n/a	MD&CEO transition executed well with strong investor support.
Individual strategic	**25.0%**		**n/a**	**32.5%**	
Reset and progress organisation strategy	5.0%	Deliver to plan	n/a	2.5%	Strategy reset and progressing, following MD&CEO transition.
Long-term inorganic growth opportunities	5.0%	Deliver to plan	n/a	5.0%	Opportunities assessed with progression of key opportunities.
Reset Group operating model	5.0%	Deliver to plan	n/a	10.0%	Operating model reset to sharpen accountability and efficiency, delivering benefits in excess of stretch target.
Optimise and realise the value from assets	5.0%	Deliver to plan	n/a	10.0%	Initiatives being executed ahead of plan.
Drive leadership effectiveness	5.0%	Deliver to plan	n/a	5.0%	Leadership effectiveness metrics defined and being monitored.
Total (% of target) for the MD&CEO period	**100.0%**		**76.3%**	**73.8%**	
Total (% of maximum) for the MD&CEO period			**50.9%**	**49.2%**	

1. For FY2026, the Group STI ROIC threshold, target and stretch performance targets increased to reflect the BCP impairment that occurred in 2025. As a result, the MD&CEO did not receive any STI benefit from this impairment.
2. For FY2026, the Group STI ROIC threshold, target and stretch performance targets accounted for major capital investments in progress. As such, no exclusions to the ROIC result were necessary for these investments (i.e. both the targets and results accounted for the investments).
3. The HSE risk control improvement project target has been updated from 188 projects, disclosed in the 1H FY2026 results material, to 186 projects to reflect changes in project feasibility due to a site closure and global logistics disruptions.
4. FY2026 GHG emissions intensity data is available in the Sustainability Overview Section 2 of the FY2026 Annual Report.
5. When we talk about a diverse work environment, or diversity at BlueScope, we are referring to all the ways that our people are unique - our backgrounds, experiences, skills, personal identities and viewpoints. Diversity is about welcoming and respecting these differences including in thought, approach, ability and knowledge, and reflecting the values outlined in Our Bond.

6.5 Executive KMP STI Scorecards

Executive KMP, including Ms Archibald for the period she served as Chief Executive, Australian Steel Products, were assessed against the following STI scorecard in FY2026.

Measure	Target Weighting	Performance Targets Threshold- target - stretch	FY2026 Outcome	Commentary
Group financial	**25%-50%**		**15.6% - 31.3%**	
Underlying ROIC[1,2]	17.5%-35%	8.4% 11.3% 14.1%	15.6%-31.3%	See section 6.4.
Free cash flow	7.5%-15%	$732M $915M $1,098M	0.0%	See section 6.4.
Business unit financial	**0%-25%**		**0.0% -41.1%**	
Underlying ROIC[2]	0%-17.5%	Threshold Target Stretch	0.0%-26.1%	Performance ranged from below threshold to between target and stretch.
Free cash flow from operations	0%-7.5%	Threshold Target Stretch	0.0%-15.0%	Performance ranged from below threshold to stretch.
Safety (gateway of no fatalities)	**10%**		**0.0%**	See section 6.4
Group TRIFR	5%	<=8.0 7.0 <=6.6	0.0%	See section 6.4.
HSE Risk Control Improvement Projects Completed[3]	5%	95% 100% 100% +TRIFR <=6.6	0.0%	See section 6.4.
Environment, social & governance	**10% - 15%**		**7.4% - 17.4%**	
Reduction in Group steelmaking Scope 1 & 2 GHG emissions intensity from 2018 baseline	5%	14.1% 16.0% 17.0%	4.6%	See section 6.4.
Reduction in Group non-steelmaking GHG emissions intensity from 2018 baseline	0%-5%	13.0% 16.0% 20.0%	0.0% - 2.7%	See section 6.4.
Business Unit Climate Objective	0%-5%	Threshold Target Stretch	0.0% - 10.0%	Delivery of business unit-specific ESG targets ahead of plan.
Gender diversity[4]	0%-5%	35% 40% 43%	0.0%-10.0%	Business units continued to make good progress on recruitment as a key enabler to achieve our goal of reflecting the communities in which we operate.
Individual strategic objectives	**25%-30%**	Threshold Target Stretch	**31.0% - 50.0%**	
Total (% of target)	**100%**		**54.0% - 114.1%**	
Total (% of maximum)			**36.0% - 76.1%**	

1. For FY2026, the Group and North American STI ROIC threshold, target and stretch performance targets increased to reflect the BCP impairment that occurred in 2025. As a result, Executive KMP did not receive any STI benefit from this impairment.
2. For FY2026, the Group STI ROIC threshold, target and stretch performance targets accounted for major capital investments in progress. As such, no exclusions to the ROIC result were necessary for these investments (i.e. both the targets and results accounted for the investments).
3. The HSE risk control improvement project target has been updated from 188 projects, disclosed in the 1H FY2026 results material, to 186 projects to reflect changes in project feasibility due to a site closure and global logistics disruptions.
4. The Gender Diversity measure does not apply to Ms Keast as Chief Executive, North America, as she is based in the United States and the collection and reporting of gender-related employee data is subject to local legislative prohibitions.

6.6 STI Outcomes

The FY2026 STI scorecard outcomes resulted in the individual STI awards for the MD&CEO and Executive KMP shown below.

		STI Maximum	% of maximum STI achieved	% of maximum forfeited	Value of cash STI	Value of equity STI[1,2]	Award as % of fixed pay
Name		**($)**	**%**	**%**	**($)**	**($)**	**%**
Ms Archibald[3]	**FY2026**	**853,543**	**46.8%**	**53.2%**	**-**	**540,165**	**29.2%**
	FY2025	577,817	62.0%	38.0%	358,089	-	32.5%
Mr Davies	**FY2026**	**364,443**	**36.0%**	**64.0%**	**131,193**	**-**	**18.9%**
	FY2025	385,683	38.0%	62.0%	146,745	-	20.0%
Mr Fallu	**FY2026**	**513,713**	**65.7%**	**34.3%**	**337,473**	**-**	**34.5%**
	FY2025	513,713	59.2%	40.8%	-	319,125	31.1%
Ms Keast	**FY2026**	**557,504**	**76.1%**	**23.9%**	**424,081**	**-**	**39.9%**
	FY2025	557,503	46.0%	54.0%	256,547	-	24.2%
Mr Zhang	**FY2026**	**561,833**	**70.7%**	**29.3%**	**397,370**	**-**	**37.1%**
	FY2025	570,474	55.8%	44.2%	318,121	-	29.3%
Former Executive KMP							
Mr Vassella[4]	**FY2026**	**783,650**	**50.9%**	**49.1%**	**-**	**538,380**	**26.7%**
	FY2025	1,343,400	38.6%	61.4%	-	544,053	25.7%

1. The equity STI is granted in share rights in the first half of the plan year which vest in accordance with assessed performance against the STI objectives. Rights vested during the year includes the FY2026 STI Award (share price as at 30 June 2026, $31.87). Shares to fulfil the vesting of FY2026 STI share rights will be purchased on-market.
2. In FY2026 Ms Archibald and Mr Vassella elected for 100 per cent of their STI to be delivered in share rights.
3. Ms Archibald's actual FY2026 STI award reflects her time as Chief Executive, Australian Steel Products and MD&CEO (including as MD&CEO Elect).
4. Mr Vassella's actual FY2026 STI award is shown for the period he was MD&CEO, with the STI value being prorated to 31 January 2026, when he ceased to be Executive KMP.

6.7 LTI Outcomes

BlueScope's LTI (Alignment Rights) Plan has three vesting conditions:

- individual conduct in line with Our Bond and Code of Conduct (a behavioural gateway).
- a minimum three-year average LTI ROIC of 10 per cent over three years.
- an average net debt to EBITDA ratio of less than 1.3x average over three years (FY2023, FY2024 and FY2025).

The ROIC threshold of 10 per cent reflects the long-term median performance of BlueScope's steel industry peer groups and broadly aligns with the Company's risk-adjusted cost of capital over the longer term. This supports alignment between Executive KMP and shareholder interests across the industry cycle. No additional benefit is awarded for exceeding the threshold, limiting windfall gains during peak market conditions.

FY2023 LTI (Alignment Rights) Grant

The FY2023 LTI (Alignment Rights) grant was tested following 30 June 2025 and, with the Group and Executive KMP having met the behavioural, performance and service conditions, vested in full in September 2025. The Board is satisfied that the outcome appropriately reflects individual, business and Group performance, and is aligned to the experience of shareholders and our people.

FY2024 LTI (Alignment Rights) Grant

The FY2024 LTI (Alignment Rights) grant has the same behavioural, performance and service conditions as the FY2023 grant, with performance measured over three years between FY2024 to FY2026. Stronger than expected earnings late in the second half of FY2026 contributed to the FY2024 LTI (Alignment Rights) grant's performance conditions being met. Subject to Executive KMP meeting behavioural and service conditions, the FY2024 LTI (Alignment Rights) grant will vest in September 2026.

Grant (Performance period)	Performance measure	Result	Achieved	Vesting & Timing
FY2023 (July 2022 to June 2025)	Minimum 3-year average LTI ROIC of 10 per cent	11.6%[1]	✔	**100% vesting[2]**
	Average net debt to EBITDA ratio of less than 1.3x over 3 years	(0.16x)	✔	
FY2024 (July 2023 to June 2026)	Minimum 3-year average LTI ROIC of 10 per cent	10.2%[1]	✔	**100% vesting**
	Average net debt to EBITDA ratio of less than 1.3x over 3 years	(0.12x)	✔	

1. The three-year average ROIC measure used to determine LTI vesting (LTI ROIC) is calculated by adjusting capital employed to add back impairments and to exclude capital spend on major projects until these are commissioned and operating, in accordance with established principles. LTI ROIC is therefore measured on current operations while executives progress the projects that underpin future sustainable earnings and growth, and shareholder value creation. This approach (first flagged in the FY2019 Remuneration Report to exclude the North Star expansion project) has been applied consistently each year.
2. Shares to fulfil the September 2025 vesting of the FY2023 LTI (Alignment Rights) award were purchased on-market during the year.

6.8 Realised Pay

The table below outlines the actual pay received by Executive KMP during FY2026. This voluntary disclosure provides additional information to the statutory remuneration table in Section 9.1 which is prepared in accordance with the Australian Accounting Standards.

Realised pay reflects the value of remuneration outcomes actually received or earned by Executive KMP during the financial year, providing shareholders with a clearer view of the relationship between executive remuneration and performance outcomes over the period. It includes base salary, superannuation or pension contributions and other benefits paid or payable for FY2026, as well as the value of STI awards earned during the year (including both cash and equity components) and LTI (Alignment Rights) awards that vested.

		Fixed remuneration[1]	Other benefits[2]	Share rights[3]	STI (cash)[4]	STI (equity)[5]	LTI[6]	Total
Name	**Year**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**
Ms Archibald[7]	**FY2026**	**1,374,421**	**-**	**-**	**-**	**540,165**	**935,413**	**2,849,999**
	FY2025	1,094,438	-	-	358,089	-	941,525	2,394,052
Mr Davies	**FY2026**	**694,177**	**1,329**	**-**	**131,193**	**-**	**609,680**	**1,436,379**
	FY2025	731,344	488	-	146,745	-	613,663	1,492,240
Mr Fallu	**FY2026**	**978,500**	**-**	**502,319**	**337,473**	**-**	**-**	**1,818,292**
	FY2025	973,019	1,358	446,413	-	341,751	-	1,762,541
Ms Keast	**FY2026**	**1,069,496**	**470,779**	**-**	**424,081**	**-**	**718,786**	**2,683,142**
	FY2025	1,048,800	557,881	-	256,547	-	723,482	2,586,710
Mr Zhang	**FY2026**	**1,070,157**	**453,984**	**-**	**397,370**	**-**	**840,198**	**2,761,709**
	FY2025	1,083,067	429,089	418,547	318,121	-	845,687	3,094,511
Former Executive KMP								
Mr Vassella[8]	**FY2026**	**1,193,559**	**48,576**	**-**	**-**	**538,380**	**2,713,964**	**4,494,479**
	FY2025	2,015,100	70,187	-	-	582,626	2,731,694	5,399,607

1. Fixed remuneration consists of base salary and mandatory superannuation contributions.
2. Other benefits include spouse flights, fringe benefits tax and benefits provided under the Company's relocation policy.
3. Represents sign-on equity that vested during FY2026. Sign-on value is equal to the number of rights that vested multiplied by the closing BlueScope share price at the vesting date (2 September 2025).
4. Amounts relating to FY2026 performance which will be paid in cash in September 2026.
5. Amounts relating to FY2026 performance which the Executive KMP elected to take as equity (closing share price at the end of the performance period (being 30 June 2026) was $31.87).
6. The FY2023 LTI (Alignment Rights) grant vested in September 2025. The LTI value is equal to the number of Alignment Rights that vested multiplied by the closing BlueScope share price at the vesting date (2 September 2025).
7. Ms Archibald's FY2026 annual fixed remuneration amounts shown were calculated on a prorata basis, reflecting her remuneration as Chief Executive, Australian Steel Products and as MD&CEO.
8. Mr Vassella ceased being Executive KMP effective 31 January 2026.

7. Executive KMP Remuneration

7.1 KMP Remuneration Details

Feature			
Total Fixed remuneration	Cash salary, superannuation/pension contributions.		
Market positioning and peer benchmarking	BlueScope benchmarks Executive KMP remuneration against select Australian and global peer groups, considering size, complexity, and global footprint. Peer group companies are comparable in geographic diversity, market capitalisation, profit generation, employee numbers, and, for Australian peers, operating in similar industries with main manufacturing or logistics operations being based in Australia. For roles based outside Australia, Executive KMP remuneration is benchmarked against local peers in key markets.		
FY2026 Australian peer group companies	• AGL Energy Ltd • ALS Ltd • Ampol Ltd • Aurizon Holdings Ltd • Brambles Ltd	• Downer EDI Ltd • Dyno Nobel Limited[1] • Orica Ltd • Origin Energy Ltd • Qantas Airways Ltd	• Qube Holdings Ltd • Reece Ltd • SGH Ltd • South32 Ltd • Worley Ltd
FY2026 International peer group companies[2]	• Alcoa Corporation • Alpha Metallurgical Resources Inc. • ATI Inc. • Carpenter Technology Corporation • Century Aluminum Company	• Cleveland-Cliffs Inc. • CMC • Compass Minerals International, Inc. • Kaiser Aluminum Corporation • Materion Corporation	• Nucor Corporation • Ryerson Holding Corporation • Steel Dynamics, Inc. • SunCoke Energy, Inc. • Worthington Steel, Inc. • United States Steel Corporation
Minimum shareholding requirement	BlueScope's remuneration framework encourages Executive KMP to behave like owners of the business. The Board believes that the interests of all Executive KMP should be closely aligned with those of shareholders through exposure to BlueScope's share price. To promote this, BlueScope operates a Minimum Shareholding Policy which applies to all executives including Executive KMP. Under this Minimum Shareholding Policy, Executive KMP are expected to build their BlueScope shareholding over a five-year period from appointment to their Executive KMP role. The PCRC regularly monitors Executive KMP shareholdings and puts in place plans so that the Executive KMP will meet their minimum shareholding requirements in the required time.		
	Position	**Minimum shareholding requirement**	
	MD&CEO	200 per cent of TFR	
	Other Executive KMP	100 per cent of TFR	

1. Previously known as Incitec Pivot Limited.
2. During the year, Radius Recycling, Inc. merged with Toyota Tsusho America and Olympic Steel, Inc. merged with Ryerson Holding Corporation. Both organisations were delisted. As a result, Radius Recycling, Inc. and Olympic Steel, Inc. were removed from the International Peer Group.

7.2 Employment Agreements

BlueScope has written employment agreements with all executives, including Executive KMP. The following table summarises key features of the Executive KMP employment contracts. Each Executive KMP is subject to post-employment restraint obligations intended to protect BlueScope's business interests. No additional consideration is payable in respect of these restraints beyond the contractual entitlements expressly provided under their respective contracts.

Role	Term of agreement	Notice period required to be provided by the Executive KMP	Notice period required to be provided by BlueScope	Termination benefits in the event of retrenchment or mutual separation
MD&CEO	Open-ended	12 months	12 months	12 months fixed remuneration
Other Executive KMP	Open-ended	6 months	6 months	12 months fixed remuneration

Ms Archibald was appointed as MD&CEO from 1 February 2026 on an open-ended contract. Both Ms Archibald and BlueScope must give 12 months' notice of termination, with BlueScope able to make payment in lieu (or a combination of notice and payment in lieu). Employment may be terminated immediately without notice for defined causes. Where termination is initiated by BlueScope other than for cause, including a fundamental change in the MD&CEO's responsibilities, a severance payment of 12 months' fixed remuneration (inclusive of any payment in lieu) is payable.

7.3 STI

For more information on the STI outcomes, refer to Section 6.

Feature	Rationale
Purpose	To reward for the achievement of annual financial and non-financial performance objectives, aligned with the longer term Group corporate plan.
Opportunity	Set below the median of our peer group, consistent with our remuneration philosophy.

Participant	Target (% of fixed remuneration)	Maximum (% of fixed remuneration)
MD&CEO	45.0%	67.5%
Other Executive KMP	35.0%	52.5%

Performance setting and assessment

At the start of the financial year, the Board sets performance measures for the MD&CEO, and the MD&CEO with the PCRC sets performance measures for other Executive KMP, reflecting BlueScope's strategic priorities. Each measure has threshold, target and stretch performance targets, designed to be challenging yet motivating.

At the end of the year, performance and behaviours are assessed by the Board (for the MD&CEO) and the MD&CEO with the PCRC (for other Executive KMP). Financial performance is independently assessed by the ARTC and BlueScope's external auditors. Discretion may be applied by the Board so that STI awards appropriately reflect business outcomes and the shareholder experience.

Behavioural gateway

Executive KMP must demonstrate behaviours and conduct consistent with Our Bond and Code of Conduct. STI awards may be reduced or forfeited if behaviours and conduct expectations are not met.

Performance measures

Financial (50%)	Non-financial (50%)		
	Safety (10%) ("No fatality" gateway)	Environment, Social and Governance (ESG) (15%)	Strategic (25%)
ROIC (35%) Free cash flow from operations (15%)	TRIFR (5%) Completion of committed HSE risk control improvement projects (5%)	Reduction in Scope 1 and 2 steelmaking GHG emissions intensity (5%) Reduction in Scope 1 and 2 non-steelmaking GHG emissions intensity (0%-5%) Individual climate objective (0% - 5%) Diversity (5%) (does not apply for US-based Executive KMP)[1]	Various individual strategic priorities as they pertain to the Executive KMP's areas of responsibility (25%)

Non-financial measures are set in line with BlueScope's strategy, focusing strongly on sustainable long-term success and BlueScope's future growth. These measures are chosen by the Board considering input from investors and other stakeholders.

For more information on STI scorecard outcomes, refer to Sections 6.3-6.6.

Payment

Executive KMP may elect to take all or 50 per cent of their STI payment in equity. The balance is paid in cash.

Equity share rights

Where an Executive KMP elects to receive their STI award in equity, they are granted share rights using a face value methodology. The number of share rights granted is calculated by dividing their individual maximum STI opportunity by BlueScope's volume weighted average share price (VWAP) over the three months to 31 August at the beginning of the financial year. No amount is payable by participants on exercise of the share rights.

Each vested share right entitles a participant to one fully paid ordinary BlueScope share, subject to meeting performance and service conditions. No dividends are payable on share rights.

At the end of the financial year, some or all of the share rights may lapse based on actual performance outcomes and the final STI award.

For FY2026, the MD&CEO elected to receive 100 per cent of her STI awards in share rights. The MD&CEO has also elected to receive 100 per cent of her FY2027 STI award in share rights.

Exercise and expiry

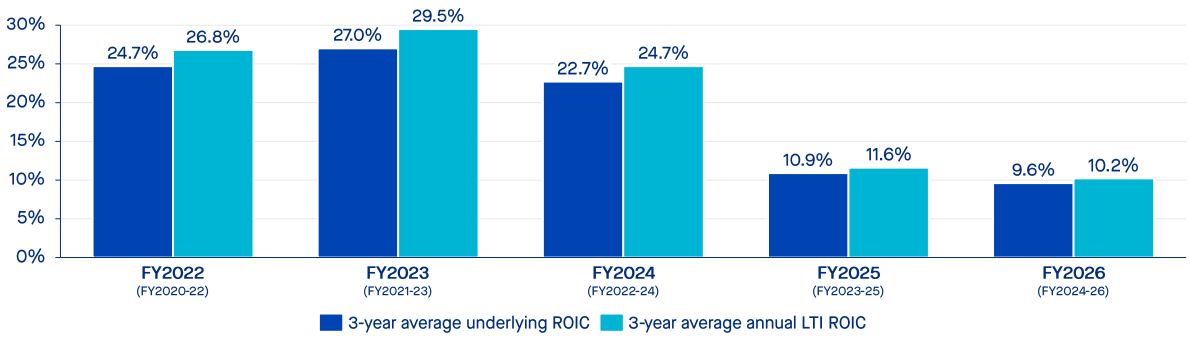
Share rights are exercised automatically on vesting.

Feature	Rationale
Change of control	The Board may permit share rights to vest if a takeover bid is made to acquire the whole of the issued ordinary share capital of BlueScope or a transaction is announced by BlueScope which, if implemented, would result in a person owning all of the issued shares in BlueScope. BlueScope must permit the share rights to vest if a person acquires more than 50 per cent of the issued share capital provided that the Board determines that the performance hurdles have been satisfied as assessed at that time having regard to the shorter performance period.

1. The Gender Diversity measure does not apply to Ms Keast as Chief Executive, North America, as she is based in the United States and the collection and reporting of gender-related employee data is subject to local legislative prohibitions.

7.4 LTI

For more information on the LTI outcomes, refer to Section 6.7.

Feature	Rationale
Purpose	To drive sustainable, long-term value creation through the industry cycle. It aligns Executive KMP interests with those of shareholders through equity ownership and strategic and measurable performance conditions.
Opportunity	**Participant** — **Maximum opportunity (% of TFR)** MD&CEO — 100% Other Executive KMP — 65%
Grant	The number of Alignment Rights granted is calculated by dividing the participant's LTI opportunity by BlueScope's volume weighted average share price (VWAP) over the three months to 31 August at the beginning of the performance period (face value methodology). Using a three month VWAP smooths out much of the share price variation when granting Alignment Rights.
Instrument	Each Alignment Right entitles a participant to one fully paid ordinary BlueScope share, subject to meeting behavioural and performance conditions. No dividends are payable on Alignment Rights.
Behavioural gateway	Executive KMP must demonstrate behaviours and conduct consistent with Our Bond and Code of Conduct. Alignment Rights may lapse if behaviours and conduct expectations are not met.
Performance conditions - ROIC	**BlueScope must achieve a threshold rolling three-year average LTI ROIC[1] of a minimum 10 per cent.** ROIC is a key value driver in our capital-intensive business and is effective in assessing the efficiency of BlueScope's use of assets and equity. While a ROIC measure is used in both the STI and the LTI plans, the STI plan focuses on rewarding for the achievement of shorter-term capital projects and investment returns and the LTI Plan focuses on rewarding for longer-term capital projects that will generate returns over the long term. The LTI ROIC threshold represents the minimum acceptable level of ROIC performance. However, the organisation targets higher returns and has outperformed this threshold in most years since FY2017. The graph below illustrates BlueScope's three-year average underlying ROIC and LTI ROIC performance (used to determine LTI vesting) over the prior five-year period. **BlueScope's three-year average underlying ROIC and LTI ROIC**  The 10 per cent three-year average LTI ROIC threshold is intended to broadly align with BlueScope's cost of capital over the industry cycle and the long-term median performance across BlueScope's peer groups, major steel companies, and the ASX 100. This peer information is used to to be able to set a challenging but achievable threshold. Median ROIC performance across these groups is summarised below.[2]

Feature	Rationale				
		FY2021-2023	FY2022-2024	FY2023-2025	FY2024-2026
	ASX100[3]	13%	13%	13%	14%
	Remuneration peers	10%	10%	14%	15%
	Major steel companies	15%	15%	7%	7%
Performance conditions - net debt to EBITDA ratio	**BlueScope must achieve a net debt to EBITDA ratio of less than 1.3X over the three-year performance period.** This measure focuses on balance sheet strength and provides a cash flow buffer during the low points in the industry cycle. It helps reinforce disciplined capital, cash and debt management so that BlueScope is well-equipped to manage macroeconomic impacts on the business.				
Assessing performance and vesting outcomes	The Board (for the MD&CEO) and the MD&CEO with the PCRC (for other Executive KMP) assess behaviours and performance at the end of the three-year performance period. Performance and vesting outcomes are verified by the ARTC and BlueScope's external auditors. If the behavioural gateway and both performance conditions are met, all Alignment Rights vest. If any condition is not met, the award is forfeited in full. Awards are not eligible for re-testing. The Board and the PCRC may exercise discretion to vary the outcomes, having regard to the macroeconomic environment, broader company performance, shareholder expectations and Executive KMP conduct. The structure of the LTI (Alignment Rights) Plan is considered fit for purpose for BlueScope. Unlike traditional LTI plans with linear vesting from threshold to stretch, Alignment Rights vest in full only if the behavioural gateway and both performance thresholds have been met. The thresholds protect shareholders during industry cycle low points, and maximum vesting at threshold mitigates for disproportionate benefit during industry cycle highs. LTI (and STI) opportunities are lower relative to market, offset by an increased likelihood of the LTI vesting. This results in a cost effective LTI plan that is valued by our Executive KMP. No amount is payable by participants on exercise of the award.				
Change of control	The Board may permit Alignment Rights to vest if a takeover bid is made to acquire the whole of the issued ordinary share capital of BlueScope or a transaction is announced by BlueScope which, if implemented, would result in a person owning all of the issued shares in BlueScope. BlueScope must permit the Alignment Rights to vest if a person acquires more than 50 per cent of the issued share capital of BlueScope provided that the Board determines that the performance hurdles have been satisfied as assessed at that time having regard to the shorter performance period.				

1. The three-year average ROIC measure used to determine LTI vesting (LTI ROIC) is calculated by adjusting capital employed to add back impairments and to exclude capital spend on major projects until these are commissioned and operating, in accordance with established principles. LTI ROIC is therefore measured on current operations while executives progress the projects that underpin future sustainable earnings and growth, and shareholder value creation. This approach (first flagged in the FY2019 Remuneration Report to exclude the North Star expansion project) has been applied consistently each year.
2. Table references minimum underlying ROIC for each quartile. Simple average over periods. Quartiles allocated by number of companies. ROIC defined as underlying EBIT/(assets (excl. cash and deferred tax assets) – liabilities (excl. financial debt, lease liabilities and deferred tax liabilities)). Periods based on constituent annual reporting. Excludes companies which did not return a value.
3. The ASX 100 represents the constituents of the index.

7.5 How safety and sustainability feature in incentive plans

BlueScope recognises the importance of sustainability and our responsibilities to customers, suppliers, employees, shareholders, and the communities in which we operate. For further details, refer to the Sustainability Overview Section 2 of the Annual Report.

Under our Executive KMP incentive plans, non-financial performance measures include making progress on relevant sustainability measures across safety, diversity, and reduction in greenhouse gas emissions.

7.5.1 Safety

BlueScope is committed to ensuring that every employee globally operates in a safe work environment. We take our safety obligations seriously and have implemented a range of projects, processes, and tools to make the work environment safe for everyone. In FY2026, we continued our Global Safety Refocus program, which focuses every employee at every level on prioritising a safe work environment.

Underpinning this are our incentive programs where safety measures comprise 10 per cent of Executive KMP STI scorecards, including lag indicators (TRIFR) and lead indicators (HSE risk control improvement projects). A 'no fatality' gateway applies to this 10 per cent component. Employees at almost all levels in the organisation participate in an STI, with a 10 per cent safety component aligned to their role.

7.5.2 Climate

Climate action remains a core theme of our strategy. BlueScope's 2050 net zero goal[1] and 2030 emission intensity reduction targets for steelmaking and non-steelmaking drive our decarbonisation activities and projects, underpinned by our Capital Allocation Framework. We are committed to pursuing commercial decarbonisation of our operations and working with others to progress the enablers that underpin the ability to transition to a low- carbon future. Executive KMP incentives reward progress on climate initiatives through a 10 per cent weighting on STI scorecards. This 10 per cent is allocated to Group steelmaking Scope 1 and Scope 2 greenhouse gas emissions intensity reduction and, where applicable, business unit climate objectives, which may include non-steelmaking emissions reduction and other sustainability performance measures aligned to our decarbonisation pathway.

1. Net zero Scope 1 and 2 GHG emissions across the business by 2050. Achieving this goal is dependent on key enablers outlined in Section 7 Climate-related Disclosures of the Sustainability Report.

7.5.3 Inclusion and Diversity

We care about our people and their health and wellbeing. Our approach extends beyond compliance, embedding inclusion, respect and wellbeing into everyday workplace practices so that all employees feel safe, supported and able to contribute. Our goal is to attract and retain the best talent from our communities and only make hiring decisions based on merit. Each year, the PCRC reviews workforce reports to assess whether these principles are being met. If there are any anomalies, they are addressed immediately.

In FY2026, five per cent of Executive KMP STI awards (excluding the Chief Executive, North America) were dependent on inclusion and diversity objectives.

7.6 Executive KMP Loans

There have been no loans granted to Executive KMP and Directors of BlueScope or their related entities.

7.7 Executive KMP Other Transactions

In the ordinary course of business, the Group may enter into transactions with entities that have Directors in common with BlueScope Steel Limited. All such transactions are conducted on normal commercial terms and conditions consistent with arm's length principles. The Directors concerned do not participate in decisions regarding these transactions.

The Group also engages in transactions with KMP and their related parties, including purchases of Group products. These transactions are conducted under terms no more favourable than those available to other employees, customers or suppliers in comparable arm's length arrangements. Any benefits arising from these transactions are immaterial in nature and value.

8. Non-executive Director Fees

Non-executive Directors receive a base fee for their service as a Director of the Board, with additional fees paid for being a committee member or chair. The Board Chair receives a higher fee but no additional payments for service on committees. Non-executive Directors do not receive any performance-related incentives or fees.

8.1 Board and Committee Fees

During the reporting period, the Board restructured its standing committees, other than the Nomination Committee. The purpose of these changes was to streamline effective Board governance and improve the alignment of committee responsibilities with the Company's strategic priorities.

From 1 February 2026, the Board transitioned from five to four standing Committees as follows:

- The Audit Committee, Risk and Sustainability Committee, Remuneration and Organisation Committee, and Health, Safety, Environment and Community Committee were discontinued.
- The Audit, Risk and Technology Committee, People, Culture and Remuneration Committee and Safety and Sustainability Committee were established with new charters.
- There was no change to the Nomination Committee.

Details of the committees before and after the restructure are set out in the Corporate Governance Statement.

The following table details the fees set for these new committees:

Board / Committee	Annual fees from 1 July 2025 to 31 January 2026				Annual fees from 1 February 2026 to 30 June 2026			
	AU$		US$[1]		AU$		US$[1]	
	Chair	Member	Chair	Member	Chair	Member	Chair	Member
Board	539,985	189,785	389,221	136,797	539,985	189,785	389,221	136,797
Prior committees[2]	42,435	21,735	30,587	15,667	-	-	-	-
New committees[3]	-	-	-	-	50,000	25,000	36,040	18,020

1. Using a long-term median foreign exchange rate.
2. Being the Audit, Health, Safety, Environment and Community, Remuneration and Organisation, and Risk and Sustainability Committees.
3. Being the Audit, Risk and Technology, People, Culture and Remuneration and Safety and Sustainability Committees.

From time to time the Board may also establish ad hoc sub-committees and delegate powers to those sub-committees, having regard to what is appropriate to achieve effective and prudent oversight. In FY2026 a Special Committee was established to oversee specific strategic matters. Fees for this committee were paid from 1 January 2026. Fees of $27,033 were paid to the Chair and $29,506 to the members of this Special Committee between 1 January 2026 and 30 June 2026.

8.2 FY2027 Non-executive Director Fees

Market remuneration benchmarking of the Board Chair and base Board Member fees was conducted in FY2026, given that fees have not been adjusted since October 2023. The benchmarking indicated that BlueScope's base Board Member fee is lower than that of BlueScope's Australian Peer Group median. To align with market, the Base Board Member fee will increase by **2.2%** to **$194,000** in FY2027. All other fees will remain unchanged. The table below details the current fees and fees effective from September 2026.

Board / Committee	Annual fees from 1 February 2026 to 31 August 2026				Annual fees from 1 September 2026			
	AU$		US$[1]		AU$		US$[1]	
	Chair	Member	Chair	Member	Chair	Member	Chair	Member
Board	539,985	189,785	389,221	136,797	539,985	194,000	389,221	139,835
Committees[2]	50,000	25,000	36,040	18,020	50,000	25,000	36,040	18,020

1. Using a long-term median AUD to USD foreign exchange rate.
2. Being the Audit, Risk and Technology, People, Culture and Remuneration and Safety and Sustainability Committees.

8.3 Travel Allowance

A travel allowance of $5,175 per international trip is payable to Non-executive Directors who travel outside their country of residence for scheduled Company business.

8.4 Superannuation

Compulsory superannuation contributions are made unless the Non-executive Director elects to be exempt, in accordance with Australian superannuation legislation. No additional retirement benefits are provided.

8.5 Minimum Shareholding Requirement

Non-executive Directors are expected to hold BlueScope equity equal in value to one year's base Board Member fees and the Board Chair is expected to hold equity equal in value to one-year's Board Chair fees, inclusive of superannuation. The equity holding is to be met within five years of appointment. For all Non-executive Directors, the requirement may also be met through vested, unvested and restricted share rights under the Non-executive Director Fee Sacrifice Plan. See table 9.7 for Non-executive Director interest in shares and rights.

8.6 Non-executive Director Fee Pool

The current Non-executive Director aggregate Fee Pool is $3,800,000 per annum (inclusive of superannuation), as approved by shareholders at the 2024 Annual General Meeting. Total fees paid for the year ended 30 June 2026 were $2,764,573 (FY2025 $2,677,740).

8.7 Non-executive Director Fee Sacrifice Plan

Non-executive Directors may participate in the Non-executive Director Fee Sacrifice Plan, supporting long-term equity ownership within insider trading law constraints. Prior to Non-executive Directors being offered participation and prior to any allocation of share rights or shares, a sub-committee comprising senior management advises the Board of any potential non-compliance with the Securities Trading Policy, so that the offer or grant may be cancelled or delayed, if appropriate. A summary of the terms of the Plan is presented below.

Feature	Description	
Eligibility	Non-executive Directors who are residents of Australia or the United States of America.	
Plan year	1 July to 30 June, the following year.	
Grant dates	Share Rights are granted in two tranches:	
	Tranche 1	**Tranche 2**
	Following the release of full-year results.	Following the release of half-year results.
Value and instrument	Prior to the start of each plan year, participants may elect to sacrifice between 20 and 100 per cent of pre-tax base Board fees in return for share rights. Each share right entitles the Non-executive Director to one fully paid ordinary BlueScope share.	
	The number of share rights is calculated by dividing the value of the salary sacrificed fees by the:	
	Tranche 1	**Tranche 2**
	Three-month volume weighted average share price (VWAP) up to 31 August.	Three-month volume weighted average share price (VWAP) up to 28 February.
Vesting period	**Tranche 1**	**Tranche 2**
	Vests after 31 December.	Vests after 30 June.
	Australian tax resident Non-executive Directors: share rights auto-exercise at vesting, with resulting allocated shares held under restriction in the Employee Share Trust during the Trading Restriction Period.	
	US tax resident Non-executive Directors: share rights vest but remain unexercised and restricted until the end of the Trading Restriction Period.	
Trading restriction period	12 years from the initial grant date, or until the Non-executive Director ceases to hold office, whichever occurs first (unless otherwise determined by the Board).	
Exercise	No payment is required on vesting or exercise of share rights.	
Performance conditions	None. Share rights vest based solely on continuous service throughout the six-month vesting period of each tranche.	
Retirement from the Board	If shares are granted before retirement, shares are retained and restrictions are lifted (subject to complying with applicable law and BlueScope's Securities Trading Policy).	
	If retirement occurs before vesting of share rights, a pro rata portion of unvested share rights lapse, considering the portion of the vesting period that has elapsed at the date of retirement.	
	The Board may exercise discretion to allow remaining share rights to vest and be exercised at retirement.	
Disposal restrictions	Shares become accessible at the earlier of 12 years from grant or retirement.	
Hedging	Non-executive Directors are prohibited from hedging unvested and restricted equity under the Plan.	
Acquisition of shares	Shares are purchased on market. Non-executive Directors may purchase additional shares independently, in line with BlueScope's Securities Trading Policy and insider trading laws.	

9. Statutory Remuneration Disclosures

9.1 Executive KMP Remuneration

The values presented in the table below are prepared in accordance with Australian Accounting Standards for the financial year ended 30 June 2026. Share based payment amounts shown are the amortised accounting expense of equity for FY2026 and are not indicative of the actual or realised value received by Executive KMP. Realised pay values are provided in table 6.9.

		Short-term employment benefits				Post-employment benefits			Share-based payments				
		Cash salary[1]	Short term incentive[2]	Non-monetary benefits[3]	Movement in annual leave provision[4]	Super-annuation	Termination payments[5]	Movement in long service leave[6]	Share rights[7]	STI rights[8]	LTI (alignment rights)[9]	Total	% of performance related pay[10]
Name	**Year**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**($)**	**%**
Executive Director													
Ms Archibald[11]	**FY2026**	**1,344,421**	**-**	**-**	**83,008**	**30,000**	**-**	**272,013**	**-**	**397,624**	**834,250**	**2,961,316**	**42%**
	FY2025	1,064,438	358,089	-	(6,629)	30,000	-	35,617	-	-	692,881	2,174,396	48%
Executive KMP													
Mr Davies	**FY2026**	**631,070**	**131,193**	**1,329**	**(3,713)**	**63,107**	**-**	**(3,254)**	**-**	**-**	**461,866**	**1,281,598**	**46%**
	FY2025	664,858	146,745	488	6,124	66,486	-	893	-	-	460,885	1,346,479	45%
Mr Fallu	**FY2026**	**948,500**	**337,473**	**-**	**72,962**	**30,000**	**-**	**-**	**71,009**	**-**	**611,272**	**2,071,216**	**49%**
	FY2025	943,019	-	1,358	56,341	30,000	-	-	404,373	319,125	410,573	2,164,789	52%
Ms Keast[12]	**FY2026**	**1,031,702**	**424,081**	**773,102**	**(20,424)**	**37,794**	**-**	**24,491**	**-**	**-**	**653,322**	**2,924,068**	**37%**
	FY2025	1,018,800	256,547	1,006,694	55,849	30,000	-	61,806	-	-	613,080	3,042,776	29%
Mr Zhang	**FY2026**	**930,571**	**397,370**	**548,972**	**(18,198)**	**139,586**	**-**	**-**	**-**	**-**	**669,143**	**2,667,444**	**40%**
	FY2025	941,797	318,121	528,377	(44,002)	141,270	-	-	23,240	-	647,809	2,556,612	39%
Former Executive KMP													
Mr Vassella[13]	**FY2026**	**1,175,790**	**-**	**48,576**	**(16,938)**	**17,769**	**660,867**	**29,224**	**-**	**396,310**	**951,742**	**3,263,340**	**41%**
	FY2025	1,985,100	-	70,187	37,964	30,000	-	(11,523)	-	544,053	1,990,286	4,646,067	55%
Total	**FY2026**	**6,062,054**	**1,290,117**	**1,371,979**	**96,697**	**318,256**	**660,867**	**322,474**	**71,009**	**793,934**	**4,181,595**	**15,168,982**	
Total	FY2025	6,618,012	1,079,502	1,607,104	105,647	327,756	-	86,793	427,613	863,178	4,815,514	15,931,119	

1. For overseas based Executive KMP, their cash salary has been converted to Australian dollars.
2. The amount disclosed represents STI payable in cash.
3. Non-monetary benefits include spouse flights, fringe benefits tax and benefits provided under the Company's relocation policy.
4. Negative movement in annual leave provision indicates that leave taken during FY2026 exceeded leave accrued.
5. Mr Vassella's termination payment represents payment in lieu of the balance of his notice period.
6. Negative movement in the long service leave provision indicates that leave taken during FY2026 exceeded leave accrued. Ms Archibald's long service leave balance has not materially changed from FY2025. However, the value of her long service leave has increased due to her pay being reset, following her appointment as MD&CEO.
7. Share rights includes sign-on awards.
8. In FY2026, Ms Archibald and Mr Vassella elected to receive their STI awards in share rights (Ms Archibald - 36,179, Mr Vassella - 33,216). Approvals for Ms Archibald's and Mr Vassella's STI awards were obtained under Listing Rule 10.14.
9. Approvals for Ms Archibald's and Mr Vassella's LTI awards were obtained under Listing Rule 10.14.
10. The percentage of performance related pay includes STI and LTI awards based on accounting values and not the actual value of the vested awards received by executives.
11. Ms Archibald's FY2026 amounts shown were calculated on a prorata basis, reflecting her remuneration as Chief Executive, Australian Steel Products and as MD&CEO.
12. Due to payroll processing timelines, Ms Keast's final June pay was paid in July 2026. As a result, it was impacted by the introduction of Payday Super and the change to the maximum contribution base.
13. Mr Vassella ceased being Executive KMP effective 31 January 2026.

9.2 Movements in Executive KMP Equity Holdings

Name	Balance at 1 July 2025 #	Granted[1] #	Vested[2] #	Exercised[3] #	Forfeited / lapsed[4] #	Net change / other[5] #	Balance at 30 June 2026 #
Executive Director							
Ms Archibald							
Shares	181,197	-	-	40,741	-	(20,371)	201,567
Share Rights	-	-	-	-	-	-	-
STI Rights	-	36,179	16,949	-	(19,230)	-	16,949
LTI (Alignment Rights)	109,297	50,087	40,741	(40,741)	-	-	118,643
Executive KMP							
Mr Davies							
Shares	25,796	-	-	26,554	-	(16,000)	36,350
Share Rights	-	-	-	-	-	-	-
STI Rights	-	-	-	-	-	-	-
LTI (Alignment Rights)	72,617	20,363	26,554	(26,554)	-	-	66,426
Mr Fallu							
Shares	21,883	-	-	36,666	-	-	58,549
Share Rights	21,878	-	21,878	(21,878)	-	-	-
STI Rights	14,788	-	-	(14,788)	-	-	-
LTI (Alignment Rights)	60,951	26,959	-	-	-	-	87,910
Ms Keast							
Shares	113,492	-	-	31,306	-	(13,399)	131,399
Share Rights	-	-	-	-	-	-	-
STI Rights	-	-	-	-	-	-	-
LTI (Alignment Rights)	95,944	29,257	31,306	(31,306)	-	-	93,895
Mr Zhang							
Shares	50,634	-	-	36,594	-	-	87,228
Share Rights	-	-	-	-	-	-	-
STI Rights	-	-	-	-	-	-	-
LTI (Alignment Rights)	101,940	30,750	36,594	(36,594)	-	-	96,096
Former Executive KMP							
Mr Vassella[6]							-
Shares	1,062,066	-	-	143,415	-	(71,700)	1,133,781
Share Rights	-	-	-	-	-	-	-
STI Rights	25,211	33,216	16,893	(25,211)	(16,323)	-	16,893
LTI (Alignment Rights)	314,169	85,414	118,204	(118,204)	-	-	281,379

1. Ms Archibald and Mr Vassella elected to receive share rights under the FY2026 STI Award.
2. Ms Archibald's and Mr Vassella's FY2026 STI Rights awards which vested in FY2026, will be exercised in September 2026.
3. Shares received during the year on the exercise of rights awarded under the FY2023 LTI (Alignment Rights), FY2025 STI Plan and FY2025 Sign-on Award. The number of shares issued is equal to the number of rights exercised and no amount was paid or is payable for each share issued. Mr Fallu's and Mr Vassella's FY2025 STI Rights awards, which vested in FY2025, were exercised during the year.
4. The number of shares lapsed during the year relates to Ms Archibald's and Mr Vassella's FY2026 STI Awards.
5. These amounts represent on-market acquisitions and disposals of shares including shares sold to fund payment of income tax liabilities arising from vesting of share right awards.
6. Mr Vassella ceased being Executive KMP effective 31 January 2026. The closing balance is reflected as of this date. STI Rights have been prorated for the period Mr Vassella held the MD&CEO role. A portion of Mr Vassella's unvested FY2024 (6%), FY2025 (39%) and FY2026 (72%) LTI (Alignment Rights) grants lapsed on cessation of his employment.

There were no options or rights vested and unexercisable at the end of FY2026.

There were 3,164,381 unvested securities on issue at the time of this report. No shares were issued during or since the year ended as a result of the exercise of unvested securities.

9.3 Executive KMP Minimum Shareholding Requirement

Executives are required to retain all equity acquired through incentive plans until the Minimum Shareholding Requirement (MSR) is met, except where disposals are necessary to meet tax obligations.

The MSR is calculated as the number of shares held at 30 June, multiplied by the closing share price on that date. For Executive KMP, the requirement includes the aggregate value of current shareholdings and 100 per cent of vested, but unexercised share right awards.

	Fixed remuneration[1]	Shares held	Value of holding[2]	% of MSR achieved[3]
Name	**($)**	**#**	**($)**	**%**
Executive Director				
Ms Archibald	1,850,000	201,567	6,423,940	173.6%
Executive KMP				
Mr Davies	694,177	36,350	1,158,475	166.9%
Mr Fallu	978,500	58,549	1,865,957	190.7%
Ms Keast	1,061,910	131,399	4,187,686	394.4%
Mr Zhang	1,070,157	87,228	2,779,956	259.8%

1. Represents fixed remuneration as at 30 June 2026. The MSR for the MD&CEO is 200% of fixed remuneration and for the other Executive KMP it is 100% of their fixed remuneration.
2. The shareholding value is calculated by multiplying the number of shares held on 30 June by the closing share price on that date. The closing share price on 30 June 2026 was $31.87.
3. The MD&CEO and all KMP have achieved the MSR as at 30 June 2026.

9.4 Details of Equity Awards Granted, Vested and Lapsed

The table below sets out the equity awards that were granted, vested and lapsed during the year.

	Award details	Grant date	Units granted	Value at grant[1]	Vested	Value at vest[2]	Forfeited / lapsed[3]	Value forfeited / lapsed
Name			**#**	**($)**	**#**	**($)**	**#**	**($)**
Executive Director								
Ms Archibald	FY23 LTI AR Award	15-Dec-22	40,741	692,597	40,741	935,413	-	-
	FY24 LTI AR Award	13-Dec-23	33,775	674,825	-	-	-	-
	FY25 LTI AR Award	11-Dec-24	34,781	711,271	-	-	-	-
	FY26 LTI AR Award	10-Dec-25	50,087	1,117,441	-	-	-	-
	FY26 STI Award	10-Dec-25	36,179	848,759	16,949	540,165	19,230	612,860
Executive KMP								
Mr Davies	FY23 LTI AR Award	15-Dec-22	26,554	451,418	26,554	609,680	-	-
	FY24 LTI AR Award	13-Dec-23	22,786	455,264	-	-	-	-
	FY25 LTI AR Award	11-Dec-24	23,277	476,015	-	-	-	-
	FY26 LTI AR Award	10-Dec-25	20,363	454,299	-	-	-	-
Mr Fallu	FY24 LTI AR Award	13-Dec-23	30,028	599,959	-	-	-	-
	FY25 LTI AR Award	11-Dec-24	30,923	632,375	-	-	-	-
	FY26 LTI AR Award	10-Dec-25	26,959	601,455	-	-	-	-
	Sign-on Award (T2)	13-Sep-24	21,878	399,711	21,878	502,319	-	-
Ms Keast	FY23 LTI AR Award	15-Dec-22	31,306	532,202	31,306	718,786	-	-
	FY24 LTI AR Award	13-Dec-23	31,079	620,958	-	-	-	-
	FY25 LTI AR Award	11-Dec-24	33,559	686,282	-	-	-	-
	FY26 LTI AR Award	10-Dec-25	29,257	652,724	-	-	-	-
Mr Zhang	FY23 LTI AR Award	15-Dec-22	36,594	622,098	36,594	840,198	-	-
	FY24 LTI AR Award	13-Dec-23	31,666	632,687	-	-	-	-
	FY25 LTI AR Award	11-Dec-24	33,680	688,756	-	-	-	-
	FY26 LTI AR Award	10-Dec-25	30,750	686,033	-	-	-	-
Former Executive KMP								
Mr Vassella[4]	FY23 LTI AR Award	15-Dec-22	118,204	2,009,468	118,204	2,713,964	-	-
	FY24 LTI AR Award	13-Dec-23	97,992	1,957,880	-	-	-	-
	FY25 LTI AR Award	11-Dec-24	97,973	2,003,548	-	-	-	-
	FY26 LTI AR Award	10-Dec-25	85,414	1,905,586	-	-	-	-
	FY26 STI Award	10-Dec-25	33,216	779,247	16,893	538,380	16,323	520,214

1. External valuation advice from PricewaterhouseCoopers Securities Limited has been used to determine the value of rights awarded in FY2026. The valuation has been made using the Black-Scholes Option Pricing Model (BSM). The fair value per instrument of the share rights granted was: FY2023 (Alignment Rights) Award - $17.00; FY2024 (Alignment Rights) Award - $19.98; FY2025 (Alignment Rights) Award - $20.45; FY2026 (Alignment Rights) Award - $22.31; FY2026 STI Award - $23.46; FY2025 Sign-on Award - $18.27.
2. Rights vested during the year includes the FY2026 STI Award (share price as at 30 June 2026, $31.87), FY2023 LTI Alignment Rights Award and FY2025 Sign-on Award (share price as at 2 September 2025, $22.96).
3. The number of rights lapsed during the year relates to Ms Archibald's and Mr Vassella's FY2026 STI Awards.
4. Mr Vassella ceased being Executive KMP effective 31 January 2026. The share right awards listed are represented at this date. STI Rights have been prorated for the period he held the MD&CEO role. A portion of Mr Vassella's unvested FY2024 (6%), FY2025 (39%) and FY2026 (72%) LTI (Alignment Rights) grants lapsed on cessation of his employment.

9.5 Equity Valuations

The table below sets out the equity and restricted share award valuations of each grant issued by BlueScope to Executives in previous or current reporting periods.

Award	Fair value ($)	Share price ($)	Risk free rate (%)	Dividend yield (%)	Expected volatility (%)	Expected life	Vest date	Expiry date
FY2023 LTI AR Award	17.00	18.31	3.07	2.75	35.0	3 years	31-Aug-25	31-Aug-25
FY2024 LTI AR Award	19.98	21.29	4.23	2.35	30.0	3 years	02-Sep-26	02-Sep-26
FY2025 LTI AR Award	20.45	22.02	4.30	2.73	25.0	3 years	02-Sep-27	02-Sep-27
FY2026 LTI AR Award	22.31	23.91	4.08	2.55	27.5	3 years	02-Sep-28	31-Aug-31
FY2025 STI Award	21.58	22.02	4.69	2.72	25.0	9 months	02-Sep-25	31-Dec-27
FY2026 STI Award	23.46	23.91	3.98	2.55	27.5	9 months	02-Sep-26	31-Aug-29
Sign-on Award (T2)	18.27	19.20	4.29	2.60	30.0	2 years	02-Sep-25	02-Sep-25

9.6 Non-executive Director Remuneration

Details of the FY2026 audited remuneration for each Non-executive Directors set out in the table below.

		Short-term employment benefits		Post-employment benefits		
Name	**Year**	**Fees[1] ($)**	**Non-monetary[2] ($)**	**Superannuation[3] ($)**	**Share-based payments[4] ($)**	**Total ($)**
Non-executive Directors						
Ms McAloon AM	**FY2026**	**555,510**	**4,556**	**-**	**-**	**560,066**
	FY2025	441,135	-	7,565	93,123	541,823
Ms Conlon	**FY2026**	**273,024**	**-**	**-**	**-**	**273,024**
	FY2025	249,420	-	-	-	249,420
Ms Dee-Bradbury	**FY2026**	**244,477**	**-**	**14,651**	**-**	**259,128**
	FY2025	243,868	-	26,310	-	270,178
Mr Field	**FY2026**	**245,391**	**3,974**	**27,516**	**-**	**276,881**
	FY2025	220,080	-	24,165	-	244,245
Ms Johnson	**FY2026**	**290,902**	**3,780**	**-**	**-**	**294,682**
	FY2025	237,244	1,790	-	48,944	287,978
Ms Lambert	**FY2026**	**274,455**	**-**	**7,326**	**-**	**281,781**
	FY2025	231,180	-	935	32,721	264,836
Mr Morley[5]	**FY2026**	**18,013**	**-**	**2,162**	**-**	**20,175**
	FY2025	-	-	-	-	-
Mr Nowlan[6]	**FY2026**	**123,115**	**-**	**14,153**	**-**	**137,268**
	FY2025	-	-	-	-	-
Ms Phyfer[7]	**FY2026**	**180,865**	**691**	**-**	**-**	**181,556**
	FY2025	-	-	-	-	-
Mr Zhang	**FY2026**	**260,677**	**3,780**	**736**	**-**	**265,193**
	FY2025	282,440	2,771	198	-	285,409
Former Non-executive Directors						
Mr Alexander[8]	**FY2026**	**94,933**	**4,383**	**-**	**-**	**99,316**
	FY2025	271,140	3,195	-	-	274,335
Mr Crouch AM[8]	**FY2026**	**114,711**	**792**	**-**	**-**	**115,503**
	FY2025	194,055	-	-	65,461	259,516
Total	**FY2026**	**2,676,073**	**21,956**	**66,544**	**-**	**2,764,573**
Total	FY2025	2,370,562	7,756	59,173	240,249	2,677,740

1. During FY2026 there were changes to Committee fees. There were no changes to the Board Chair and base Board Member fees. Fees include travel allowances. Ms McAloon AM, Ms Conlon, Mr Crouch AM, Ms Dee Bradbury and Ms Lambert have elected superannuation guarantee exemptions. The additional superannuation allowance has been included under fees. Overseas-based Non-executive Directors are paid using a long-term median foreign exchange rate.
2. Non-monetary short-term benefits include spouse flights, farewell gifts and tax advice for overseas based Non-executive Directors.
3. Non-executive Directors receive statutory superannuation contributions in line with the Superannuation Guarantee Contribution rate, unless they elect an exemption. No other post-employment benefits apply.
4. Share based payments include share rights allocated to Non-executive Directors under the Non-executive Director Fee Sacrifice Plan.
5. Mr Morley commenced as a Non-executive Director effective 1 June 2026.
6. Mr Nowlan was elected to the Board as a Non-executive Director on 18 November 2025.
7. Ms Phyfer commenced as a Non-executive Director effective 1 October 2025.
8. Mr Alexander and Mr Crouch AM ceased being Non-executive Directors effective 18 November 2025.

9.7 Non-executive Director Interests

The table below shows the number of shares and share rights held by Directors and/or their related parties in FY2026. A related party is typically a family member or entities over which the Director has direct or indirect control or significant influence.

Non-executive Directors may participate in a Fee Sacrifice Plan, enabling them to acquire share rights by sacrificing a portion of fees over six-month intervals. Share rights are settled via on-market purchases of BlueScope shares.

Non-executive Directors are required to hold shares equivalent to 100 per cent of the annual base Board fee. For all Directors, the requirement may also be met through vested, unvested and restricted share rights under the Non-executive Director Fee Sacrifice Plan. Non-executive Directors have five years to meet the requirement.

	Balance at 1 July 2025	Granted[1]	Vested	Exercised[2]	Forfeited / lapsed	Net change / other[3]	Balance at 30 June 2026	Minimum shareholding requirement
Name	#	#	#	#	#	#	#	%
Non-executive Directors								
Ms McAloon AM								
Shares	17,782	-	-	2,500	-	2,175	22,457	132.5%
Share Rights	2,500	-	-	(2,500)	-	-	-	
Ms Conlon								
Shares	10,208	-	-	-	-	-	10,208	171.4%
Share Rights	-	-	-	-	-	-	-	
Ms Dee-Bradbury								
Shares	27,300	-	-	-	-	-	27,300	458.4%
Share Rights	-	-	-	-	-	-	-	
Mr Field								
Shares	2,500	-	-	-	-	6,560	9,060	152.1%
Share Rights	-	-	-	-	-	-	-	
Ms Johnson								
Shares	-	-	-	-	-	-	-	
Share Rights	6,529	-	-	-	-	-	6,529	109.6%
Ms Lambert								
Shares	22,540	-	-	879	-	-	23,419	393.3%
Share Rights	879	-	-	(879)	-	-	-	
Mr Morley[4]								
Shares	-	-	-	-	-	-	-	0%
Share Rights	-	-	-	-	-	-	-	
Mr Nowlan[5]								
Shares	157,528	-	-	-	-	-	157,528	2043.9%
Share Rights[6]	39,530	-	-	-	-	-	39,530	
Ms Phyfer[7]								
Shares	-	-	-	-	-	-	-	0%
Share Rights	-	-	-	-	-	-	-	
Mr Zhang								
Shares	12,800	-	-	-	-	-	12,800	214.9%
Share Rights	-	-	-	-	-	-	-	
Former Non-executive Directors								
Mr Alexander[8]								
Shares	16,000	-	-	-	-	-	16,000	N/A
Share Rights	-	-	-	-	-	-	-	
Mr Crouch AM[8]								
Shares	43,957	-	-	1,758	-	-	45,715	N/A
Share Rights	1,758	-	-	(1,758)	-	-	-	

1. There were no share rights granted during FY2026.
2. Shares received during the year on the exercise of the FY2025 NED Fee Sacrifice Plan (Tranche 2). The number of shares issued is equal to the number of rights exercised and no amount was paid or remains unpaid for each share issued.
3. These amounts represent on-market acquisitions and disposals of shares.
4. Mr Morley commenced as a Non-executive Director effective 1 June 2026. The opening shareholding balance is effective 1 June 2026.
5. Mr Nowlan was elected to the Board as a Non-executive Director on 18 November 2025. The opening shareholding balance is effective 18 November 2025.
6. Mr Nowlan holds Rights that were previously granted under BlueScope's LTI (Alignment Rights) Plan while he was employed as a member of BlueScope's Executive Leadership Team and prior to his appointment as a Non-executive Director. He holds 24,886 Alignment Rights that were granted in FY24 (to be tested in FY27) and 14,644 Alignment Rights that were granted in FY25 (to be tested in FY28). He has not and will not receive any LTI (Alignment Rights) grants while he is a Non-executive Director of BlueScope.
7. Ms Phyfer commenced as a Non-executive Director effective 1 October 2025. The opening shareholding balance is effective 1 October 2025.
8. Mr Alexander and Mr Crouch AM ceased being Non-executive Directors effective 18 November 2025. The closing shareholding balance is reflected from this date.

Section

06.

Financial Report

Financial Report Contents

Consolidated financial statements 89

Consolidated statement of comprehensive income 89
Consolidated statement of financial position 90
Consolidated statement of changes in equity 91
Consolidated statement of cash flows 92

Notes to the consolidated financial statements 93

About this report 93

Financial performance 95
1. Segment information 95
2. Revenue 100
3. Expenses and other income 103
4. Income tax 105
5. Earnings per share 109

Working capital 110
6. Trade and other receivables 110
7. Inventories 112
8. Operating intangible assets 113
9. Trade and other payables 113
10. Provisions 114
11. Retirement benefit plans 116

Invested capital 119
12. Property, plant and equipment 119
13. Intangible assets 122
14. Carrying value of non-financial assets 123

Capital structure and financing activities 128
15. Cash and cash equivalents 128
16. Borrowings 129
17. Leases 133
18. Contributed equity 137
19. Reserves 138
20. Dividends 140

Group structure 142
21. Other investments - fair value through other comprehensive income (OCI) 142
22. Subsidiaries and non-controlling interests 142
23. Investment in associates 147
24. Investment in joint ventures 148

Unrecognised items 148
25. Contingencies 149
26. Subsequent events 149

Other information 150
27. Share-based payments 150
28. Related party transactions 152
29. Parent entity financial information 154
30. Deed of cross-guarantee 156
31. Financial instruments and risk 158
32. Remuneration of auditors 163
33. New accounting standards 164

Consolidated entity disclosure statement 165
Directors' declaration 168
Independent Auditor's Report 169

Consolidated statement of comprehensive income

For the year ended 30 June 2026

	Note	2026 $M	2025 $M
CONTINUING OPERATIONS			
Revenue from continuing operations	2	**16,662.6**	16,294.4
Other income	3.2	**200.9**	128.8
Impairment expense	14.4	**-**	(438.9)
Expenses	3.1	**(15,671.2)**	(15,703.5)
Operating profit		**1,192.3**	280.8
Share of net profits of associates and joint ventures accounted for using the equity method	23.1, 24.1	**4.9**	5.4
Interest revenue	2	**28.5**	32.4
Profit before financing and income tax expense		**1,225.7**	318.6
Finance expense	16.6, 17.3	**(89.8)**	(69.6)
Profit before income tax		**1,135.9**	249.0
Income tax expense	4.1	**(237.6)**	(69.6)
Profit from continuing operations		**898.3**	179.4
DISCONTINUED OPERATIONS			
Profit from discontinued operations after income tax		**4.4**	9.6
Profit for the year		**902.7**	189.0
Profit for the year is attributable to:			
Owners of BlueScope Steel Limited		**802.0**	83.8
Non-controlling interests		**100.7**	105.2
Profit for the year		**902.7**	189.0
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that may be reclassified subsequently to profit or loss:			
Net gain (loss) on cash flow hedges	19.1	**33.1**	(2.4)
Net gain (loss) on net investments in foreign subsidiaries	19.1	**(4.3)**	3.8
Exchange differences on translation of foreign operations attributable to BlueScope Steel Limited	19.1	**(349.3)**	136.1
Income tax on items that may be reclassified subsequently to profit or loss		**(8.0)**	(0.5)
Exchange fluctuations transferred to profit on translation of foreign operations disposed	19.1	**43.6**	-
Items that will not be reclassified subsequently to profit or loss:			
Net actuarial gains on defined benefit and retirement plans	11.6	**11.1**	4.6
Investment revaluation	21	**(8.2)**	(3.7)
Exchange differences on translation of foreign operations attributable to non-controlling interests		**(30.8)**	34.0
Income tax on items that will not be reclassified subsequently to profit or loss		**(2.9)**	(1.3)
Other comprehensive income (loss) for the year		**(315.7)**	170.6
Total comprehensive income for the year		**587.0**	359.6
Total comprehensive income for the year is attributable to:			
Owners of BlueScope Steel Limited		**517.0**	220.7
Non-controlling interests		**70.0**	138.9
Total comprehensive income for the year		**587.0**	359.6
Earnings per share for profit attributable to owners of BlueScope Steel Limited from:		**Cents**	Cents
Continuing operations:			
Basic earnings per share	5	**181.9**	16.9
Diluted earnings per share	5	**180.6**	16.8
Total operations:			
Basic earnings per share	5	**183.0**	19.1
Diluted earnings per share	5	**181.7**	19.0

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes to the consolidated financial statements.

Consolidated statement of financial position

As at 30 June 2026

	Note	2026 $M	2025 $M
ASSETS			
Current assets			
Cash and cash equivalents	15	**1,167.0**	857.6
Trade and other receivables	6	**1,778.0**	1,747.9
Contract assets	2.2	**118.4**	132.7
Inventories	7	**2,925.2**	3,068.1
Derivative financial instruments	31.4	**9.3**	5.4
Deferred charges and prepayments		**120.4**	112.1
Total current assets		**6,118.3**	5,923.8
Non-current assets			
Trade and other receivables	6	**33.1**	35.4
Inventories	7	**92.0**	91.3
Operating intangible assets	8	**126.0**	143.6
Derivative financial instruments	31.4	**24.8**	7.7
Investments accounted for using the equity method	23.1, 24.1	**0.8**	109.4
Other investments - fair value through other comprehensive income	21	**7.2**	17.3
Property, plant and equipment	12	**7,610.1**	6,919.6
Right-of-use assets	17.1	**470.3**	470.8
Intangible assets	13	**1,847.6**	1,987.8
Deferred tax assets	4.2	**57.4**	69.9
Deferred charges and prepayments		**2.1**	2.5
Retirement benefit assets	11	**9.2**	1.9
Total non-current assets		**10,280.6**	9,857.2
Total assets		**16,398.9**	15,781.0
LIABILITIES			
Current liabilities			
Trade and other payables	9	**2,093.8**	2,015.0
Borrowings	16	**79.9**	40.0
Lease liabilities	17.2	**102.5**	105.7
Current tax liabilities		**23.6**	35.2
Provisions	10	**553.8**	567.7
Contract liabilities	2.2	**268.2**	210.9
Deferred income		**58.5**	42.7
Derivative financial instruments	31.4	**9.0**	12.2
Total current liabilities		**3,189.3**	3,029.4
Non-current liabilities			
Trade and other payables	9	**12.9**	19.0
Borrowings	16	**1,101.4**	239.7
Lease liabilities	17.2	**483.2**	500.6
Deferred tax liabilities	4.2	**481.6**	470.6
Provisions	10	**217.5**	216.3
Contract liabilities	2.2	**6.7**	7.8
Retirement benefit obligations	11	**-**	3.0
Deferred income		**0.6**	1.0
Derivative financial instruments	31.4	**8.0**	20.9
Total non-current liabilities		**2,311.9**	1,478.9
Total liabilities		**5,501.2**	4,508.3
Net assets		**10,897.7**	11,272.7
EQUITY			
Contributed equity	18.1	**2,336.9**	2,356.5
Reserves	19	**510.6**	801.0
Retained profits		**7,463.0**	7,509.0
Total equity attributable to owners of BlueScope Steel Limited		**10,310.5**	10,666.5
Non-controlling interests	22	**587.2**	606.2
Total equity		**10,897.7**	11,272.7

The consolidated statement of financial position should be read in conjunction with the accompanying notes to the consolidated financial statements.

Consolidated statement of changes in equity

As at 30 June 2026

30 June 2026	Note	Attributable to owners of BlueScope Steel Limited			Non-controlling interests	Total equity
		Contributed equity $M	Reserves $M	Retained profits $M	$M	$M
Balance as at 1 July 2025		2,356.5	801.0	7,509.0	606.2	11,272.7
Profit for the year		-	-	802.0	100.7	902.7
Other comprehensive income (loss)		-	(293.2)	8.2	(30.7)	(315.7)
Total comprehensive income (loss) for the year		-	(293.2)	810.2	70.0	587.0
Transactions with owners in their capacity as owners:						
Shares purchased on market; net of shares used for employee share awards (treasury shares)	18.2	(2.7)	-	-	-	(2.7)
Share-based payment expense	19.1	-	24.3	-	-	24.3
Settlement of employee share awards	18.2, 19.1	(7.3)	(20.7)	-	-	(28.0)
Share buy-backs	18.2	(12.5)	-	-	-	(12.5)
Dividends paid	20,22.2	-	-	(854.4)	(91.2)	(945.6)
Tax recognised directly in equity from share-based payments	18.2	2.9	-	-	-	2.9
Other		-	(0.8)	(1.8)	2.2	(0.4)
		(19.6)	2.8	(856.2)	(89.0)	(962.0)
Balance as at 30 June 2026		2,336.9	510.6	7,463.0	587.2	10,897.7

30 June 2025	Note	Attributable to owners of BlueScope Steel Limited			Non-controlling interests	Total equity
		Contributed equity $M	Reserves $M	Retained profits $M	$M	$M
Balance as at 1 July 2024		2,368.8	665.4	7,687.2	564.1	11,285.5
Profit for the year		-	-	83.8	105.2	189.0
Other comprehensive income (loss)		-	133.4	3.5	33.7	170.6
Total comprehensive income (loss) for the year		-	133.4	87.3	138.9	359.6
Transactions with owners in their capacity as owners:						
Shares purchased on market; net of shares used for employee share awards (treasury shares)	18.2	19.6	-	-	-	19.6
Share-based payment expense	19.1	-	22.0	-	-	22.0
Settlement of employee share awards	18.2, 19.1	(1.7)	(17.1)	-	-	(18.8)
Share buy-backs	18.2	(29.9)	-	-	-	(29.9)
Dividends paid	20,22.2	-	-	(263.3)	(96.4)	(359.7)
Tax recognised directly in equity from share-based payments	18.2	(0.3)	-	-	-	(0.3)
Transactions with non-controlling interests		-	(4.3)	-	-	(4.3)
Other		-	1.6	(2.2)	(0.4)	(1.0)
		(12.3)	2.2	(265.5)	(96.8)	(372.4)
Balance as at 30 June 2025		2,356.5	801.0	7,509.0	606.2	11,272.7

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the consolidated financial statements.

Consolidated statement of cash flows

For the year ended 30 June 2026

	Note	2026 $M	2025 $M
Cash flows from operating activities			
Receipts from customers		**17,663.4**	17,085.9
Payments to suppliers and employees		**(15,777.2)**	(15,647.8)
		1,886.2	1,438.1
Dividends received - associates and joint ventures	23.1, 24.1	**27.7**	20.8
Dividends received - other		**-**	0.5
Interest received		**28.5**	34.9
Other revenue received		**72.1**	94.1
Finance costs paid		**(83.9)**	(69.4)
Income taxes paid		**(205.0)**	(106.1)
Net cash inflow from operating activities	15.1	**1,725.6**	1,412.9
Cash flows from investing activities			
Payments for property, plant and equipment		**(1,467.2)**	(1,216.3)
Payments for intangibles		**(18.5)**	(17.1)
Payments for other investments		**(0.3)**	(2.9)
Proceeds from sale of property, plant and equipment	3.2	**84.1**	6.0
Proceeds from sale of joint venture interest	24.1	**166.8**	-
Proceeds from sale of subsidiaries		**0.9**	0.4
Net cash (outflow) from investing activities		**(1,234.2)**	(1,229.9)
Cash flows from financing activities			
Proceeds from borrowings		**2,982.3**	1,874.8
Repayment of borrowings		**(2,062.9)**	(1,786.4)
Repayment of principal component of lease liabilities	17.2	**(124.3)**	(110.9)
Dividends paid to Company's shareholders	20.1	**(854.4)**	(263.3)
Dividends paid to non-controlling interests in subsidiaries	22.2	**(91.2)**	(96.4)
Share buy-backs	18.2	**(12.5)**	(29.9)
Transaction with non-controlling interests		**-**	(11.6)
Net cash (outflow) from financing activities		**(163.0)**	(423.7)
Net increase/(decrease) in cash and cash equivalents		**328.4**	(240.7)
Cash and cash equivalents at the beginning of the year		**857.4**	1,083.3
Effects of exchange rate changes on cash and cash equivalents		**(18.8)**	14.8
Cash and cash equivalents, net of overdrafts, at the end of the year	15	**1,167.0**	857.4
Reconciliation of liabilities arising from financing activities	16.1, 17.2		
Financing arrangements	16.2		
Non-cash financing activities	17.2		

The consolidated statement of cash flows should be read in conjunction with the accompanying notes to the consolidated financial statements.

Notes to the consolidated financial statements

For the year ended 30 June 2026

About this report

This section provides information about the basis upon which the Group's financial statements are prepared. It includes an overview of the reporting entity, a summary of certain accounting policies that are not disclosed elsewhere, and highlights the key accounting judgements and estimates applied by management and where that information is disclosed in this report.

Reporting entity

BlueScope Steel Limited is a for-profit company incorporated and domiciled in Australia and limited by shares publicly traded on the Australian Securities Exchange. The registered office of the Company is Level 24, 181 William Street, Melbourne, Victoria, Australia 3000. The nature of the operations and principal activities of the Group are described in note 1.1 and the Directors' Report.

The financial report of BlueScope Steel Limited for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the Directors on 17 August 2026.

Basis of preparation

The financial report is a general purpose financial report, which:

- Has been prepared in accordance with the requirements of the Australian *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).
- Has been prepared on a historical cost basis, except for certain derivative financial instruments and other investments which are measured at fair value.
- Is presented in Australian dollars rounded to the nearest hundred thousand dollars, unless otherwise stated, in accordance with the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183.
- Presents reclassified comparative information where required for consistency with the current year's presentation.
- Adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or before 1 July 2025.
- Does not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective.
- Has been prepared on a going concern basis of accounting as, at the time of approving the financial statements, the Directors have reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Basis of consolidation

The consolidated financial statements comprise the financial statements of BlueScope Steel Limited ('the Company' or 'parent entity') and its controlled entities (together 'the Group'). Details of controlled entities (subsidiaries) of the Company are contained in note 22.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The financial statements of subsidiaries are consolidated in the Group financial statements from the date that the Group obtains control until the date that control ceases. The subsidiary financial statements are prepared using consistent accounting policies and for the same reporting period as the parent company.

In preparing the consolidated financial statements, all intercompany balances and transactions have been eliminated in full.

Foreign currency

Items included in the financial statements of entities within the Group are measured using the currency of the primary economic environment in which the entity generates and expends cash ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is BlueScope Steel Limited's functional and presentation currency.

Transactions in foreign currencies are translated into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date. Non-monetary items measured in terms of historical cost in a foreign currency are translated at the exchange rate as at the date of the initial transaction. Foreign exchange gains and losses arising from translation are recognised in the income statement, except when deferred in equity as qualifying cash flow or net investment hedges, or where those gains or losses are attributable to part of the net investment in a foreign operation.

Notes to the consolidated financial statements

For the year ended 30 June 2026

On consolidation at the reporting date, the assets and liabilities of entities within the Group that have a functional currency different from the presentation currency, are translated into Australian dollars at the rate of exchange at the reporting date and the income statements are translated at the average exchange rate for the year. Exchange differences arising from the translation are recognised in other comprehensive income and in the foreign currency translation reserve in equity.

Goods and services tax (GST) / value added tax (VAT)

Revenues, expenses, liabilities and assets are recognised net of the amount of GST/VAT, unless the GST/VAT incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST/VAT receivable or payable.

Cash flows in the consolidated statement of cash flows are presented on a gross basis. The GST/VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST/VAT recoverable from, or payable to, a taxation authority.

Other accounting policies

Material and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements, are provided throughout the notes to the consolidated financial statements.

The consolidated financial statements have been prepared using the same accounting policies as used in the financial statements for the year ended 30 June 2025. There were no significant changes in accounting policies during the year ended 30 June 2026 nor did the introduction of new accounting standards or amendments lead to any change in measurement or disclosure in the financial statements as described in note 33.1.

The notes to the consolidated financial statements

The notes to the consolidated financial statements include information which is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant due to its size or nature, or the information is important for understanding current and future performance or significant changes in operations.

The notes to the consolidated financial statements have been organised into logical groupings to help users find and understand the information reported. Where possible, related information has been provided in the same place.

Key accounting judgements and estimates

The preparation of the financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed and highlighted in the following notes:

Accounting judgements and estimates	Note
Uncertain tax matters	Note 4 Income tax
Recognition and recoverability of deferred tax assets	Note 4 Income tax
Recognition and calculation of provisions	Note 10 Provisions
Determination of retirement benefit obligations	Note 11 Retirement benefit plans
Estimation of the useful lives of property, plant and equipment	Note 12 Property, plant and equipment
Impairment of non-financial assets - carrying value assessment	Note 14 Carrying value of non-financial assets
Determining lease contract terms and lease components	Note 17 Leases
Fair value measurement of share-based payments	Note 27 Share-based payments

Notes to the consolidated financial statements

For the year ended 30 June 2026

Financial performance

This section provides information about the operating results and financial performance of the Group. It includes disclosure of segment financial information, revenue and other income, costs and expenses, taxes and earnings per share, including the accounting policies, and key accounting judgements and estimates relevant to understanding these areas.

1. Segment information

1.1 Description of segments

The Group has identified its operating segments based on the information that is regularly reviewed and used by the chief operating decision maker (Managing Director and Chief Executive Officer) for the purposes of allocating resources and assessing performance.

The following summary describes the operations of the Group's reportable segments, which comprise individually material operating segments and an aggregation of operating segments that have similar economic characteristics and satisfy the aggregation criteria.

Segment	Description
Australian Steel Products (ASP)	• ASP produces and markets a range of high-value coated and painted flat steel products for Australian building and construction customers as well as providing a broader offering of commodity flat-steel products. • Products are primarily sold to the Australian domestic market, with some volume exported. • Key brands include zinc/aluminium alloy coated ZINCALUME® steel and galvanised and zinc/aluminium alloy-coated pre-painted COLORBOND® steel. • Main manufacturing facilities are at Port Kembla (NSW) and Western Port (VIC). • This operating segment also operates pipe and tube manufacturing, and a network of roll-forming and distribution sites throughout Australia, acting as a major steel product supplier to the building and construction, manufacturing, transport, agriculture and mining industries.
North Star BlueScope Steel	• North Star BlueScope Steel is a low-cost regional supplier of hot rolled coil, based in Ohio (USA), serving automotive, construction and manufacturing end-use industries. North Star is highly efficient, operates at industry leading utilisation rates and is strategically located near its customers and in one of the largest scrap metal recycling regions of North America. • This operating segment also includes BlueScope Recycling and Materials which is a full-service ferrous and non-ferrous scrap metal recycler, focused on supplying North Star's scrap steel requirements. It has processing facilities in Waterloo (Indiana), Mansfield (Ohio) and Delta (Ohio), adjacent to the North Star facility.
Buildings and Coated Products North America	• Leader in Precision-Engineered Building Solutions (PEBS), servicing the low-rise non-residential construction needs of customers from an engineering and manufacturing base in North America. • This segment includes the coil paintings operation that extend nationally throughout BlueScope Coated Products (BCP). BCP is the second largest metal painter in the US, with seven facilities (five light gauge and two heavy gauge coil painting lines) predominantly serving the commercial and industrial construction applications. • This segment also includes Building Products North America, representing the US operations of the joint venture with Nippon Steel Corporation (NSC). • BlueScope Properties Group which develops industrial properties, predominantly warehouses and distribution centres, forms part of the segment but is in the process of being wound down.

Notes to the consolidated financial statements

For the year ended 30 June 2026

1. Segment information (Continued)

Segment	Description
Coated Products Asia	• Technology leader in metal coated and painted steel building products with a wide range of branded products that include pre-painted COLORBOND® steel, zinc/aluminium alloy-coated ZINCALUME® steel and the LYSAGHT® range of products. • This segment has an extensive footprint of metal coating, painting and steel building product operations in Thailand, Indonesia, Vietnam, Malaysia and China, primarily servicing the residential and non-residential building and construction industries across Asia. The South East Asian businesses operate in a 50/50 joint venture with NSC, with BlueScope controlling and therefore consolidating the business. • The BlueScope China business is wholly owned and comprises metal coating, painting, and Lysaght operations and PEBS, and increasingly supports the Group through IP and equipment sourcing. • Until 31 December 2025, this segment included Tata BlueScope Steel (TBSL), a provider of coated and painted steel products in India. This joint venture was jointly controlled by the partners, Tata Steel Limited and BlueScope, with BlueScope equity accounting for its interest. On 31 December 2025, the Group completed the sale of its 50% interest to its joint venture partner, Tata Steel Limited (refer to note 24.1).
New Zealand & Pacific Islands	• Consists of three primary business areas: New Zealand Steel, Pacific Steel and BlueScope Pacific Islands. • New Zealand Steel is the only steel producer in New Zealand, producing slab, billet, hot rolled coil and value added coated and painted products for both domestic and export markets across the Pacific region. Operations include the manufacture and distribution of the LYSAGHT® range of products in Fiji, New Caledonia and Vanuatu and rod and bar in Fiji. • Pacific Steel is the sole producer of long steel products such as rod, bar, reinforcing coil and wire in New Zealand. • This segment also includes the Waikato North Head ironsands mine which supplies ironsands to the Glenbrook Steelworks.

Notes to the consolidated financial statements

For the year ended 30 June 2026

1. Segment information (Continued)

1.2 Information about reportable segments

Performance of operating segments is based on EBIT, which represents earnings excluding the effects of Group financing (including interest expense and interest income) and income taxes, as these items are managed on a Group basis. Sales between segments are carried out at an arm's length basis and are eliminated on consolidation. The revenue from external parties is measured in a manner that is consistent with the consolidated statement of comprehensive income.

Segment assets and liabilities are measured in a manner consistent with the consolidated statement of financial position. Deferred taxes, cash and liabilities arising from borrowings and leases are not considered to be segment assets and liabilities due to these being managed on a Group basis.

Segment information for the reportable segments for the year ended 30 June 2026 is as follows:

30 June 2026	Australian Steel Products $M	North Star BlueScope Steel $M	Buildings & Coated Products North America $M	Coated Products Asia $M	New Zealand & Pacific Islands $M	Discontinued Operations $M	Total $M	Consolidated North America[1] $M
Segment sales revenue	6,849.0	4,292.8	3,405.5	1,847.0	812.9	-	17,207.2	7,636.7
Intersegment revenue	(452.1)	(61.6)	(0.4)	(2.2)	(85.0)	-	(601.3)	(0.4)
Sales revenue from external customers	6,396.9	4,231.2	3,405.1	1,844.8	727.9	-	16,605.9	7,636.3
Interest revenue							28.5	
Other revenue							56.7	
Total revenue							16,691.1	
Segment EBIT	158.4	805.1	182.7	215.3	(12.7)	4.4	1,353.2	986.9
Comprises:								
Raw materials and consumables expense - external	3,741.2	2,739.6	2,071.1	1,231.0	457.2	-	10,240.1	4,749.1
Depreciation and amortisation expense	350.1	137.2	79.3	81.7	43.0	-	691.3	216.4
Share of profit from associates and joint ventures	-	1.4	-	3.5	-	-	4.9	1.4
Segment assets	6,671.7	4,162.6	1,953.5	1,194.5	1,202.1	11.0	15,195.4	6,108.3
Segment liabilities	(1,445.1)	(519.8)	(572.8)	(481.3)	(246.7)	(2.3)	(3,268.0)	(1,088.6)
Comprises:								
Investments in associates and joint ventures	-	0.6	-	0.2	-	-	0.8	0.6
Additions to non-current assets[2]	1,069.3	207.6	116.9	51.8	146.4	-	1,592.0	324.5

1. Consolidated North America is the total of North Star BlueScope Steel and Buildings and Coated Products North America. It is included to provide a summary of total North America operations.
2. Other than financial assets and deferred tax.

Notes to the consolidated financial statements

For the year ended 30 June 2026

1. Segment information (Continued)

30 June 2025	Australian Steel Products $M	North Star BlueScope Steel $M	Buildings & Coated Products North America $M	Coated Products Asia $M	New Zealand & Pacific Islands $M	Discontinued Operations $M	Total $M	Consolidated North America[1] $M
Segment sales revenue	6,952.7	3,702.2	3,327.9	1,923.7	862.4	-	16,768.9	6,997.3
Intersegment revenue	(316.0)	(32.8)	-	(15.2)	(152.1)	-	(516.1)	-
Sales revenue from external customers	6,636.7	3,669.4	3,327.9	1,908.5	710.3	-	16,252.8	6,997.3
Interest revenue							32.4	
Other revenue							41.6	
Total revenue							16,326.8	
Segment EBIT	260.0	257.9	(190.7)	142.3	(16.5)	9.6	462.6	65.1
Comprises:								
Raw materials and consumables expense - external	3,708.5	2,720.3	1,957.9	1,310.9	341.8	-	10,039.4	4,645.5
Depreciation and amortisation expense	349.8	145.2	86.2	86.2	45.0	-	712.4	231.4
Impairment expense	-	-	438.9	-	-	-	438.9	438.9
Share of profit from associates and joint ventures	-	2.1	1.7	1.6	-	-	5.4	3.8
Segment assets	5,812.5	4,336.0	2,200.5	1,385.5	1,130.8	12.8	14,878.1	6,530.8
Segment liabilities	(1,417.8)	(519.0)	(506.2)	(465.2)	(283.3)	(2.6)	(3,194.1)	(1,022.4)
Comprises:								
Investments in associates and joint ventures	-	0.7	-	108.7	-	-	109.4	0.7
Additions to non-current assets[2]	1,051.7	159.6	101.8	40.1	108.6	-	1,461.8	261.4

1. Consolidated North America is the total of North Star BlueScope Steel and Buildings and Coated Products North America. It is included to provide a summary of total North America operations.
2. Other than financial assets and deferred tax.

Notes to the consolidated financial statements

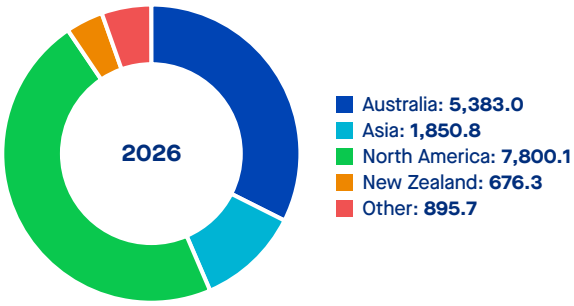
For the year ended 30 June 2026

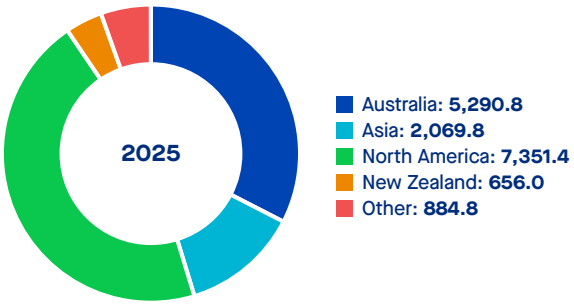
1. Segment information (Continued)

1.3 Geographical information

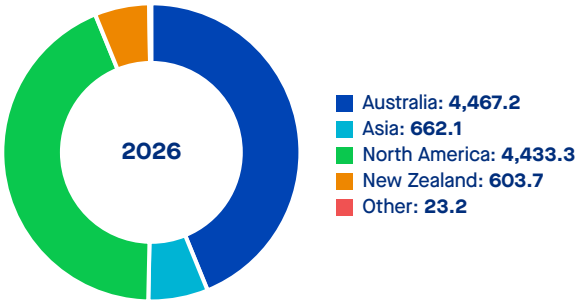
The Group's geographical regions are based on the location of markets and customers. Segment non-current assets exclude tax assets and are allocated based on where the assets are located.

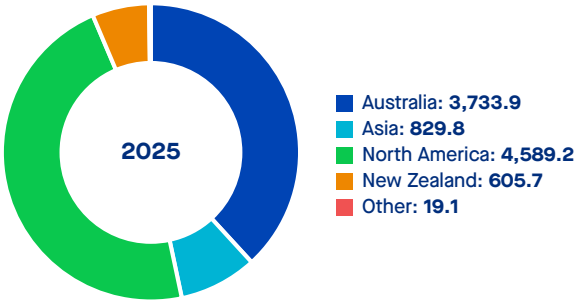
Segment revenue from external customers ($M)





Non-current assets ($M)





1.4 Reconciliation segment information

A reconciliation of segment EBIT, assets and liabilities to the consolidated financial statements is as follows:

Segment EBIT

	Note	2026 $M	2025 $M
Total segment EBIT		**1,353.2**	462.6
Intersegment eliminations		**(3.6)**	(5.3)
Interest income	2	**28.5**	32.4
Finance costs	16.6, 17.3	**(89.8)**	(69.6)
Discontinued operations		**(4.4)**	(9.6)
Corporate operations		**(148.0)**	(161.5)
Profit before income tax from continuing operations		**1,135.9**	249.0

Notes to the consolidated financial statements

For the year ended 30 June 2026

1. Segment information (Continued)

Segment assets

	Note	2026 $M	2025 $M
Segment assets		**15,195.4**	14,878.1
Intersegment eliminations		**(237.2)**	(230.6)
Unallocated:			
Deferred tax assets	4.2	**57.4**	69.9
Cash	15.1	**1,167.0**	857.6
Accrued interest receivable		**0.1**	0.1
Corporate operations		**216.2**	205.9
Total assets		**16,398.9**	15,781.0

Segment liabilities

	Note	2026 $M	2025 $M
Segment liabilities		**3,268.0**	3,194.1
Intersegment eliminations		**(226.9)**	(224.1)
Unallocated:			
Borrowings	16	**1,181.3**	279.7
Lease liabilities	17.2	**585.7**	606.3
Current tax liabilities		**23.6**	35.2
Deferred tax liabilities	4.2	**481.6**	470.6
Accrued borrowing costs payable		**9.5**	2.1
Corporate operations		**178.4**	144.4
Total liabilities		**5,501.2**	4,508.3

2. Revenue

	2026 $M	2025 $M
Sales revenue from contracts with customers	**16,605.9**	16,252.8
Other revenue	**56.7**	41.6
Revenue from continuing operations	**16,662.6**	16,294.4
Interest revenue	**28.5**	32.4
Total revenue	**16,691.1**	16,326.8

Notes to the consolidated financial statements

For the year ended 30 June 2026

2. Revenue (Continued)

2.1 Disaggregation of sales revenue from contracts with customers

30 June 2026	Australian Steel Products $M	North Star BlueScope Steel $M	Buildings & Coated Products North America $M	Coated Products Asia $M	New Zealand & Pacific Islands $M	Discontinued Operations $M	Total $M
External sales revenue recognition							
Point in time	6,396.9	4,231.2	1,704.5	1,481.4	727.9	-	14,541.9
Over time	-	-	1,700.6	363.4	-	-	2,064.0
Total external sales revenue	6,396.9	4,231.2	3,405.1	1,844.8	727.9	-	16,605.9
External sales revenue by destination							
Australia	5,373.0	-	-	10.0	-	-	5,383.0
Asia	53.2	-	-	1,797.5	0.1	-	1,850.8
North America	163.8	4,231.2	3,405.1	-	-	-	7,800.1
New Zealand	19.9	-	-	-	656.4	-	676.3
Other	787.0	-	-	37.3	71.4	-	895.7
Total external sales revenue	6,396.9	4,231.2	3,405.1	1,844.8	727.9	-	16,605.9
External sales revenue by category							
Steelmaking products	1,479.8	4,022.5	-	-	42.0	-	5,544.3
Building products	4,472.1	-	1,581.9	1,481.4	685.9	-	8,221.3
Engineered building solutions	-	-	1,700.6	363.4	-	-	2,064.0
Other	445.0	208.7	122.6	-	-	-	776.3
Total external sales revenue	6,396.9	4,231.2	3,405.1	1,844.8	727.9	-	16,605.9

30 June 2025	Australian Steel Products $M	North Star BlueScope Steel $M	Buildings & Coated Products North America $M	Coated Products Asia $M	New Zealand & Pacific Islands $M	Discontinued Operations $M	Total $M
External sales revenue recognition							
Point in time	6,636.7	3,669.4	1,708.2	1,487.0	710.3	-	14,211.6
Over time	-	-	1,619.7	421.5	-	-	2,041.2
Total external sales revenue	6,636.7	3,669.4	3,327.9	1,908.5	710.3	-	16,252.8
External sales revenue by destination							
Australia	5,282.6	-	-	8.2	-	-	5,290.8
Asia	218.1	-	-	1,851.7	-	-	2,069.8
North America	341.6	3,669.4	3,327.9	12.5	-	-	7,351.4
New Zealand	25.8	-	-	-	630.2	-	656.0
Other	768.6	-	-	36.1	80.1	-	884.8
Total external sales revenue	6,636.7	3,669.4	3,327.9	1,908.5	710.3	-	16,252.8
External sales revenue by category							
Steelmaking products	1,745.7	3,476.4	-	-	66.9	-	5,289.0
Building products	4,409.1	-	1,563.1	1,487.0	643.4	-	8,102.6
Engineered building solutions	-	-	1,619.7	421.5	-	-	2,041.2
Other	481.9	193.0	145.1	-	-	-	820.0
Total external sales revenue	6,636.7	3,669.4	3,327.9	1,908.5	710.3	-	16,252.8

Notes to the consolidated financial statements

For the year ended 30 June 2026

2. Revenue (Continued)

2.2 Assets and liabilities related to contracts with customers

	2026 $M	2025 $M
Current contract assets		
Engineered building solutions	**118.4**	132.7
Total current contract assets	**118.4**	132.7
Current contract liabilities		
Customer deposits received in advance of work performed	**267.4**	210.0
Service warranties	**0.8**	0.9
Total current contract liabilities	**268.2**	210.9
Non-current contract liabilities		
Service warranties	**6.7**	7.8
Total non-current contract liabilities	**6.7**	7.8

There have been no contract assets recognised from costs to fulfil a contract.

2.3 Recognition and measurement

Sales revenue from contracts with customers

The Group's revenue arises primarily from the sale of flat and long steel products, coated and painted metal products and steel buildings and building materials. The Group also provides design, construction and installation services in our Buildings businesses. Other than the provision of service warranties, the Group's performance obligations are typically satisfied within one year or less.

Sales revenue from contracts with customers is measured at the fair value of the consideration expected to be received and is presented net of returns, trade allowances, discounts, rebates and amounts collected on behalf of third parties. Variable consideration is estimated using the 'most likely amount method' for contracts with a single volume threshold and the 'expected value method' for contracts with more than one volume threshold.

Steelmaking products

Steelmaking includes production of flat steel products, including hot rolled coil, cold rolled coil and plate within Australia, North America and New Zealand, as well as long products, slab and billet, in New Zealand. Products are primarily sold to the local markets, with some exports from Australian Steel Products, New Zealand and Pacific Islands.

Revenue from the sale of steelmaking products is recognised when control of the goods has passed to the customer, the associated costs and possible returns of goods can be estimated reliably, there is no continuing management involvement with the goods, and there is a high probability that a significant reversal in the revenue recognised will not occur. The timing of the transfer of control varies depending on the individual terms of the sales agreement. For most sales, this occurs when the product is delivered to the customer, with the performance obligation being satisfied at that point in time.

Building products

Building products revenue is derived from the sale of value-added metallic coated and painted steel products across Australia, New Zealand, Asia and North America. Revenue is recognised for the sale of value-added products when control has passed to the customer, generally when the product is delivered to the customer, with the performance obligation being satisfied at that point in time.

Engineered building solutions

Revenue from engineered building solutions is generated from bespoke design-supply-and-install services, as well as pre-fabricated building sales, to the low-rise non-residential construction market in North America and China. Under this revenue stream, customer contracts include multiple interrelated goods and services (e.g. design, materials, construction and/or installation services), which are combined in a single performance obligation.

Revenue for these arrangements is recognised over time as the performance obligation is being satisfied. The input method is used for measuring progress towards completion of a performance obligation, whereby the amount of revenue recognised is based on the percentage of costs incurred for work performed to date, relative to the total costs expected to be incurred in satisfying that performance obligation.

Notes to the consolidated financial statements

For the year ended 30 June 2026

2. Revenue (Continued)

Other – scrap sales and industrial properties sales
Includes scrap sales within Australian Steel Products and North Star. Revenue is recognised at a point in time upon delivery of the product to the customer.

Also includes industrial property sales (warehouses and distribution centres) within Buildings and Coated Products North America as transacted by the BlueScope Properties Group, which is the process of being wound down. Revenue is recognised at the time of settlement when title passes to the customer as per the sale and purchase agreement.

Service warranties
The North American Buildings and Building Product businesses offer service warranties to customers, ranging from 5 to 30 years. These service warranties are treated as a separate performance obligation with revenue from premiums recognised over the warranty period.

Interest and other revenue
Interest revenue is recognised on a time proportion basis using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Other revenue primarily includes rental income earned under leases and is recognised on a straight-line basis over the term of the lease. The balance of other revenue relates to various other miscellaneous revenue items.

3. Expenses and other income

3.1 Expenses

	Note	2026 $M	2025 $M
Changes in inventories of finished goods and work in progress		**(180.2)**	207.4
Raw materials and consumables used		**10,240.1**	10,039.4
Employee benefits expense		**2,598.3**	2,507.6
Depreciation and amortisation expense	12, 13, 17.1	**692.9**	713.9
Freight on external despatches		**781.6**	806.7
External services		**1,049.2**	993.2
Other expenses		**478.2**	435.3
Net foreign exchange expense		**11.1**	-
Total expenses		**15,671.2**	15,703.5

Notes to the consolidated financial statements

For the year ended 30 June 2026

3. Expenses and other income (Continued)

3.2 Other income

	Note	2026 $M	2025 $M
Carbon permit income		**83.7**	111.6
Energy certificates income		**0.6**	1.3
Government grants		**3.7**	6.8
Insurance recoveries		**3.4**	4.8
Net gain on sale of PP&E and ROU lease termination		**50.2**	-
Net gain on sale of joint venture interest	24.1	**57.0**	-
Net gain on disposal of subsidiary		**2.3**	-
Net foreign exchange gains		**-**	4.3
Total other income		**200.9**	128.8

Carbon permit income
Carbon permit income arises from the receipt of emission unit permits under different national greenhouse gas (GHG) emissions reduction schemes. The majority is attributable to the New Zealand Government's Emissions Trading Scheme (ETS) where units are granted on a calendar year basis and recorded as intangible assets or inventory. Units are measured initially at fair value with a corresponding entry to deferred income, which is recognised in profit or loss based on production outputs across the period.

Sale of West Dapto land
During the second half of the year, BlueScope received $76.5M proceeds for the sale of 33 hectares of land in West Dapto, NSW. The $73.4M net gain on sale (after $2.1M of selling costs and disposal of $1M carrying value of the land) is subject to $15.6M tax (after using historical taxable losses), resulting in $57.8M profit after-tax.

Net gain on sale of joint venture interest
On 31 December 2025, the Group completed the sale of its 50% interest in Tata BlueScope Steel (TBSL), to joint venture partner, Tata Steel Limited. The gain on sale of $101.7M (proceeds: $181.8M, carrying value of equity accounted investment: $79.8M, $0.3M selling costs) was partially offset by a $44.7M reclassification of foreign exchange translation reserves, attributable to the investment, to profit or loss, resulting in a net pre-tax gain on sale of $57.0M.

Sale of subsidiary
In June 2026, BlueScope sold it's 50% interest in subsidiary, NS BlueScope Lysaght Myanmar Limited, resulting in a $2.3M net gain on sale (net proceeds: $2.3M, carrying value: $0.8M, $0.8M of foreign exchange gains transferred to the profit or loss).

Notes to the consolidated financial statements

For the year ended 30 June 2026

4. Income tax

4.1 Income tax expense

	Note	2026 $M	2025 $M
(i) Income tax expense recognised in profit or loss			
Current tax		**214.0**	134.6
Deferred tax		**24.5**	(57.1)
Temporary difference on net investments in foreign subsidiaries	19.1	**1.3**	(1.2)
Adjustments for current tax of prior periods		**(2.2)**	(6.7)
Total income tax expense		**237.6**	69.6
Income tax expense is attributable to:			
Continuing operations		**237.6**	69.6
Discontinued operations		**-**	-
Total income tax expense		**237.6**	69.6
(ii) Reconciliation of prima facie tax expense in income tax expense			
Profit from continuing operations before income tax expense		**1,135.9**	249.0
Profit from discontinued operations before income tax expense		**4.4**	9.6
Profit before income tax		**1,140.3**	258.6
Tax at the Australian tax rate of 30.0% (2025: 30.0%)		**342.1**	77.6
Effect of different tax rates in foreign jurisdictions		**(79.8)**	(15.5)
Adjustments for current tax of prior periods		**(2.2)**	(6.7)
Tax effect of amounts which are not deductible / (taxable):			
Withholding tax		**25.4**	12.2
Non-tax effected (gains)		**(40.3)**	(20.5)
Share of net profits of associates and joint ventures		**(0.9)**	(0.4)
Sundry items		**(1.9)**	(1.4)
Tax losses and temporary differences not recognised		**1.7**	9.0
Tax effect of the utilisation of tax losses not previously recognised		**(6.0)**	-
Tax losses and temporary differences now recognised		**(0.5)**	15.3
Income tax expense		**237.6**	69.6

Notes to the consolidated financial statements

For the year ended 30 June 2026

4. Income tax (Continued)

	Note	2026 $M	2025 $M
(iii) Income tax relating to items in other comprehensive income			
Net gain / (loss) in cash flow hedges		**9.3**	(0.7)
Actuarial gains in defined benefit and retirement plans		**2.9**	1.3
Total movement in deferred tax recognised in other comprehensive income		**12.2**	0.6
Temporary difference on net investments in foreign subsidiaries	19.1	**(1.3)**	1.2
Income tax recognised in other comprehensive income		**10.9**	1.8
(iv) Income tax recognised directly in equity			
(Shortfall) excess tax deductions for share-based payments on share awards	18.2	**(2.9)**	0.3
Income tax recognised directly in equity		**(2.9)**	0.3

Income tax expense for the year was $237.6M, resulting in an effective tax rate of 20.9% (excluding the impact of net profits of associates and joint ventures). The Group's effective tax rate is lower than the Australian 30% statutory tax rate primarily due to Australian losses and lower tax rates in North America and Asia.

4.2 Deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
	2026 $M	2025 $M	2026 $M	2025 $M
The balance comprises temporary differences attributable to:				
Employee benefits provision	**14.6**	17.1	**(108.0)**	(113.0)
Other provisions	**2.5**	8.6	**(40.7)**	(57.3)
Property, plant and equipment	**1.7**	8.3	**620.6**	559.0
Foreign exchange (gains) / losses	**-**	-	**19.4**	20.5
Intangible assets	**(4.2)**	(5.5)	**53.7**	43.5
Inventory	**10.3**	11.6	**25.8**	18.1
Tax losses	**30.4**	19.2	**(73.5)**	(8.1)
Other	**2.1**	10.6	**(15.7)**	7.9
Total	**57.4**	69.9	**481.6**	470.6

Notes to the consolidated financial statements

For the year ended 30 June 2026

4. Income tax (Continued)

	2026 $M	2025 $M
Recognised deferred tax balances:		
Deferred tax asset	**57.4**	69.9
Deferred tax liability	**481.6**	470.6
Net deferred tax liability	**424.2**	400.7
Net deferred tax liability movements:		
Opening balance at 1 July	**400.7**	452.2
Charged / (credited):		
Amount expensed / (credited) to profit or loss	**24.5**	(57.1)
Amount expensed to other comprehensive income	**12.2**	0.6
Exchange differences	**(13.2)**	5.0
Closing balance as at 30 June	**424.2**	400.7

4.3 Unrecognised deferred tax assets and liabilities

	2026 $M	2025 $M
Unrecognised deferred tax liabilities:		
Temporary difference relating to investment in subsidiaries	**138.5**	157.2
Potential tax effect	**14.4**	16.3
Unrecognised deferred tax assets:		
Deductible temporary differences	**270.0**	326.5
Unused tax losses	**21.4**	22.0
Potential tax effect	**77.8**	94.5

Overseas subsidiaries have undistributed earnings, which, if paid out as dividends, would be subject to withholding tax. An assessable temporary difference exists, however no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from its subsidiaries and is not expected to distribute these profits in the foreseeable future.

Unrecognised deferred tax assets for the Group totalling $77.8M (2025: $94.5M) in respect of temporary differences and unused tax losses have not been recognised as they are not probable of realisation.

Unused tax losses relate to entities in Indonesia and China which, if unused, expire after 5 years of being incurred.

4.4 Recognition and measurement

Income tax expense in the consolidated statement of comprehensive income comprises current and deferred tax, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is also recognised directly in equity or other comprehensive income, respectively.

Current taxes

The income tax expense or benefit for the year is the tax payable on the current period taxable income using tax rates enacted or substantively enacted at the reporting date in the countries where the Group operates, and generates taxable income, and any adjustment to tax payable with respect to prior years.

Notes to the consolidated financial statements

For the year ended 30 June 2026

4. Income tax (Continued)

Deferred taxes

Deferred tax assets and liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities and the tax base. Deferred tax assets and liabilities are determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets and liabilities are offset when deferred tax balances relate to the same taxation authority and there is a legally enforceable right to offset current tax assets and liabilities.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill in a business combination or the initial recognition of an asset or liability in a transaction (other than from a business combination or the adoption of a new accounting standard) that at the time of the transaction affects neither accounting nor taxable profit.

Furthermore, deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. For the current year a $1.3M deferred tax credit, relating to investments in foreign operations, was recognised in other comprehensive income (2025: $1.2M).

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

OECD Pillar Two Model Rules

The Group is within the scope of the Organisation of Economic Co-operation and Development's (OECD) Pillar Two framework that has been enacted in Australia and many of the jurisdictions in which the Group operates. The Australian Pillar Two legislation (which applies to the Company as the ultimate parent entity) applies the Income Inclusion Rule (IIR) and Qualifying Domestic Minimum Top-up Tax (QDMTT) to income years commencing on or after 1 January 2024 and the Undertaxed Profits Rule (UTPR) to income years commencing on or after 1 January 2025.

The current tax arising under the IIR and QDMTT for the period is not material. This is on the basis that the transitional safe harbour thresholds are expected to be met for jurisdictions in which BlueScope operates, except for Fiji, Mexico, Thailand and Vietnam. The Group has determined that neither Mexico, Thailand, nor Vietnam require a top-up tax and that Fiji's top-up tax, which will be borne by the Company under the IIR, is trivial. As the company is not controlled by any other entity, the Group has no exposure to the UTPR.

The Group has and will continue to apply the mandatory temporary exception in AASB 112 Income Taxes to not recognise or disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

4.5 Key accounting judgements and estimates

Uncertain tax matters

The Group is subject to income taxes in Australia and foreign jurisdictions and as a result the calculation of the Group's tax payable involves estimation and judgement, including assumptions made in respect of the application of tax legislation. There are transactions and calculations for which the ultimate tax determination is uncertain.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, these differences will impact the current and deferred tax provisions in the period in which the determination is made.

Recognition and recoverability of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future forecast taxable profits are available to utilise those temporary differences and losses, and the tax losses continue to be available having regard to the relevant tax legislation associated with their recoupment. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of probable future taxable profits.

Notes to the consolidated financial statements

For the year ended 30 June 2026

5. Earnings per share

	Basic		Diluted	
	2026 Cents	2025 Cents	2026 Cents	2025 Cents
Continuing operations	**181.9**	16.9	**180.6**	16.8
Discontinued operations	**1.1**	2.2	**1.1**	2.2
Earnings per share	**183.0**	19.1	**181.7**	19.0

5.1 Earnings used in calculating earnings per share

	2026 $M	2025 $M
Continuing operations	**797.6**	74.2
Discontinued operations	**4.4**	9.6
Profit used in calculating basic earnings per share	**802.0**	83.8

5.2 Weighted average number of shares used as the denominator

	2026 Number	2025 Number
Weighted average number of ordinary shares (basic)	**438,306,206**	438,894,493
Weighted average number of share rights	**3,145,910**	3,178,504
Weighted average number of ordinary and potential ordinary shares (diluted)	**441,452,116**	442,072,997

5.3 Calculation of earnings per share

Basic earnings per share

Calculated as net profit attributable to the owners of the Company divided by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Calculated by dividing the net profit attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued upon the conversion of all dilutive potential ordinary shares into ordinary shares. Dilution arises as a result of the employee reserved shares issued under the employee share plan being accounted for as in-substance options and unvested restricted shares.

Notes to the consolidated financial statements

For the year ended 30 June 2026

Working capital

This section provides information about the Group's working capital and provisions, including the accounting policies and key accounting judgements and estimates relevant to understanding these areas.

6. Trade and other receivables

	Note	2026 Current $M	2026 Non-current $M	2025 Current $M	2025 Non-current $M
Trade receivables		**1,649.1**	**-**	1,651.1	-
Loss allowance for trade receivables	6.1	**(23.5)**	**-**	(33.8)	-
Total trade receivables		**1,625.6**	**-**	1,617.3	-
Workers compensation receivables	10.2	**-**	**26.9**	-	26.8
Sale of receivables	6.3	**47.8**	**-**	38.3	-
Other receivables		**104.6**	**6.2**	92.3	8.6
Total other receivables		**152.4**	**33.1**	130.6	35.4
Total trade and other receivables		**1,778.0**	**33.1**	1,747.9	35.4

6.1 Loss allowance for trade and other receivables

	2026 $M	2025 $M
As at 1 July	**33.8**	40.8
Additional loss allowance recognised	**5.0**	6.6
Amounts used during the year	**(3.6)**	(3.5)
Unutilised loss allowance written back	**(10.6)**	(11.8)
Exchange differences	**(1.1)**	1.7
Total loss allowance for trade and other receivables	**23.5**	33.8

6.2 Past due but not impaired

	2026 $M	2025 $M
Within 30 days	**102.0**	114.9
31 - 60 days	**12.2**	16.7
61 - 90 days	**3.6**	3.7
Total	**117.8**	135.3

Nil non-current receivables are impaired or past due.

Notes to the consolidated financial statements

For the year ended 30 June 2026

6. Trade and other receivables (Continued)

6.3 Transferred financial assets that are derecognised

The Group has receivables securitisation programs totalling $383.6M (2025: $395.9M) that mature in May 2027 ($40.0M), September 2027 ($300.0M) and uncommitted facility ($43.6M). These programs involve the sale of relevant trade receivables across Australian Steel Products and North Star BlueScope Steel. The business services the programs and collects cash from its customers on behalf of the program provider for which a fee is received.

Relevant trade receivables under the receivables securitisation programs are required to be derecognised in their entirety, when the contractual rights to the cash flows from the trade receivables have expired or are transferred. The Group maintains a continuing involvement in the derecognised financial assets by virtue of reserving requirements under the programs. The maximum exposure to loss for the Group from its continuing involvement is $47.8M which is determined by the amount of reserves funded by BlueScope, less customer collections during the month. Interest income and service fees earned were $11.3M (2025: $10.8M). Total costs from selling the receivables and running the programs were $28.7M (2025: $32.1M), presented within other expenses in the consolidated statement of comprehensive income.

In the event that bad or doubtful debts exceeds a specified limit, the Group is required to recognise the trade receivables on the balance sheet. Under these securitisation programs, the program provider is exposed to the first loss and to qualify for derecognition bad or doubtful debts must not exceed the first loss limit. Current experience and bad debt history is below this level. In the event this limit is exceeded, the Group would have to recognise the trade receivable on the balance sheet with the program recorded as borrowings.

The carrying amount of trade receivables derecognised as at 30 June 2026 is $369.4M (2025: $374.8M) which is reflected in a decrease in trade receivables of $160.6M (2025: $158.6M), and an increase in sundry payables of $256.6M (2025: $254.5M) offset by a $47.8M (2025: $38.3M) increase in sundry receivables which approximates fair value.

6.4 Recognition and measurement

Trade receivables not included in securitisation programs are held in a business model to collect contractual cash flows which are solely payments of principal and interest on the principal amounts outstanding. These trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowance for expected credit losses. Trade receivables are generally due for settlement within 30 to 90 days.

Loss allowance for trade receivables and contract assets

The Group recognises a loss allowance for expected credit losses (ECLs) associated with trade receivables and contract assets using the simplified approach, based on lifetime expected credit losses. ECLs are based on the difference between the contractual cash flows due under a contract and the cash flows that the Group expects to receive. The Group calculates loss allowances using a provision matrix that is based on the Group's historically observed credit loss experience and risk of default, adjusted for current and any forward-looking factors specific to the debtors and the economic environment.

Customer credit risk is managed by each business in accordance with the procedures and controls set out in the Group's credit risk management policy. Credit limits are established for all customers based on external and internal credit rating criteria and letters of credit or other forms of credit insurance cover are obtained where appropriate.

The Group assesses the recoverability of receivables continuously and debts are written off when there is no reasonable expectation of recovery. Where there is objective evidence that amounts due may not be received, specific allowances are recognised. Indicators that amounts due may not be received include financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments.

The amount of the loss allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to current receivables are not discounted if the effect of discounting is immaterial.

Notes to the consolidated financial statements

For the year ended 30 June 2026

7. Inventories

	2026		2025	
	Current	Non-current	Current	Non-current
	$M	$M	$M	$M
At lower of cost and net realisable value:				
Raw materials and stores	**984.4**	**-**	1,092.1	-
Work in progress	**998.2**	**-**	852.0	-
Finished goods	**772.8**	**-**	828.9	-
Spares and other	**169.8**	**92.0**	295.1	91.3
Total inventories	**2,925.2**	**92.0**	3,068.1	91.3

During the year, $4.1M (2025: $16.1M write-back) was recognised as an expense for inventories carried at net realisable value. The expense has been included in 'raw materials and consumables used' in the consolidated statement of comprehensive income.

7.1 Recognition and measurement

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to sell.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw materials. Costs are assigned to inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Raw materials and stores
Raw materials comprise acquired products that are further processed into saleable products during the production process. Stores comprise inventories that will be utilised in the production process.

Work in progress
Work in progress comprise inventories that are not in a finished state for sale but have had some value added to them or have had their physical properties altered by a manufacturing process.

Finished goods
Finished goods comprise inventory that is held for sale and is the output from the production processes.

Spares and other
Spares consist of consumable and maintenance spare parts when they do not meet the definition of property, plant and equipment and other comprise real estate inventories in North America. Any amount that is not expected to be utilised or sold within 12 months after the reporting date are classified as non-current.

Notes to the consolidated financial statements

For the year ended 30 June 2026

8. Operating intangible assets

	2026 Non-current $M	2025 Non-current $M
Emission unit (EU) permits	**86.0**	117.6
Australian carbon credit units	**38.5**	23.2
Energy certificates	**1.5**	2.8
Total operating intangible assets	**126.0**	143.6

8.1 Recognition and measurement

Emission unit (EU) permits

Emission unit (EU) permits, held for surrender, are classified as operating intangible assets and are carried at cost. Intangible EU assets are not amortised as the economic benefits are realised from surrendering the rights to settle obligations arising from the emissions trading scheme. Emission units, held for surrender, are presented as current when they meet the held-for-sale criteria. As at 30 June 2026, all emission unit permits held for surrender are considered non-current.

9. Trade and other payables

	Note	2026 Current $M	2026 Non-current $M	2025 Current $M	2025 Non-current $M
Trade payables		**1,659.8**	**-**	1,588.5	-
Sale of receivables	6.3	**256.6**	**-**	254.5	-
Other payables		**177.4**	**12.9**	172.0	19.0
Total trade and other payables		**2,093.8**	**12.9**	2,015.0	19.0

9.1 Recognition and measurement

Trade and other payables are all classified as financial liabilities held at amortised cost and represent liabilities for goods and services provided to the Group which are unpaid at the reporting date. The amounts are unsecured and are usually paid within 30 to 62 days of recognition.

The carrying value of trade and other payables is considered to approximate fair value due to the short-term nature of the payables.

Notes to the consolidated financial statements

For the year ended 30 June 2026

10. Provisions

	2026		2025	
	Current $M	Non-current $M	Current $M	Non-current $M
Annual leave	131.5	-	132.4	-
Long service leave	120.9	19.8	126.4	18.9
Redundancy	30.7	-	1.2	-
Other employee benefits	182.3	21.8	187.9	22.3
Restructure	4.5	3.5	6.5	4.2
Product claims	20.6	26.3	25.6	29.1
Workers compensation	22.6	93.9	20.3	86.8
Restoration and rehabilitation	2.0	51.1	2.3	50.9
Carbon emissions	31.2	-	37.7	-
Other	7.5	1.1	27.4	4.1
Total provisions	553.8	217.5	567.7	216.3

10.1 Movements in provisions

Movement in significant provisions, other than employee benefits, are set out below.

30 June 2026 ($M)	Restructure	Product claims	Workers compensation	Restoration & rehabilitation	Carbon emissions	Other
Current and non-current						
Carrying amount at the start of the year	10.7	54.7	107.1	53.2	37.7	31.5
Additional provisions recognised	9.6	18.3	35.3	0.8	73.1	4.4
Unutilised provisions written back	(0.4)	(3.7)	(1.2)	-	-	(7.0)
Amounts used during the year	(11.7)	(19.8)	(26.9)	(0.7)	(71.5)	(19.8)
Exchange differences	(0.4)	(2.6)	(0.1)	(1.5)	(8.1)	(0.5)
Unwinding of discount	0.2	-	2.3	1.3	-	-
Carrying amount at the end of the year	8.0	46.9	116.5	53.1	31.2	8.6

10.2 Recognition and measurement

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Annual leave and long service leave

The liability for annual leave and long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees. Consideration is given to expected future wage and salary levels, including on-costs, experience of employee departures and periods of service. Expected future payments are discounted using market yields on high quality corporate bonds other than New Zealand where Government bonds are used, with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Notes to the consolidated financial statements

For the year ended 30 June 2026

10. Provisions (Continued)

Amounts not expected to be settled within 12 months for current leave provisions

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service. The Group does not have an unconditional right to defer settlement, so the entire annual leave amount and vested portion of long service leave are presented as current. However, based on past experience, the Group does not expect all employees to take the full amount of accrued annual leave and long service leave or require payment within the next 12 months. Current annual leave and long service leave obligation expected to be settled after 12 months is $105.1M (2025: $102.5M).

Redundancy or termination benefits

Liabilities for termination benefits, not in connection with a business combination or the closure of an operation, are recognised when the Group is demonstrably committed to either terminating the employment of current employees according to a formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

The increase in the redundancy provision balance relates to the cost and productivity program implemented during the second half of the year. The provision for redundancies is expected to be settled within 12 months of the reporting date.

Other employee benefits - short-term incentive plans

The Group recognises a liability and an expense for short-term incentive plan payments to be made to employees. The Group recognises a provision where past practice and current performance indicates that a probable constructive obligation exists. This is recorded in other employee benefits.

Restructuring costs

Liabilities arising directly from undertaking a restructuring program, defined as the closure of an operating site, are recognised when a detailed plan of the restructuring activity has been developed and implementation of the restructuring program as planned has commenced, by either entering into contracts to undertake the restructuring activities or making a detailed announcement such that affected parties are in no doubt the restructuring program will proceed.

The provision primarily relates to the Australian Steel Products segment to cover estimated future costs of site closures which are to be utilised over various terms up to a maximum period of 7 years.

Product claims

Provision for claims is based on modelled data combining sales volumes with past experiences of repair and replacement levels in conjunction with any specifically identified product faults.

Workers compensation

In Australia and North America, the Company is a registered self-insurer for workers compensation. Provisions are recognised based on calculations performed by an external actuary in relation to the expectation of future events. A contingent liability exists in relation to guarantees given to various state workers compensation authorities, due to self-insurance prerequisites (refer to note 25.1).

For the Group, an actuarial determined asset of $26.9M (2025: $26.8M) has been recognised for expected future reimbursements associated with workers compensation recoveries from third parties. This amount is included in non-current other receivables (refer to note 6) as there is no legal right offset against the workers compensation provision.

Restoration and rehabilitation

Restoration and rehabilitation provisions include $9.7M (2025: $9.6M) for New Zealand Steel in relation to its operation of its iron sands mine in Waikato North Head. The provision has been classified as non-current as the timing of payments to remedy the site will not be made until cessation of operation which is not expected in the near future.

The balance of the provision primarily relates to leased sites that require rectification and restoration work at the end of their respective lease periods, primarily within the Australian Steel Products Segment for $35.1M (2025: $34.8M).

BlueScope operates on large industrial sites across a number of countries. Recognising restoration, remediation and rehabilitation provisions requires assumptions to be made as to the application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. BlueScope entities do not have any other current restoration or rehabilitation obligations for which provisions have not been recognised. An assessment is performed at each reporting date to identify whether there are any immediate risks, including climate-related risks, that could trigger early settlement of rehabilitation of restoration costs for BlueScope's large industrial sites. This assessment specifically considers any planned cessation at BlueScope sites, changes to operations, and current and upcoming environmental regulation. As at 30 June 2026 no such risk has been identified and the likelihood that BlueScope would be obligated to restore its large industrial sites in the foreseeable future is deemed to be remote.

Notes to the consolidated financial statements

For the year ended 30 June 2026

10. Provisions (Continued)

Carbon emissions

The Group is a participant in the New Zealand Government's Emissions Trading Scheme (ETS). A provision for carbon emissions is recognised and measured at the carrying amount of Emission Units (EUs) that will be surrendered to settle the emissions liability.

ETS costs passed through from suppliers are included as part of the underlying cost of the good or service rendered. The liability is either included within trade creditors or recorded as an emissions liability within the carbon provision account when an agreement has been reached with the supplier to settle the ETS cost by transferring EUs.

When EUs are delivered to the government or a third party, the EU asset along with the corresponding carbon provision is derecognised from the consolidated statement of financial position.

Other

ACCC civil cartel proceedings - Legal costs
During the year, the legal costs relating to the ACCC civil proceedings against BlueScope, initiated in August 2019, were settled for $3.5M. As a result, $6.5M of the previously recognised $10M provision was written back to the profit or loss.

10.3 Key accounting judgements and estimates

Recognition and calculation of provisions
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

11. Retirement benefit plans

11.1 Defined contribution plans

The Group makes superannuation contributions to defined contribution funds in respect of the entity's employees located in Australia and other countries. These are fixed contributions recognised as an expense as they become payable, with the Group's legal obligation limited to these contributions. For the current year the amount recognised as an expense was $160.9M (2025: $156.0M).

11.2 Defined benefit plans

Country	Fund type	Description
New Zealand	Pension Fund and Retirement Savings Plan (closed to new participants)	New Zealand employees are members of the New Zealand Steel Pension Fund.
USA	Pension Plan (closed to new participants)	Certain BlueScope Coated Products (BCP) employees are members of two pension plans (BCP Pension Fund).

Defined benefit funds provide defined lump sum benefits based on an employee's years of service and salary. Actuarial assessments of the defined benefit funds are made at no more than three-yearly intervals, with summary assessments performed annually. The last formal actuarial assessments for the New Zealand Steel Pension Fund and for the BCP Pension Fund were made as at 30 June 2026.

The average duration of New Zealand defined benefit plan obligation is 10.0 years (2025: 10.0 years). Any net liability is not immediately payable. Any plan surplus will be realised through reduced future Group contributions.

Notes to the consolidated financial statements

For the year ended 30 June 2026

11. Retirement benefit plans (Continued)

	New Zealand Pension Fund		BCP Pension Fund		Total	
	2026 $M	2025 $M	2026 $M	2025 $M	2026 $M	2025 $M
Present value of the defined benefit obligation	**(205.8)**	(241.8)	**(14.3)**	(14.6)	**(220.1)**	(256.4)
Fair value of defined benefit plan assets	**209.9**	238.8	**19.4**	16.5	**229.3**	255.3
Net retirement benefit (obligation) asset	**4.1**	(3.0)	**5.1**	1.9	**9.2**	(1.1)

11.3 Reconciliation of defined benefit plans

	Plan assets		Defined benefit obligation	
	2026 $M	2025 $M	2026 $M	2025 $M
Balance at the beginning of the year	**255.3**	251.9	**256.4**	255.8
Actuarial losses / (gains)	**20.3**	8.8	**9.5**	3.7
Change in asset ceiling	**(4.5)**	(3.7)	**-**	-
Current service cost	**-**	-	**1.7**	2.0
Interest income (net of tax paid)	**7.5**	13.0	**-**	-
Interest cost	**-**	-	**7.5**	13.1
Contributions by the Group	**2.6**	2.8	**-**	-
Tax on employer contributions	**(0.9)**	(0.9)	**-**	-
Contributions by plan participants	**0.4**	0.5	**-**	-
Benefits paid	**(26.9)**	(23.9)	**(26.9)**	(23.9)
Plan expenses	**(0.5)**	(0.6)	**0.3**	-
Foreign currency exchange rate changes	**(24.0)**	7.4	**(28.4)**	3.8
Other - contribution tax movement	**-**	-	**-**	1.9
Balance at the end of the year	**229.3**	255.3	**220.1**	256.4

11.4 Actuarial assumptions and sensitivity

The principal actuarial assumptions, which require estimation and judgement, used to calculate the net defined benefit balance were as follows (expressed as a weighted average). The sensitivity analysis has been determined based on a method that extrapolates the impact on the net defined benefit obligation as a result of reasonable changes in key assumptions for the year ended 30 June 2026.

			Impact on defined benefit obligation	
	Rate used	Change	Increase ($M)	Decrease ($M)
Discount rate	4.7%	+/-1%	(27.3)	29.6
Salary growth rate	2.0%	+/-1%	2.8	(2.7)

11.5 Categories of plan assets

	2026 $M	2025 $M
Cash	**-**	1.9
Equity instruments	**103.1**	117.9
Debt instruments	**104.7**	110.6
Property	**21.5**	24.9
Total plan assets	**229.3**	255.3

Notes to the consolidated financial statements

For the year ended 30 June 2026

11. Retirement benefit plans (Continued)

11.6 Amounts recognised in consolidated statement of comprehensive income

	2026 $M	2025 $M
(i) Amounts recognised in profit or loss		
Current service cost	**1.7**	2.0
Past service cost	**-**	1.2
Contributions by plan participants	**(0.4)**	(0.5)
Net interest	**-**	0.2
Plan expenses	**0.4**	0.5
Allowance for contributions tax	**0.8**	1.6
Total included in employee benefits expense	**2.5**	5.0
Actual return on plan assets	**23.0**	21.2
(ii) Amounts recognised in other comprehensive income		
Actuarial gains recognised in other comprehensive income - defined benefit plans	**10.8**	5.1
Actuarial gains (losses) recognised in other comprehensive income - retirement plans	**0.3**	(0.5)
Total actuarial gains recognised in other comprehensive income during the year	**11.1**	4.6
Cumulative actuarial (losses) recognised in other comprehensive income on active plans	**(50.4)**	(61.5)

11.7 Employer contributions

Employer contributions to the defined benefit section of the Group's plans are based on recommendations by the plans' actuaries. The objective of funding is to ensure that the benefit entitlements of members and other beneficiaries are fully funded by the time they become payable. Total employer contributions expected to be paid for the year ending 30 June 2027 are $1.7M.

11.8 Key accounting judgements and estimates

Determination of retirement benefit obligations

A liability or asset in respect of defined benefit plans is measured as the present value of the defined benefit obligation less the fair value of the fund's assets. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the end of the reporting period, calculated half-yearly by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields on government or corporate bonds where a deep market exists, with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, in other comprehensive income.

Past service costs are recognised in profit or loss, unless the changes to the superannuation plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period. Upon settlement the net defined benefit liability is remeasured using the current fair value of plan assets and current actuarial assumptions, including current market yields. A gain or loss on settlement, being the difference between the benefits of the plan prior to the settlement and the benefits of the plan post settlement, is recognised in profit or loss.

Future taxes that are funded by the entity and are part of the provision of the existing benefit obligation (e.g. taxes on investment income and employer contributions) are taken into account in measuring the net liability or asset.

Notes to the consolidated financial statements

For the year ended 30 June 2026

Invested capital

This section provides information about property, plant and equipment, non-current intangibles assets and the carrying amounts for these non-financial assets, including the accounting policies and key judgements and estimates relevant to understanding these areas.

12. Property, plant and equipment

	Year ended 30 June 2026			Year ended 30 June 2025		
	Land & Buildings $M	Plant & equipment $M	Total $M	Land & Buildings $M	Plant & equipment $M	Total $M
Opening net book amount	**1,274.4**	**5,645.2**	**6,919.6**	1,256.9	4,837.9	6,094.8
Additions	**43.2**	**1,414.5**	**1,457.7**	40.9	1,230.7	1,271.6
Depreciation charge	**(60.3)**	**(455.4)**	**(515.7)**	(62.6)	(462.9)	(525.5)
Disposals	**(23.1)**	**(10.5)**	**(33.6)**	(7.8)	(13.5)	(21.3)
Transfers between asset classes	**3.9**	**(3.9)**	**-**	11.4	(11.4)	-
Transfers to computer software	**-**	**(7.3)**	**(7.3)**	-	(4.8)	(4.8)
Exchange differences	**(57.6)**	**(153.0)**	**(210.6)**	35.6	69.2	104.8
Closing net book amount	**1,180.5**	**6,429.6**	**7,610.1**	1,274.4	5,645.2	6,919.6
Cost	**2,306.3**	**16,532.4**	**18,838.7**	2,379.1	15,548.1	17,927.2
Accumulated depreciation and impairment	**(1,125.8)**	**(10,102.8)**	**(11,228.6)**	(1,104.7)	(9,902.9)	(11,007.6)
Net book amount	**1,180.5**	**6,429.6**	**7,610.1**	1,274.4	5,645.2	6,919.6
Assets under construction included above	**13.5**	**2,566.5**	**2,580.0**	21.1	1,744.2	1,765.3

Notes to the consolidated financial statements

For the year ended 30 June 2026

12. Property, plant and equipment (Continued)

Assets under construction include the capital work in progress associated with the No.6 blast furnace reline and upgrade for ASP and the electric arc furnace for New Zealand Steel Limited (NZS). The carrying amount of the capital expenditure associated with these assets has been reduced by $114M and NZ$110M respectively as a result of government grants received to date.

The Group accounts for government grants received for the construction of assets on the balance sheet as a reduction to the carrying amount of the asset. The grant is subsequently recognised in profit or loss over the life of the related assets as a reduction in depreciation expense.

12.1 Sale and disposal of property, plant and equipment

	2026 $M	2025 $M
Net gain (loss) on sale and disposal of property, plant and equipment	**50.1**	(14.4)

12.2 Capital commitments

Significant capital expenditure for property, plant and equipment contracted at the end of the reporting period but not recognised as liabilities is as follows:

	2026 $M	2025 $M
Payable:		
Within one year	**498.4**	689.4
Later than one year but not later than five years	**72.4**	137.4
Total capital commitments	**570.8**	826.8

Notes to the consolidated financial statements

For the year ended 30 June 2026

12. Property, plant and equipment (Continued)

12.3 Recognition and measurement

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognised. All other repairs and maintenance are expensed to profit or loss during the reporting period in which they are incurred.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over its estimated useful life or, in the case of leasehold improvements, the lease term. The useful lives of major categories of property, plant and equipment are as follows:

Category	Useful life
Land	Not depreciated
Buildings	30 - 40 years
Iron and steel making plant and machinery	20 - 40 years
Coating lines	20 - 30 years
Building components plant and equipment	12 - 18 years
Other plant and equipment	5 - 15 years

Derecognition

Property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when it no longer has the potential to produce economic benefits.

12.4 Key accounting judgements and estimates

Estimation of the useful lives of property, plant and equipment

The estimation of the useful lives of plant and machinery has been based on historical experience and judgement with respect to technical obsolescence, physical deterioration and usage capacity of the asset in addition to any legal restrictions on usage. An asset's condition is assessed at least once a year and considered against the remaining useful life.

Notes to the consolidated financial statements

For the year ended 30 June 2026

13. Intangible assets

		Year ended 30 June 2026						Year ended 30 June 2025					
	Note	Goodwill $M	Patents, trademarks and other rights $M	Computer software $M	Customer relationships $M	Other intangible assets $M	Total $M	Goodwill $M	Patents, trademarks and other rights $M	Computer software $M	Customer relationships $M	Other intangible assets $M	Total $M
Opening net book amount		**1,563.3**	**4.4**	**124.3**	**274.6**	**21.2**	**1,987.8**	1,889.6	4.4	123.0	394.3	30.0	2,441.3
Additions		**-**	**-**	**18.5**	**-**	**-**	**18.5**	-	-	17.1	-	-	17.1
Amortisation expense		**-**	**-**	**(22.2)**	**(42.2)**	**(2.4)**	**(66.8)**	-	-	(22.0)	(50.7)	(9.3)	(82.0)
Impairment expense	14.4	**-**	**-**	**-**	**-**	**-**	**-**	(362.0)	-	-	(76.9)	-	(438.9)
Reclassifications from PP&E		**-**	**-**	**7.3**	**-**	**-**	**7.3**	-	-	4.8	-	-	4.8
Exchange differences		**(79.1)**	**(0.2)**	**(4.5)**	**(13.3)**	**(2.1)**	**(99.2)**	35.7	0.1	1.3	7.9	0.5	45.5
Closing net book amount		**1,484.2**	**4.2**	**123.4**	**219.1**	**16.7**	**1,847.6**	1,563.3	4.5	124.2	274.6	21.2	1,987.8
Cost		**2,345.0**	**22.9**	**484.9**	**754.0**	**65.8**	**3,672.6**	2,446.7	24.1	511.6	793.2	71.5	3,847.1
Accumulated amortisation and impairment		**(860.8)**	**(18.7)**	**(361.5)**	**(534.9)**	**(49.1)**	**(1,825.0)**	(883.4)	(19.6)	(387.4)	(518.6)	(50.3)	(1,859.3)
Net book amount		**1,484.2**	**4.2**	**123.4**	**219.1**	**16.7**	**1,847.6**	1,563.3	4.5	124.2	274.6	21.2	1,987.8

Notes to the consolidated financial statements

For the year ended 30 June 2026

13. Intangible assets (Continued)

13.1 Recognition and measurement

Goodwill

Goodwill represents the excess of the fair value of the consideration paid in a business combination over the fair market value of the net assets acquired. Goodwill is not amortised but tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Customisation and configuration costs for cloud computing arrangements are capitalised when the Company has control of a separate identifiable asset. All software data migration and training costs are expensed.

Intangible assets are subsequently measured at cost less amortisation and any impairment losses. Intangible assets with finite lives are amortised on a straight line basis over their useful life. The amortisation period and method are reviewed at each reporting date.

A summary of the useful lives of intangible assets is as follows:

Category	Useful life
Patents, trademarks and other rights	Indefinite and finite (7 - 15 years)
Computer software	Finite (3 - 10 years)
Customer relationships	Finite (10 - 20 years)

Research and development

Research expenditure is recognised as an expense as incurred. For the year ended 30 June 2026, $32.2M (2025: $30.3M) was recognised for research expenditure within other expenses in the consolidated statement of comprehensive income. Costs incurred on development projects are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably.

14. Carrying value of non-financial assets

14.1 Impairment assessment

The Group tests property, plant and equipment (note 12), right-of-use assets (note 17) and intangible assets with definite useful lives (note 13) when there is an indicator of impairment. In testing for impairment, the recoverable amount is estimated for an individual asset or, if it is not possible to estimate the recoverable amount for the individual asset, the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Goodwill and other intangible assets with indefinite useful life are tested at least annually for any impairment. For the purpose of impairment testing, goodwill is allocated to CGUs or groups of CGUs according to the level at which management monitors goodwill.

For assets, excluding goodwill and intangible assets with an indefinite useful life or not yet available for use, an assessment is made at each reporting period to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. A previously recognised impairment loss is reversed only if there has been a change in the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

Notes to the consolidated financial statements

For the year ended 30 June 2026

14. Carrying value of non-financial assets (Continued)

14.2 Allocation of goodwill and intangible assets with indefinite useful lives to cash generating units

Goodwill is allocated to the Group's CGUs for impairment testing purposes as follows:

Cash generating units	Reportable segments	2026 $M	2025 $M
Building Products North America	Buildings and Coated Products North America	**4.0**	4.3
Buildings North America	Buildings and Coated Products North America	**318.1**	335.1
North Star BlueScope Steel	North Star BlueScope Steel	**1,158.8**	1,220.6
Buildings China	Coated Products Asia	**3.3**	3.3
Total goodwill		**1,484.2**	1,563.3

The allocation is made to those CGUs that are expected to benefit from the business combination in which the goodwill arose. In addition to goodwill, the Group has other intangible assets with indefinite useful lives of $4.2M (2025: $4.4M) allocated to the Buildings North America CGU which primarily relates to the Varco Pruden trade names acquired in February 2008. All of the above CGUs were tested for impairment at the reporting date.

14.3 Key accounting judgements and estimates

Impairment of non-financial assets - carrying value assessment

The recoverable amount of each CGU is determined on the basis of value-in-use (VIU), unless there is evidence to support a higher fair value less costs of disposal. BlueScope operates in markets which are impacted by economic cycles and short-term volatility. The price, cost and demand for BlueScope's products are uncertain and the Company considers a range of recognised external forecasters when assessing possible future market conditions.

The key assumptions the Group has used in its VIU calculation when determining the recoverable amount of each CGU were:

Key assumptions	Basis of estimation
Future cash flows	• VIU calculations use post-tax cash flows, inclusive of working capital movements which are based on financial projections approved by the Group covering a five-year forecast period, being the basis of the Group's forecasting and planning processes. • Cash flows beyond the forecast period are extrapolated to provide a maximum of 30 years of cash flows with adjustments where necessary to reflect changes in long-term operating conditions. No terminal value is calculated.
Growth rate	• The growth rate used to extrapolate the cash flows for each CGU beyond the forecast period does not exceed 2.5% (2025: 2.5%). • The growth rate represents a steady indexation rate which does not exceed the Group's expectations of the long-term average growth rate for the business in which each CGU operates.
Discount rate	• The discount rate applied to the cash flows has been assessed to reflect the time value of money and the perceived risk profile of the industry in which each CGU operates. • The base post-tax discount rates range from 9.5% to 10.0% (2025: 9.3% to 9.9%). • Given the differing characteristics, currencies, and geographical locations of the Group's CGUs, where appropriate the base discount rate is adjusted by a country risk premium (CRP) to reflect country specific risks. Such adjustments do not reflect risks for which cash flow forecasts have already been adjusted. The CRP is derived from a range of externally sourced foreign country risk ratings.
Raw material costs	• Based on commodity price forecasts derived from a range of external commodity forecasters.

Notes to the consolidated financial statements

For the year ended 30 June 2026

14. Carrying value of non-financial assets (Continued)

Key assumptions	Basis of estimation
Selling prices	• Based on management forecasts, taking into account commodity steel price forecasts derived from a range of external commodity forecasters.
Sales volumes	• Based on management forecasts, taking into account external forecasts of underlying economic activity for the market sectors and geographies in which each CGU operates.
Foreign exchange rates	• Key foreign exchange rates, most prominently AUD:USD and NZD:USD, are based on forecasts derived from a range of external banks.
Climate related risks	• BlueScope considers climate change and other sustainability risks when determining the recoverable amount of each CGU. • The Group has climate change action plans, greenhouse gas (GHG) emission intensity reduction targets for its steelmaking and midstream non-steelmaking sites for Scope 1 and 2 GHG emissions, and environmental management, water stewardship and other sustainability initiatives. This information is reported in the Sustainability Report (Climate-related Disclosures) and the Sustainability Overview. • Forecast operating and capital expenditure associated with these initiatives is, to the extent necessary, taken into account when determining the recoverable amount of each CGU. • The Group's assessment of climate-related risks and opportunities, as disclosed in the Sustainability Report (Climate-related Disclosures), has been considered in determining the recoverable amount of each CGU. The assumptions reflected in the impairment cash flows are, where relevant, consistent with those disclosed in that report. • The cash flow forecasts used in impairment testing: – include estimates of the operating and capital expenditure required to achieve the Group's 2030 GHG emission intensity reduction targets, – include consideration of the revisions to the Australian Safeguard Mechanism (SGM) (further information on SGM estimates and assumptions is below); and – do not include the operating and capital expenditure that may be required to achieve the Group's 2050 net zero emissions goal, as the nature, timing and cost of the transition remain uncertain and are highly dependent on several enablers, including: the development and diffusion of ironmaking technologies to viable, commercial scale; access to internationally cost-competitive, firmed large-scale renewable energy; availability of competitively priced green hydrogen with natural gas enabling the transition to green hydrogen; access to appropriate quality and sufficient quantities of economic raw materials; and supportive and consistent policies across all these enablers to underpin decarbonisation. • Where applicable, a cost of carbon net of assistance, in jurisdictions where legislation has been enacted, in particular in New Zealand, is taken into account based on a continuation of legislation as it is currently enacted.
Safeguard mechanism (ASP CGU)	• For the ASP CGU, both the Port Kembla Steelworks (PKSW) and the Western Port Works are captured by the SGM, with PKSW at greater risk of impact given its Scope 1 GHG emissions profile. • The key assumptions used include the PKSW and industry production Scope 1 GHG emission intensity factors, production planning volumes, forecast ACCU prices based on external analyst forecasts, and the concessional decline rate applicable to PKSW as a trade-exposed baseline-adjusted (TEBA) facility. These assumptions are consistent with those used in assessing the anticipated financial impacts of climate-related risks and opportunities (Risk 2) disclosed in the Sustainability Report (Climate-related Disclosures). • A cost to comply with the SGM has been forecast for PKSW based on the guidance of the *National Greenhouse and Energy Reporting (Safeguard Mechanism) Amendment (Reforms) Rules 2023*. The cost refers to the cost to acquire Australian Carbon Credit Units (ACCUs) to offset any emissions above the relevant Scope 1 GHG emission intensity baseline. • The forecast does not include any amendments to pricing or other mitigating strategies to recover any incremental costs from the SGM.

Notes to the consolidated financial statements

For the year ended 30 June 2026

14. Carrying value of non-financial assets (Continued)

14.4 Recognised impairment expense

Cash generating unit	2026 $M	2025 $M	Discount rates in %[1] 2026	2025
BlueScope Coated Products	-	438.9	-	11.5

1. The discount rate used is pre-tax.

In the prior period, BlueScope Coated Products (BCP) recognised an impairment of $438.9M (US$285.2M) against goodwill ($362.0M (US$235.2M)) and customer relationships intangible assets ($76.9M (US$50.0M)). The impairment was based on a recoverable amount of $386M (US$252M).

14.5 Cash generating units with significant goodwill

The results of impairment testing for CGUs with significant goodwill, and consideration of changes in key assumptions, are as follows:

Buildings North America CGU

Buildings North America is tested for impairment on a VIU basis using five-year cash flow projections, followed by a long-term growth rate of 2.5% for a further 25 years. Post-tax VIU cash flows are discounted utilising a 9.5% post-tax discount rate (2025: 9.3%).

At 30 June 2026 the recoverable amount of this CGU is 4.1 times (2025: 2.9 times) the carrying amount of $574M (2025: $707M), including non-current assets and net working capital. This CGU is most sensitive to assumptions in relation to North American non-residential building and construction activity. Taking into account external forecasts the Group expects non-residential building and construction activity to increase from current levels into FY2027. However, non-residential building and construction activity in North America is uncertain. To illustrate the sensitivity of these assumptions, if they were to differ such that the expected cash flow forecasts for Buildings North America were to decrease by approximately 76% (2025: 66%) across the forecast period, without implementation of mitigation plans, the recoverable amount would be equal to the carrying amount.

BlueScope Coated Products CGU

BlueScope Coated Products is tested for impairment on a VIU basis using five-year cash flow projections, followed by a long-term growth rate of 2.5% for a further 25 years. Post-tax VIU cash flows are discounted utilising post-tax discount rate of 9.5% (2025: 9.3%).

The CGU is most sensitive to assumptions in relation to North American non-residential building and construction activity. To illustrate the sensitivity of these assumptions, if they were to differ, such that the expected cash flow forecasts for BlueScope Coated Products were to decrease by approximately 8% across the forecast period, without implementation of mitigation plans, the recoverable amount would be would be equal to the carrying amount.

North Star BlueScope Steel CGU

North Star BlueScope is tested for impairment on a VIU basis using five-year cash flow projections, followed by a long-term growth rate of 2.5% for a further 25 years. Post-tax VIU cash flows are discounted utilising post-tax discount rate of 10.0% (2025: 9.9%).

At 30 June 2026 the recoverable amount of the CGU is 1.4 times (2025: 1.5 times) the carrying amount of $3,643M (2025: $3,817M), including non-current assets and net working capital. This CGU is most sensitive to assumptions in relation to the spread between North American hot rolled coil and purchased scrap steel prices. Recognised external forecasters expect spreads to remain steady into FY2027, before declining later in the year. To illustrate the sensitivity of these assumptions, if they were to differ, such that the expected cash flow forecasts for North Star BlueScope Steel were to decrease by approximately 29% (2025: 35%) across the forecast period, without implementation of mitigation plans, the recoverable amount would be equal to the carrying amount.

Notes to the consolidated financial statements

For the year ended 30 June 2026

14. Carrying value of non-financial assets (Continued)

14.6 Sensitivity of carrying amounts

The carrying value of property, plant and equipment of the Group is sensitive to the cash forecasts of the Australian Steel Products and New Zealand and Pacific Islands CGUs, as they are exposed to global steel macroeconomic factors. For Australian Steel Products, its recoverable amount is also sensitive to the outcomes of the SGM. The recoverable amount of these CGUs is determined taking into account the key assumptions set out above.

Australian Steel Products (ASP)

For ASP, recognised external forecasters estimate the Australian dollar relative to the US dollar to be steady in the long term relative to the year ended 30 June 2026 and estimate Asian commodity steel prices to increase, iron ore average costs to decline, and coking coal average costs to increase relative to the year ended 30 June 2026. The Group believes that the long-term assumptions adopted are appropriate.

ASP is exposed to variable macroeconomic factors and domestic demand, and to illustrate the sensitivity of these assumptions, if they were to differ such that the expected cash flow forecasts were to decrease by approximately 10% (2025: 21%) across the forecast period, without implementation of mitigation plans, the recoverable amount would be equal to the carrying amount.

The SGM presents potential risk to the carrying value of ASP to the extent it results in incremental costs being borne in the form of acquiring ACCUs to offset emissions above the relevant Scope 1 GHG emission intensity baseline. The potential additional cost to comply with the SGM is dependent on a range of factors including future emissions intensity, production volume, ACCU prices and the Scope 1 baseline reductions rates applied under the SGM, including consideration of PKSW as a trade exposed baseline adjusted (TEBA) facility. Although assumptions and estimates have been made about these factors, the final outcome may be different. To express the sensitivity of the ASP recoverable amount to the cost of complying with the SGM, an increase in the cost to comply with the SGM by 20% in each year of the 30-year cash flow forecast for impairment testing, without any mitigating strategies, would reduce the recoverable amount of ASP by $77M.

New Zealand and Pacific Islands (NZPI) CGU

For NZPI, recognised external forecasters estimate the New Zealand dollar relative to the US dollar to strengthen in the long-term relative to the year ended 30 June 2026 and estimate global commodity steel prices to increase relative to the year ended 30 June 2026 in the longer term. The Group believes that the long-term assumptions adopted are appropriate.

NZPI is exposed to variable global macroeconomic factors such as commodity steel prices and exchange rates, together with regional New Zealand factors such as domestic demand and energy costs, which impact its cash flows. To illustrate the sensitivity of these assumptions, if they were to differ such that the expected cash flow forecasts were to decrease by approximately 12% (2025: 32%) across the forecast period, without the implementation of mitigation plans, the recoverable amount would be equal to the carrying amount.

Notes to the consolidated financial statements

For the year ended 30 June 2026

Capital structure and financing activities

This section provides information about the Group's cash, borrowings, contributed equity, reserves and dividends, including the accounting policies and key accounting judgements and estimates relevant to understanding these areas.

15. Cash and cash equivalents

	2026 $M	2025 $M
Cash at bank and on hand	**1,167.0**	857.6
Total cash and cash equivalents	**1,167.0**	857.6
Bank overdrafts	**-**	(0.2)
Balance per statement of cash flows	**1,167.0**	857.4

15.1 Reconciliation of profit after income tax to net cash inflow from operating activities

	Note	2026 $M	2025 $M
Profit for the year		**902.7**	189.0
Depreciation and amortisation expense	3.1	**692.9**	713.9
Impairment expense	14.4	**-**	438.9
Foreign exchange reserve transferred to profit or loss	19.1	**43.6**	-
Non-cash employee benefits expense - share-based payments	27.4	**24.3**	22.0
Net (gain) loss on disposal of non-current assets	12.1, 17.3	**(139.2)**	14.4
Share of net profits of associates and joint ventures	23, 24	**(4.8)**	(5.4)
Associate and joint venture dividends received	23, 24	**27.7**	20.8
Change in operating assets and liabilities:			
Decrease / (increase) in trade receivables		**(53.5)**	(129.7)
Decrease / (increase) in other receivables		**(47.2)**	(15.7)
Decrease / (increase) in other operating assets		**(6.1)**	209.7
Decrease / (increase) in inventories		**38.2**	165.6
Increase / (decrease) in trade payables		**122.8**	(30.6)
Increase / (decrease) in other payables		**23.4**	-
Increase / (decrease) in borrowing costs payable		**2.1**	(1.8)
Increase / (decrease) in income taxes payable		**(11.1)**	22.1
Increase / (decrease) in deferred tax balances		**36.8**	(56.5)
Increase / (decrease) in other provisions and liabilities		**81.2**	(137.2)
Movement in treasury shares	18.2	**(2.7)**	19.6
Cash settlement of vested equity awards		**(28.0)**	(18.8)
Other variations		**22.5**	(7.4)
Net cash inflow from operating activities		**1,725.6**	1,412.9

15.2 Recognition and measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

Notes to the consolidated financial statements

For the year ended 30 June 2026

16. Borrowings

	2026		2025	
	Current $M	Non-current $M	Current $M	Non-current $M
Secured				
Bank loans	-	103.9	-	84.2
Other loans	13.4	-	16.0	-
Total secured borrowings	13.4	103.9	16.0	84.2
Unsecured				
Bank loans	69.3	1,004.0	27.7	155.6
Bank overdrafts	-	-	0.2	-
Deferred borrowing costs	(2.8)	(6.5)	(3.9)	(0.1)
Total unsecured borrowings	66.5	997.5	24.0	155.5
Total borrowings	79.9	1,101.4	40.0	239.7

16.1 Reconciliation of borrowings arising from financing activities

	2026 $M	2025 $M
Balance at the beginning of the year	279.5	183.0
Cash flows	919.4	88.4
Non-cash changes:		
Borrowing costs capitalised	(5.3)	(1.1)
Exchange differences	(12.3)	9.2
Balance at the end of the year (excluding bank overdrafts)	1,181.3	279.5

Notes to the consolidated financial statements

For the year ended 30 June 2026

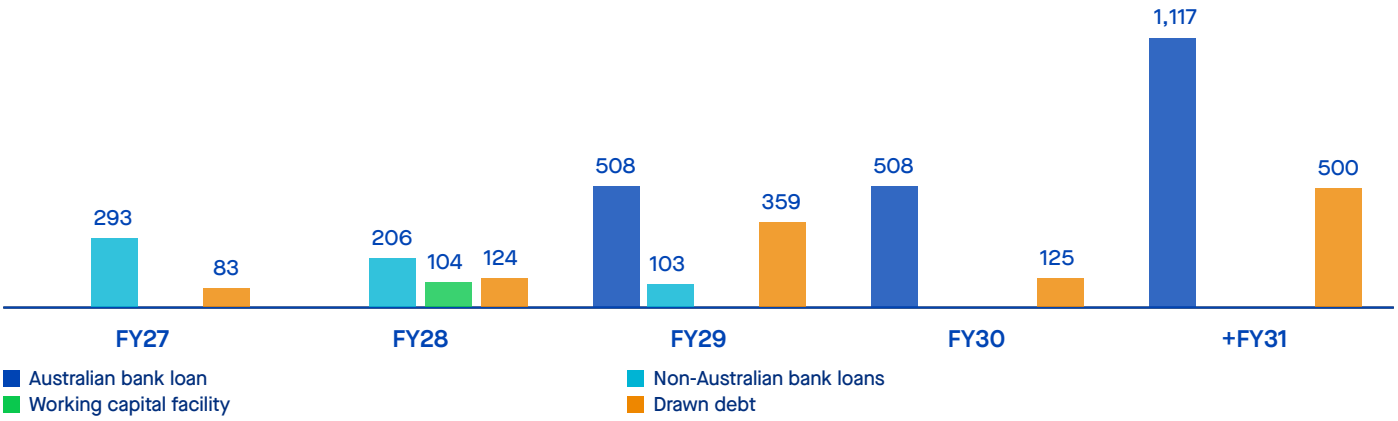
16. Borrowings (Continued)

16.2 Financing arrangements

Financing facilities available	Description
Australian bank loan	• Series of bilateral revolving facilities, totalling $1,533M. Maturities are split across 1H FY28, 1H FY29 and 1H FY30. As at 30 June 2026 $484M is drawn. • Bilateral term facility, totalling $200M maturing in September 2031, fully drawn as 30 June 2026. • Asian Syndicated Loan facility totalling $400M. The facility includes $300M term facility and $100M revolving facility and matures in October 2032. The $300M term facility is fully drawn and the revolving facility is undrawn as at 30 June 2026. In July 2026, subsequent to year-end, a second Asian Syndicated Loan facility was established for $500M, maturing July 2033.
Non-Australian bank loans	• Four facilities totalling THB 2,200M ($96M), maturing January 2027 to March 2029, available for NS BlueScope Steel (Thailand) Ltd cash requirements. • Three facilities totalling MYR 250M ($90M), maturing December 2026 to March 2027, to support working capital and other short-term cash requirements for NS BlueScope Steel (Malaysia) Sdn Bhd. • Three revolving facilities totalling $54M, maturing March 2027, March 2028 and June 2028, available for NS BlueScope Steel (Indonesia) cash requirements. • Two US$100M ($290M) revolving facilities maturing October 2026 and October 2027 for NS BlueScope Coated Products joint venture. • One US$50M ($72M) term facility maturing August 2028 for NS BlueScope Coated Products joint venture.
Working capital facility[1]	• An inventory financing facility for BlueScope Steel (AIS) operates as a sale and repurchase facility whereby the inventory is sold upon shipment and repurchased by the company at the point of consumption. The facility limit is US$71.5M (inclusive of GST) and matures in September 2027. As at 30 June 2026 $103.9M (US$71.5M) is drawn.

1. Excludes the off-balance sheet receivables securitisation programs, refer to note 6.3.

Maturity profile of committed facilities and drawn debt - June 2026



16.3 Bank overdrafts

Bank overdraft facilities are arranged with a number of banks with the general terms and conditions agreed to on a periodic basis.

16.4 Lines of credit

Unrestricted access was available at reporting date to the following lines of credit:

Notes to the consolidated financial statements

For the year ended 30 June 2026

16. Borrowings (Continued)

	2026		2025	
	Total facilities $M	Unused $M	Total facilities $M	Unused $M
Bank overdrafts	80.7	80.7	52.4	52.2
Bank loan facilities	2,858.4	1,667.8	2,259.9	1,976.4
Total facilities	2,939.1	1,748.5	2,312.3	2,028.6

16.5 Contractual maturity analysis

The table below reflects all contractual repayments of principal and interest resulting from recognised financial liabilities. The amounts disclosed represent undiscounted, contractual cash flows for the respective obligations in respect of upcoming fiscal years and therefore do not equate to the values shown in the consolidated statement of financial position.

30 June 2026	Note	< 1 year $M	1 - 2 years $M	2 - 3 years $M	3 - 4 years $M	4 - 5 years $M	> 5 years $M	Total $M
Payables	9	2,093.8	6.0	6.0	0.9	-	-	2,106.7
Derivative financial instruments	31.4	9.0	2.3	1.9	0.9	1.9	1.0	17.0
Borrowings								
-Principal		82.7	123.7	359.3	124.9	-	500.0	1,190.6
-Interest		59.2	53.1	37.1	31.9	29.6	26.5	237.4
Total contractual repayments		141.9	176.8	396.4	156.8	29.6	526.5	1,428.0

30 June 2025	Note	< 1 year $M	1 - 2 years $M	2 - 3 years $M	3 - 4 years $M	4 - 5 years $M	> 5 years $M	Total $M
Payables	9	2,015.0	6.0	6.0	6.0	1.0	-	2,034.0
Derivative financial instruments	31.4	12.2	4.9	3.0	1.4	1.3	10.3	33.1
Borrowings								
-Principal		43.8	125.7	114.2	-	-	-	283.7
-Interest		13.2	8.4	1.9	-	-	-	23.5
Total contractual repayments		57.0	134.1	116.1	-	-	-	307.2

Notes to the consolidated financial statements

For the year ended 30 June 2026

16. Borrowings (Continued)

16.6 Borrowing costs

	2026 $M	2025 $M
Interest and finance expenses paid/payable	**33.3**	14.6
Ancillary finance expenses	**12.6**	15.1
Provisions: unwinding of discount	**3.8**	1.9
Borrowing costs expensed	**49.7**	31.6

Interest and finance expenses
Includes interest on short-term and long-term borrowings and interest on bank overdrafts.

Ancillary finance expenses
Includes commitment fees on undrawn facilities and amortisation of deferred borrowing costs over the term of loan.

Present value unwinding
Includes the unwinding of present value discounting of non-current provisions on restoration and rehabilitation, workers compensation and product claims.

16.7 Recognition and measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are consequently recognised in profit or loss over the term. Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the end of the reporting period.

The Group's borrowings are subject to covenants that require the Group to maintain certain financial ratios, most commonly, interest cover and leverage ratios. The Group has complied with financial covenants for the reporting period and there is no indication that the Group will not comply with those covenants for the 12 months after the reporting period.

Notes to the consolidated financial statements

For the year ended 30 June 2026

17. Leases

17.1 Right-of-use assets

	Year ended 30 June 2026			Year ended 30 June 2025		
	Land & Buildings $M	Plant & equipment $M	Total $M	Land & Buildings $M	Plant & equipment $M	Total $M
Opening net book amount	**307.4**	**163.4**	**470.8**	239.0	154.3	393.3
Additions	**73.8**	**44.7**	**118.5**	130.7	52.8	183.5
Depreciation charge	**(63.3)**	**(47.1)**	**(110.4)**	(61.4)	(45.0)	(106.4)
Lease terminations	**(1.2)**	**(0.6)**	**(1.8)**	(1.9)	(0.2)	(2.1)
Asset reclassifications	**-**	**-**	**-**	(0.3)	0.1	(0.2)
Exchange differences	**(2.8)**	**(4.0)**	**(6.8)**	1.3	1.4	2.7
Closing net book amount	**313.9**	**156.4**	**470.3**	307.4	163.4	470.8
Cost	**817.7**	**489.8**	**1,307.5**	785.9	484.9	1,270.8
Accumulated depreciation and impairment	**(503.8)**	**(333.4)**	**(837.2)**	(478.5)	(321.5)	(800.0)
Net book amount	**313.9**	**156.4**	**470.3**	307.4	163.4	470.8

Notes to the consolidated financial statements

For the year ended 30 June 2026

17. Leases (Continued)

17.2 Lease liabilities

Reconciliation of lease liabilities arising from financing activities

	2026 $M	2025 $M
Balance at the beginning of the year	**606.3**	536.3
Cash flows	**(124.3)**	(110.9)
Non-cash changes:		
Additions	**118.5**	179.2
Lease terminations	**(1.9)**	(2.2)
Foreign exchange differences	**(12.9)**	3.9
Balance at the end of the year	**585.7**	606.3
Split by:		
Current	**102.5**	105.7
Non-current	**483.2**	500.6
Total lease liability	**585.7**	606.3

Contractual maturity analysis

30 June 2026	< 1 year $M	1 - 2 years $M	2 - 3 years $M	3 - 4 years $M	4 - 5 years $M	> 5 years $M	Total $M
Lease rentals							
Lease liability	**102.5**	**87.7**	**82.0**	**61.4**	**43.8**	**208.3**	**585.7**
Interest	**36.3**	**30.2**	**24.4**	**19.4**	**15.9**	**87.2**	**213.4**
Total lease rentals	**138.8**	**117.9**	**106.4**	**80.8**	**59.7**	**295.5**	**799.1**

30 June 2025	< 1 year $M	1 - 2 years $M	2 - 3 years $M	3 - 4 years $M	4 - 5 years $M	> 5 years $M	Total $M
Lease rentals							
Lease liability	105.7	87.0	73.1	69.7	51.8	219.0	606.3
Interest	36.6	30.7	25.5	20.7	16.5	95.8	225.8
Total lease rentals	142.3	117.7	98.6	90.4	68.3	314.8	832.1

Notes to the consolidated financial statements

For the year ended 30 June 2026

17. Leases (Continued)

17.3 Amounts recognised in profit or loss

	2026 $M	2025 $M
Depreciation expense on right-of-use assets	**110.4**	106.4
Net (gain) on lease terminations	**(0.1)**	(0.2)
Interest on lease liabilities (included in finance expense)	**40.1**	38.0
Variable lease rental expense	**27.2**	29.0
Short term lease rental expense	**2.9**	3.3
Low value lease rental expense	**10.1**	9.4
Total net expenses	**190.6**	185.9

17.4 Recognition and measurement

Group as a lessee

The Group, as a lessee, is required to recognise right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments.

Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

A contract that conveys rights to use an asset is regarded as a lease to the extent of such rights, notwithstanding that the contract may deal to a greater or lesser extent with other matters. Service contracts may be, in substance, wholly or partly leases.

In determining whether all or part of a contract should be recognised as a lease it may be necessary to identify the components of the contract. The component of the contract that represents service costs are not included as part of the lease rentals.

Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. Cost comprises of the following:

- The amount of the initial measurement of lease liability,
- Any lease payments made at or before the commencement date less any lease incentives received,
- Any initial direct costs; and
- Restoration costs.

The right-of-use asset is depreciated on a straight line basis over the term of the lease or over the life of the asset if ownership of the underlying asset is to be transferred at the end of the lease term. The right-of-use assets are subject to impairment and are assessed at either individual asset level, if it generates cash flows which are largely independent from other assets, or at a cash generating unit level.

Notes to the consolidated financial statements

For the year ended 30 June 2026

17. Leases (Continued)

Lease liabilities

The lease liability is initially measured at the present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any incentives receivable,
- Variable lease payments that are based on an index or a rate as at the commencement date; and
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option.

Variable lease payments that vary because of changes in facts or circumstances occurring after the commencement date, other than the passage of time (e.g. rentals based on usage) are excluded from lease payments recognised on balance sheet and are recognised in profit or loss as incurred. Variable leases for the Group primarily relate to leases embedded within service agreements relating to transport and steel mill services.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by interest on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, changes in the assessment of whether a purchase option, extension option or lease termination is reasonably certain to be exercised or when there is a lease modification.

Short-term and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases, being a period of 12 months or less from the commencement date, and one which does not contain a purchase option. It also applies the lease of low-value assets recognition exemption, being a distinct asset worth less than $10,000 when brand new. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

17.5 Key accounting judgements and estimates

Determining lease contract terms and lease components

The Group has applied judgement when determining the relative standalone prices of the lease and non-lease components contained within service agreements. The lease asset rentals have been determined using estimated asset depreciation uplifted for specific contract margins. Judgement has also been applied when determining the lease terms for lease contracts containing extension options. Lease terms have been assessed based on whether the Group is reasonably certain to exercise such options. This assessment impacts the value of the lease liability and right-of-use asset recognised. Lease extension options are at the Group's discretion of being exercised and are primarily associated with property leases within the ASP building product businesses. The use of extension options provides the Group flexibility when determining the future use of leasehold properties that meets ever changing business requirements.

Gross lease extension options, for which the Group is not reasonably certain of exercise and has been excluded from the lease liability, total $454.1M (2025: $429.3M). Of this amount, $432.9M (2025: $376.9M) relates primarily to property lease extension options beyond 2030.

Notes to the consolidated financial statements

For the year ended 30 June 2026

18. Contributed equity

18.1 Share capital and treasury shares

Parent Entity	2026 Shares	2025 Shares	2026 $M	2025 $M
Issued fully paid ordinary shares	**438,077,431**	438,609,849	**2,340.8**	2,357.7
Treasury shares	**(167,119)**	(54,710)	**(3.9)**	(1.2)
Total contributed equity	**437,910,312**	438,555,139	**2,336.9**	2,356.5

18.2 Contributed equity movements

	2026 Shares	2025 Shares	2026 $M	2025 $M
Issue of ordinary shares during the year				
Opening balance	**438,609,849**	440,074,849	**2,357.7**	2,389.6
Share buybacks	**(532,418)**	(1,465,000)	**(12.5)**	(29.9)
Share rights settled	**-**	-	**(7.3)**	(1.7)
Share rights - (shortfall) excess tax deduction	**-**	-	**2.9**	(0.3)
Ordinary share capital	**438,077,431**	438,609,849	**2,340.8**	2,357.7
Movement in treasury shares				
Opening balance	**(54,710)**	(985,401)	**(1.2)**	(20.8)
Shares purchased on market	**(1,324,062)**	-	**(31.3)**	-
Share rights settled	**1,211,653**	930,691	**28.6**	19.6
Treasury shares	**(167,119)**	(54,710)	**(3.9)**	(1.2)
Total contributed equity	**437,910,312**	438,555,139	**2,336.9**	2,356.5

Share buy-backs

As at 30 June 2026, a total of 532,418 shares had been bought back at an average cost of $23.43 as part of the FY2026 share buy-back program.

The Board has approved an extension of the share buy-back program to allow the remaining amount of up to $310M to be bought over the next 12 months. The timing and value of stock purchased will be dependent on the prevailing market conditions, share price and other factors.

Share rights - settled and excess tax deduction

The share rights settled and excess tax deduction recognised in share capital represents shares acquired on-market in excess of the accounting expense of the settled equity schemes. The tax deduction recorded in share capital represents the estimated tax deduction in (shortfall)/excess of accounting expense recognised for share right awards issued to employees.

Treasury Shares

Treasury shares are shares purchased in BlueScope Steel Limited that are held by the BlueScope Employee Share Trust for the purpose of issuing shares under employee share right awards. During the year, a total of 1,324,062 shares were purchased at an average cost of $23.65. As at 30 June 2026, 167,119 shares at average cost of $23.65 are available to be utilised for future settlement of equity share award schemes.

Notes to the consolidated financial statements

For the year ended 30 June 2026

18. Contributed equity (Continued)

18.3 Capital risk management

Management monitors its capital structure through various key financial metrics with an emphasis on net debt. The Group's net debt is managed through the economic price cycle to ensure access to finance at reasonable cost regardless of the point in the cycle. On occasions, the Group will take advantage of certain investment opportunities where an increased level of net debt will be tolerated, provided there is sufficient future cash flow strength and flexibility to be confident of credit strengthening rather than uncertainty and risk of credit weakening.

In managing equity, all methods of returning funds to shareholders outside of dividend payments or raising funds are considered within the context of its balance sheet objectives. In managing debt, the Group seeks a diversified range of funding sources and maturity profiles. Sufficient flexibility is maintained within committed facilities in order to provide the business with the desired liquidity support for operations and to pursue its strategic objectives.

	Note	2026 $M	2025 $M
Total borrowings	16	**1,181.3**	279.7
Lease liabilities	17.2	**585.7**	606.3
Less: Cash and cash equivalents	15	**(1,167.0)**	(857.6)
Net (cash) debt		**600.0**	28.4
Total equity		**10,897.7**	11,272.7
Total capital		**11,497.7**	11,301.1
Gearing ratio		**5.2%**	0.3%

18.4 Recognition and measurement

Ordinary shares

Ordinary shares are classified as equity and have no par value. Ordinary shares carry one vote per share, the right to participate in dividends and entitle the holder to the proceeds on winding up of the Group in proportion to the number of shares held.

The consideration paid for share buy-backs are deducted from equity, including directly attributable incremental costs (net of income taxes). No gain or loss is recognised in profit or loss.

19. Reserves

	2026 $M	2025 $M
Hedging	**5.4**	(18.4)
Share-based payments	**75.7**	72.1
Foreign currency translation	**249.2**	557.9
Non-distributable profits	**60.5**	58.9
Asset realisation	**175.2**	177.7
Asset revaluation	**(33.5)**	(25.3)
Controlled entity acquisition	**(21.9)**	(21.9)
Total reserves	**510.6**	801.0

Notes to the consolidated financial statements

For the year ended 30 June 2026

19. Reserves (Continued)

19.1 Movements in reserves

30 June 2026	Hedging $M	Share based payments $M	Foreign currency translation $M	Non-Distributable profits $M	Asset realisation / revaluation $M	Controlled entity acquisition $M	Total $M
Opening balance	(18.4)	72.1	557.9	58.9	152.4	(21.9)	801.0
Net gain (loss) on net investments in foreign subsidiaries	-	-	(4.3)	-	-	-	(4.3)
Share-based payments expense	-	24.3	-	-	-	-	24.3
Vesting of share awards	-	(20.7)	-	-	-	-	(20.7)
Deferred tax	(9.3)	-	1.3	-	-	-	(8.0)
Transfer to inventory / PP&E	33.1	-	-	-	-	-	33.1
Transfer to profit or loss	-	-	43.6	-	-	-	43.6
Transfers from retained profits	-	-	-	1.6	-	-	1.6
Asset acquisition / disposal	-	-	-	-	(2.5)	-	(2.5)
Investment revaluation	-	-	-	-	(8.2)	-	(8.2)
Exchange differences	-	-	(349.3)	-	-	-	(349.3)
Closing balance	5.4	75.7	249.2	60.5	141.7	(21.9)	510.6

30 June 2025	Hedging $M	Share based payments $M	Foreign currency translation $M	Non-Distributable profits $M	Asset realisation / revaluation $M	Controlled entity acquisition $M	Total $M
Opening balance	(16.8)	67.2	419.3	57.2	160.4	(21.9)	665.4
Net gain (loss) on net investments in foreign subsidiaries	-	-	3.8	-	-	-	3.8
Share-based payments expense	-	22.0	-	-	-	-	22.0
Vesting of share awards	-	(17.1)	-	-	-	-	(17.1)
Deferred tax	0.8	-	(1.3)	-	-	-	(0.5)
Transfer to inventory / PP&E	(2.4)	-	-	-	-	-	(2.4)
Transfers from retained profits	-	-	-	1.7	-	-	1.7
Asset acquisition / disposal	-	-	-	-	(4.3)	-	(4.3)
Investment revaluation	-	-	-	-	(3.7)	-	(3.7)
Exchange differences	-	-	136.1	-	-	-	136.1
Closing balance	(18.4)	72.1	557.9	58.9	152.4	(21.9)	801.0

19.2 Nature and purpose of reserves

Hedging reserve

Records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge relationship.

Share-based payments reserve

Recognises the value of equity-settled share-based payments provided to employees, including Key Management Personnel, as part of their remuneration.

Notes to the consolidated financial statements

For the year ended 30 June 2026

19. Reserves (Continued)

Foreign currency translation reserve

Records exchange differences arising from the translation of the financial statements of foreign operations. It is also used to record the effect of the translation of the net investments in foreign operations. The cumulative amount is reclassified to the consolidated statement of comprehensive income when the foreign operation is disposed of.

In the current year, $44.7M of foreign exchange losses were transferred to profit or loss upon sale of BlueScope's 50% interest in Tata BlueScope Steel (TBSL), to joint venture partner, Tata Steel Limited (refer to note 24). This was offset by foreign exchange gains on disposal of NS BlueScope Lysaght Myanmar Limited ($0.8M) and liquidation of BlueScope Buildings (Malaysia) Sdn Bhd ($0.3M).

Non-distributable profit reserve

In certain overseas operations local regulations require a set amount of retained profit to be set aside and not be distributed as a dividend.

Asset realisation reserve

Arises from the disposal of 50% interest in BlueScope's ASEAN and west coast North American Building Product businesses to Nippon Steel Corporation in March 2013.

Asset revaluation reserve

Arises from the investment held by New Zealand Steel Ltd in Steel & Tube Holdings Ltd. Designated changes in fair value are recognised in the asset revaluation reserve (refer to note 21).

Controlled entity acquisition reserve

Arises from the Group's acquisition of the remaining 40% non-controlling interest in BlueScope Steel (Malaysia) Sdn Bhd and 5% of Lysaght Thailand Ltd and BlueScope Steel Thailand Ltd, adjusted for the subsequent 50% disposal of their additional interests into BlueScope and Nippon Steel Corporation joint venture established in March 2013. This item represents the difference between the amount paid and the balance of the non-controlling interest acquired.

20. Dividends

20.1 Ordinary shares

		Parent entity		
	Date paid	Franked	Cents per share	Amount $M
Declared and paid during the period				
For the year ended 30 June 2026:				
FY26 interim ordinary dividend	24 March 2026	unfranked	**65.0**	**284.7**
FY26 Special dividend	24 February 2026	unfranked	**100.0**	**438.1**
FY25 final ordinary dividend	14 October 2025	50% franked	**30.0**	**131.6**
Total dividends paid			**195.0**	**854.4**
For the year ended 30 June 2025:				
FY25 interim ordinary dividend	25 March 2025	100% franked	30.0	131.6
FY24 final ordinary dividend	15 October 2024	100% franked	30.0	131.7
Total dividends paid			60.0	263.3

20.2 Dividends not recognised at year-end

For the year ended 30 June 2026, the Directors have approved the payment of unfranked final ordinary dividend of 65 cents and unfranked special dividend of 70 cents per fully paid ordinary share. The proposed dividends expected to be paid, but not recognised as a liability at year end, is $591.4M.

The Company's Dividend Reinvestment Plan (DRP) is not active for the FY26 final ordinary dividend and special dividend.

Notes to the consolidated financial statements

For the year ended 30 June 2026

20. Dividends (Continued)

20.3 Dividend franking account

	Parent entity 2026 $M	2025 $M
Actual franking account balance as at the reporting date	**4.7**	24.8
Adjustments to franking account balance	**-**	3.7
Franking credits available for future years based on a tax rate of 30%	**4.7**	28.5

The franking credits available represent the balance of the franking account as at the reporting date, adjusted for:

- franking credits / (debits) that will arise from the payment / receipt of the amount of the provision for income tax;
- franking (debits) that will arise from the payment of dividends recognised as a liability at the reporting date; and
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

20.4 Recognition and measurement

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

Notes to the consolidated financial statements

For the year ended 30 June 2026

Group structure

This section provides information about the Group's structure including equity accounted investments, its controlled entities and when applicable, any business acquisitions or disposals. It includes the accounting policies and key judgements and estimates relevant to understanding these areas.

21. Other investments - fair value through other comprehensive income (OCI)

	2026 $M	2025 $M
Gross investment	**37.8**	42.7
Fair value revaluation	**(30.6)**	(25.4)
Total other investments	**7.2**	17.3

Other investments represents New Zealand Steel Limited's (NZS) 15.8% interest in Steel & Tube Holdings Limited (Steel & Tube), a company listed on the NZ stock exchange and a customer of NZS. NZS neither has control (requiring consolidation) nor joint control nor significant influence (requiring equity accounting) over this investment. This investment is recorded at fair value with changes recognised to an equity reserve.

22. Subsidiaries and non-controlling interests

22.1 Subsidiaries

Name of entity	Note	Country or region of incorporation	Equity holding 2026 (in %)	Equity holding 2025 (in %)
Amari Wolff Steel Pty Ltd	a.	Australia	100	100
Australian Iron & Steel Pty Ltd		Australia	100	100
BlueScope APT Holdings Pty Ltd	a.	Australia	100	100
BlueScope Building and Construction Limited	a.	Australia	100	100
BlueScope Distribution Pty Ltd	a.	Australia	100	100
BlueScope FT Holdings Pty Ltd	e.	Australia	100	100
BlueScope Future Technologies Pty Ltd		Australia	100	100
BlueScope Pacific Steel (Fiji) Pty Limited	a.	Australia	100	100
BlueScope Pty Ltd		Australia	100	100
BlueScope Steel (AIS) Pty Ltd		Australia	100	100
BlueScope Steel (Finance) Limited		Australia	100	100
BlueScope Steel Americas Holdings Pty Ltd		Australia	100	100
BlueScope Steel Asia Holdings Pty Ltd		Australia	100	100
BlueScope Water Australia Pty Ltd	a.	Australia	100	100
BlueScopeX Pty Ltd		Australia	100	100
Fielders Manufacturing Pty Ltd	a.	Australia	100	100
Glenbrook Holdings Pty Ltd		Australia	100	100
John Lysaght (Australia) Pty Ltd		Australia	100	100
Laser Dynamics Australia Pty Ltd	a.	Australia	100	100
Lysaght Building Solutions Pty Ltd	a.	Australia	100	100
Metalcorp Steel Pty Limited	a.	Australia	100	100
New Zealand Steel (Aust) Pty Limited	a.	Australia	100	100
Orrcon Distribution Pty Ltd	a.	Australia	100	100
Orrcon Manufacturing Pty Ltd	a.	Australia	100	100
Permalite Aluminium Building Solutions Pty Ltd	a.	Australia	100	100
The Roofing Centre (Tasmania) Pty Ltd	a.	Australia	100	100
BlueScope Bliss Buildings (Shanghai) Co Ltd		China	100	100
BlueScope Building Systems (Xi'an) Co Ltd		China	100	100

Notes to the consolidated financial statements

For the year ended 30 June 2026

22. Subsidiaries and non-controlling interests (Continued)

Name of entity	Note	Country or region of incorporation	Equity holding 2026 (in %)	Equity holding 2025 (in %)
BlueScope Lysaght (Shanghai) Limited		China	100	100
BlueScope Steel (Suzhou) Co. Ltd		China	100	100
BlueScope Steel Investment Management (Shanghai) Co Ltd		China	100	100
Butler (Shanghai) Inc		China	100	100
Butler (Tianjin) Inc		China	100	100
BlueScope Lysaght (Fiji) Pte Limited		Fiji	68	68
BlueScope Steel North Asia Ltd		Hong Kong	100	100
BlueScope Steel India (Private) Ltd		India	100	100
PT BlueScope Buildings Indonesia	f.	Indonesia	100	100
PT BlueScope Distribution Indonesia		Indonesia	100	100
PT NS BlueScope Indonesia	b.	Indonesia	50	50
PT NS BlueScope Lysaght Indonesia	b.	Indonesia	50	50
PT NS BlueScope Service Center Indonesia	b.	Indonesia	50	50
BlueScope Buildings (Malaysia) Sdn Bhd	g.	Malaysia	-	100
NS BlueScope Malaysia Sdn Bhd	b.	Malaysia	50	50
NS BlueScope Asia Sdn Bhd	b.	Malaysia	50	50
NS BlueScope Lysaght Malaysia Sdn Bhd	b.	Malaysia	30	30
NS BlueScope Lysaght Sabah Sdn Bhd	b.	Malaysia	25	25
Global BMC (Mauritius) Holdings Limited	c.	Mauritius	100	100
Butler de Mexico S. de R.L. de C.V.	c.	Mexico	100	100
NS BlueScope Lysaght Myanmar Limited	b.g.	Myanmar	-	50
BlueScope Acier Nouvelle Caledonie SA	c.	New Caledonia	65	65
BlueScope Steel Finance NZ Limited		New Zealand	100	100
BlueScope Steel Trading NZ Limited		New Zealand	100	100
New Zealand Steel Development Limited		New Zealand	100	100
New Zealand Steel Holdings Ltd		New Zealand	100	100
New Zealand Steel Limited		New Zealand	100	100
Pacific Steel (NZ) Limited		New Zealand	100	100
SteelServ Limited		New Zealand	100	100
Steltech Structural Ltd		New Zealand	100	100
Tasman Steel Holdings Ltd		New Zealand	100	100
Toward Industries Ltd		New Zealand	100	100
Waikato North Head Mining Limited		New Zealand	100	100
BlueScope Steel International Holdings SA		Panama	100	100
BlueScope Steel Philippines Inc	f.	Philippines	100	100
BlueScope Buildings (Singapore) Pte Ltd		Singapore	100	100
NS BlueScope Holdings Thailand Pte Ltd	b.	Singapore	50	50
NS BlueScope Lysaght Singapore Pte Ltd	b.	Singapore	50	50
NS BlueScope Pte Ltd	b.	Singapore	50	50
Steelcap Insurance Pte Ltd		Singapore	100	100
BlueScope Steel Southern Africa (Pty) Ltd		South Africa	100	100
BlueScope Lysaght Taiwan Limited	f.	Taiwan	80	80
BlueScope Buildings (Thailand) Ltd		Thailand	80	80
NS BlueScope (Thailand) Limited	b.	Thailand	40	40
NS BlueScope Lysaght (Thailand) Limited	b.	Thailand	40	40
Steel Holdings Company Limited	b.	Thailand	40	40
ASC Profiles LLC	b.	USA	51	51
BIEC International Inc		USA	100	100
BlueScope Blazer LLC		USA	100	100
BlueScope Buildings North America Inc		USA	100	100
BlueScope Buildings North America Engineering (Michigan) LLC		USA	100	100
BlueScope Coated Products LLC		USA	100	100
BlueScope Construction Inc		USA	100	100
BlueScope Finance (Americas) LLC		USA	100	100
BlueScope Properties Development LLC		USA	100	100
BlueScope Properties Group LLC		USA	100	100
BlueScope Properties Holdings LLC		USA	100	100
BlueScope Steel Americas LLC		USA	100	100

Notes to the consolidated financial statements

For the year ended 30 June 2026

22. Subsidiaries and non-controlling interests (Continued)

Name of entity	Note	Country or region of incorporation	Equity holding 2026 (in %)	Equity holding 2025 (in %)
BlueScope Steel Investments 2 LLC		USA	100	100
BlueScope Steel Investments 3 LLC		USA	100	100
BlueScope Steel Investments Inc		USA	100	100
BlueScope Steel North America Corporation		USA	100	100
BPG Arizona 1 LLC		USA	100	100
BPG AB Olathe 1 LLC		USA	100	100
BPG Dove Valley 2 LLC		USA	100	100
BPG Mid Florida South 1 LLC		USA	100	100
BPG Olathe 1 LLC		USA	100	100
BPG Riverside 1 LLC		USA	100	100
BPG Tradeport East 1 LLC		USA	100	100
BPG Burlington 1 LLC		USA	100	100
BlueScope Recycling and Materials LLC		USA	100	100
BlueScope Recycling and Materials Transport LLC		USA	100	100
Butler Holdings Inc		USA	100	100
Butler Pacific Inc		USA	100	100
Fulton County Properties LLC		USA	100	100
IPI Waterloo LLC		USA	100	100
North Star BlueScope Steel LLC		USA	100	100
NS BlueScope Holdings USA LLC	b.	USA	51	51
Steelscape LLC	b.	USA	51	51
Steelscape Washington LLC	b.	USA	51	51
Tri-Star Investment Company LLC		USA	100	100
BlueScope Lysaght (Vanuatu) Ltd	c. d.	Vanuatu	39	39
BlueScope Buildings Vietnam Limited	f.	Vietnam	100	100
NS BlueScope Lysaght Vietnam Limited	b.	Vietnam	50	50
NS BlueScope Vietnam Limited	b.	Vietnam	50	50

All subsidiaries incorporated in Australia are members of the BlueScope Steel Limited tax consolidated group (refer to note 29.4). The references in the table above refer to the following:

a. These subsidiaries have been granted relief from the necessity to prepare financial reports in accordance with ASIC Corporations (wholly-owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission (refer to note 30).

b. These entities are part of the joint venture established between BlueScope and Nippon Steel Corporation in March 2013 and have been classified as controlled entities because of the Group's unilateral right to appoint the CEO (and other Key Management Personnel), approval of the operating budget and retaining significant decision-making authority.

c. These controlled entities are audited by firms other than Ernst & Young and affiliates.

d. The Group's ownership of the ordinary share capital in this entity represents a beneficial interest of 39% represented by its 65% ownership in BlueScope Acier Nouvelle Caledonie SA, which in turn has 60% ownership of the entity.

e. This entity has a participating interest in the NeoSmelt joint operation and recognises its share of assets, liabilities, revenue and expenses in the consolidated financial statements.

f. Entities in process of liquidation.

g. Entities sold or liquidated during the year.

Notes to the consolidated financial statements

For the year ended 30 June 2026

22. Subsidiaries and non-controlling interests (Continued)

22.2 Non-controlling interests (NCI)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

Financial information of subsidiaries that have material non-controlling interests, as determined by reference to the net assets of the Group, are provided below. The equity interest stated is that held by non-controlling interests.

	Country of incorporation	NCI equity holding 2026 (in %)	NCI equity holding 2025 (in %)
NS BlueScope (Thailand) Ltd	Thailand	60	60
Steelscape LLC	USA	49	49

	2026 $M	2025 $M
Accumulated balances of material non-controlling interest:		
NS BlueScope (Thailand) Ltd	**231.0**	238.3
Steelscape LLC	**161.6**	174.5
Profit (loss) allocated to material non-controlling interest:		
NS BlueScope (Thailand) Ltd	**53.8**	44.5
Steelscape LLC	**21.5**	24.4

Notes to the consolidated financial statements

For the year ended 30 June 2026

22. Subsidiaries and non-controlling interests (Continued)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before intercompany eliminations. Other individual immaterial subsidiaries include intercompany eliminations.

	2026				2025			
	NS BlueScope (Thailand) Ltd	Steelscape LLC	Other individual immaterial subsidiaries	Total	NS BlueScope (Thailand) Ltd	Steelscape LLC	Other individual immaterial subsidiaries	Total
	$M	$M	$M	$M	$M	$M	$M	$M
Summarised statement of financial position								
Current assets	**244.1**	**344.6**			221.3	339.9		
Non-current assets	**245.8**	**160.5**			277.1	170.2		
Current liabilities	**90.8**	**127.4**			87.3	100.4		
Non-current liabilities	**14.0**	**48.0**			13.9	53.5		
Net assets	**385.1**	**329.7**			397.2	356.2		
Net assets attributable to NCI	**231.0**	**161.6**	**194.6**	**587.2**	238.3	174.5	193.4	606.2
Summarised statement of profit and loss								
Revenue	**532.0**	**933.2**			548.2	897.3		
Profit before tax	**101.0**	**43.9**			82.8	49.8		
Income tax expense	**(11.3)**	**-**			(8.7)	-		
Profit after tax	**89.7**	**43.9**			74.1	49.8		
Profit after tax attributable to NCI	**53.8**	**21.5**	**25.4**	**100.7**	44.5	24.4	36.3	105.2
Summarised statement of cash flows								
Cash inflow (outflow) from operating activities	**124.1**	**72.1**			90.9	73.2		
Cash inflow (outflow) from investing activities	**(6.1)**	**(13.7)**			(7.2)	(15.8)		
Cash inflow (outflow) from financing activities	**(83.6)**	**(56.7)**			(85.3)	(76.0)		
Dividends paid to NCI	**46.2**	**26.4**	**18.6**	**91.2**	44.1	35.6	16.7	96.4

Notes to the consolidated financial statements

For the year ended 30 June 2026

22. Subsidiaries and non-controlling interests (Continued)

22.3 Interest in joint operations

Project NeoSmelt

BlueScope, Rio Tinto, BHP, Mitsui Iron Ore Development and Woodside Energy have partnered together to develop Project NeoSmelt with each participant taking an equal interest in the joint operation. The project aims to accelerate the decarbonisation of steelmaking by developing a pilot facility in Kwinana (WA), focused on direct-reduced iron and electric-smelting technology.

BlueScope FT Holdings Pty Ltd recognises BlueScope's share (20%) of assets, liabilities, revenue and expenses arising from the joint operation in the consolidated financial statements. The project has commenced feasibility studies, with no material impact to the Group's net profit or net assets at 30 June 2026.

23. Investment in associates

	2026 $M	2025 $M
Investment in associates	**0.8**	0.8

Name of entity	Country of incorporation	Equity holding 2026 (in %)	Equity holding 2025 (in %)
Saudi Building Systems Manufacturing Company Ltd (i)	Saudi Arabia	30	30
NS BlueScope Lysaght (Sarawak) Sdn Bhd	Malaysia	25	25
Tri Star Metal Alliance LLC	USA	33	33

(i) The entity is in the process of liquidation.

23.1 Movements in carrying amounts

	2026 $M	2025 $M
Carrying amount at the beginning of the year	**0.8**	0.6
Share of profits after income tax	**1.6**	3.9
Dividends received/receivable	**(1.7)**	(2.2)
Reserve movements	**0.1**	0.2
Transfers	**-**	(1.7)
Carrying amount at the end of the year	**0.8**	0.8

23.2 Contingent assets and liabilities relating to associates

There were no contingent assets and liabilities relating to investments in associates.

23.3 Recognition and measurement

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates in the consolidated financial statements reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Notes to the consolidated financial statements

For the year ended 30 June 2026

23. Investment in associates (Continued)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

24. Investment in joint ventures

24.1 Interests in joint ventures

	2026 $M	2025 $M
Interest in joint ventures	-	108.6

	Tata BlueScope Steel	
	2026 $M	2025 $M
Carrying amount at the beginning of the year	**108.6**	125.7
Share of profit after income tax	**3.3**	1.5
Dividends received/receivable	**(26.0)**	(18.6)
Disposal of equity investment	**(79.8)**	-
Exchange differences	**(6.1)**	-
Carrying amount at the end of the year	**-**	108.6

Net gain on sale of joint venture interest

On 31 December 2025, the Group completed the sale of its 50% interest in Tata BlueScope Steel (TBSL), to joint venture partner, Tata Steel Limited. A reconciliation of the net gain on sale is provided in the table below:

	Dec-25 $M
Gross proceeds	181.8
Less: WHT taxes paid	(15.0)
Net sales proceeds	**166.8**
Less: Carrying value of equity investment disposed	(79.8)
Less: Selling costs	(0.3)
Less: Exchange losses recycled to profit or loss	(44.7)
Net post-tax gain on sale	**42.0**

24.2 Recognition and measurement

Joint arrangements are classified as joint operations or joint ventures based on the rights and obligations of the parties to the joint arrangements. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement ('joint operators') have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement ('joint venturers') have rights to the net assets of the arrangement.

The interests in joint ventures are accounted for in the financial statements using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss, and the share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Profits or losses on transactions establishing a joint venture and transactions with a joint venture are eliminated to the extent of the Group's ownership interest until such time as they are realised by the joint venture partnership on consumption or sale. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

Notes to the consolidated financial statements

For the year ended 30 June 2026

Unrecognised items

This section provides information about items that are not recognised in the financial statements as they do not yet satisfy the recognition criteria but could potentially have an impact on the Group's financial position and performance.

25. Contingencies

25.1 Contingent liabilities

The Group had contingent liabilities as at 30 June 2026 in respect of:

Outstanding legal matters

There are a range of individually immaterial outstanding legal matters that were contingent on court decisions, arbitration rulings and private negotiations to determine amounts required for settlement.

Guarantees

In Australia, BlueScope Steel Limited has provided $91.7M (2025: $88.4M) in guarantees to various state workers compensation authorities as a prerequisite for self-insurance. An amount, net of recoveries, of $80.8M (2025: $73.8M) has been recognised as recommended by independent actuarial advice.

Bank guarantees have been provided to customers and suppliers in respect of the performance of goods and services provided and purchases of goods and services which are immediately callable by default. Bank guarantees outstanding as at 30 June 2026 totalled $214.5M (2025: $222.3M).

Taxation

The Group operates in many countries across the world, each with separate taxation authorities, which results in significant complexity. At any point in time there are tax computations which have been submitted but not agreed by those tax authorities and matters which are under discussion between Group companies and the tax authorities. The Group provides for the amount of tax it expects to pay taking into account those discussions and professional advice it has received. While the conclusion of such matters may result in amendments to the original computations, the Group does not believe that such adjustments will have a material adverse effect on its financial position, although such adjustments may be significant to any individual year's income statement.

Regulatory

The Group is subject to extensive government laws and regulation, including environmental, greenhouse gas (GHG) emissions, tax, occupational health and safety, competition law and trade restrictions in each of the countries in which it operates. The Group is also subject to risks posed by the conduct of our employees and other participants in the supply chain and to the risk of regulatory investigations into compliance with government laws and regulations which could be lengthy and costly.

25.2 Contingent assets

There are no material contingent assets required for disclosure as at 30 June 2026 (2025: Nil).

26. Subsequent events

Other than matters outlined elsewhere in the financial report, no other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, results of operations or state of affairs of the Group in subsequent accounting periods.

Notes to the consolidated financial statements

For the year ended 30 June 2026

Other information

This section of the notes includes information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements but are not considered critical in understanding the financial performance or position of the Group.

27. Share-based payments

27.1 Equity schemes

Eligible employees of the Group may participate in various share-based remuneration arrangements as approved by the Board. These arrangements are designed to support alignment with shareholder interests, drive long-term value creation, and support retention of key talent. Restricted Shares, Alignment Rights or Share Rights may be offered to eligible employees.

These equity schemes provide participants with an opportunity to acquire fully paid ordinary shares in the Company upon performance conditions and/or service conditions being met. These shares will be acquired by the trustee of the Company's employee share plan trust, either through the subscription of new shares, by purchasing shares on market with funds provided by the Company or through re-allocation of forfeited shares. If a Restricted Share, Alignment Right or Share Right does not vest, it will lapse.

This note should be read in conjunction with the Remuneration Report, which forms part of the Directors' Report and provides detailed information on remuneration for Executive KMP.

Short Term Incentive Share Rights

The Short-term Incentive (STI) is designed to reward participants for achieving annual financial and non-financial performance objectives, aligned to the longer-term Group corporate plan. The MD and CEO and other Executive KMP may elect to receive all or a portion of their potential STI payment in Share Rights in lieu of cash. These Share Rights vest depending on performance results in line with specific set objectives included in STI Scorecards as well as behaviours in line with Our Bond and Code of Conduct. The assessment is conducted by the Board (for the MD&CEO) and by the MD&CEO, in conjunction with the People, Culture & Remuneration Committee, for other Executive KMP. STI awards may be reduced or forfeited if conduct expectations are not met.

The STI Share Rights are subject to continued employment and no dividends are payable on Share Rights.

Long Term Incentive Alignment Rights

The Long-term Incentive (LTI) is designed to drive sustainable, long-term value creation through the industry cycle. The LTI is delivered in Alignment Rights, and the plan is specifically designed for the cyclical nature of our industry and share price volatility.

Vesting of Alignment Rights is subject to performance targets, behaviours assessed against Our Bond and Code of Conduct and continued employment (subject to limited exceptions). Alignment Rights that do not meet vesting conditions, lapse.

No dividends are payable on Alignment Rights.

Deferred Equity

Deferred equity may be granted to employees across the Group from time to time. These awards are not subject to performance hurdles and vest subject to service conditions being met. They support sign-on, retention and recognition of key talent.

Fee Salary Sacrifice Plan

Non-executive Directors (NEDs) may participate in the Fee Sacrifice Plan designed to support long-term equity ownership while recognising limitations under insider trading laws. NEDs who are residents of Australia or the United States of America may elect to sacrifice a portion of their fees to acquire Share Rights. The vesting of these Share Rights are settled via on-market purchase of shares.

Notes to the consolidated financial statements

For the year ended 30 June 2026

27. Share-based payments (Continued)

27.2 Fair value of share rights granted

The fair value of the share rights granted during the year ended 30 June 2026 are as follows:

Fair Value inputs	FY2026 STI	FY2026 LTI	FY2026 Deferred Equity
Grant date	3-Dec-25	3-Dec-25	3-Dec-25
Vesting date	2-Sep-26	2-Sep-28	2-Sep-27
Share rights granted	126,500	1,008,767	77,000
Fair value estimate at grant date ($)	23.46	22.31	22.88
Cash settled rights[1]	-	38,475	7,000
Valuation date share price ($)	23.91	23.91	23.91
Expected dividend yield (%)	2.55	2.55	2.55
Expected risk-free interest rate (%)	3.98	4.08	4.03
Expected share price volatility (%)	27.50	27.50	27.50

1. The cash settled rights have been issued to eligible employees in Asia who are entitled to receive cash bonuses three years from grant date, in place of shares. The fair value of the cash rights is calculated as the sum of the market value of shares and dividends that would have otherwise been received.

27.3 Cash and equity settled awards outstanding

	STI/PSP	LTI	Deferred Equity	Sign-on rights	NED plan
Outstanding at the beginning of the year	157,607	3,213,994	182,000	64,588	6,462
Granted during the year	152,462	1,047,242	84,000	99,497	-
Exercised during the year	(70,328)	(1,057,587)	(88,332)	(47,590)	(6,462)
Lapsed during the year	(87,279)	(118,688)	(4,668)	-	-
Outstanding at the end of the year	**152,462**	**3,084,961**	**173,000**	**116,495**	**-**
Exercisable at the end of the year	**152,462**	**977,573**	**-**	**-**	**-**

The average share price for the year ended 30 June 2026 was $26.25 (2025: $21.61). The weighted average remaining contractual life of share rights outstanding at the end of the reporting period was 1 year (2025: 1 year).

27.4 Expense arising from share-based payment transactions

	2026 $M	2025 $M
Employee share rights expense	**24.3**	22.0
Employee share awards expense	**1.6**	1.0
Total net expense arising from share-based payments	**25.9**	23.0

Notes to the consolidated financial statements

For the year ended 30 June 2026

27. Share-based payments (Continued)

27.5 Recognition and measurement

Equity settled transactions

The fair value of equity settled awards is recognised as an employee benefit expense with a corresponding increase to the share-based payments reserve within equity. Fair value is determined at grant date and includes market-based performance conditions but excludes non-market conditions. The amount to be expensed is determined by reference to the fair value of the awards granted.

Non-market vesting conditions are incorporated into estimates of the number of awards expected to vest. Expenses are recognised over the vesting period. At each reporting date, estimates are revised, and adjustments are recognised in profit or loss with a corresponding adjustment to equity.

No expense is recognised for awards that do not vest due to unmet performance conditions, except where vesting is conditional solely on market conditions. Upon exercise, the share-based payments reserve is transferred to share capital. The dilutive effect of outstanding rights is reflected in diluted earnings per share.

Cash settled transactions

Cash-settled awards are recognised as a liability measured using the fair value at each settlement date. The expense reflects the proportion of the vesting period elapsed and the estimated number of awards that are expected to vest. The final expense equals the actual cash paid at settlement.

27.6 Key accounting judgements and estimates

Fair value measurement of share-based payments

The fair value of equity settled awards at grant date is independently determined by an external valuer using a Black-Scholes option pricing model that includes a Monte Carlo simulation analysis, which takes into account the exercise price, the term of the share right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the share right.

28. Related party transactions

28.1 Parent entities

The ultimate parent entity within the Group is BlueScope Steel Limited, which is incorporated in Australia.

28.2 Key Management Personnel compensation

	2026 $'000	2025 $'000
Short-term employee benefits	**11,518.9**	11,788.6
Post-employment and other long-term benefits	**1,368.1**	473.7
Share-based payments	**5,046.6**	6,346.6
Total Key Management Personnel compensation	**17,933.6**	18,608.9

28.3 Transactions with other related parties

The following transactions occurred with related parties other than Key Management Personnel or entities related to them:

	2026 $M	2025 $M
Sales of goods and services		
Sales of goods to associates	**5.6**	4.1
Superannuation contributions		
Contribution to superannuation funds on behalf of employees	**163.3**	158.8

Notes to the consolidated financial statements

For the year ended 30 June 2026

28. Related party transactions (Continued)

28.4 Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties other than Key Management Personnel:

	2026 $M	2025 $M
Current receivables (sales of goods and services)		
Associates	**1.3**	0.7

28.5 Terms and conditions

Sales of finished goods and purchases of raw materials from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

The terms and conditions of the tax funding agreement are set out in note 29.4.

Outstanding balances are unsecured and are repayable in cash.

Other director transactions with Group entities

Transactions with related parties of directors of subsidiaries within the BlueScope Steel Group total $1.9M (2025: $1.6M). These transactions have been made on commercial arm's length terms and conditions.

Notes to the consolidated financial statements

For the year ended 30 June 2026

29. Parent entity financial information

29.1 Summary financial information

	Parent entity 2026 $M	2025 $M
Summarised statement of comprehensive income		
Revenue	**3,800.3**	3,831.4
Impairment expense	**(44.2)**	(32.3)
Finance costs	**(193.9)**	(185.3)
Other expenses	**(3,540.7)**	(3,427.4)
Profit before income tax	**21.5**	186.4
Income tax expense	**(13.5)**	(46.5)
Profit for the year	**8.0**	139.9
Other comprehensive income (loss) for the year	**4.0**	(5.3)
Total comprehensive income for the year	**12.0**	134.6
Summarised statement of financial position		
Assets		
Current assets	**1,070.5**	1,545.4
Non-current assets	**4,532.9**	4,228.5
Total assets	**5,603.4**	5,773.9
Liabilities		
Current liabilities	**3,684.7**	3,046.7
Non-current liabilities	**240.3**	191.3
Total liabilities	**3,925.0**	3,238.0
Net assets	**1,678.4**	2,535.9
Equity		
Contributed equity	**2,340.8**	2,357.7
Share-based payments reserve	**68.9**	67.1
Hedge reserve	**1.2**	(2.8)
Profits reserve[1]	**921.6**	1,768.0
Retained losses	**(1,654.1)**	(1,654.1)
Total equity	**1,678.4**	2,535.9

1. Profits reserve represents profits available for distribution to BlueScope Steel Limited shareholders as dividends.

Current liabilities largely comprise balances with other entities within the Group. These balances will not be called within the next 12 months.

Notes to the consolidated financial statements

For the year ended 30 June 2026

29. Parent entity financial information (Continued)

29.2 Guarantees entered into by the parent entity

In Australia, the parent entity has given $91.7M (2025: $88.4M) in guarantees to various state workers compensation authorities as a prerequisite for self-insurance and has entered into a deed of cross-guarantee with certain Australian wholly-owned subsidiaries (note 30). Additionally, the parent entity has provided financial guarantees to subsidiaries in respect of the following:

	Parent entity	
	2026 $M	2025 $M
Bank overdrafts and loans of subsidiaries	**2,275.7**	1,586.5
Trade finance facilities	**828.2**	863.1
Working capital facilities	**124.9**	128.6
Total	**3,228.8**	2,578.2

29.3 Capital commitments

As at 30 June 2026, the parent entity had capital commitments for property, plant and equipment of $81.3M (2025: $145.8M). These commitments are not recognised as liabilities as the relevant assets have not yet been received.

29.4 Recognition and measurement

The financial information for the parent entity BlueScope Steel Limited has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investment in subsidiaries

Investments in subsidiaries are accounted for at cost less accumulated impairment losses in the financial statements of BlueScope Steel Limited.

Tax consolidation legislation

BlueScope Steel Limited and its wholly-owned Australian controlled entities have entered into a tax sharing and funding agreement in relation to their participation in the tax consolidation regime. Under the terms of this agreement, the wholly-owned entities reimburse BlueScope Steel Limited for any current tax payable assumed and are compensated by BlueScope Steel Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to BlueScope Steel Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from BlueScope Steel Limited, which is issued as soon as practicable after the end of each financial year. BlueScope Steel Limited may require payment of interim funding amounts to assist with its obligations to pay tax instalments.

The tax sharing agreement limits the joint and several liability of the wholly-owned entities in the case of a default by BlueScope Steel Limited. At the reporting date, the possibility of default is considered remote.

The tax consolidated group has applied the group allocation approach in determining the appropriate amount of current taxes to allocate to members of the tax consolidated group. Intercompany receivables of $73.2M (2025: $66.5M) and intercompany payables of $162.9M (2025: $99.2M) of BlueScope Steel Limited have been recognised as a tax consolidated adjustment.

Notes to the consolidated financial statements

For the year ended 30 June 2026

30. Deed of cross-guarantee

BlueScope Steel Limited and certain Australian wholly owned subsidiaries are parties to a deed of cross-guarantee (Deed) under which each company guarantees the debts of the others. The companies in the Deed are referenced in Note 22.1, and are as follows:

- Amari Wolff Steel Pty Ltd
- BlueScope Building and Construction Ltd
- BlueScope Distribution Pty Ltd
- BlueScope Pacific Steel (Fiji) Pty Limited
- BlueScope Steel Limited
- BlueScope APT Holdings Pty Ltd
- BlueScope Water Australia Pty Ltd
- Fielders Manufacturing Pty Ltd
- Lysaght Building Solutions Pty Ltd
- Laser Dynamics Australia Pty Ltd
- Metalcorp Steel Pty Ltd
- New Zealand Steel (Aust) Pty Ltd
- Orrcon Distribution Pty Ltd
- Orrcon Manufacturing Pty Ltd
- Permalite Aluminium Building Solutions Pty Ltd
- The Roofing Centre (Tasmania) Pty Ltd

By entering into the Deed, wholly owned subsidiaries which are large proprietary companies have been relieved from their requirement to prepare a financial report and Directors' Report under ASIC (wholly-owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission.

30.1 Statement of comprehensive income and a summary of movements in consolidated retained losses

The above companies represent a 'closed group' for the purposes of the Class Order, and as there are no other parties to the deed of cross-guarantee that are controlled by BlueScope Steel Limited, they also represent the 'extended closed group'.

Statement of comprehensive income	Deed 2026 $M	2025 $M
Revenue	**4,706.6**	4,711.6
Changes in inventories of finished goods and work in progress	**39.6**	(37.7)
Raw materials and consumables used	**(2,801.6)**	(2,674.0)
Employee benefits expense	**(798.5)**	(758.3)
Depreciation and amortisation expense	**(153.7)**	(144.3)
Impairment expense	**(22.3)**	(6.6)
Freight on external despatches	**(329.3)**	(338.1)
External services	**(269.8)**	(254.1)
Finance costs	**(206.8)**	(197.8)
Other expenses from ordinary activities	**(133.1)**	(112.2)
Profit before income tax	**31.1**	188.5
Income tax expense	**(10.0)**	(39.8)
Profit for the year	**21.1**	148.7
Other comprehensive income (loss) for the year	**4.2**	(5.2)
Total comprehensive income for the year	**25.3**	143.5

Summary of movements in consolidated retained losses	Deed 2026 $M	2025 $M
Retained losses at the beginning of the year	**(1,548.3)**	(1,558.3)
Net profit for the year	**21.1**	148.7
Transfer to profits reserve	**(8.0)**	(139.6)
Other	**0.9**	0.9
Retained losses at the end of the year	**(1,534.3)**	(1,548.3)

Notes to the consolidated financial statements

For the year ended 30 June 2026

30. Deed of cross-guarantee (Continued)

30.2 Statement of financial position

	Deed 2026 $M	2025 $M
ASSETS		
Current assets		
Cash and cash equivalents	**0.3**	0.3
Trade and other receivables	**679.8**	1,201.8
Contract assets	**0.8**	1.4
Inventories	**814.1**	801.7
Deferred charges and prepayments	**29.3**	24.7
Total current assets	**1,524.3**	2,029.9
Non-current assets		
Derivative financial instruments	**0.7**	-
Inventories	**25.8**	26.1
Other financial assets	**2,489.3**	2,479.6
Property, plant and equipment	**1,550.2**	1,359.9
Right-of-use assets	**304.1**	284.1
Deferred tax assets	**117.6**	37.5
Intangible assets	**37.6**	45.1
Total non-current assets	**4,525.3**	4,232.3
Total assets	**6,049.6**	6,262.2
LIABILITIES		
Current liabilities		
Trade and other payables	**1,317.1**	718.1
Borrowings	**2,300.3**	2,300.3
Lease liabilities	**56.0**	51.2
Provisions	**173.3**	167.1
Contract and other liabilities	**29.9**	25.4
Current tax liabilities	**-**	3.7
Total current liabilities	**3,876.6**	3,265.8
Non-current liabilities		
Trade and other payables	**5.2**	10.7
Lease liabilities	**299.7**	277.5
Provisions	**69.4**	66.2
Deferred income	**0.3**	0.3
Total non-current liabilities	**374.6**	354.7
Total liabilities	**4,251.2**	3,620.5
Net assets	**1,798.4**	2,641.7
EQUITY		
Contributed equity	**2,340.8**	2,357.7
Share-based payments reserve	**68.9**	67.1
Hedging reserve	**1.4**	(2.8)
Profits reserve	**921.6**	1,768.0
Retained losses	**(1,534.3)**	(1,548.3)
Total equity	**1,798.4**	2,641.7

Notes to the consolidated financial statements

For the year ended 30 June 2026

31. Financial instruments and risk

31.1 Financial assets and liabilities

		30 June 2026					30 June 2025				
	Note	Debt instruments at amortised cost $M	Equity instruments at FVOCI $M	Derivative instruments at fair value $M	Financial liabilities at amortised cost $M	Total carrying amount $M	Debt instruments at amortised cost $M	Equity instruments at FVOCI $M	Derivative instruments at fair value $M	Financial liabilities at amortised cost $M	Total carrying amount $M
Financial assets											
Receivables	6	**1,811.1**	**-**	**-**	**-**	**1,811.1**	1,783.3	-	-	-	1,783.3
Equity investment	21	**-**	**7.2**	**-**	**-**	**7.2**	-	17.3	-	-	17.3
Derivative financial instruments	31.4	**-**	**-**	**34.1**	**-**	**34.1**	-	-	13.1	-	13.1
		1,811.1	**7.2**	**34.1**	**-**	**1,852.4**	1,783.3	17.3	13.1	-	1,813.7
Financial liabilities											
Payables	9	**-**	**-**	**-**	**(2,106.7)**	**(2,106.7)**	-	-	-	(2,034.0)	(2,034.0)
Borrowings	16	**-**	**-**	**-**	**(1,181.3)**	**(1,181.3)**	-	-	-	(279.7)	(279.7)
Lease liabilities	17.2	**-**	**-**	**-**	**(585.7)**	**(585.7)**	-	-	-	(606.3)	(606.3)
Derivative financial instruments	31.4	**-**	**-**	**(17.0)**	**-**	**(17.0)**	-	-	(33.1)	-	(33.1)
Total net financial assets (liabilities)		**1,811.1**	**7.2**	**17.1**	**(3,873.7)**	**(2,038.3)**	1,783.3	17.3	(20.0)	(2,920.0)	(1,139.4)

Notes to the consolidated financial statements

For the year ended 30 June 2026

31. Financial instruments and risk (Continued)

31.2 Risk management

The Board of Directors has overall responsibility for overseeing the management of financial risks, and approves policies for financial risk management with the objective of supporting the delivery of financial targets while protecting future financial security.

The Group's Audit, Risk and Technology Committee regularly reviews the financial risk management framework to ensure it is appropriate when considering any changes in market conditions. It reviews financial risk management controls and procedures and oversees how management monitors compliance with these, and monitors the levels of exposure to fluctuations in commodity prices, interest rates, and foreign exchange rates.

Risk	Exposure arising from	Measurement	Management
Foreign exchange risk	Foreign currency payables and receivables (primarily USD) and investments in foreign currency.	Sensitivity analysis and cash flow forecasting	Hedged with forward foreign exchange contracts or internal net investment hedges of foreign operations, as disclosed in note 31.3.
Interest rate risk	Floating interest rate bearing liabilities (2026: $1,185.6M, 2025: $277.6M) and cash and cash equivalents (2026: $1,167.0M, 2025: $857.6M).	Sensitivity analysis	The profit impact from a reasonably possible movement in interest rates (+/- 100 basis points) is -/+ $0.1M net of tax.
Commodity price risk	International steel prices (primarily hot rolled coil and slab), and commodity prices including iron ore, coal, scrap, zinc, aluminium, electricity and brent oil.	Sensitivity analysis	Forward commodity contracts as disclosed in note 31.4. The equity impact from a reasonably possible movement in brent oil prices (+/- 10 %) is +/- $6.2M net of tax.
Liquidity risk	Difficulty in meeting obligations associated with financial liabilities.	Rolling cash flow forecasts	The Group's net exposure to liquidity risk is not significant based on available funding facilities and cash flow forecasts. Refer to note 16.2 for a summary of the Group's material financing facilities. When undertaking financing facilities, the Group considers a liquidity buffer which is reviewed at least annually.
Credit risk (counterparties / geographical)	• Possibility that counterparties to the Group's financial assets, including cash, receivables and derivative financial instruments, will fail to settle their obligations under the contracts. • Large number of customers internationally dispersed with trades in several major geographical regions. • Regions in which the Group has a significant credit exposure are Australia, USA, China, South East Asia and New Zealand. • Significant transactions with major customers, being Kanji Group, Southern Group, Apex and Fletcher Building Group within the Australian and New Zealand operations and Worthington Steel Inc. within the North American operations.	Ageing fair value exposure management	• Establish credit approvals and limits, including the assessment of counterparty creditworthiness. • Undertake monitoring procedures such as periodic assessments of the financial viability of its counterparties and reviewing terms of trade. • Obtain letters of credit from financial institutions to guarantee the underlying payment from trade customers. • Undertake debtor insurance to cover selective receivables for both commercial and sovereign risks.

Notes to the consolidated financial statements

For the year ended 30 June 2026

31. Financial instruments and risk (Continued)

31.3 Foreign currency risk exposure and sensitivity analysis (A$/US$)

	2026 $M	2025 $M
Cash and cash equivalents	**8.4**	190.1
Trade and other receivables	**108.4**	151.1
Forward foreign exchange contracts	**1.3**	1.4
Forward commodity contracts	**5.8**	0.7
Commodity option	**6.1**	7.7
Financial assets	**130.0**	351.0
Trade and other payables	**132.2**	136.8
Borrowings	**103.9**	84.2
Forward foreign exchange contracts	**0.4**	-
Forward commodity contracts	**-**	6.8
Financial liabilities	**236.5**	227.8
Net exposure	**(106.5)**	123.2

	Post-tax profit higher (lower)		Equity higher (lower)	
Judgement of reasonably possible movements:	2026 $M	2025 $M	2026 $M	2025 $M
A$/US$ + 10% (2025: +10%)	**7.2**	(7.5)	**7.2**	(7.5)
A$/US$ - 10% (2025: -10%)	**(8.8)**	9.2	**(8.8)**	9.2

31.4 Commodity price and foreign exchange risk management

The Group uses derivative instruments to manage commodity price risk and foreign exchange risk by entering into forward contracts. Derivatives are used only for the purposes of managing these risks and not for speculative purposes.

	2026		2025	
	Current $M	Non-current $M	Current $M	Non-current $M
Forward foreign exchange contracts - cash flow hedges	**4.4**	**17.8**	4.0	-
Commodity option	**-**	**6.1**	-	7.7
Forward commodity contracts - cash flow hedges	**4.9**	**0.9**	0.7	-
Solar PPA	**-**	**-**	0.7	-
Financial assets	**9.3**	**24.8**	5.4	7.7
Forward foreign exchange contracts - cash flow hedges	**0.6**	**-**	1.0	-
Forward commodity contracts - cash flow hedges	**-**	**-**	3.0	3.8
Electricity forward commodity contracts - cash flow hedges	**2.7**	**-**	8.2	-
NZ electricity PPA	**5.6**	**8.0**	-	16.9
Solar PPA	**0.1**	**-**	-	0.2
Financial liabilities	**9.0**	**8.0**	12.2	20.9
Net exposure	**0.3**	**16.8**	(6.8)	(13.2)

Notes to the consolidated financial statements

For the year ended 30 June 2026

31. Financial instruments and risk (Continued)

Forward foreign exchange contracts

The Group has entered into forward foreign exchange contracts designated as cash flow hedges relating to foreign currency sales and purchases, plant and equipment purchases and hedging of net working capital exposures. For the cash flow hedges relating to future commitments not recognised in the consolidated statement of financial position the effective portion of gains and losses are recognised directly in equity. Otherwise, they are being marked to market through profit or loss in line with the Group's risk management strategy.

Forward commodity contracts

The Group has entered into a gas supply agreement with Senex Energy (supply from 1 January 2026 to 1 January 2036) for its Australian business, with contract price linked to Brent Oil in US dollars. Given the exposure to variable Brent Oil prices, up to 70% of the first four years of the Senex Energy contract has been hedged. The forward contract has been designated as cash flow hedge with the effective portion of gains and losses recognised in equity.

Commodity option

As part of the sale agreement of New Zealand Steel Mining Limited to Taharoa Mining Investments Limited (TMIL), BlueScope is eligible to receive future royalties of US$1.66 per dry metric tonne (DMT) when the Platts Index Quotation is equal or greater than US$65 per DMT. The royalty period is for iron sand shipments made between years 2 and 11 from 1 May 2017. The royalty agreement ends on 10 May 2028.

The key inputs impacting the value of the derivative are the Platts index iron ore price, the historical volatility of iron ore prices, the credit worthiness of TMIL and production risk. The royalty was valued at US$4.2M as at 30 June 2026 (2025: US$5M). The royalty value is reassessed at each reporting date with any movement in the fair value of the derivative recognised in profit or loss and included in discontinued operations. Royalties received for the year were $7.6M (2025: $7.2M).

Solar PPA

The Group entered into a solar power purchase agreement (Solar PPA) in 2018 for a period of seven years from the commencement of commercial production of a 133MW solar farm situated in Finley NSW. The project was completed in February 2020 and the Group's percentage offtake is 88MW or 66% of the total output. The Group has no involvement in financing, operating and maintaining the solar farm.

The Solar PPA is not a physical electricity supply contract. It operates as a 'contract for differences' (CfD) whereby the parties have agreed to a 'strike price'. If the NSW electricity spot price is higher than the strike price then the solar farm will pay the difference to the Company and vice versa if the spot price is lower than the strike price. The CfD is a derivative and is required to be fair valued at each reporting date with any movements recorded in profit or loss.

The key inputs impacting the value of the derivative are the strike price, the contract period, forward NSW electricity spot prices (level 3 unobservable input), future estimates of the Group's share of solar output and the credit worthiness of the service provider. The 30 June 2026 PPA derivative payable was valued at $0.1M (2025: receivable $0.5M) with minimal movement from prior year as the contract approaches maturity in November 2026.

NZ electricity PPA

New Zealand Steel Limited (NZS) has two power purchase agreements with Contact Energy Limited to provide price certainty for 30MWh of electricity from 1 December 2025 to 30 November 2035 (30MWh PPA) and a further 50MWh from 1 December 2025 to 30 November 2036 (50MWh PPA). No physical transfer of electricity will take place under the agreements, which are structured as a CfDs, whereby the parties have agreed a 'strike price' for a fixed quantity of electricity for the term. Where the spot price exceeds the strike price, Contact Energy will pay the difference to NZS and vice versa if the spot price is lower than the strike price.

The CfDs have been designated in hedging relationships against NZS' highly probable future electricity purchases with the CfDs' fair value movements, that are deemed to be an effective hedge, being recognised in other comprehensive income until the forecast transactions occur in future. Any ineffective portion of the CfDs' fair value movements are presented in profit or loss.

The key inputs impacting the value of the CfDs are the strike price, the contract period, forward electricity spot prices (level 3 unobservable input) and the credit worthiness of the service provider. As at 30 June 2026 a derivative liability $11.9M (Jun-25: $16.9M) and a net derivative asset $16.1M (Jun-25: nil) were recognised for the 30MWh and 50MWh PPAs, respectively.

The profit impact from a reasonably possible movement in spot electricity prices (+/- 10 %), net of tax, is +/- $9.6M for the 30MWh PPA and +/- $19.6M for the 50MWh PPA.

Notes to the consolidated financial statements

For the year ended 30 June 2026

31. Financial instruments and risk (Continued)

31.5 Fair values

The carrying amounts and estimated fair values of the Group's financial instruments recognised in the financial statements are materially the same.

The fair value of interest bearing financial liabilities where no market exists is based upon discounting the expected future cash flows by the current market interest rates on liabilities with similar risk profiles that are available to the Group (level 3).

Valuation of financial instruments

For financial instruments measured and carried at fair value, the Group uses the following to categorise the method used:

Valuation method	Description
Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (i.e. derived from prices)
Level 3	Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

Derivatives valued using valuation techniques with market observable inputs are primarily foreign exchange forward contracts and commodity forward contracts and power-purchase agreements (structured as CfDs). These valuations reference forward pricing using present value calculations. The forward price incorporates various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, and forward rate curves of the underlying commodity. The fair value of forward commodity exchange contracts and forward foreign exchange contracts are considered level 2 valuations (note 31.4) and the commodity royalty option is considered level 3.

31.6 Recognition and measurement of derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

The relationship between hedging instruments and hedged items, the risk management objective and the strategy for undertaking hedge transactions is documented at the inception of the hedge transaction. The effectiveness of the derivatives in offsetting changes in the cash flows of hedged items is assessed and documented on an ongoing basis.

Cash flow hedges

Cumulative changes in the fair value of derivatives that are designated in a cash flow hedge are recognised in other comprehensive income, to the extent that the movements are an effective hedge, and accumulated in the hedging reserve in equity. Any cumulative changes in the fair value of a derivative that are deemed to be ineffective are recognised immediately in profit or loss within other income or other expenses.

Amounts accumulated in the hedging reserve are reclassified to profit or loss in the periods when the hedged item affects profit or loss. However, when a hedged forecast transaction results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously deferred in the hedging reserve are reclassified from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as cost of goods sold in the case of inventory, or as depreciation in the case of fixed assets.

Net investment in foreign operations

Net investments in foreign operations are accounted for similarly to cash flow hedges. Gains and losses accumulated in the foreign currency translation reserve are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses.

Discontinuation of hedge accounting

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the hedging reserve at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in the hedging reserve is immediately reclassified to profit or loss.

Notes to the consolidated financial statements

For the year ended 30 June 2026

32. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Group, and its related practices:

	2026 $'000	2025 $'000
Fees to Ernst & Young (Australia)		
Fees for auditing the statutory financial report of the parent covering the Group and auditing the statutory financial reports of any controlled entities	**3,429**	3,158
Fees for other assurance services under legislation	**-**	-
Fees for other assurance and agreed-upon-procedures services where there is discretion as to whether the service is provided by the auditor or another firm		
- Sustainability reporting assurance	**162**	390
Fees for other services		
- Tax compliance	**37**	35
- Advisory related	**2,098**	2,492
Total fees to Ernst & Young (Australia)	**5,726**	6,075
Fees to other overseas member firms of Ernst & Young (Australia)		
Fees for auditing the financial report of any controlled entities	**3,247**	3,528
Fees for other assurance services under legislation	**-**	-
Fees for other assurance and agreed-upon-procedures services where there is discretion as to whether the service is provided by the auditor or another firm	**3**	10
Fees for other services		
- Tax compliance	**63**	15
Total fees to overseas member firms of Ernst & Young (Australia)	**3,313**	3,553
Total auditor's remuneration	**9,039**	9,628
Comprising:		
Total fees for audit and other assurance services	**6,841**	7,086
Total fees for other services	**2,198**	2,542

BlueScope's policy is to only engage the external auditor to perform non-audit services where their expertise and experience with BlueScope is important, and when their independence is not impaired or seen to be impaired.

During the year Ernst & Young has performed other services in addition to their statutory duties, including:

- Other assurance and agreed upon procedures services – relating to assurance and attestation of sustainability reporting and agreed-upon-procedures engagements for compliance certificates.
- Tax compliance services – relating to tax return submissions.
- Advisory related services – non-recurring advisory engagements.

Notes to the consolidated financial statements

For the year ended 30 June 2026

33. New accounting standards

33.1 New and amended accounting pronouncements adopted

All new and amended Australian Accounting Standards and Interpretations mandatory from 1 July 2025, and relevant to the Group, have been adopted. These include:

- AASB 2023-5 *Lack of Exchangeability*

The adoption of the new and amended standards has not had a material impact on the consolidated financial statements of the Group.

33.2 New accounting standards, amendments and interpretations not yet adopted

There are a number of new and amending accounting standards effective for reporting periods beginning from or after 1 July 2026 with early adoption permitted. While these remain subject to ongoing assessment, the Group has not early adopted any of the new and amending standards and they have not been applied in preparing the financial report.

Other than the below standard, these are not considered relevant to the activities of the Group, nor are they expected to have a material impact on the consolidated financial statements of the Group.

Reference	Description
AASB 18 *Presentation and Disclosure in Financial Statements*	AASB 18 replaces AASB 101 *Presentation of Financial Statements*, for periods beginning on or after 1 January 2027. It will not change the recognition or measurement of items in the financial statements, but will affect presentation and disclosure, including: • Requiring the classification of all income and expenses into one of five categories – investing, financing, income taxes, discontinued operations and operating in the statement of comprehensive income. • Introducing two mandatory subtotals in the income statement – operating profit or loss, and profit or loss before financing and income taxes. • Enhanced guidance for the labelling, aggregation and disaggregation of items in the financial statements. • New disclosures about management-defined performance measures. The Group is continuing to assess the impact of applying the new standard, on a retrospective basis from 1 July 2027, and expects some changes will be required to the presentation and disclosures in the financial statements.

Consolidated entity disclosure statement

The consolidated entity disclosure statement has been prepared in accordance with s.295(3A) of the *Corporations Act 2001* and includes information for each subsidiary of the BlueScope Steel Limited consolidated Group as at 30 June 2026.

Entity name	Note	Entity type	Country or region of incorporation	Equity holding (in %)	Country or region of tax residency
Amari Wolff Steel Pty Ltd		Body Corporate	Australia	100	Australia
Australian Iron & Steel Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope APT Holdings Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope Building and Construction Limited		Body Corporate	Australia	100	Australia
BlueScope Distribution Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope FT Holdings Pty Ltd	d.	Body Corporate	Australia	100	Australia
BlueScope Future Technologies Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope Pacific Steel (Fiji) Pty Limited		Body Corporate	Australia	100	Australia
BlueScope Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope Steel (AIS) Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope Steel (Finance) Limited		Body Corporate	Australia	100	Australia
BlueScope Steel Americas Holdings Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope Steel Asia Holdings Pty Ltd	c.	Body Corporate	Australia	100	Australia
BlueScope Steel Limited	a.c.	Body Corporate	Australia	N/A	Australia
BlueScope Water Australia Pty Ltd		Body Corporate	Australia	100	Australia
BlueScopeX Pty Ltd		Body Corporate	Australia	100	Australia
Fielders Manufacturing Pty Ltd		Body Corporate	Australia	100	Australia
Glenbrook Holdings Pty Ltd		Body Corporate	Australia	100	Australia
John Lysaght (Australia) Pty Ltd		Body Corporate	Australia	100	Australia
Laser Dynamics Australia Pty Ltd		Body Corporate	Australia	100	Australia
Lysaght Building Solutions Pty Ltd		Body Corporate	Australia	100	Australia
Metalcorp Steel Pty Limited		Body Corporate	Australia	100	Australia
New Zealand Steel (Aust) Pty Limited		Body Corporate	Australia	100	Australia
Orrcon Distribution Pty Ltd		Body Corporate	Australia	100	Australia
Orrcon Manufacturing Pty Ltd		Body Corporate	Australia	100	Australia
Permalite Aluminium Building Solutions Pty Ltd		Body Corporate	Australia	100	Australia
The Roofing Centre (Tasmania) Pty Ltd		Body Corporate	Australia	100	Australia
BlueScope Bliss Buildings (Shanghai) Co Ltd		Body Corporate	China	100	China
BlueScope Building Systems (Xi'an) Co Ltd		Body Corporate	China	100	China
BlueScope Lysaght (Shanghai) Limited		Body Corporate	China	100	China
BlueScope Steel (Suzhou) Co. Ltd		Body Corporate	China	100	China
BlueScope Steel Investment Management (Shanghai) Co Ltd		Body Corporate	China	100	China
Butler (Shanghai) Inc		Body Corporate	China	100	China
Butler (Tianjin) Inc		Body Corporate	China	100	China
BlueScope Lysaght (Fiji) Pte Limited		Body Corporate	Fiji	68	Fiji
BlueScope Steel North Asia Ltd		Body Corporate	Hong Kong	100	Hong Kong
BlueScope Steel India (Private) Ltd		Body Corporate	India	100	India
PT BlueScope Buildings Indonesia		Body Corporate	Indonesia	100	Indonesia
PT BlueScope Distribution Indonesia		Body Corporate	Indonesia	100	Indonesia
PT NS BlueScope Indonesia		Body Corporate	Indonesia	50	Indonesia
PT NS BlueScope Lysaght Indonesia		Body Corporate	Indonesia	50	Indonesia
PT NS BlueScope Service Center Indonesia		Body Corporate	Indonesia	50	Indonesia
NS BlueScope Malaysia Sdn Bhd		Body Corporate	Malaysia	50	Malaysia
NS BlueScope Asia Sdn Bhd		Body Corporate	Malaysia	50	Malaysia
NS BlueScope Lysaght Malaysia Sdn Bhd		Body Corporate	Malaysia	30	Malaysia
NS BlueScope Lysaght Sabah Sdn Bhd		Body Corporate	Malaysia	25	Malaysia
Global BMC (Mauritius) Holdings Limited		Body Corporate	Mauritius	100	Mauritius
Butler de Mexico S. de R.L. de C.V.		Body Corporate	Mexico	100	Mexico
BlueScope Acier Nouvelle Caledonie SA		Body Corporate	New Caledonia	65	New Caledonia
BlueScope Steel Finance NZ Limited		Body Corporate	New Zealand	100	New Zealand
BlueScope Steel Trading NZ Limited		Body Corporate	New Zealand	100	New Zealand
New Zealand Steel Development Limited		Body Corporate	New Zealand	100	New Zealand
New Zealand Steel Holdings Ltd		Body Corporate	New Zealand	100	New Zealand
New Zealand Steel Limited		Body Corporate	New Zealand	100	New Zealand

Consolidated entity disclosure statement

Entity name	Note	Entity type	Country or region of incorporation	Equity holding (in %)	Country or region of tax residency
Pacific Steel (NZ) Limited		Body Corporate	New Zealand	100	New Zealand
SteelServ Limited		Body Corporate	New Zealand	100	New Zealand
Steltech Structural Ltd		Body Corporate	New Zealand	100	New Zealand
Tasman Steel Holdings Ltd		Body Corporate	New Zealand	100	New Zealand
Toward Industries Ltd		Body Corporate	New Zealand	100	New Zealand
Waikato North Head Mining Limited		Body Corporate	New Zealand	100	New Zealand
BlueScope Steel International Holdings SA		Body Corporate	Panama	100	Hong Kong
BlueScope Steel Philippines Inc		Body Corporate	Philippines	100	Philippines
BlueScope Buildings (Singapore) Pte Ltd		Body Corporate	Singapore	100	Singapore
NS BlueScope Holdings Thailand Pte Ltd		Body Corporate	Singapore	50	Singapore
NS BlueScope Lysaght Singapore Pte Ltd		Body Corporate	Singapore	50	Singapore
NS BlueScope Pte Ltd		Body Corporate	Singapore	50	Singapore
Steelcap Insurance Pte Ltd		Body Corporate	Singapore	100	Singapore
BlueScope Steel Southern Africa (Pty) Ltd		Body Corporate	South Africa	100	South Africa
BlueScope Lysaght Taiwan Limited		Body Corporate	Taiwan	80	Taiwan
BlueScope Buildings (Thailand) Ltd		Body Corporate	Thailand	80	Thailand
NS BlueScope (Thailand) Limited		Body Corporate	Thailand	40	Thailand
NS BlueScope Lysaght (Thailand) Limited		Body Corporate	Thailand	40	Thailand
Steel Holdings Company Limited		Body Corporate	Thailand	40	Thailand
ASC Profiles LLC		Body Corporate	USA	51	USA
BIEC International Inc		Body Corporate	USA	100	USA
BlueScope Blazer LLC		Body Corporate	USA	100	USA
BlueScope Buildings North America Inc		Body Corporate	USA	100	USA
BlueScope Buildings North America Engineering (Michigan) LLC		Body Corporate	USA	100	USA
BlueScope Coated Products LLC		Body Corporate	USA	100	USA
BlueScope Construction Inc		Body Corporate	USA	100	USA
BlueScope Finance (Americas) LLC		Body Corporate	USA	100	USA
BlueScope Properties Development LLC		Body Corporate	USA	100	USA
BlueScope Properties Group LLC		Body Corporate	USA	100	USA
BlueScope Properties Holdings LLC		Body Corporate	USA	100	USA
BlueScope Steel Americas LLC		Body Corporate	USA	100	USA
BlueScope Steel Investments 2 LLC		Body Corporate	USA	100	USA
BlueScope Steel Investments 3 LLC		Body Corporate	USA	100	USA
BlueScope Steel Investments Inc		Body Corporate	USA	100	USA
BlueScope Steel North America Corporation	c.	Body Corporate	USA	100	USA
BPG Arizona 1 LLC		Body Corporate	USA	100	USA
BPG AB Olathe 1 LLC		Body Corporate	USA	100	USA
BPG Dove Valley 2 LLC		Body Corporate	USA	100	USA
BPG Mid Florida South 1 LLC		Body Corporate	USA	100	USA
BPG Olathe 1 LLC		Body Corporate	USA	100	USA
BPG Riverside 1 LLC		Body Corporate	USA	100	USA
BPG Tradeport East 1 LLC		Body Corporate	USA	100	USA
BPG Burlington 1 LLC		Body Corporate	USA	100	USA
BlueScope Recycling and Materials LLC		Body Corporate	USA	100	USA
BlueScope Recycling and Materials Transport LLC		Body Corporate	USA	100	USA
Butler Holdings Inc		Body Corporate	USA	100	USA
Butler Pacific Inc		Body Corporate	USA	100	USA
Fulton County Properties LLC		Body Corporate	USA	100	USA
IPI Waterloo LLC		Body Corporate	USA	100	USA
North Star BlueScope Steel LLC	b.	Body Corporate	USA	100	N/A
NS BlueScope Holdings USA LLC	b.	Body Corporate	USA	51	N/A
Steelscape LLC		Body Corporate	USA	51	USA
Steelscape Washington LLC		Body Corporate	USA	51	USA
Tri-Star Investment Company LLC		Body Corporate	USA	100	USA
BlueScope Lysaght (Vanuatu) Ltd		Body Corporate	Vanuatu	39	Vanuatu
BlueScope Buildings Vietnam Limited		Body Corporate	Vietnam	100	Vietnam
NS BlueScope Lysaght Vietnam Limited		Body Corporate	Vietnam	50	Vietnam

Consolidated entity disclosure statement

Entity name	Note	Entity type	Country or region of incorporation	Equity holding (in %)	Country or region of tax residency
NS BlueScope Vietnam Limited		Body Corporate	Vietnam	50	Vietnam

All subsidiaries incorporated in Australia are members of the BlueScope Steel Limited tax consolidated group (refer to note 29.4). None of the entities listed above are a trustee of a trust or a partner in a partnership.

The references in the table above refer to the following:

a. This entity is the head company of both the BlueScope Steel Limited consolidated reporting group and the BlueScope Steel Limited tax consolidated group.

b. These entities are treated as partnerships for US tax purposes. Their owners are resident in the US for tax purposes and are taxed on the income derived from the LLCs.

c. These entities are participants in a joint venture that is consolidated in the consolidated financial statements.

d. This entity is a participant in the NeoSmelt joint operation which is included in the consolidated financial statements.

Determination of Tax Residency

Section 295(3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as it is highly fact dependant and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The Group has applied current legislation, judicial precedent, and regulatory guidance, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The Group has applied current legislation, judicial precedent, and regulatory guidance.

Directors' declaration

In the Directors' opinion:

a. the financial statements and notes set out on pages 89 - 164 are in accordance with the *Corporations Act 2001*, including:
   i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
   ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the year ended on that date, and

b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

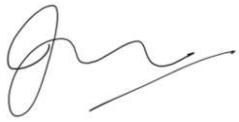
c. at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 30 will be able to meet any liabilities to which they are, or may become, subject by virtue of the deed of cross-guarantee described in note 30, and

d. the financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as disclosed in the "About this report" section of the notes to the consolidated financial statements, and

e. the consolidated entity disclosure statement set out on pages 165-167 required by section 295(3A) of the *Corporations Act 2001* is true and correct.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Jane McAloon AM
Chair

Tania Archibald
Managing Director and Chief Executive Officer

17 August 2026

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Independent auditor's report to the members of BlueScope Steel Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of BlueScope Steel Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Carrying value of property, plant & equipment (PPE) and intangible assets (including goodwill)

Why significant	How our audit addressed the key audit matter
As required by Australian Accounting Standards the Group annually tests goodwill for impairment and tests other non-current assets where indicators of impairment or impairment reversals exist, using a discounted cash flow model to estimate recoverable value. At 30 June 2026, the Cash Generating Units (CGUs) with significant goodwill balances include NorthStar BlueScope Steel and Buildings North America. The CGUs with a significant property, plant and equipment (PPE) balance are Australian Steel Products and NorthStar BlueScope Steel. The carrying value of PPE and intangible assets, (including goodwill) was a key audit matter due to the significance of these balances, the complex judgements in the impairment assessment process such as forecast foreign exchange rates, steel, iron ore and coal pricing, domestic sales volumes, trade policies in the United States of America and climate change risks that are affected by future market or economic conditions. The Group's disclosures are included in Note 14 of the financial report, which specifically explain the key assumptions used and sensitivity on changes in the key assumptions which could give rise to an impairment loss of the PPE and intangible assets (including goodwill) balance, or impairment reversal on previously impaired PPE balances, in the future.	Our audit procedures included assessing the appropriateness of the Group's determination of its CGUs where impairment testing was performed, taking into consideration the levels at which management monitors business performance and the interdependency of cash flows. In respect of the Group's cashflow forecasts, for relevant CGUs, where indicators of impairment or impairment reversal were present or in CGUs that contained significant goodwill balances as at 30 June 2026, with the assistance of valuation specialists where appropriate, we: ▪ Assessed key assumptions such as forecast steel, iron ore and coal pricing, foreign exchange rates and domestic sales volumes in comparison to external independent data where relevant ▪ Assessed the Group's assumptions on the impact of trade policies in the United States of America ▪ Assessed the Group's results in comparison to historical forecasts to assess forecast accuracy ▪ Compared future cash flows to approved budgets ▪ Assessed the Group's assumptions for long term growth rates in comparison to economic and industry forecasts ▪ Assessed the adequacy of capital expenditure forecasts ▪ Assessed discount rates through comparing the cost of capital for the Group with comparable businesses ▪ Assessed the Group's assumptions related to climate change risks, including consideration of the Safeguard Mechanism in Australia, and capital expenditure and costs required to meet its committed decarbonisation plans ▪ Considered the implied EBITDA multiples against comparable companies as a valuation cross check ▪ Tested the mathematical accuracy of the discounted cash flow model Where considered necessary, we performed a sensitivity analysis in respect of the assumptions noted above which were considered to have the most significant impact on carrying values, to ascertain the extent of changes in those assumptions which either individually or collectively would be required for the PPE and intangible assets (including goodwill) to be impaired, or for a previous impairment to be reversed where applicable. We assessed the likelihood of these changes in assumptions arising. We assessed the adequacy of the Group's disclosures of those assumptions that have the most significant effect on the determination of the recoverable amount of PPE and intangible assets (including goodwill).

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Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2026 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon in this auditor's report, with the exception of the Remuneration Report and our related assurance opinion. We have issued a separate auditor's report on Selective Sustainability Information included in the Sustainability Report (Climate-related Disclosures) and Subject Matter included in the Sustainability Overview and Sustainability Data Supplement.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 59 to 86 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of BlueScope Steel Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Matthew A. Honey
Partner
Melbourne
17 August 2026

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Section

07.

Sustainability Report (Climate-related Disclosures)

About this Report

Contents

Chapter	Page
About this Report	175
Governance	177
Risk management	179
Strategy	180
Metrics and targets	192
Directors' declaration (Sustainability Report)	196
Independent Auditor's Review Report	197

Basis of preparation

This report sets out the climate-related disclosures of BlueScope Steel Limited ("the Company" or "parent entity") and its controlled entities (subsidiaries), together "BlueScope" or "the Group". This report has been prepared in accordance with AASB S2 *Climate-related Disclosures* (AASB S2) issued by the Australian Accounting Standards Board (AASB), and in accordance with the *Corporations Act 2001*. The report was authorised for issue in accordance with a resolution of the Directors on 17 August 2026.

The report has been prepared to provide information on how Climate-Related Risks and Opportunities (CRROs) are expected to affect BlueScope's strategy, business resilience, financial position and financial performance over the short, medium and long term, and should be read in conjunction with the consolidated financial statements and other sustainability disclosures in the Annual Report and FY2026 reporting suite. The report has been prepared for the year ended 30 June 2026 which is aligned with the reporting period of the related consolidated financial statements.

The presentation currency of the report is Australian dollars, unless otherwise noted, which is consistent with the Group's consolidated financial statements.

Adoption of transitional relief

BlueScope has adopted the transitional relief provided under AASB S2 to exclude comparative information and Scope 3 Greenhouse Gas (GHG) emissions from its first year of annual reporting. Relevant Scope 3 information is provided separately in the Sustainability Overview and Sustainability Data Supplement (available on bluescope.com) on a voluntary basis and reflects emissions sources and calculation methodologies historically used by the Company for sustainability reporting in accordance with the Greenhouse Gas Protocol.

New and amended standards adopted

The Company early adopted *AASB S2025-1 Amendments to Greenhouse Gas Emissions Disclosures* for the reporting period ended 30 June 2026, allowing Australian GHG emissions reporting to align with the National Greenhouse and Energy Reporting (NGER) methodology rather than the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004).

Time horizons

BlueScope has applied time horizons that are specific to the assessment of CRROs. These depend on factors such as financial planning, capital investment and business cycles. Short term refers to 1-5 years, reflecting the immediate financial planning period, while medium term covers 5-10 years, aligned to the Company's strategic plans, and long term refers to 10+ years reflecting the Company's 2050 net zero goal.

Judgements and measurement uncertainty

In preparing the report, the Group applied judgement in identifying relevant CRROs and determining the information that is relevant, reliable and useful for disclosure under AASB S2. For disclosures where direct measurement was not practicable, reasonable estimates were used. These estimates relate to value chain activities, forward-looking scenarios and areas where data limitations exist. The estimates were informed by a combination of internal data, external sources, industry benchmarks and proxy indicators.

Key judgements made in the preparation and presentation of the report, as well as the main sources of measurement and estimation uncertainty were the following:

- Identifying CRROs that could reasonably be expected to affect BlueScope's prospects over the short, medium and long term.
- Determining material climate-related information, including the application of quantitative materiality thresholds based on the consolidated financial statements, the risk likelihood and consequence framework within the Group's Risk Management Framework, and consideration of information expected to influence the decisions of users of the report.
- Selecting climate scenarios, temperature outcomes and transition pathways used in climate-related scenario analysis, including assumptions regarding policy settings, decarbonisation pathways, steel demand, technology development, energy markets and carbon prices.
- Assessing how CRROs could translate into financial impacts, including the potential effects on operating costs, capital expenditure requirements, asset values, product demand, supply chains and future cash flows.
- Estimating the potential financial impacts of identified CRROs, including impacts arising from physical climate risks, market and policy transition risks, and opportunities associated with decarbonisation, low-emissions technologies and evolving customer demand.
- Determining financial impact ranges and associated measurement uncertainty, including the extent to which available data, future market conditions, technological developments and regulatory outcomes limit the precision of quantitative estimates and disclosures.

Overview of BlueScope's Value Chain

The table below summarises the Group's key business activities across its value chain and the geographical locations in which those activities occur. It provides a high–level overview of BlueScope's own operations along with upstream and downstream activities, as well as key relationships that influence the Group's operations.

	Business Activity (BlueScope)	Description	Geographical location (assets, where relevant)[1]
Upstream			
Suppliers	Raw material extraction, production and processing	External supply of raw and processed materials used across BlueScope's operations, including coal, iron ore, alloys, additives, HBI, pig iron for steelmaking, and paint and coating metals for midstream operations.	Global
	Steel sourcing (non-steelmaking regions)	Sourcing of finished or semi-finished steel from external suppliers in regions where BlueScope does not undertake steelmaking, including in the Coated Products Asia and Buildings and Coated Products North America segments.	Global
Transportation	Materials transport	Transportation of raw and processed materials from external suppliers to BlueScope operations, including bulk shipping, road and rail freight.	Global
BlueScope's operations[2]			
Raw and processed materials	Recycling (scrap metals)	Use of recycled ferrous scrap as a key steelmaking input across operations, including scrap supplied through North Star and BlueScope Recycling and Materials (BRM).	North America (BRM)
	Ironsand extraction and processing	Extraction and processing of locally sourced ironsand at the Waikato North Head mine, supplying iron feedstock to Glenbrook Steelworks.	New Zealand (Waikato North Head)
Upstream	Steelmaking	Primary iron and steel production, including processing of iron ore or ironsand and manufacture of crude steel through blast furnace–basic oxygen furnace (BF-BOF) and electric arc furnace (EAF) processes at BlueScope steelmaking sites.	Australia (PKSW), North America (North Star), New Zealand (Glenbrook)
Midstream	Metal coating and painting	Cold rolling, metal coating and painting of steel across BlueScope's midstream operations.	Australia , North America, China, Southeast Asia, New Zealand
	Long products	Manufacture of long products, such as rebar primarily supplying local building, construction and infrastructure markets.	New Zealand
	Pipe and tube	Manufacture of steel hollow pipe and tube for use in structural and mechanical end-use applications in engineering, construction, consumer goods, transportation, mining and agriculture markets.	Australia
Downstream	Steel building materials and components	Roll-forming and value-added processing of coated and painted steel into building materials and components for the construction and infrastructure sectors.	Australia, North America, China, Southeast Asia, New Zealand, Pacific Islands
	Steel buildings and systems	Design, engineering and manufacture of Precision Engineered Building Solutions and other downstream building solutions.	Australia, North America, China, Southeast Asia, New Zealand
Workforce	Supporting BlueScope's climate-related activities	The workforce supports governance, strategy, risk management, decarbonisation initiatives and operational resilience across the value chain, and may be affected by climate-related physical and transition risks that influence capability, safety and skills needs.	All countries where BlueScope operates
Downstream			
Distributors	Distribution of products	Distribution at BlueScope is delivered through BlueScope Distribution and external logistic partners.	All countries where BlueScope operates
Customers	Non-residential construction	Sales into the non-residential construction industry, including commercial, industrial and infrastructure buildings	North America, Australia, Southeast Asia, China, New Zealand
	Domestic building and construction	Sales into domestic building and construction industries, including residential.	Australia, Southeast Asia, China, New Zealand
	Domestic use industries	Sales into domestic use industries including automotive, residential and light industrial applications.	North America, New Zealand
Other business relationships			
Government		Governments form part of BlueScope's external operating environment and influence CRROs through regulatory, policy and planning frameworks.	All countries where BlueScope operates
Investors		Investors provide capital and shape expectations on climate-related governance, disclosure, capital allocation, financing, transition strategies and scenario analysis.	All countries where BlueScope operates
Communities		Communities near BlueScope's operations may be affected by climate-related physical risks and transition impacts. Engagement supports site-level risk management and operational resilience.	All countries where BlueScope operates

1. Locations and other business relationships shown are indicative of BlueScope's value chain and are not intended to be exhaustive.
2. Includes BlueScope's operational joint venture arrangements including NS BlueScope Coated Products.

Governance

Climate Governance Structure

BlueScope's Board of Directors is ultimately responsible for the Company's strategic direction on climate and sustainability. The Board has four standing Committees to assist in the discharge of its responsibilities, including CRROs.

BlueScope's Climate-related Governance Framework

Board Oversight

Board (including MD&CEO)
BlueScope's Board oversees the Company's strategy, risks and opportunities, including those related to climate change. Its responsibilities, as set out in the Board Charter, include:

- Providing leadership and setting strategic objectives, including climate-related targets and goals.
- Overseeing appropriate risk management frameworks and approving the Company's risk appetite (including in relation to CRROs)
- Overseeing and monitoring progress towards climate-related targets and goals; and
- Approving annual statutory disclosures and other climate and sustainability-related disclosures.

Safety and Sustainability Committee[1]	Audit, Risk and Technology Committee[1]	People, Culture and Remuneration Committee[1]	Nomination Committee[1]

Executive Management

Executive Leadership Team (ELT)
Led by MD&CEO, responsible for executive leadership and day-to-day management of the Company, including delivery of the strategy and management of risk.

Operational Level

Professionals across the business including Finance, Risk, Sustainability, Climate Change and Legal support the ELT to deliver on the strategy and management of risk.

1. Refer below for a summary of how climate-related responsibilities are allocated across the Committees.

Board Oversight

The Board and its Committees have a range of responsibility and oversight of CRROs. The Board, Committees, and management, as applicable, consider trade-offs associated with CRROs.

The Board and each of its Committees have an annual program of work, which reflects their responsibilities for oversight of the governance processes, controls and procedures, including those outlined below.

During the reporting period, changes were made to the Board Committee structure. Effective 1 February 2026, the Health, Safety, Environment and Community Committee, Risk and Sustainability Committee and Remuneration and Organisation Committee were discontinued and the Safety and Sustainability Committee (SSC), Audit, Risk and Technology Committee (ARTC) and People, Culture and Remuneration Committee (PCRC) were established. The Board and its Committees have designated responsibilities for CRROs and broader climate-related matters as set out below.

During the reporting period, the Board and its Committees considered updates on BlueScope's CRROs, energy strategy, and strategic projects underpinning the Company's climate transition plan, including the NeoSmelt Joint Venture (Project NeoSmelt) and the EAF in New Zealand. Broader industry climate developments were also considered.

In FY2026, the Board conducted its annual approval of the CRROs for inclusion in this Report and also reviewed progress on mandatory AASB S2. In addition, it considered updates on decarbonisation targets and the extent to which management maintains a reasonable basis for achieving BlueScope's 2050 net zero Scope 1 and 2 GHG emissions goal[1] (2050 net zero goal), including progress against the five associated decarbonisation enablers.

Committees in Place to Support Board Oversight

BlueScope's Board and Committee Charters define the roles and responsibilities of the Board and its Committees, and are reviewed at least annually. The summary below outlines how climate-related responsibilities are allocated across the Board's Committees.

Safety and Sustainability Committee (SSC)

The SSC supports the Board in overseeing BlueScope's CRROs, monitoring GHG performance, and reviewing and recommending to the Board the organisation's climate-related targets and goals. BlueScope's GHG emissions targets, decarbonisation pathway and status of underpinning enablers to BlueScope's 2050 net zero goal are reviewed at least annually by the SSC. In FY2026 half-yearly updates on CRROs were considered by the Committee. Prior to the committee restructure, these responsibilities were within the remit of the Risk and Sustainability Committee.

1. Achievement of the 2050 net zero goal is dependent on five key enablers as outlined in Figure 2 'Enablers that underpin the 2050 net zero goal'.

Audit, Risk, and Technology Committee (ARTC)

The ARTC supports the Board in overseeing governance and assurance of climate–related disclosures including reviewing and approving the organisation's statutory sustainability disclosure governance framework; material climate–related estimates, judgements, and adjustments; and monitoring changes to Australian Sustainability Reporting Standards and related pronouncements. The Committee reviews and recommends to the Board the climate–related disclosures in the Annual Report, and engages with the external auditor on climate and sustainability disclosure matters. It also oversees the Risk Management Framework and reviews and recommends to the Board the disclosure of material business risks in the Directors' Report. Prior to the committee restructure, these responsibilities were within the remit of the Audit Committee and/or Risk and Sustainability Committee.

People, Culture and Remuneration Committee (PCRC)

The PCRC supports the Board by overseeing and advising on the Remuneration Policy, including its application to the ELT and MD&CEO. The Committee also oversees the development and succession frameworks for members of the ELT, other key executives and critical capabilities. It reviews and recommends to the Board the executive remuneration framework and the design of executive remuneration, and also reviews and approves performance targets for the ELT and recommends performance targets for the MD&CEO, including those connected to climate–related matters. Prior to the committee restructure, these responsibilities were within the remit of the Remuneration and Organisation Committee.

Nomination Committee (NOM)

The Nomination Committee supports the Board by determining the skills, experience and diversity[1] required for effective Board performance, including capabilities relating to climate–related matters needed to support governance and oversight of climate and sustainability-related matters. The Committee periodically reviews these requirements in line with the Company's strategic direction. Refer to Board skills and competencies for further information.

Board Skills and Competencies

The Board seeks to maintain appropriate skills and capabilities to provide oversight of CRROs. The NOM of the Board reviews the skills and competencies required of BlueScope's Directors at least annually, including those it considers relevant to the ability to respond to CRROs. The Board undertakes an annual assessment of the skills and competencies of individual Directors, as well as the overall balance and composition of the Board. The outcomes of the Board's review of required skills and competencies, along with its performance review, inform Director induction and education programs, succession planning and recruitment.

Training is tailored to the Director's existing knowledge and experience to support effective performance. The NOM supports the enhancement of Non-executive Director capabilities by recommending appropriate professional development, which may include briefings on material developments in laws, regulations and accounting standards relevant to the Company. More information on the Board's annual review process and its outcomes can be found in the Corporate Governance section of this Annual Report.

Management's Role in Governance

The MD&CEO is responsible to the Board for the day-to-day management of the Group, including managing matters relating to climate strategy, CRROs, the capital investment framework, and statutory climate and sustainability disclosures. The MD&CEO is supported by the ELT, which has collective accountability for integrating climate considerations into the Company's strategy, capital allocation, and operations.

In FY2026, the Chief Executive Climate Change and Sustainability was responsible for the development and review of the Company's decarbonisation pathways and the development and recommendation to the ELT and Board of climate-related targets and goals, the CRRO framework, and annual climate and sustainability disclosures. From FY2027, the CFO will be responsible for these matters.

Controls and procedures for climate scenario analysis, CRRO assessments, carbon offsets, and measuring the Group's GHG emissions form part of the Company's HSE and sustainability procedures and the Risk Management Framework.

The ELT is informed about and monitors progress on climate-related matters through channels such as papers to the ELT, Quarterly Business Review forums and other periodic updates.

Refer to the Risk Management section of this Report for the process used to identify, assess, prioritise and monitor CRROs.

Climate-related Remuneration

To support delivery of the Company's strategy, BlueScope's Remuneration Framework comprises fixed remuneration, and performance-based short-term and long-term incentive arrangements. Elements of the Company's climate strategy are linked to remuneration outcomes for KMP. Under the FY2026 STI, 10 per cent of the MD&CEO's STI scorecard and 10 per cent of each Executive KMP's STI scorecard were allocated to climate-related objectives linked to delivery of decarbonisation milestones, emissions performance and progress on decarbonisation-enabling initiatives.

The FY2026 climate-related measures, and their weighting as a percentage of the STI, were:

- Reduction in Group steelmaking Scope 1 and 2 GHG emissions intensity from the 2018 baseline - 5 per cent (MD&CEO and Executive KMP)
- Reduction in non-steelmaking GHG emissions intensity from the 2018 baseline - 5 per cent (MD&CEO and Chief Executives of the operating business units)
- Business Unit climate objective - 5 per cent (Chief Financial Officer)

The remuneration outcomes for the year ending 30 June 2026 are detailed in the Remuneration Report.

1. Diversity at BlueScope refers to all the ways that its people are unique including their backgrounds, experiences, skills, perspectives and personal identities.

Climate Risk Management

Climate Risk Management Process

BlueScope is committed to an integrated approach to managing risk, with climate-related considerations incorporated in its Risk Management Framework. The Company aims for a proactive risk culture, supporting a balanced approach to managing uncertainty in the delivery of strategic and commercial outcomes.

Climate change has been recognised as a material risk within BlueScope's Risk Management Framework. The Framework provides an integrated approach to risk identification, assessment, evaluation and treatment, in accordance with *ISO 31000: Risk Management*[1], and guided the assessment and management of CRROs. Refer to the Risks and Risk Management section for further information on the enterprise-level climate change risk and BlueScope's overall risk management process.

Table 1 in the Strategy section details the CRROs that could reasonably be expected to materially affect BlueScope's cash flows, access to finance, or cost of capital, over the short, medium or long term. The CRRO assessment extended to BlueScope's global operations, specifically its controlled businesses, sites, and services. This included BlueScope Steel Limited, individual business units, and joint ventures.

CRRO Assessment Process

Figure 1 represents an overview of the CRRO assessment process undertaken in alignment with BlueScope's Risk Management Standard to identify, analyse, evaluate and report on CRROs.

Figure 1: CRRO assessment process

Monitoring and Review	**Scope and Criteria**	Context of risk management in BlueScope and embedding the CRRO Assessment into existing risk management process. Determine the applicable scope and coverage of BlueScope's operations and value chain.
	▼	
	CRRO Identification	Identifying the potential effects (positive or negative) of climate change on BlueScope.
	▼	
	CRRO Analysis and Evaluation	Analysing the consequence and likelihood of each identified CRRO. This analysis can be qualitative or quantitative. Each CRRO is then evaluated on a rating scale to determine its overall priority.
	▼	
	CRRO Treatment	Allows an organisation to prevent losses or capitalise on opportunities; and assists to take actions to minimise or maximise the occurrence of events for risks and opportunities, respectively.
	▼	
	CRRO Reporting	The final step includes a prioritisation process (driven by materiality) to determine which CRROs will be included in BlueScope's external disclosures that meet the ASRS requirements.

CRRO Identification

CRRO identification was informed by the outcomes of the climate physical risk assessment, internal reporting including Quarterly Business Reviews, capital allocation decisions, business unit risk registers, internal forums including the Climate Change Council, industry and supply chain peer reporting, and relevant sustainability disclosure standards. The process incorporated input from business units, corporate functions and subject matter experts and drew on the enterprise and business unit risk review processes. This process also incorporated the outcomes of climate scenario analysis, including drivers such as steel demand, energy transition, carbon policy and pricing and customer demand for lower-embodied carbon products[2].

The process was initially aligned to the (now superseded) Task Force on Climate-related Financial Disclosures (TCFD) framework, with opportunities grouped by resource efficiency, energy source, products and services, markets and resilience, and risks grouped by market, reputation, policy and legal, then classified as physical or transition risks.

CRRO Analysis, Evaluation and Treatment

CRROs were assessed for their current and anticipated effects on the business model, strategy and financial performance using qualitative and quantitative data supported by subject matter experts, availability of reliable data, existing analysis and ability to project future states and events relevant to the identified CRROs.

Each CRRO was rated on a 1–5 scale for likelihood and consequence across relevant time horizons (short, medium and long-term) through workshops involving key subject matter experts from across the business. The likelihood and consequence ratings were used to classify CRROs on a risk rating matrix aligned with the Risk Management Standard.

Participation from representatives across business units and functions supported the validation of the CRRO assessment and incorporated diverse perspectives, including financial, strategic, marketing, customer, legal and technology expertise. This process also assisted in prioritising the identified CRROs and determining appropriate treatments based on severity aligned to BlueScope's Risk Management Framework, with quantitative materiality thresholds guiding the prioritisation for reporting. Similar to risks, each opportunity was assigned a treatment option (e.g. pursue, accelerate, monitor) using an adapted risk rating matrix.

The CRROs presented in **Table 1** in Strategy were further prioritised by assessing whether users could reasonably expect them to materially affect BlueScope's prospects. This was supported by a financial impact assessment that evaluated the current and anticipated effects of each CRRO that could reasonably be expected to affect BlueScope's cashflows, its access to finance or cost of capital. Each CRRO was assessed using internal modelling, including climate scenario analysis, regional modelling and alignment with budgets, business plans and long-term financial models.

CRRO Monitoring

BlueScope evaluates and monitors the impact of CRROs on the business and corporate plans across a range of time horizons and, where appropriate, incorporates these into its corporate strategy. Further information on governance arrangements for CRROs, including oversight and management responsibilities, is provided in the Governance section.

In FY2026, half-yearly updates on CRROs were provided to the SSC. This included outcomes of the above CRRO assessment, progress on the management of CRROs and described key external trends and events that could affect BlueScope's ability to execute its strategy.

1. ISO 31000:2018 Risk Management – Principles, framework and process.
2. Lower compared to the conventional BF-BOF process route.

Strategy

Climate Strategy and Decarbonisation Pathway

Climate action is a core theme of BlueScope's strategy. Decarbonisation commitments are anchored by two mid-term 2030 targets[1] for steelmaking and non-steelmaking and a long-term 2050 net zero goal[2]. These commitments drive decarbonisation activities and projects, underpinned by BlueScope's Capital Allocation Framework.

Steelmaking Decarbonisation Pathway

BlueScope takes a dual-stream approach to decarbonising iron and steelmaking operations, combining near-term asset optimisation and longer-term technology evolution.

The Group-wide iron and steelmaking decarbonisation pathway (below) is indicative of how BlueScope expects to achieve the 2030 steelmaking target and 2050 net zero goal[2]. Achieving the decarbonisation pathway is underpinned by the 2050 net zero goal and the development and progression of the enablers outlined in **Figure 2**. While BlueScope does not intend to rely on carbon offsets as a primary means of decarbonisation, the Company retains the option to use carbon offsets to meet the 2050 net zero goal where direct abatement is not technically or commercially feasible.

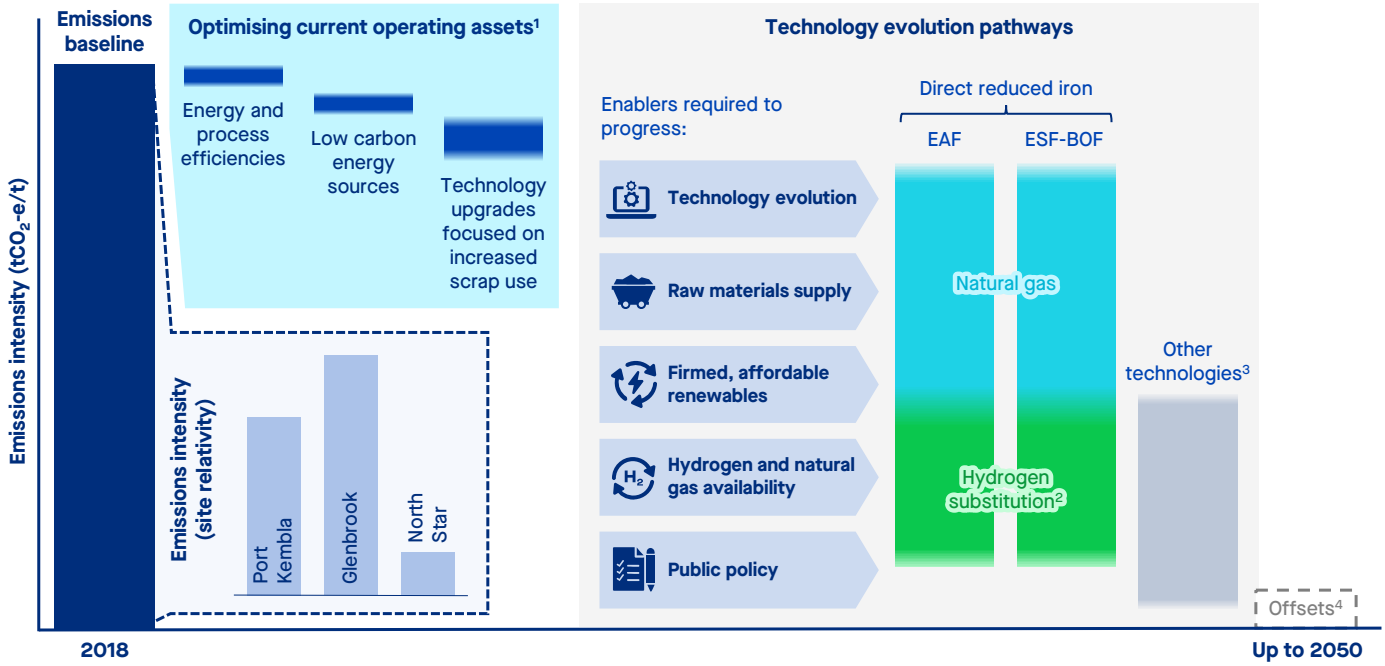
It is important to recognise that BlueScope's three steelmaking operations use different iron and steelmaking technologies and raw materials. In considering this pathway, PKSW operates via BF-BOF, North Star operates a scrap-based EAF and Glenbrook currently uses a direct reduction process coupled with ESF and BOF steelmaking, transitioning to a combination scrap-based EAF and ESF-BOF. Site-specific pathways are set out in BlueScope's second Climate Action Report.

Figure 2. BlueScope's decarbonisation enablers

Enablers that underpin the 2050 net zero goal:

- The development and diffusion of ironmaking technologies to viable, commercial scale.
- Access to internationally cost-competitive, firmed large-scale renewable energy.
- Availability of competitively-priced green hydrogen, with natural gas enabling the transition to green hydrogen.
- Access to appropriate quality and sufficient quantities of economic raw materials.
- Supportive and consistent policies across all these enablers to underpin decarbonisation.

Figure 3: Indicative steelmaking decarbonisation pathway



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. This continues beyond 2030 until such time as it is feasible to convert to lower emissions iron and steelmaking technology. Continuous improvement principles will apply to future production processes.
2. Contingent upon commercial supply of hydrogen from renewable sources.
3. Other technologies include electrolysis, Carbon Capture and Storage (CCS) and biocarbon, etc. CCS involves the capture of CO_2, generally from sources such as power generation or industrial facilities, which is compressed and transported so it can be permanently stored.
4. BlueScope retains the option to use offsets to meet the 2050 net zero goal where direct abatement is not technically or commercially feasible.

1. Steelmaking: 12 per cent emissions intensity reduction by 2030. Non-steelmaking: 30 per cent emissions intensity reduction by 2030. Refer to Climate-related Targets for more information.
2. Net zero Scope 1 and 2 GHG emissions across the business by 2050. Achieving this goal is dependent on the key enablers as outlined in Figure 2 'Enablers that underpin the 2050 net zero goal'.

BlueScope continues to make progress on its decarbonisation pathway, with a focus on optimising its existing assets through energy and process efficiencies, low carbon energy sources and technology upgrades. In the near term, these include, among others, the installation of the EAF at New Zealand Steel and the debottlenecking program at North Star, which aims to increase throughput in the plant's downstream operations to align with the EAF's steelmaking capacity.

In the longer term, the focus is on technology pathways that decarbonise the iron and steelmaking process with the advancement of Project NeoSmelt, which aims to accelerate the decarbonisation of steelmaking by developing a pilot facility in Kwinana, Western Australia focused on proving the feasibility of DRI and ESF technology. The Company is also strengthening industry partnerships to accelerate innovation and actively engaging with governments, customers, suppliers and communities to drive collective climate action.

FY2026 progress on decarbonisation projects (including Project NeoSmelt, the Glenbrook EAF and the North Star debottlenecking program) is described in the Sustainability Overview.

Non-steelmaking Decarbonisation Pathway

Non-steelmaking (midstream and downstream) operations account for approximately eight per cent of BlueScope's GHG emissions. The pathway to the 2030 non-steelmaking target[1] focuses on energy and process efficiencies across midstream operations, including regenerative thermal oxidisers (RTO) and waste heat recovery systems on coil painting ovens.

Electricity accounts for the majority of midstream operational emissions with the associated decarbonisation pathway supported by low carbon energy sources including solar. Longer-term opportunities include low carbon fuel sources and low Volatile Organic Compound (VOC) coatings, subject to commercial and technical feasibility. Refer to the second Climate Action Report for further detail on the non-steelmaking decarbonisation pathway with FY2026 progress set out in Climate-related Targets.

Climate-related Risks and Opportunities

The following pages set out the CRROs that could reasonably be expected to affect BlueScope's prospects. The Climate Risk Management section describes the approach applied to identify, assess and evaluate these CRROs including further information on the time horizons selected.

Table 1 presents, for each CRRO, a description, classification type and key CRRO drivers. The principal exposure has been specified by reference to the relevant business activities and geographic locations within BlueScope's own operations where exposure is deemed material and is aligned with the quantification of the CRRO vulnerability impacts described in the 'other metrics' disclosures in the Climate-related Metrics section. Where exposures arise beyond BlueScope's own operations, these are identified as occurring within the external value chain as aligned to the *Overview of BlueScope's Value Chain* table (in the About this Report section) in this Report.

Unless otherwise stated, the current and anticipated financial effects are described at the level of BlueScope's consolidated financial statements, with impacts expressed in terms of effects on Earnings before Income Tax (EBIT)[2], including both EBIT growth (for example, through increased revenue) and reductions to EBIT arising from increased costs.

This is considered the most appropriate metric for assessing financial effects given the nature of BlueScope's operations and the measures used to evaluate its financial performance. Current financial effects are for the FY2026 period, while anticipated financial effects relate to the applicable short, medium and/or long–term time horizon for each CRRO.

Overall, based on information to date and where separately identifiable, none of the identified CRROs are expected to result in a material adjustment to the carrying amounts of assets and liabilities disclosed in the financial statements within the next annual reporting period.

1. The non-steelmaking 2030 target applied to BlueScope's midstream activities which include cold rolled, metal coating and painting lines and long products.
2. Refers to profit for the year, before income tax expense and net of interest expense as outlined in the Financial Report.

Table 1 BlueScope's identified Climate-related Risks and Opportunities (CRROs)

Risk 1	**Shifting customer preferences and/or competitor decarbonisation trajectories could lead to increased product substitution and loss of revenue or sales.**
Description (nature of inherent risk)	As the transition to a low carbon economy accelerates, growing stakeholder preference for lower embodied carbon material may increase competitive pressure on BlueScope's products from both inter- and intra-material alternatives. Improvements in the embodied carbon performance of both alternative materials and competing steel products may reduce the relative attractiveness of BlueScope's product and service offerings.
Risk type	Transition risk
Risk driver	Markets **Time horizon** Medium (5-10 yrs); Long (10+ yrs)
Key exposures	**Business activity and geography:** Steelmaking (ASP – Australia, NZPI – New Zealand) **External value chain:** Customers
Current and anticipated effects	
Business model, strategy and decision-making impacts	• In Australia and New Zealand, demand for lower embodied carbon products is largely driven by customer Scope 3 emissions targets and embodied carbon targets for buildings. Negative differentiation of BlueScope's products relative to alternatives due to environmental credentials could reduce demand or impact prices for certain products, potentially resulting in lower revenue and/or sales. • Failure to demonstrate tangible progress against decarbonisation commitments, including reductions in product embodied carbon, could result in reputational damage.
Current financial effects	The use of different iron and steelmaking technologies across BlueScope's operations, each with varying emissions profiles, including BF-BOF production at PKSW and EAF production at Glenbrook, increases the complexity of assessing climate–related financial impacts at the BlueScope Group level. However, based on current analysis, these impacts are not considered material for the FY2026 reporting period. **Current financial effect:** Not material.
Anticipated financial effects	*Medium and long term:* While not material in the short term, the outcomes noted above are highly contingent on customer preferences, evolving market dynamics and the timing of BlueScope's transition to lower emissions steel production technologies in each jurisdiction, where relevant. Isolating the effects attributable to changes in the emissions intensity of products remains complex and challenging to quantify. However, based on the climate scenario analysis conducted: • For New Zealand Steel, the investment in the EAF, including the launch of the lower-emissions DCRB® product range, materially reduces the potential exposure. • The residual exposure is primarily concentrated in Australia. Should customers' Scope 3 emissions targets materially shift demand away from steel produced via an unabated blast furnace route, domestic sales could be displaced into lower-margin export markets, resulting in a net earnings impact for the Australian business. • Given the significant uncertainty surrounding future customer preferences for lower emissions steel, BlueScope is unable to quantify the overall financial impact of this risk. However it is estimated that for every one per cent of annual domestic sales displaced to export markets, based on the mid-cycle spread between domestic and export margins, earnings may decline by approximately $9M per annum, impacting on EBIT (reduced revenue). Fully mitigating this risk would require multibillion dollar capital investment in lower emissions steelmaking technologies; impacting net debt, Property, Plant and Equipment (PPE) and depreciation expense. • Scenario analysis undertaken by BlueScope indicates that, under the 1.5°C *Accelerated Leap* scenario (on page 188), up to five per cent of domestic volumes could be redirected to export markets due to increased customer preference for lower embodied carbon steel products over the medium and long term. **Anticipated financial effect:** Medium and long term - not quantifiable.
Mitigation or adaptation efforts	
Management response	BlueScope is implementing a range of initiatives to reduce the emissions intensity of its operations and products, supporting decarbonisation while positioning the business to unlock new value and growth. Examples include: • The launch of New Zealand Steel's DCRB® lower-emissions steel product produced using EAF technology. In addition, all steel products made at Glenbrook will entail reduced embodied carbon as the business shifts to EAF production. • The Project NeoSmelt feasibility study is focused on proving the feasibility of DRI and ESF technology using Pilbara iron ores. • Reducing the embodied emissions of products through increased recycled steel content and the implementation of energy and emissions efficiency projects. • Continuing to engage with industry on the value of steel in a circular economy, the ongoing global need for primary steelmaking, appropriate measurement frameworks and BlueScope's decarbonisation pathway. • Continuing to disclose the environmental impacts of products in line with recognised international frameworks, including Environmental Product Declarations (EPD).

Risk 2	Changes in climate policies may outpace decarbonisation enablers for competitive industrial transitions resulting in reduced competitiveness.		
Description (nature of inherent risk)	As governments implement policies to support their decarbonisation objectives, policy frameworks may be introduced or evolve without adequate supporting mechanisms for hard-to-abate industries. In such circumstances, these frameworks may fail to preserve industrial competitiveness or to provide the decarbonisation enablers[1] required for an orderly transition.		
Risk type	Transition risk		
Risk driver	Policy, Technology	**Time horizon**	Short (1-5 yrs); Medium (5-10 yrs); Long (10+ yrs)
Key exposures	**Business activity and geography:** Steelmaking (ASP – Australia, NZPI – New Zealand) **External value chain:** Governments		
Current and anticipated effects			
Business model, strategy and decision-making impacts	• BlueScope operates emissions intensive facilities. As a large emitter, climate policy settings that are misaligned with the pace of decarbonisation enablers could increase BlueScope's regulatory, operating and input costs before commercially viable transition pathways are available, reducing competitiveness and constraining progress toward lower-emissions steelmaking. • The availability and timing of key decarbonisation enablers are highly dependent on supportive policy settings in BlueScope's operating jurisdictions. Where these enablers lag policy obligations or are insufficiently supported by policy, BlueScope may incur rising compliance and transition costs without corresponding abatement options, reducing competitiveness. • BlueScope's key exposure is to carbon pricing across its operations that include the Australian Government's Safeguard Mechanism (SGM), the New Zealand Emissions Trading Scheme (NZ ETS) and other local carbon abatement frameworks; however the most material exposure arises at PKSW and Glenbrook. By contrast, exposure at North Star is minimal due to its lower emissions profile (Scope 1 and 2 GHG emissions) and US policy settings. • If this risk materialises, BlueScope could face higher regulatory and compliance costs relative to steel imports from less regulated jurisdictions, potentially reducing competitiveness. BlueScope's raw materials and other production inputs may also be subject to the same or similar domestic carbon abatement policies, increasing input costs. Further, a loss of competitiveness can reduce the Company's ability to invest in decarbonising its existing operations and future decarbonisation technologies. • BlueScope may also face reputational risk if it does not demonstrate credible and timely progress in decarbonising its operations, with potential adverse effects on enterprise value.		
Current financial effects	In the FY2026 reporting period neither the SGM nor the NZ ETS had a material financial impact directly on BlueScope and associated supply chains. PKSW's Scope 1 GHG emissions intensity is currently below its SGM baseline, reflecting improved emissions intensity performance relative to the historical period used to set SGM baselines, the transition towards industry average baselines, and the recognition of Trade-Exposed Baseline Adjustment (TEBA) status during the period. Further, PKSW was below its FY2025 SGM baseline which resulted in the generation of Safeguard Mechanism Credits (SMCs) in FY2026. Similarly, New Zealand Steel holds sufficient volumes of New Zealand Units (NZUs) to cover any near-term emissions liability for its sites that are subject to the NZ ETS. **Current financial effect:** Not material.		
Anticipated financial effects	*Short term:*	• Exposure to carbon pricing at PKSW is expected to have a limited direct effect on BlueScope's operations and associated supply chains, given the current SGM design, BlueScope's TEBA status and BlueScope's emissions performance relative to the SGM baseline. At Glenbrook, no material financial risk from carbon pricing is expected in the short term.	
	Medium term:	• The cost of the SGM for PKSW is uncertain, with the potential to be material. Within this timeframe, PKSW is unlikely to have transitioned away from established blast furnace–based ironmaking, given the expected lack of decarbonisation enablers[1] and limited abatement opportunities within the already optimised operations. There is a high degree of uncertainty in estimating the anticipated financial impact, as key assumptions will be informed by the FY2027 SGM review and any subsequent reviews expected in the early 2030s. Based on BlueScope's medium-term modelling, assuming current SGM settings remain unchanged, including continued access to TEBA and no introduction of an effective border carbon adjustment mechanism, the estimated annual SGM liability by 2035 could be up to $60M[2]. This is an unmitigated exposure that assumes Australian Carbon Credit Unit (ACCU)/ SMC prices reach the government stipulated cap by 2035. • At Glenbrook, the installation and operation of an EAF has mitigated exposure to the NZ ETS over this period with immaterial financial risk from the NZ ETS expected in the medium term. • The impacts of the SGM and NZ ETS are consistent with the FY2026 impairment modelling undertaken as described in the Notes to the consolidated financial statements. In addition, there is considerable financial uncertainty over the medium term arising from potential imposition of state-level emissions reduction obligations and carbon border taxes by BlueScope's trading partners. There is also a possibility that suppliers of raw materials and energy will be subject to the same climate policy risk which could impact BlueScope's cost of production (increased expense); however financial impacts could not be separately identified.	

1. For each of the decarbonisation enablers, refer to Figure 2 'Enablers that underpin the 2050 net zero goal'.
2. Inflation adjusted to real FY2026 value; price assumes government stipulated cap of close to $100/tCO$_2$-e.

Risk 2 (continued)	**Changes in climate policies may outpace decarbonisation enablers for competitive industrial transitions resulting in reduced competitiveness.**
Anticipated financial effects (continued)	*Long term:* PKSW is expected to mitigate its exposure under the SGM through a multibillion dollar transition to lower–emissions iron and steelmaking. This transition may be enabled through the successful development and deployment of alternative ironmaking initiatives currently under development including the Australian DRI Options Study and Project NeoSmelt. It will also depend on the relative technical, economic and policy feasibility of available options and the establishment of key iron and steel decarbonisation enablers[1] in Australia. • In the absence of a transition to lower-emissions technology, PKSW would be expected to face material carbon pricing costs over the longer term; resulting in lower EBIT (increased expense). These cannot be reliably or separately quantified, as they depend on a range of highly uncertain factors, including SGM settings (such as the application of TEBA baseline adjustments), the pricing and availability of SMCs and ACCUs, the timing and availability of enabling energy and infrastructure, the evolution of carbon leakage and trade protection policies, and future strategic decisions regarding BlueScope's iron and steel production footprint. • At Glenbrook, there is a possible long-term carbon pricing impact arising from emissions associated with the remaining ironmaking kilns resulting in lower EBIT (increased expense). Potential mitigation options include transitioning to 100 per cent scrap feed for the EAF or the adoption of hydrogen–based ironmaking technologies. The long-term financial impact of this risk cannot be reliably quantified for Glenbrook as it depends on a range of highly uncertain factors, including NZ ETS settings, the pricing and availability of NZUs, and the timing and availability of energy and raw materials to enable a transition to near-zero emissions steelmaking. • In addition to the above, there is considerable financial uncertainty for BlueScope's operations over this time period from potential imposition of state-level emission reduction obligations and carbon border taxes by trading partners. There is also a possibility that suppliers of raw materials and energy will be subject to the same climate policy risk which could impact BlueScope's cost of production (increased expense). **Anticipated financial effect:** Short term - not material. Medium term - up to $60M per annum decrease in EBIT (increased expense). Long term - material but not quantifiable as there is a high degree of measurement uncertainty involved in estimating these effects, such that the resulting quantitative information would not be useful.
Mitigation or adaptation efforts	
Management response	• BlueScope continues to invest in emissions reduction initiatives at existing operations and in developing new technologies that could enable step-change reductions in emissions over time. In Australia, this includes the progression of a range of decarbonisation initiatives that improve the emissions intensity of its operations and the progression of Project NeoSmelt. In New Zealand the EAF commenced hot commissioning in July 2026. • BlueScope continues to engage with governments in its steelmaking regions regarding the key enablers and associated policy frameworks required to support the introduction of lower emissions iron and steelmaking technologies and enable economically viable and globally competitive decarbonisation of the steel sector. – During FY2026, in Australia, BlueScope engaged with federal and state governments, as well as with industry associations and think tanks, on key policy settings, including the SGM, the Australian East Coast Gas Market review and Carbon Leakage Review. – In New Zealand, BlueScope worked with the government to co-fund the EAF at Glenbrook.

1. Refer to Figure 2 'Enablers that underpin the 2050 net zero goal'.

Risk 3	**More frequent and severe physical climate-related hazards could damage and disrupt BlueScope's operations and supply chains.**		
Description (nature of inherent risk)	Increased frequency and intensity of physical climate hazards driven by climate change could damage and disrupt BlueScope's operations and increase vulnerability of supply chains by disrupting logistics routes and infrastructure. These physical climate hazards include acute events (such as floods, bushfires and cyclones) and chronic conditions (such as heat stress, water scarcity and sea level rise).		
Risk type	Physical risk		
Risk driver	Acute, Chronic	**Time horizon**	Medium (5-10 yrs); Long (10+ yrs)
Key exposures	**Business activity and geography:** Steelmaking (ASP – Australia, NSBSL – North America, NZPI – New Zealand); Midstream and Downstream (68 selected sites across Australia, New Zealand, North America, China and Southeast Asia) **External value chain:** Customers, Suppliers		
Current and anticipated effects			
Business model, strategy and decision-making impacts	• If the risk materialises, it may lead to higher operating costs, capital expenditure, revenue loss and adverse effects on operational and supply chain resilience. In addition, more frequent and intense physical climate hazards could result in increased insurance premiums.		
Current financial effects	No material financial impact from losses from physical climate hazards in FY2026. **Current financial effect:** Not material.		
Anticipated financial effects	*Medium to long term:*	• Based on the physical climate risk assessment conducted in 2024[1], BlueScope's overall risk exposure profile remains low in the medium term under both assessed climate scenarios[2] and slightly increases towards 2050. It rises significantly under the 'high temperature' scenario in the second half of the century. While there are no material financial effects in the short term, BlueScope could be exposed to average annualised losses of up to $20M by 2100[3] if unmitigated. This does not extend to the high level supply chain impact mapping that was undertaken which did not include financial impacts. • Adaptation measures in place as part of ongoing site asset maintenance combined with the nominal increases to insurance premiums reaffirms that the overall impact will be immaterial.	
	Anticipated financial effect: Medium and long term - not material.		
Mitigation or adaptation efforts			
Management response	• BlueScope conducted a quantitative climate physical risk assessment in 2024 incorporating the latest climate models and projections[1] including a high-level supply chain impact analysis for the three steelmaking sites. The assessment indicates a low overall risk profile in the medium term, increasingly slightly towards 2050. Ongoing risk management activities include: – Continue to inform future operational and strategic decisions based on relevant outcomes of the physical climate risk assessment, including asset vulnerability assessments for any potential acquisitions and capital investments, where relevant. – Reviews of BlueScope's asset management plans continue to take into account projected impacts, where relevant.		

1. Involved the assessment of exposure of a selection of BlueScope's largest sites to six climate-related hazards (including sea level rise, extreme heat, flooding etc) across three time horizons (2030 and 2050 akin to the medium and long term horizons and 2100) and two climate scenarios (SSP1-2.6 and SSP5-8.5); as well as a high level supply chain impact analysis for the three steelmaking sites.
2. The scenarios assessed were aligned to IPCC's Shared Socioeconomic Pathways (SSP) aligned to its latest Assessment Report 6 climate projections. SSP1-2.6 was used to represent a low risk, stringent scenario, linked to the objectives of the Paris Agreement (with low emissions) and SSP5-8.5 was used to represent a high risk, 'business as usual' scenario (with high emissions).
3. The average annualised loss refers to the expected damage and disruption per year, averaged over many years. This is a measure of the loss potential, in dollars, for a portfolio (or an asset) and depends on the value of the assets as well as the hazard and the vulnerability and this figure is based on the high (SSP5-5.8) climate scenarios assessed.

Opportunity 1	**The energy transition and growing requirement for resilient infrastructure could drive increased demand for steel, which could support higher revenue.**		
Description (nature of opportunity)	As the world moves towards a low carbon economy and associated energy transition, demand for durable, climate resilient and energy-efficient materials is expected to grow. Steel's critical role in the built environment and energy sectors positions BlueScope to capture growth opportunities through products that: 1. provide essential components for electricity generation, storage and transmission infrastructure, including renewable energy; and 2. offer resilient, energy-efficient metal coating and painting solutions and structural solutions that help customers withstand extreme weather events such as heat and bushfires.		
Opportunity driver	Markets; Products/Services; Resilience	**Time horizon**	Short (1-5 yrs); Medium (5-10 yrs); Long (10+ yrs)
Key exposures	**Business activity and geography:** Steelmaking, Midstream and Downstream (ASP – Australia, BCPNA – North America, NZPI – New Zealand, Pacific Islands, CPA – Southeast Asia and China) **External value chain:** Customers		
Current and anticipated effects			
Business model, strategy and decision-making impacts	• Steel demand is expected to increase from renewable energy development, associated transmission infrastructure and the adoption of updated building codes in regions exposed to extreme weather and climate-related events. This could increase domestic sales and revenue and support entry into new markets. • This opportunity is most pronounced in Australia, New Zealand and Southeast Asia, where BlueScope's products are primarily used in the construction and infrastructure sectors. BlueScope expects any uplift in demand to materialise over the medium to long term. • BlueScope's product portfolio also delivers climate resilience through differentiated value propositions, with Activate® coating technology designed to slow the rate of corrosion resulting in more effective, longer-lasting protection, TRUECORE® steel and Axxis® steel framing offering non-combustible, fire-resilient structural solutions suited to bushfire-prone environments, and COLORBOND® steel and COLORSTEEL® cool roofing colours offering a higher level of thermal performance with the potential to improve thermal comfort, reduce the need for air conditioning and lower ongoing energy bills[1]. These product attributes offer a potential point of differentiation in climate-exposed markets. Realising this opportunity can enhance BlueScope's reputation, support its social licence to operate and support the growth of new revenue streams by capitalising on rising demand for products with sustainability credentials		
Current financial effects	Renewable energy-related demand is not currently assessed as a material end-use segment for BlueScope and climate resilient product attributes cannot be separately quantified from other drivers of steel demand. **Current financial effect:** Not material for renewable energy-related demand and increased income (EBIT) not quantifiable for climate resilient product demand.		
Anticipated financial effects	*Short, medium and long term:*	• BlueScope estimates demand for its Australian steel from renewable energy projects could increase by around 125 ktpa over the medium term. Wind towers and associated foundations are expected to drive the majority of this growth due to their high steel intensity, with solar and transmission infrastructure accounting for the remainder. However, this is contingent on the introduction of local content policies supporting a domestic wind tower fabrication industry. The Port Kembla plate mill upgrade, due for completion in 2027, will support the capture of this demand upside. • The total value of this opportunity is estimated at up to $50M per annum in increased EBIT (increased revenue), calculated by applying the margin uplift to the additional tonnes sold into this sector relative to those currently exported. • Any increase in steel demand associated with climate resilience cannot be reliably attributed to a single driver, such as the frequency or severity of extreme weather events, nor can it be separately identified from other influencing factors, including changes in customer preferences. While the financial impact remains difficult to quantify due to the range of variables involved, this opportunity has the potential to reinforce existing revenue streams and support new revenue streams through rising demand for BlueScope products that support climate-resilience. **Anticipated financial effect:** Short, medium and long term - up to $50M EBIT annual uplift for renewable energy-related demand and not quantifiable for climate resilient product demand.		
Strategic response			
Management response	Product innovation forms a core element of BlueScope's strategy to enhance customer experience and business performance, with a focus on product resilience, durability and longevity. A range of activities is underway across the business, including: • Upgrading product capabilities through the PKSW $300M Plate Mill Modernisation Project, focused on enabling expanded supply into wind tower and transmission infrastructure projects. • Upgrading Orrcon Steel's facilities to support large-scale renewable energy projects, including manufacture of components for solar energy infrastructure. • Continuing to promote the resilience of BlueScope's products, including their ability to withstand extreme weather impacts. This includes ongoing investment in R&D to develop and test products that meet local climate conditions and associated building requirements.		

1. Actual cool roofing performance will depend on a wide range of factors including roof colour, roof shape, level and location of insulation, type, location, shape, and function of the building.

Opportunity 2	**Evolving customer preferences driven by the transition to a low carbon economy are increasing demand for lower embodied carbon and circular product solutions, which could support higher revenue.**
Description (nature of opportunity)	As the global economy transitions to a low carbon future and customer preferences shift towards sustainable materials, demand for lower emissions and circular steel products is expected to increase. This presents an opportunity for BlueScope to offer lower embodied carbon steel that supports customers' value chain emissions reduction targets, may attract price premiums, and enhances circularity through durable, reusable and recyclable steel solutions.
Opportunity driver	Markets, Products/ Services **Time horizon** Short (1-5 yrs); Medium (5-10 yrs); Long (10+ yrs)
Key exposures	**Business activity and geography:** Steelmaking (ASP – Australia, NSBSL – North America, NZPI – New Zealand) **External value chain:** Customers
Current and anticipated effects	
Business model, strategy and decision-making impacts	• As end-use customers set embodied carbon reduction targets across their value chains, demand for lower emissions steel is expected to increase. This creates opportunities for BlueScope to capture volume growth and in some cases, potential price premiums. • Targeted investments in product and service decarbonisation, circularity and innovation, including increased recycled content, greater renewable energy uptake and BlueScope and customer-led design focused on durability and material efficiency, can strengthen long-term competitiveness and revenue resilience. • If realised, these dynamics could support sustained volume and revenue growth and reinforce BlueScope's long-term market positioning, particularly as customers pursue lower embodied carbon outcomes through strategies such as material substitution.
Current financial effects	No material financial impacts on earnings (EBIT) for FY2026, notwithstanding, BlueScope has continued its investment in capital projects to support decarbonisation including the installation of an EAF in New Zealand[1] and progressing the debottlenecking program at North Star, which builds off the $1B investment in the additional EAF that came online at the site in FY2023. All of these investments increase BlueScope's capacity to produce lower GHG emissions intensity steel. **Current financial effect:** Not material for earnings, however BlueScope continues to make significant capital investments to support decarbonisation initiatives.
Anticipated financial effects	*Short term:* • Enabled by the New Zealand EAF investment, BlueScope has developed a lower embodied carbon product, DCRB®, which is expected to account for approximately 10 per cent of total long product volumes. While early analysis does not incorporate a premium for DCRB®, there is potential upside should premiums emerge. However, the scale of DCRB® volumes is not expected to have a material financial impact at the Group level, even if such premiums develop. • The expansion of steelmaking capacity at North Star enables BlueScope to deliver additional lower emissions volumes into the North American market. However, the high availability of lower emissions steel in the US, reflecting the large share of EAF production, means there are limited premiums for such products in that market. *Medium and long term:* • In Australia, based on internal analysis, there is a small percentage of customers willing to pay a modest premium for lower emissions steel (a 'green premium'). Over the long term, a transition to lower emissions steel production technology could enable BlueScope to capture this opportunity supported by investments; increasing EBIT (increased revenue) and impacting net debt, PPE and depreciation expense if material investments are made. **Anticipated financial effect:** Short, medium and long term - not quantified based on available analysis, only a small segment of customers have demonstrated a willingness to pay and such premiums may be transitory.
Strategic response	
Management response	BlueScope is implementing a range of initiatives to reduce the emissions intensity of its products, strengthen product circularity and transparency, and support customers' emissions reduction goals, while positioning the business for long-term value and growth. Examples include: • The launch of New Zealand Steel's DCRB® lower-emissions steel product produced using EAF technology. Refer to Risk 1 for further details. • Reducing the embodied emissions of products through increased recycled steel content, the delivery of energy and emissions efficiency projects across operations, and collaboration with customers on design approaches that promote longevity, durability and material efficiency. • Continue to disclose environmental impacts of products in line with recognised international frameworks, including EPDs. • Seeking certification for sites and products against recognised sustainability standards, such as ResponsibleSteel™.

1. Expected final cost of NZ$320M, paid across FY2024-FY2027.

Climate Resilience

Climate Scenario Analysis

Scenario analysis offers an important and useful tool to identify CRROs and understand strategic implications on an organisation. BlueScope updated its climate scenario analysis in CY2024 to test the resilience of its portfolio against potential transition and physical impacts from climate change. Four climate scenarios were developed, informed by the latest climate change trajectories and emerging industry insights, supporting alignment with current scientific understanding and market trends.

Outlined below and on the following page are the four climate scenarios reflecting potential global temperature outcomes, two of which illustrate different potential policy pathways for ~2°C warming. BlueScope considers the selected scenarios appropriate for assessing portfolio resilience and has incorporated updated drivers reflecting changes in policy settings, technology pathways and steel market dynamics. These scenarios are used to evaluate the resilience of BlueScope's business strategy and portfolio to transition, and physical climate change impacts. In applying exploratory scenarios, it is important to note that no single climate scenario is considered a base-case or mid-point view against which BlueScope is directly managing its portfolio. Rather, scenarios aim to provide sufficiently distinct and plausible futures to help test the resilience of the Company's business model and strategy.

The scenarios were developed by internal subject matter professionals in consultation with third-party consultants. BlueScope's ELT and Board endorsed these scenarios in August 2024 and they were published in the second Climate Action Report, released in September 2024. Management has considered key developments since this Climate Scenario Analysis was undertaken and assessed that these developments across key drivers (ie. policy divergence, evolving energy system dynamics, changing global trade conditions and reassessment of decarbonisation commitments across sectors) remain within the range of outcomes modelled. Accordingly, BlueScope considers the CY2024 Climate Scenario Analysis continues to provide an appropriate basis for assessing CRROs in the current reporting period.

When conducting the climate scenario analysis, BlueScope considered key strategic drivers to distinguish each scenario:

- Carbon pricing and policy: regional carbon prices or proxies, use of Carbon Border Adjustment Mechanisms (CBAMs), global policy alignment or lack thereof
- Steel demand, voluntary green premia for products
- Technology developments and speed of adoption in different regions
- Materials, scrap and metallics prices, fossil fuel supply and cost challenges
- Capital costs

This page and the following page provides an overview of each scenario against the above strategic drivers.

Accelerated Leap

~1.5°C temperature increase by 2100

Global push to urgently abate emissions drives **unified policy front** that provides incentive for **rapid green technology commercialisation** and adoption

Carbon price	Use of CBAMs[1]	Global policy alignment	Steel demand	Voluntary green premia[2]	Scrap & metallics prices	Fossil fuel input challenges	Published scenario link
$$$$	✓	→	↗	Moderate until 2030s	$$$	$$$	SSP 1 - 1.9 & IEA NZE

Public and government acceptance of climate change risks drives global, government-led action to urgently reduce emissions. Major emitters, including the US and China, act aggressively to meet 2050 net zero targets and the rest of the world quickly follows suit.

Globally, harmonised carbon pricing and trade policies create a unified carbon price which rapidly rises to incentivise investment in decarbonisation of hard-to-abate sectors, including steel. This spurs the rapid uptake of iron and steelmaking technologies, including hydrogen DRI and ESFs. Economies of scale reduce the cost of these technologies, so they begin to compete with traditional iron and steelmaking technologies. Renewable electricity expands rapidly and becomes readily available at low cost. These trends are initially aided by large government investment in new technologies and supporting infrastructure and early demand from customers willing to voluntarily pay a premium.

At the same time, strict limits are applied to the future of fossil fuel related activity including bans on capacity expansion or extension, leading to early closures of existing gas and coal assets.

Coordinated Climb

~2.0°C temperature increase by 2100

Global **alignment in carbon policies** creates a unified transition but economic challenges delay abatement progress relative to *Accelerated Leap*; **steel expected to contribute to early emissions reduction**

Carbon price	Use of CBAMs[1]	Global policy alignment	Steel demand	Voluntary green premia	Scrap & metallics prices	Fossil fuel input challenges	Published scenario link
$$$$	✓	↗	→	Moderate until 2030s	$$$	$$$	SSP 1 - 2.6

Coordinated carbon policies drive global emissions reduction, albeit at a less ambitious rate than under *Accelerated Leap*; carbon prices and emissions reduction expectations are equally attributed across all sectors.

Demand for steel increases modestly, driven by GDP growth. Electric vehicle growth may drive lower steel use in automotive production, likely offset by growth in construction demand, including for renewable energy infrastructure. Carbon pricing drives widespread availability of lower emissions steel.

The cost of steel technology falls rapidly, with cost breakthroughs in the late 2030s. By 2050, most steel produced is lower emissions, using scrap and new ironmaking technology.

Growth in demand for scrap raises prices and reduces inter-regional trade. Renewable energy prices remain higher than under Accelerated Leap due to the higher carbon cost of meeting a 2°C rather than a 1.5°C target. Environmental issues challenge the availability of natural gas and metallurgical coal.

Fragmented Lanes

~2.0°C temperature increase by 2100

Governments and industry initially **focus on 'easier to abate' sectors** while providing greater leeway for hard-to-abate sectors. **Misalignment in policy** between regions creates an uneven playing field which may be in part mitigated by country-specific protections

Carbon price	Use of CBAMs[1]	Global policy alignment	Steel demand	Voluntary green premia	Scrap & metallics prices	Fossil fuel input challenges	Published scenario link
$-$$$$	✗	⇄	→	Moderate & sustained	$-$$$[3]	$$	SSP 1 - 2.6

Public and government acceptance of climate change risks drives global, government-led action to reduce emissions. However, there is some delay in converting global commitments to actual policy, and different policies adopted in different regions. Before 2030, major emitters including the US and China act aggressively to meet their 2050 net zero targets; the rest of the world follows with a lag.

Governments act largely independently, in some instances through very high carbon prices with strong trade policies to limit carbon leakage, in others, through large tax incentives and subsidies for technology and infrastructure. There is a preference for lower cost domestic abatement opportunities and general protection for traded strategic commodities, including steel. Hard-to-abate sectors exposed to global trade consume a disproportionate share of the remaining emissions budget and are expected to decarbonise later. Due to differences in incentives and input costs, the development of technology varies dramatically by region, with lower emissions iron and steel emerging from lowest cost producers.

The corporate sector plays a greater role in driving emissions reduction, anticipating the future effects of policy environments and responding to customer needs.

Unchanged Paths

~4.0+°C temperature increase by 2100

Governments **prioritise economic growth and adaptation** over emissions reduction although some progress is still made in some regions. As a result, emissions abatement progress does not move beyond today's trajectories

Carbon price	Use of CBAMs[1]	Global policy alignment	Steel demand	Voluntary green premia	Scrap & metallics prices	Fossil fuel input challenges	Published scenario link
$	✗	⇄	→	Very low	$	$	SSP 5 - 8.5

As we move toward 2030, economic concerns increasingly drive national policy. Threatened by global conflicts and supply chain disruptions, governments adopt protectionist measures to nurture strategic industries. More ambitious regions, such as Europe, Australia and New Zealand, continue to push forward carbon pricing but momentum fades as countries look to avoid a trend toward de-industrialisation. Attention turns to investing in adaptation and resilience to prepare for a higher temperature future.

Early quick wins in emissions reduction are achieved with growth in renewables and more CCS projects reaching operational stages, however technology costs remain high. Some blast furnaces close as they reach end of campaign life; EAFs continue to increase share in line with scrap availability.

A sustained effort by consumers and some businesses to reduce emissions drives a small but sustained green premium for a niche segment of the market.

1. Carbon Border Adjustment Mechanism
2. A higher carbon price under the Accelerated Leap and Coordinated Climb scenarios will ultimately supersede the green premia from the 2030s onwards.
3. Some regions will still see increased scrap and metallics demand.

Implications and Response

This scenario analysis indicates that BlueScope's current strategy is broadly resilient across all of the climate scenarios tested. However the implications of the four scenarios vary for each of the steelmaking sites, and as outlined below, BlueScope's responses demonstrate the Company's capacity to adjust or adapt its strategy and business model to address these.

Regions/ operations	Scenario Analysis implications	BlueScope's response (i.e. capacity to adjust and adapt)
Australia (Port Kembla Steelworks)	Carbon pricing and trade policies have the most significant impact under all scenarios for the PKSW. In the short to medium term, the *Accelerated Leap* and *Coordinated Climb* scenarios assume carbon leakage protection through adjusted safeguard mechanism baselines and a CBAM. In all scenarios, profitability may decline in the longer term as customers turn to lower emissions imported steel (for example EAF based steel). Access to high-quality, commercial metallurgical coal is difficult, particularly in the *Accelerated Leap*, *Coordinated Climb,* and *Fragmented Lanes* scenarios when government approvals for extensions of coal mines may be restricted and would likely increase costs in the medium to long term.	This region faces the greatest impact from carbon pricing and trade policy changes. BlueScope is investigating a diverse portfolio of decarbonisation options for PKSW through the Australian DRI Options study, ensuring flexibility under different future scenarios. Project NeoSmelt is assessing the feasibility of using Pilbara ores for DRI in the ESF process. The pilot plant is intended to produce 30,000 to 40,000 tonnes of iron annually, pending final investment decision in FY2027. If the pilot plant is successful, the technology has the potential to unlock longer-term alternatives to the traditional blast furnace ironmaking route as well as helping to ensure the longevity of Australia's iron ore industry. Overall, these efforts aim to reduce reliance on high-emissions inputs, improve long-term competitiveness, maintain Australian sovereign iron and steelmaking capacity and position the business for a lower-carbon future.
North America (North Star)	Carbon pricing and trade policies assumptions support North Star's EAF steel production using scrap and ore-based metallics, and result in higher margins in all scenarios. In the *Accelerated Leap* and *Coordinated Climb* scenarios, domestic steel prices reflect the high emissions intensity of local blast furnaces inclusive of carbon costs. The *Accelerated Leap*, *Coordinated Climb*, and *Fragmented Lanes* scenarios encourage lower-emissions steel using gas-based DRI and CCS. As customers seek to purchase lower-emissions steel, North Star should benefit given the lower-emissions intensity of its EAF steelmaking process.	North Star's operations remain well-positioned under all scenarios, benefiting from its EAF-based steelmaking process and lower GHG emissions profile. The construction of an additional EAF to expand production at the site by up to 850,000 tonnes per annum was online in FY2023 resulting in greater EAF capacity than the plant's downstream operations can currently process. A debottlenecking program is underway seeking to increase throughput of the site's downstream operations, which should further increase throughput by ~10 per cent to 3.3Mt of steel production per annum. As a result, no major redeployment or repurposing of resources or assets is expected. The business is expected to maintain stability and competitive margins without significant structural changes.
New Zealand (Glenbrook Steelworks)	Scenarios that involve higher carbon prices benefit Glenbrook via increased margins for lower-emissions EAF produced steel. Under the lower temperature scenarios however it would need to further reduce its carbon footprint, e.g. via more EAF conversion or hydrogen-based ironmaking, if technically and commercially viable. Access to domestic coal remains difficult in the medium to long term, particularly in the *Accelerated Leap*, *Coordinated Climb*, and *Fragmented Lanes* scenarios when government approvals for extensions of the existing coal mine may be restricted. In the *Fragmented Lanes* and *Unchanged Paths* scenarios, the longevity of Glenbrook's remaining ironsands ironmaking process is likely to be greater. However, policy imbalances stemming from NZ's carbon pricing relative to competitor nations, particularly without a local CBAM, may reduce the competitiveness of products (non-EAF output) compared to imports.	A key strategy for Glenbrook involves redeploying and upgrading current assets through the construction of the new EAF, co-funded by the New Zealand Government. It will mark a significant shift in decarbonising steelmaking at Glenbrook as it is expected to reduce Scope 1 and 2 GHG emissions by ~55 per cent[1]. In July 2026, the project delivered hot commissioning (first hot metal production). This investment supports Glenbrook's transition to lower-emissions steelmaking, enhances operational flexibility, and positions the site to meet future carbon reduction requirements and market expectations.
BlueScope	In the *Accelerated Leap* and *Coordinated Climb* scenarios, BlueScope benefits from low cost EAF production at North Star and the partial transition to EAF steelmaking at Glenbrook. Carbon pricing creates additional costs at Glenbrook and PKSW, but CBAMs are expected to offer some protection in the medium term, providing time for lower emissions sources of iron to be developed when carbon prices rise as demand for lower-embodied carbon steel increases. In the *Fragmented Lanes* and *Unchanged Paths* scenarios, there is an increased risk of country specific policies being out of step with global competitors which could challenge the outlook for coal-based ironmaking at Glenbrook and PKSW in the medium to long term. Access to high quality scrap and ore-based metallics will become increasingly tighter in all scenarios over time. Robust demand is expected to continue for BlueScope's products, with any demand destruction from shifting sectoral and GDP patterns offset by increased demand for steel required in construction and renewable energy infrastructure.	Overall, BlueScope's current strategy is broadly resilient across all of the climate scenarios tested in this assessment. The Company's resilient balance sheet provides flexibility to respond to the scenarios tested. BlueScope's overall risk exposure to physical climate risks remains largely low and unchanged in the short to medium term; with this exposure expected to increase towards 2050 and the second half of the century under the SSP5-8.5 'high temperature' scenario.

1. Subject to securing additional renewable energy power purchase agreements and recycling more domestic scrap steel in New Zealand.

Climate Scenario Methodology and Assumptions

Sources of information

BlueScope's climate scenario analysis incorporated both physical and transition climate-related risks. Specifically, a physical climate risk assessment was undertaken to understand the exposure of key operations to chronic risks (sea level rise, heat and water stress) and acute risks (floods, cyclones and bushfires). The outputs of this assessment were incorporated into the climate scenario analysis that also contained the transition-related risks and opportunities.

The climate scenarios were based on the latest Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA) published scenarios[1] as indicated on pages 188-189. The physical risk assessment utilised IPCC's Shared Socioeconomic Pathways (SSP) aligned to the Assessment Report 6 climate projections; where SSP1-2.6 was used to represent a low risk, stringent scenario, linked to the objectives of the Paris Agreement (with low emissions) and SSP5-8.5 was used to represent a high risk, 'business as usual' scenario (with high emissions). The IEA's Net Zero Emissions by 2050 (NZE) scenario was used to model transition risks and opportunities that provided industry-level detail on the steel sector which also aligned to the IPCC's SSP scenario related to 1.5°C.

The temperatures used in each of the scenarios on pages 188-189 are aligned to the latest international climate agreements such as the Paris Agreement, that aims to limit global temperature rise to well below 2°C above pre-industrial levels by 2100 and to pursue efforts to limit the temperature increases to 1.5°C. Specifically, the *Accelerated Leap* (~1.5°C) and *Coordinated Climb* (~2.0°C) scenarios reflect this global policy alignment and rapid emissions reduction consistent with Paris Agreement objectives. These scenarios enable BlueScope to assess resilience under conditions aligned with international climate goals.

Time horizon

The overall time horizon used for the climate scenario analysis was 2100, guided by the IPCC's global warming pathway trajectories. In addition, the 2030s and 2040s were considered for key transition-related drivers (e.g. carbon policy) for the three steelmaking jurisdictions. However, for the physical climate risk assessment, BlueScope also assessed the exposure of a selection of its sites to two additional timeframes: 2030 and 2050. These time horizons were selected as they align to BlueScope's GHG reduction ambitions, specifically the two 2030 targets and 2050 net zero goal.

Scope of operations

The scenario analysis was undertaken in two parts: the physical risk assessment applied to a selection of BlueScope's global operations, with a specific focus on the three steelmaking sites and critical supply chains while the transition-related assessment focused on the three steelmaking countries, Australia, New Zealand and United States. Midstream operations were not separately modelled due to their small emissions footprint relative to BlueScope's overall emissions profile and additional effort required due to its complexity; however, by assessing steelmaking regions, relevant midstream and downstream activities were considered in principle within the scope of the transition-related analysis.

For the physical climate risk assessment, 71 sites were assessed, including BlueScope's three steelmaking sites and the largest coating and painting and building manufacturing sites (based on insured value) as well as recently acquired sites. This approach supports the analysis to better capture risks and opportunities across BlueScope's core manufacturing facilities and broader business activities. Page 190 provides the implications for each of the steelmaking sites.

Key assumptions

The key assumptions applied to develop BlueScope's four scenarios are outlined on pages 188-189. Specifically, they include:

- *Climate-related policies*: incorporated the current state of carbon policies in the three steelmaking countries (Australia, New Zealand and the United States) that included carbon pricing and implications of CBAMs.
- *Macroeconomic trends:* the IEA's NZE pathway forecasts global steel demand that considers GDP and other relevant macroeconomic factors; in addition to the IPCC's SSP pathways (that the physical climate risk assessment was modelled on).
- *National/regional level variables:* the physical climate risk assessment was based on IPCC's SSP pathways which consider technological, demographic, socioeconomic and policy futures at a country and regional level. In addition, BlueScope considered customer preferences for voluntary green product premia.
- *Energy use and mix:* the IEA's NZE pathway described how energy demand and mix would need to evolve to limit global temperature increases to 1.5°C. This pathway considers assumptions on energy demand, fossil fuel and electricity consumption, renewables supply, low emission technology mix and associated investment requirements.
- *Developments in technology:* steel decarbonisation technology uptake and associated raw material inputs required were modelled based on regional outlooks and the IEA's NZE pathway.

Uncertainty in Scenario Analysis

BlueScope recognises that climate scenario analysis is a valuable tool for exploring possible futures for the industry and the economy to guide business strategy, identify key signposts to monitor and aid in testing business resilience as part of risk management. However, it is important to approach such analysis with caution due to the long timeframes and inherent uncertainties and assumptions. The scenarios and descriptions disclosed in this section are hypothetical constructs of possible futures and should not be viewed as definitive predictions or forecasts. Specifically, the chronic and acute climate-related hazards modelled in the physical climate risk assessment are based on global temperature projections from the IPCC, which rely on global climate models that can have varying implications on a national, regional and local level driven by natural climate variability, among other variables. Similarly, transition-related considerations such as global steel demand and shifts in global policy movements are modelled based on the best available scenarios, but these may be subject to change in the future, guided by regional and national geopolitical movements.

1. The IPCC scenarios describe physical climate futures given quantities of GHG emissions and illustrates the physical risks associated with emissions scenario outcomes, whereas the IEA scenarios quantify the impact of current and required policies to meet the Paris climate agreement and UN sustainable development goals.

Metrics and Targets

Climate-related Metrics

Scope 1 and 2 GHG Emissions

The summarised Scope 1 and Scope 2 GHG emissions are provided below. Emissions are disclosed on an absolute gross basis, without offsets, in metric tonnes of carbon dioxide equivalent (tCO_2-e).

Metric	FY2026 $ktCO_2$-e
Scope 1 GHG emissions	**8,490**
Consolidated accounting group	8,480
Other investees[1]	10
Scope 2 (location-based) GHG emissions	**1,710**
Consolidated accounting group	1,710
Other investees[1]	10
Total Scope 1 and 2 GHG emissions	**10,200**
Consolidated accounting group	10,190
Other investees[1]	10

1. On 31 December 2025, the Group completed the sale of its 50 per cent interest in the Tata BlueScope joint venture to Tata Steel Limited. Accordingly, data for the divested facilities is excluded from 2H FY2026.

Numbers are rounded to the nearest 10 $ktCO_2$-e. Totals may not align due to rounding.

Refer to the Climate-related Targets section for FY2026 performance commentary.

Measurement of Scope 1 and 2 GHG emissions

The Group measures its Scope 1 and 2 GHG emissions globally in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004), except for the Group's Australian operations that are within the scope of the Australian National Greenhouse and Energy Reporting (NGER) scheme, where jurisdictional relief has been adopted.

The Group uses the equity share approach globally to define organisational boundaries, unless superseded by the jurisdictional relief adopted for Australian operations under the NGER scheme. Under the equity share approach, the Group accounts for emissions that reflect the Group's proportional economic interest in operations, aligning emissions with financial exposure and supporting closer alignment with financial reporting. Equity share emissions are calculated by multiplying gross emissions by the percentage equity share in the joint venture or underlying ownership percentage.

Emissions disclosed pertain to the Group's consolidated entity. This includes the NS BlueScope Coated Products business, which operates as a 50/50 joint venture with Nippon Steel Corporation and is consolidated in the Group's financial statements. For climate-related disclosure purposes, the joint venture's Scope 1 and 2 GHG emissions are included in the Group's reported emissions, consistent with the equity share approach.

Methodology, Input and Assumptions for Scope 1 and 2 GHG Emissions

Scope 1 GHG emissions refer to emissions arising from operational activities attributable to the Group. Key sources include fuel combustion from solid, liquid and gaseous fuels, emissions from industrial processes, and emissions from the use of paint and solvents. Scope 1 emissions are predominantly calculated by multiplying the relevant publicly available emission factors from applicable jurisdictional agencies to activity data inputs, such as consumed quantity of fuel or material, to determine the associated GHG emissions that occur from that source. Where higher-order methods are applied, emissions are calculated using material-specific emission factors derived from site-based sampling and analysis. The Group does not perform direct emissions measurements. For Australian operations, emissions are calculated in accordance with the NGER (Measurement) Determination 2008 (Compilation 20), including the application of Method 1 (default emission factors) and Method 2 (carbon mass balance) where required. For operations outside Australia, default emission factors are sourced from applicable jurisdictional regulatory publications, including the US EPA Emission Factors for Greenhouse Gas Inventories (2025) and the New Zealand Ministry for the Environment Measuring emissions guide (2026). Where these do not exist, or where considered appropriate, NGER Measurement Determination factors have been used.

Scope 2 GHG emissions represent indirect emissions associated with the purchase of electricity, steam, heat or cooling. The primary source of Scope 2 emissions is purchased electricity consumption. Scope 2 emissions are calculated using the location-based method, by multiplying the relevant emission factor to electricity consumption data documented in supplier invoices. Emission factors are sourced from jurisdiction-specific regulatory publications, including the NGER Determination for Australian operations, the US EPA Emissions & Generation Resource Integrated Database (eGRID), and the New Zealand Ministry for the Environment Measuring emissions guide (2026). For facilities in all other jurisdictions, relevant country or regional Scope 2 emission factors are used, determined, for example, via the IEA Emissions Factor database.

Wherever publicly available emission factors have been used for GHG emissions calculations, the Group uses the latest available factors or those applicable to the reporting period.

While the Group's data collection processes and controls are designed to minimise uncertainties for the Group's Scope 1 and 2 emissions inventory, emissions quantification includes inherent limitations arising from, for example, the use of default emission factors, which are developed using the best available information and assumptions at the time of publication. The Group's Scope 1 and 2 inventory includes estimates accounting for less than one per cent of the Group's reported Scope 1 and 2 GHG emissions. Estimates are based on historical actual data and are applied where obtaining current period actual data is not considered proportionate, as they do not materially affect the Group's reported Scope 1 and 2 GHG emissions.

There were no material changes in the measurement approach, inputs and assumptions during the reporting period.

Contractual Instruments

North Star is powered by GHG emissions-free electricity via a power purchase agreement with a local nuclear power provider – independently verified through the supply of Emission-Free Energy Certificates (EFECs) equivalent to North Star's electricity consumption. This power purchase agreement has been in place since 2020 and covers North Star's entire electricity consumption. As the Group reports Scope 2 GHG emissions under the location-based method, these EFECs are not reflected in reported Scope 2 emissions. BlueScope has entered into other energy contracts across its operating regions, however, these arrangements do not convey energy attributes (such as emission-free electricity claims) to BlueScope.

Other Metrics

Vulnerability and Alignment of Assets and Business Activities to CRROs

BlueScope has assessed the business activities[1] and where relevant, assets that are vulnerable and aligned to CRROs, to determine the associated magnitude of impact on the Group's consolidated financial statements.

Approximately $1,522M of FY2026 revenue[2] was associated with business activities vulnerable to climate-related transition risks, representing nine per cent of Group consolidated revenue. Approximately $15,466M of FY2026 revenue[2] was associated with business activities aligned with climate-related opportunities, representing 93 per cent of Group consolidated revenue[3]. These reflect BlueScope's key business activities that are materially exposed to CRROs identified in **Table 1**, specifically the external sales revenue from steelmaking business activities in ASP and NZPI exposed in Risk 1 and Risk 2 that relate to transition-related climate risks. For climate-related opportunities 1 and 2 outlined in **Table 1**, this figure relates to the total external sales revenue from steelmaking and building product business activities across ASP, CPA, NZPI, NSBSL and BCPNA.

The physical climate-related risk assessment evaluated the exposure of 71 sites across BlueScope's global operations to six climate-related hazards: flooding, cyclones, sea level rise, bushfires, heat and water stress. As a heavy industrial organisation with significant fixed assets, approximately $8,060M of PPE at 30 June 2026 was assessed as vulnerable to physical climate-related risks, representing over 99 per cent of Group total assets, based on the assets included in the assessment. This corresponds to the steelmaking and building product business activities across ASP, NZPI, NSBSL, CPA and BCPNA exposed in Risk 3 in **Table 1**. A deeper assessment of the three steelmaking sites identified approximately $4,660M of PPE as vulnerable to physical climate-related risks (Risk 3), representing 58 per cent of the Group's total assets.

Capital Deployment

BlueScope's Capital Allocation Framework recognises climate-related investment as critical to long-term business viability and management of CRROs. Investment is guided by the 2030 emissions reduction targets and 2050 net zero goal[4], with projects identified and evaluated based on the extent of their primary purpose of delivering these decarbonisation commitments.

In FY2021, BlueScope committed to invest up to $150M over five years in projects supporting the 2030 targets and longer-term decarbonisation ambitions with total estimated spend of approximately $300–$400M to 2030. Investment under this program in FY2026 was $139M[5], primarily comprising the New Zealand Steel EAF, emissions-reduction enhancements to the No. 6 Blast Furnace reline and Project NeoSmelt. This investment does not include capital investments with indirect decarbonisation benefits, where the primary driver relates to cost, capability or operational improvements, such as the North Star expansion, Western Port oven upgrades and various energy savings projects.

Internal Carbon Price

In jurisdictions where BlueScope operates, a range of regulatory carbon prices, reference prices and emissions trading or compliance schemes apply. Where such schemes are directly applicable to BlueScope's operations and relevant to the investment or business case under evaluation, these carbon costs are incorporated into underlying financial assessments under the relevant climate scenarios, including the evaluation of decarbonisation projects.

BlueScope applies climate scenario modelling to investment decisions where emissions are increased above a defined threshold. Climate scenario analysis considers various drivers, of which domestic and marginal producer carbon price assumptions are one factor. The form and level of carbon pricing applied vary depending on the scenario, the purpose of the analysis, the timeframes and the country of operation. The carbon price assumptions applied across different climate scenarios are disclosed in pages 188-189.

BlueScope also applies carbon pricing when forecasting potential financial impacts of legislated emissions reduction and trading schemes, both for financial forecasting and impairment testing. The most relevant schemes are Australia's SGM and the NZ ETS.

- For the SGM, this includes estimating the cost of acquiring ACCUs to offset emissions in excess of the applicable Scope 1 emissions intensity baselines set for applicable facilities. For forecasting purposes, prevailing market prices for ACCUs are used, at 30 June 2026, this was $38t/tCO_2$–e.
- For the NZ ETS, this involves estimating the cost of acquiring NZUs to satisfy annual surrender obligations. As an 'emissions-intensive and trade-exposed' (EITE) entity, the Group receives an allocation of NZUs each period. Consequently, the Group only recognises a financial impact for the purchase of additional units to the extent that its emissions exceed the units allocated, or on hand from prior periods. As at 30 June 2026, the NZU price was NZ$54.8t/$tCO_2$-e.

1. Business activities as defined in the value chain table in the About this Report section which summarises the Group's upstream, direct operations and downstream activities and the associated geographic regions in which they occur. The corresponding business activities that are materially exposed to each CRRO are identified in Table 1.
2. Relates to external sales revenue for FY2026 outlined in the Notes to the consolidated financial statements.
3. Based on BlueScope Group's external sales revenue for FY2026 outlined in the Notes to the consolidated financial statements.
4. Achieving the 2050 net zero goal is highly dependent on several enablers as outlined in Figure 2 'Enablers that underpin the 2050 net zero goal'.
5. Net of grants received for New Zealand's EAF

Climate-related Targets

Overview of BlueScope's Emission Reduction Commitments

BlueScope's long-term 2050 net zero Scope 1 and 2 GHG emissions goal and mid-term 2030 targets for steelmaking and non-steelmaking remain at the core of its climate strategy. Together, the 2030 targets cover around 99 per cent of BlueScope's Scope 1 and 2 GHG emissions. **Table 2** provides an overview of the scope of each 2030 target and the 2050 net zero goal.

Table 2. Climate-related targets overview

Target	Scope of operations	Type	Performance reporting	Base year	Target year
Steelmaking target: 12 per cent emissions intensity reduction by 2030	Steelmaking activities only (PKSW, Glenbrook and North Star)	Intensity target (tCO_2-e per tonne raw steel)	Gross GHG emissions[1]	2018	2030
Non-steelmaking target: 30 per cent emissions intensity reduction by 2030	Midstream activities that include cold rolled, metal coating and painting lines and long products and exclude downstream activities	Intensity target (tCO_2-e per despatched tonnes	Gross GHG emissions[1]	2018	2030
2050 net zero goal[2]	All global operations (steelmaking, midstream and downstream activities)	Absolute target (tCO_2-e)	Net GHG emissions	n/a	2050

1. While BlueScope does not intend to rely on carbon offsets in the achievement of its 2030 targets, the Company retains the option to use them where direct abatement is not technically or commercially feasible. For FY2026, emission performance against BlueScope's 2030 targets is reported on a gross GHG emissions basis.
2. Achieving the 2050 net zero goal is highly dependent on several enablers as outlined in Figure 2 'Enablers that underpin the 2050 net zero goal'. Due to the uncertainty associated with the development and progression of these enablers, there is a high degree of uncertainty associated with the magnitude of carbon offsets that may need to be used to achieve this goal, thus BlueScope has not disclosed an associated gross target associated with its 2050 net zero goal.

In addition to the above, BlueScope's 2030 mid-term targets and 2050 net zero goal:

- consider the six GHGs recognised under the Kyoto Protocol and the GHG Protocol. This includes carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF_6); and
- cover BlueScope's Scope 1 and Scope 2 GHG emissions.

BlueScope's 2030 targets and 2050 net zero goal have been informed by the work of the IPCC related to the warming of the climate system, and the objectives of the Paris Agreement, specifically in limiting global temperature rise this century to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C. BlueScope's 2030 target was not derived using a sectoral decarbonisation approach.

In addition to the above, the PKSW is subject to the SGM[1], a legislated scheme that sets facility-specific baselines for covered emissions (Scope 1) above 100,000 tCO_2-e, which decline over time starting FY2024. Set by the Australian Clean Energy Regulator, the safeguard baselines for existing facilities are calculated annually based on production volumes, product-specific emissions intensity values and the baseline decline rate. These emission intensity values will progressively transition from facility-specific to industry-average benchmarks by FY2030. A default baseline decline rate of 4.9 per cent applies each year through to FY2030 and 3.3 per cent annually thereafter to FY2050[2]. The scheme requires ongoing emission reduction across facilities or the acquisition of eligible carbon credits in the form of ACCUs or SMCs where emissions exceed the baseline. PKSW has qualified for TEBA status for the period FY2024 to FY2026 inclusive. This status reduces the legislated decline rate from 4.9 per cent to one per cent per year for the facility during this period. Beyond this period, the expected emission reductions under this obligation remain uncertain and dependent on achieving TEBA status and transition of baselines from site-specific to industry averages. BlueScope's performance against the SGM obligations are published annually on the Clean Energy Regulator's website.

FY2026 emissions performance

Progress towards the 2050 net zero goal and 2030 targets is monitored using absolute emissions ($ktCO_2$-e) and intensity-based metrics (tCO_2-e per tonne of steel or despatched steel), respectively. Performance against the 2030 targets is reported annually and associated historical annual performance and trend data is captured in the Sustainability Overview section.

The FY2026 performance is outlined below for BlueScope's decarbonisation targets and goal:

- **2050 net zero goal:** Absolute GHG emissions performance provides an indication of progress towards the Company's 2050 net zero goal. Total Scope 1 and 2 GHG emissions in FY2026 were 10,200 $ktCO_2$-e. While there is no base year against which progress towards the 2050 net zero goal is measured, BlueScope's GHG emissions have remained on a stable reduction path, with FY2026 emissions four per cent lower than 2018 levels. The reduction was primarily driven by emissions and energy efficiency improvements across both steelmaking and non-steelmaking operations, including operational improvements at PKSW and lower steel production volumes at Glenbrook. Further emissions reductions were achieved from the upgraded paint line oven Western Port, with FY2026 being the first reporting period to reflect a full year of operational benefits.
- **2030 steelmaking target:** In FY2026, BlueScope achieved a 16 per cent reduction in steelmaking emissions intensity against its FY2018 baseline. This performance is ahead of the 12 per cent emissions intensity target for 2030. This was primarily driven by operational and efficiency improvements at Port Kembla, together with North Star's continued growth following its EAF expansion, while maintaining a lower emissions intensity.

1. Western Port Works was also subject to the SGM obligations however, its Scope 1 emissions have reduced under the required thresholds for further emission reduction obligations.
2. If TEBA status is obtained, these decline rates may be reduced. Subject to default baseline being revised every 5 years.

- **2030 non-steelmaking target[1]:** BlueScope's non-steelmaking emissions intensity has reduced by 13 per cent since FY2018. Progress towards the 2030 non-steelmaking emissions intensity target has been driven by operational improvements and grid decarbonisation. Key emissions reduction projects include the installation of a more efficient paint line oven at Western Port, enhanced waste heat recovery in Malaysia, and renewable electricity projects across Southeast Asian sites.

In relation to BlueScope's SGM obligations, although the Clean Energy Regulator's FY2026 compliance assessment had not been finalised at the time of publication of this report, PKSW is expected to operate below its SGM baseline for the FY2026 compliance period. BlueScope's Western Port facility is no longer covered by the SGM due to reported Scope 1 emissions remaining below the coverage threshold. In terms of performance, both PKSW and Western Port facilities operated below FY2025 baselines, resulting in the issuance of 289,294 and 1,138 SMCs respectively for the FY2025 compliance year. Refer to Risk 2 in **Table 1** for further information and the Clean Energy Regulator's website for information on BlueScope's performance against its SGM obligations.

Setting, Reviewing and Monitoring Progress Against Targets

BlueScope's 2050 net zero goal was adopted and publicly communicated in August 2021. Given its long-term nature, achieving this goal will be dependent on five key enablers[2], which are largely beyond BlueScope's direct control. BlueScope monitors and, where possible, encourages and advocates for development and progression of these enablers which requires collaboration with global mining, steel, energy, building and construction, financial and government representatives. Progress and performance against targets are monitored on a regular basis with updates provided to the ELT and the ARTC on a quarterly basis[3].

Noting the complexity and uncertainty of transitioning the hard-to-abate steelmaking industry, BlueScope continues to assess the appropriateness of the 2050 net zero goal, including its scope and timing, against developments across these enablers. The Board is provided an annual update on whether BlueScope has a reasonable basis on which to view this goal as achievable in the stated timeframe, to validate that the goal and its associated net zero enablers remain applicable and appropriate having regard to BlueScope's operational environment and the global transformation of iron and steelmaking technology. At this stage, the 2030 steelmaking target will not be revised. As the Company better understands the timing of regional iron and steelmaking transformation and its enablers, the appropriate timing and composition of BlueScope's potential future emission reduction targets will be considered.

Although external validation was not formally obtained for the 2030 targets and the 2050 net zero goal, independent limited assurance has been obtained for the Group's total Scope 1 and Scope 2 GHG emissions and GHG emissions intensity for steelmaking activities annually since FY2022. In addition, reasonable assurance has been undertaken in relation to covered emissions and production variables under the SGM Rule 2015 for PKSW since FY2025.

Use of Carbon Credits

BlueScope prioritises direct abatement through initiatives to optimise existing assets, as well as pursuing new technology pathways. Carbon offsets are not intended as a primary means of decarbonisation, but BlueScope recognises their potential contribution to cover future legislative liabilities beyond the Company's ability to directly abate any residual emissions and to meet customer demand ahead of feasible decarbonisation. BlueScope views each carbon offset as recognition of a reduction, avoidance, removal or sequestration of one tonne of CO_2-equivalent emissions.

BlueScope retains the option to use carbon offsets to meet its 2050 net zero goal where direct abatement is not technically or commercially feasible. Given technological uncertainty in Australia and New Zealand (particularly in the transition to a 100 per cent scrap-based EAF) to decarbonise BlueScope's operations, a specific estimate of the carbon offset volume required is not disclosed. Similarly, although BlueScope does not plan to use carbon offsets to meet its 2030 targets, the Company retains the option to utilise these if an unanticipated shortfall arises where direct abatement is not technically or commercially feasible. No carbon offsets have been used or surrendered in FY2026 in pursuit of BlueScope's 2050 net zero goal or 2030 targets.

Any carbon offset purchases must follow BlueScope's Group-wide carbon offsets strategy and internal governance framework, applied to both compliance and voluntary offsets, and adhere to the following principles:

- Only procure cost-effective, quality offsets to deliver on BlueScope's GHG emissions reduction targets and/or to meet mandatory regulatory obligations where abatement is not feasible;
- Ensure the quality of offsets by procuring traceable and auditable offsets from projects that deliver additional GHG reductions in compliance with relevant certification standards;
- Where viable, align the sourcing and creation of offsets to the country corresponding to the generation of emissions;
- Preferentially, align any offset procurement opportunities with BlueScope's broader sustainability principles, maximising the benefit of these offset projects for BlueScope's local communities; and,
- Transparently disclose any offset retirements needed to supplement BlueScope's 2030 mid-term targets and 2050 long-term goal, where applicable.

Any future use of carbon offsets will be verified by appropriate recognised third-party schemes, with full disclosure of type, permanence, and integrity in future reports.

1. The sale of BlueScope's 50 per cent interest in the Tata BlueScope Joint Venture was completed 31 December 2025. BlueScope's midstream GHG emissions intensity target has not been re-baselined as the divested facilities do not have a material impact on the GHG emissions intensity in the base year. Accordingly, data for the divested facilities is excluded from 2H FY2026.
2. Achieving the 2050 net zero goal is highly dependent on several enablers as outlined in Figure 2 'Enablers that underpin the 2050 net zero goal'.
3. This role was performed by the Risk and Sustainability Committee (RSC) until 31 January 2026.

Directors' declaration (Sustainability Report)

In the opinion of the Directors of BlueScope Steel Limited (the Company), the Company has taken reasonable steps to ensure the substantive provisions of the Sustainability Report of the Company and its subsidiaries for the year ended 30 June 2026, as presented on pages 174 to 195, are in accordance with the *Corporations Act 2001*, including:

- Complying with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* and any further requirements determined under section 296C(2); and
- Containing the climate statement disclosures required by section 296D.

This declaration is made in accordance with a resolution of the Directors pursuant to section 296A(6) of the *Corporations Act 2001*, as modified by section 1707C(2).

On behalf of the Board

Jane McAloon AM
Chair

Tania Archibald
Managing Director and Chief Executive Officer

17 August 2026

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Independent auditor's review report to the members of BlueScope Steel Limited

Conclusion on Selective Sustainability Information

We have conducted a review of the following information (the Selective Sustainability Information) in the Sustainability Report (Climate-related Disclosures) of BlueScope Steel Limited (the Company or BlueScope) and its subsidiaries (collectively the Group) for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (the Act) issued by the Auditing and Assurance Standards Board (AUASB):

Selective Sustainability Information	Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report (Climate-related Disclosures)
Governance	Paragraph 6	Section 'Governance' on pages 177 to 178
Strategy (Risks and Opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Table 1 on pages 182 to 187
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Section 'Scope 1 and 2 GHG emissions' on pages 192 to 193

The requirements of AASB S2 identified in the table above form the criteria relevant to the Selective Sustainability Information and apply under Division 1 of Part 2M.3 of the Act.

We have not become aware of any matter in the course of our review that makes us believe that the Selective Sustainability Information specified in the table above does not comply with Division 1 of Part 2M.3 of the Act.

Conclusion on Subject Matter

We have conducted a review of the following information in the Sustainability Overview and Sustainability Data Supplement of the Group for the year ended 30 June 2026 (the Subject Matter):

Subject Matter	Criteria	Location in BlueScope's disclosures
GHG emissions intensity for steelmaking activities (total scope 1 and 2) (in total tonnes of carbon dioxide equivalent, tCO_2-e/t of raw steel)	The reporting criteria, being the boundaries, definitions and methodologies are contained within the 'Metric definitions and glossary' section of the BlueScope Sustainability Data Supplement FY2026 (the Criteria) which BlueScope is solely responsible for selecting and applying.	▪ BlueScope's Sustainability Overview section 'Action on Climate and Environment' on page 30 ▪ BlueScope's Sustainability Data Supplement section '3. Metrics and data tables' on page 12
Total Recordable Injury Frequency Rate (TRIFR)		▪ BlueScope's Sustainability Overview section 'Safe, Thriving People and Engaged Communities' on page 26 ▪ BlueScope's Sustainability Data Supplement section '3. Metrics and data tables' on page 9

Based on the procedures we have performed and the evidence we have obtained, we have not become aware of any matter in the course of our review that makes us believe that the Subject Matter outlined above for the Group is not prepared, in all material respects, in accordance with the criteria for the year ended 30 June 2026.

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Basis for conclusions

Our reviews have been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our reviews include obtaining limited assurance about whether the Selective Sustainability Information and Subject Matter are free from material misstatement.

In applying the relevant criteria for the Selective Sustainability Information, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusions are based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the *Summary of the Work performed* section of our report.

Our responsibilities under ASSA 5000 are further described in the *Auditor's responsibilities* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Act and the ethical requirements of *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), that are relevant to reviews of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Other information

The directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, but does not include the Selective Sustainability Information and the Subject Matter and our review report thereon.

Our conclusions on the Selective Sustainability Information and the Subject Matter do not cover the other information and we do not express any form of assurance conclusion thereon in this review report. We have issued a separate auditor's report on the Financial Report and the Remuneration Report.

In connection with our reviews of the Selective Sustainability Information and the Subject Matter, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the selective Sustainability Information and the Subject Matter, or our knowledge obtained when conducting the reviews, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities for the Selective Sustainability Information and Subject Matter

The directors of the Company are responsible for:

- The preparation of the Selective Sustainability Information in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the Selective Sustainability Information, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Management of the Company are responsible for:

- The identification, selection and development of suitable criteria for the Subject Matter;
- The preparation of the Subject Matter in accordance with the criteria; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the Subject Matter, in accordance with the criteria that is free from material misstatement, whether due to fraud or error.

Inherent limitations

As discussed in section 'Forward Looking Statements' on page 3 of the Annual Report, climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The Report contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor's responsibilities

Our objectives are to plan and perform the reviews to obtain limited assurance about whether the Selective Sustainability Information and Subject Matter, defined in the *Conclusions* section of our report, is free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusions. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Selective Sustainability Information and Subject Matter.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Summary of the work performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the Selective Sustainability Information and Subject Matter. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

The procedures we performed for the review of the Selective Sustainability Information included, but were not limited to:

- Considered the completeness of BlueScope's assessment of climate-related risks and opportunities
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Selective Sustainability Information during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to Climate-related Disclosures
- Assessed the appropriateness of the reporting boundaries applied
- Undertook analytical review procedures to support the reasonableness of the Selective Sustainability Information
- Evaluated the appropriateness of emission factors applied in the greenhouse gas emission processes
- Agreed the Selective Sustainability Information disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the Selective Sustainability Information against the requirements of AASB S2.

The procedures we performed for the review of the Subject Matter included, but were not limited to:

- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to the Subject Matter
- Assessed the appropriateness of the reporting boundaries applied
- Undertook analytical review procedures to support the reasonableness of the Subject Matter
- Agreed the Subject Matter disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the Subject Matter against the requirements of the criteria.

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Matthew A. Honey
Partner
Melbourne
17 August 2026

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Section

08.

Additional Information

Extended Financial History

A$M unless marked; years ended 30 June		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Income Statement Key Items											
Total Revenue[1]		10,758	11,578	12,586	11,324	12,902	19,030	18,242	17,112	16,327	16,691
EBITDA	- Reported	1,425	1,840	1,754	844	2,246	4,398	2,146	1,969	1,010	1,894
	- Underlying[2]	1,484	1,645	1,761	1,099	2,212	4,337	2,266	2,026	1,452	1,966
EBIT	- Reported	1,045	1,463	1,341	310	1,759	3,849	1,487	1,276	296	1,202
	- Underlying[2]	1,105	1,269	1,348	564	1,724	3,787	1,608	1,339	738	1,273
NPAT	- Reported	716	1,569	1,016	97	1,193	2,810	1,009	806	84	802
	- Underlying[2]	652	826	966	353	1,166	2,701	1,099	861	421	851
Segment Underlying EBIT											
Australian Steel Products		459	587	535	305	674	1,298	537	377	262	188
North Star BlueScope Steel		407	431	655	190	677	1,900	443	494	267	805
Buildings and Coated Products North America		137	144	91	77	225	351	527	431	249	230
Coated Products Asia		130	115	97	115	195	166	142	160	139	177
New Zealand and Pacific Islands		61	112	81	(6)	130	229	129	44	(17)	(1)
Corporate & Group		(89)	(109)	(114)	(124)	(137)	(160)	(186)	(189)	(157)	(122)
Inter-segment		1	(11)	4	6	(41)	4	16	22	(5)	(4)
Continuing businesses underlying EBIT		**1,105**	**1,269**	**1,348**	**564**	**1,724**	**3,787**	**1,608**	**1,339**	**738**	**1,273**

1. Includes revenue from discontinued businesses - that is, total revenue has not been restated for sale or closure of any businesses after that date.
2. Underlying results are re-stated for all periods for re-classifications of any businesses to discontinued. Businesses re-classified to discontinued - Lysaght Taiwan (2006), Packaging Products (2006), Vistawall (2007), Metl-Span (2012), Building Solutions Australia (2015), Taharoa Export Iron Sands (2017), Buildings Asean (2018).

A$M unless marked; years ended 30 June		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Financial Performance Measures											
Return on invested capital[1]		18.5%	20.0%	19.5%	7.6%	24.8%	41.6%	14.6%	11.9%	6.2%	10.7%
Return on equity[2]		13.5%	15.3%	14.4%	5.1%	17.2%	30.7%	10.7%	8.0%	3.9%	8.1%
Capital, Earnings Per Share & Dividends											
Weighted average number of ordinary shares	(millions)	571	557	535	507	504	492	464	448	439	438
Earnings per share (reported)	¢/s	125.3	281.8	189.9	19.0	237.0	571.5	217.4	180.0	19.1	183.0
Earnings per share (underlying)	¢/s	114.2	148.3	180.7	69.6	231.6	549.3	236.7	192.3	95.9	194.2
Dividends per share	¢/s	9.0	14.0	14.0	14.0	50.0	50.0	50.0	55.0	60.0	300.0
Cash Flow Summary											
Net cash inflow (outflow) from operating activities		1,132	1,141	1,682	818	1,658	2,472	2,151	1,410	1,413	1,726
Net cash inflow (outflow) from investing activities		(408)	(380)	(388)	(570)	(757)	(1,760)	(979)	(967)	(1,230)	(1,234)
Net cash inflow (outflow) from financing activities		(509)	(582)	(606)	(484)	(296)	(1,052)	(1,361)	(849)	(424)	(163)
Net increase (decrease) in cash held		**215**	**179**	**688**	**(236)**	**605**	**(339)**	**(189)**	**(406)**	**(241)**	**328**
Financial Position											
Total assets		9,575	10,931	11,696	11,560	13,149	16,611	15,935	15,678	15,781	16,399
Total liabilities		4,037	4,043	4,355	4,521	4,989	6,162	4,904	4,393	4,508	5,501
Net assets		**5,539**	**6,888**	**7,342**	**7,040**	**8,160**	**10,448**	**11,031**	**11,286**	**11,273**	**10,898**
Net operating assets (pre-tax)		5,803	6,538	6,417	6,724	7,493	10,679	10,827	11,387	11,738	11,952
Net debt / (cash)		232	(64)	(693)	(79)	(798)	(367)	(703)	(364)	28	600
Gearing (net debt / net debt plus equity)		**4.0%**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**0.3%**	**5.2%**

1. Return on invested capital is defined as underlying earnings before interest and tax over average monthly capital employed.
2. Return on equity is defined as underlying net profit after tax attributable to shareholders over average monthly shareholders' equity.

Glossary

1H	Six months ended 31 December in the relevant financial year
1H FY2026	Six months ended 31 December 2025
1H FY2027	Six months ending 31 December 2026
2H	Six months ended 30 June in the relevant financial year
2H FY2026	Six months ending 30 June 2026
6BF	No.6 Blast Furnace at PKSW
A$, $	Australian dollar
AASB	Australian Accounting Standards Board
ACCU / ACCUs	Australian Carbon Credit Unit(s)
ARTC	Audit, Risk and Technology Committee
ASP	Australian Steel Products segment
ASRS	Australian Sustainability Reporting Standard
BCP	BlueScope Coated Products
BCPNA	Buildings and Coated Products North America segment
BF-BOF	Blast furnace, basic oxygen furnace
BlueScope or the Group	BlueScope Steel Limited and its subsidiaries, being the consolidated group
BNA	Buildings North America
BPG	BlueScope Properties Group
BRM	BlueScope Recycling and Materials
CBAM	Carbon Border Adjustment Mechanism
CCS	Carbon Capture and Storage
CGU	Cash-generating unit
the Company	BlueScope Steel Limited, being the parent entity
CPA	Coated Products Asia segment
CRRO	Climate-related risks and opportunities
CY2025	Calendar year ended 31 December 2025
CY2026	Calendar year ending 31 December 2026
CY2027	Calendar year ending 31 December 2027
DRI	Direct Reduced Iron
EAF	Electric Arc Furnace
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPD	Environmental Product Declaration
EPS	Earnings per share
ESF	Electric Smelting Furnace
ESF-BOF	Electric smelting furnace, basic oxygen furnace
ETS	Emissions Trading Scheme
FY2025	12 months ended 30 June 2025
FY2026	12 months ended 30 June 2026
FY2027	12 months ending 30 June 2027
GHG	Greenhouse gas
GRI	Global Reporting Initiative
GST / VAT	Goods and services tax / value added tax
HRC	Hot rolled coil steel
HSE	Health, safety and environment
HSEC	Health, Safety, Environment and Community Committee
IASB	International Accounting Standards Board
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IPCC	Intergovernmental Panel on Climate Change
kt	Thousand metric tonnes
Leverage	Net debt over LTM underlying EBITDA
LTM	Last twelve months
MCL7	Metal Coating Line 7
MSR	Minimum Shareholding Requirement
Mt	Million metric tonnes
NCI	Non-controlling interests
Net debt, or ND	Gross debt less cash
NGER	National Greenhouse and Energy Reporting
NOA	Net operating assets, pre-tax
NOM	Nomination Committee
North Star	North Star BlueScope Steel
NPAT	Net profit after tax
NSC	Nippon Steel Corporation
NZ$	New Zealand dollar
NZPI	New Zealand & Pacific Islands segment
PCRC	People, Culture and Remuneration Committee
PEBS	Precision-engineered building solutions, a key product offering of BNA and Building Products
PKSW	Port Kembla Steelworks
PPA	Power purchase agreement
ROC	Remuneration and Organisation Committee
ROIC	Return on invested capital, last 12 months' underlying EBIT over trailing 13 month average capital employed
ROU	Right-of-use asset
RSC	Risk and Sustainability Committee
SGM	Safeguard Mechanism
SMCs	Safeguard Mechanism Credits
SSC	Safety and Sustainability Committee
TBSL	Tata BlueScope Steel
TCFD	Task Force on Climate-related Financial Disclosures
TEBA	Trade-exposed baseline-adjusted (as it relates to the Safeguard Mechanism)
TRIFR	Total recordable injury frequency rate, being recordable injuries per million hours worked
TSR	Total shareholder return
tCO2-e	Tonnes of carbon dioxide equivalent
US	United States of America
US$	United States dollar
VIU	Value-in-use

Shareholder Information

As at 24 July 2026

Distribution Schedule

Range	No of Holders	Securities	%
1 to 1,000	54,922	14,857,751	3.39%
1,001 to 5,000	8,806	17,899,307	4.09%
5,001 to 10,000	776	5,464,102	1.25%
10,001 to 100,000	391	9,478,293	2.16%
100,001 and Over	45	390,377,978	89.11%
Total	**64,940**	**438,077,431**	**100.00%**

Based on a closing share price of $32.12 on 24 July 2026, the number of shareholders holding less than a marketable parcel of 15 shares is 3,074 and together they hold 24,858 shares.

Twenty Largest Registered Shareholders

Rank	Name	Securities	%IC
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	148,619,442	33.93%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	115,871,293	26.45%
3	CITICORP NOMINEES PTY LIMITED	70,931,863	16.19%
4	BNP PARIBAS NOMS PTY LTD	13,567,803	3.10%
5	BNP PARIBAS NOMINEES PTY LTD	9,121,809	2.08%
6	CITICORP NOMINEES PTY LIMITED	5,515,993	1.26%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	4,478,071	1.02%
8	PACIFIC CUSTODIANS PTY LIMITED	4,231,266	0.97%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,186,884	0.73%
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,083,914	0.70%
11	UBS NOMINEES PTY LTD	2,301,000	0.53%
12	BNP PARIBAS NOMINEES PTY LTD	1,594,332	0.36%
13	AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	1,431,146	0.33%
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,302,997	0.30%
15	ALLESSAV NOMINEES PTY LTD	925,996	0.21%
16	WARBONT NOMINEES PTY LTD	788,842	0.18%
17	BNP PARIBAS NOMS (NZ) LTD	679,887	0.16%
18	NETWEALTH INVESTMENTS LIMITED	558,801	0.13%
19	UBS NOMINEES PTY LTD	488,315	0.11%
20	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	442,516	0.10%
	TOTAL	**389,122,170**	**88.82%**
	Balance of Register	48,955,261	11.18%
	Grand TOTAL	438,077,431	**100.0%**

Substantial Shareholders

As at 24 July 2026, the Company has been notified of the following substantial shareholdings:

Name	Date of last notice[1]	Number of securities held[2]	%IC[2]
AustralianSuper Pty Ltd	8 January 2026	59,217,567	13.52%
State Street Corporation	10 March 2026	33,517,059	7.65%
BlackRock Group	24 July 2026	26,469,981	6.04%
The Vanguard Group, Inc.	13 January 2026	26,435,938	6.03%

1. Date of ASX lodgement.
2. As disclosed in the relevant notice as at the notice date.

On-Market Share Buy-Back

In August 2026, the Board approved an extension of the share buy-back program to allow the remaining amount of up to $310M to be bought over the next 12 months. The timing and value of stock purchased will be dependent on the prevailing market conditions, share price and other factors.

Voting Rights for Ordinary Shares

The Constitution provides for votes to be cast:

a. on a show of hands, one vote for each shareholder; and

b. on a poll, one vote for each fully paid share.

Securities purchased on-market

1,324,062 securities were purchased on-market under or for the purposes of an employee incentive scheme, with the average price paid per security being $23.65, during the financial year 2026.

Unquoted equity securities

There are 3,231,319 employee share/alignment rights on issue which are held by 312 holders.

Stock exchanges on which our debt securities are listed

Nil.

Shareholder Communications

Shareholders are able to update their preferences for receiving the Annual Report, Notice of Annual General Meeting and other communications from BlueScope electronically or in hard copy by making an election. To update your preference, and for further information, visit BlueScope website at www.bluescope.com/investors/investor-resources/investor-services

Corporate Directory

Directors	• J McAloon AM *Chair* • R P Dee-Bradbury • K M Conlon • Z Zhang • C Phyfer • M Morley • T Archibald *Managing Director and Chief Executive Officer* • J M Lambert • K Johnson • A Field • J Nowlan
Secretaries	• V Porter • Y Gardner
Management Team	• T Archibald *Managing Director and Chief Executive Officer* • D Fallu *Chief Financial Officer* • V Porter *Chief Legal Officer & Company Secretary* • P Renkin *Chief People Officer* • S Charmand *Chief Digital & Information Officer* • R Davies *Chief Executive Australia and New Zealand* • K Keast *Chief Executive North America* • C Zhang *Chief Executive NS BlueScope and China* • M Yiend *Head of Property Development*
Notice of Annual General Meeting	The Annual General Meeting of BlueScope Steel Limited will be held at The Grand Ballroom, Novotel Northbeach Hotel, 2-14 Cliff Road, North Wollongong, NSW, on Monday 16 November 2026 at 10.00am. Shareholders can attend in person or online at https://meetings.openbriefing.com/BSL26.
Corporate Governance Statement	An overview of BlueScope Steel Limited's corporate governance structures is presented in the Corporate Governance section of this report. The accompanying Appendix 4G is available online at: https://www.bluescope.com/our-company/governance.
Workplace Gender Equality Reporting	In accordance with the *Workplace Gender Equality Act 2012*, BlueScope lodges an annual compliance report with the Workplace Gender Equality Agency (WGEA) regarding its Australian workforce. BlueScope's public WGEA reports are available at www.bluescope.com/resource-centre.
Registered Office	Level 24, 181 William Street, Melbourne, Victoria 3000 Telephone: +61 3 9666 4000 Email: bluescopesteel@cm.mpms.mufg.com Postal Address: PO Box 18207, Collins Street East, Melbourne, Victoria 8003
Share Registrar	MUFG Corporate Markets (AU) Limited Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150 Postal address: Locked Bag A14, Sydney South, NSW 1235 Telephone: 1300 855 998 (within Australia), +61 1300 855 998 (outside Australia) Fax: +61 2 9287 0309 Email: bluescopesteel@cm.mpms.mufg.com
Auditor	Ernst & Young Level 23 8 Exhibition Street, Melbourne, Victoria 3000
Securities Exchange	BlueScope Steel Limited shares are quoted on the Australian Securities Exchange (ASX).
Website Address	www.bluescope.com

BlueScope

Read our reports at
bluescope.com

Level 24, 181 William Street
Melbourne, Victoria 3000 Australia

bluescope.com

BlueScope Steel Limited ABN 16 000 011 058