



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

21 September 2015

Company Announcements  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir,

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

Please see attached BlueScope Steel Limited's 2015 Corporate Governance Statement and Appendix 4G in accordance with ASX Listing Rules 4.7.3, 4.7.4 and 4.10.3.

Yours sincerely

A handwritten signature in black ink, appearing to read "M Barron".

Michael Barron  
**Company Secretary**

# CORPORATE GOVERNANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

## INTRODUCTION

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

The Board operates in accordance with a set of corporate governance principles that take into account relevant best practice recommendations. These include the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council (3rd edition) (ASX Principles and Recommendations).

The Company complies with each of the recommendations in the ASX Principles and Recommendations. This corporate governance statement, current as at 21 August 2015, has been approved by the Board of BlueScope and includes specific disclosures required by each recommendation. Further information on the Company's corporate governance policies and practices can be found under the 'About Us/ Governance' section of the [Company's website](#).

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

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

### Board Charter

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

A summary of the Company's Board Charter and a statement of the matters reserved for the Board and the areas of delegated authority to senior management are available on the [Company's website](#).

### Director Appointment

The Board recognises the importance of conducting appropriate checks on potential directors and providing sufficient information to shareholders to enable them to make informed decisions in relation to the election or re-election of Directors.

Based on an assessment by the Nomination Committee of the particular skill profile for new appointees (see "Board Skills and Knowledge" under Principle 2, below), a sub-committee is appointed to engage a search firm to assist in identifying appropriate candidates for consideration by the Board from a broad pool of possible candidates. Part of this search firm's role includes conducting appropriate checks on potential candidates before a person is considered by the Board. This process will also be applied to candidates nominating for election outside of the Board process.

The Company will provide all material information in its possession that is relevant to a decision on whether or not to elect or re-elect a Director.

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

### Company Secretary

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

### Diversity

At BlueScope, we know that our success comes from our people. We understand that the range of perspectives that result from a diverse and inclusive workplace strengthen BlueScope's capability for sustained business success. We strive to hire, develop, promote and retain the most qualified people available to reflect the global diversity of our customers, markets, and the communities in which we operate.

Our aim is to foster an inclusive environment and culture that values difference and thereby attracts, encourages, and develops a talented, diverse and capable workforce. The key principles underpinning our approach to diversity, along with requirements for setting objectives, reporting, and monitoring, can be found in our Diversity Policy on the Company's [website](#).

Our diversity priorities are to continue to improve gender diversity in both our overall population and in management positions, and increase diversity of perspective on leadership teams.

The Board annually reviews and approves objectives for achieving diversity, and assesses progress in achieving these.

The following table shows the percentage of women employed in the workforce:

	2015	2014
Board	22.2%	20.0%
Executives <sup>1</sup>	14.5%	13.8%
Salaried	27.1%	27.8%
Wages workforce	3.4%	3.1%
Total BlueScope population	16.6%	16.7%

Consistent with the objective set out in the 2014 Corporate Governance Statement, the BlueScope Diversity Council (chaired by the Managing Director and Chief Executive Officer) reports the following progress on the recruitment and development of females for FY2015:

- *Attraction and recruitment of females to the business:* Although contraction of the business in recent years has resulted in limited opportunities to improve gender diversity through recruitment, since 2010 female representation at Executive levels has increased from 8.6 per cent to 14.5 per cent. Female Board representation has increased from 14.3 per cent to 22.2 per cent in the same period.
- *Development of females through leadership development programs:* BlueScope provides leadership development programs from graduate level through to Executives. The process for appointing program delegates is designed to ensure equal opportunity for, and representation of, females. During the year, the percentage of female delegates on leadership programs was 38.9 per cent, which is greater than the proportion of females employed in the graduate to Executive population.
- *Females in graduate and cadet programs.* In FY2015, we commenced global reporting of female representation in graduate and cadet programs, which will act as a baseline for reporting our diversity progress. The representation of females in graduate and cadet programs was 39.1 per cent and 36.3 per cent respectively. We believe this provides a positive platform to increase representation of females across the business.
- *Critical work experiences:* We are working to ensure females have access to a breadth of critical experiences to position them well for more senior roles. To maintain focus on this, we monitor the promotion and lateral movement of females in middle management and Executive roles. In FY2015, 28.3 per cent of promotions were females and 20.8 per cent of lateral moves were females. These statistics are higher than the proportion of females employed across middle management and executive levels.

The above objectives will continue to be monitored by the Diversity Council and reported to the Board. In addition, the following measurable objectives have been established to advance gender diversity in FY2016:

- Conduct quarterly reviews of the level of diversity across candidate lists and interviewing groups. This includes monitoring our recruitment principle of having functional diversity and females on interview panels.
- Launch the Career Growth to Operations Program that provides on-the-job, in depth experience to identified females interested in making a transition to an operational role.
- Continue to monitor the retention rates of females returning from maternity leave across our global businesses. The findings will be used to determine whether additional programs or initiatives are required to support females returning to work.
- Continue to monitor pay equity. Our objective is, as part of the annual remuneration review process, to maintain pay equity for like roles and performance. BlueScope will continue to analyse pay levels by gender and take appropriate steps to address any like-for-like differences.

Our broader diversity goals continue to focus on increasing awareness and commitment to diversity, cross-functional and cross-business appointments and regional talent development and build on the success we have achieved to date in localising ASEAN management teams.

### Board Reviews

The performance of the Board, its Committees and individual Directors are evaluated regularly. Each year a range of formal performance reviews are conducted. Informal review mechanisms, such as meeting feedback and discussions between Directors and the Chairman, are also used.

Performance is usually surveyed by means of confidential questionnaires completed by Directors and management attendees at Board and Committee meetings.

Each Board Committee has conducted a review on this basis in the last 12 months.

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<sup>1</sup> Executive group includes all members of BlueScope's Executive Leadership Team and all executives who have strategic and/or full operational leadership of a business or group-wide function.

In the case of the Board, the confidential survey responses are collated by the Company's auditors, provided to the Chairman and discussed by the Board.

The performance of Directors standing for re-election is reviewed through completion of an evaluation questionnaire by other Board members, the results of which are discussed by the Chairman with the Director concerned and with the Board as a whole. Evaluation results for the Chairman are provided to the Audit & Risk Committee Chair for discussion with the Chairman.

In 2015 the Board undertook a survey of the views of each Director on the individual performance of Board colleagues. Members of the Executive Leadership Team also participated in the survey. Individual feedback was provided to Directors, as described above, and the Board discussed survey results relevant to Board effectiveness.

It was concluded that the Board is functioning well with an appropriate mix of skills and experience and that an effective working relationship exists among Board members and between Board and management.

### **Senior Management Reviews**

As part of the Board's oversight of senior management, all Company executives are subject to annual performance review and goal planning. This involves evaluation of the executives by their immediate superior. Each executive is assessed against a range of criteria, including achievement of goals relating to financial performance, operational excellence, safety, and delivery of strategic projects and initiatives. All senior management participated in a performance evaluation on this basis during the year ended 30 June 2015.

## **PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE**

### **Nomination Committee**

The members of the Committee, each Director's independence and attendance at meetings is set out on pages 20 to 23 of the Directors' Report. A copy of the Committee Charter can be found on the [Company's website](#).

### **Board Skills and Knowledge**

The Nomination Committee has identified the key skills, experience and diversity desirable on the Board as including financial/risk management, legal/governance, people management and operations management expertise; experience in the building and construction and steel or other heavy manufacturing industries; strategic and M&A/transactional experience; and experience with customers. The Board also strives for gender diversity and relevant geographic experience within these skill sets. Based on the assessment by the Nomination Committee of the skill profile for new appointees, a sub-committee is appointed to engage a search firm to assist in identifying candidates for consideration by the Board from a broad pool of possible candidates.

Upon appointment, Directors are offered a comprehensive induction program outlining key information relevant to their role, including details of the Company's policies, operations and the environment in which it operates. The program includes site visits, meetings with management and with the Company's auditors (if requested) and extensive background reading materials. Directors are provided with appropriate professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as Directors effectively. Directors receive briefings on developments in the industry and the legislative, regulatory and industry framework.

### **Director Independence and Length of Service**

All Directors other than the Managing Director and Chief Executive Officer are Non-Executive Directors and the Board considers all of its Non-Executive Directors to be independent. In making this assessment, the Board considers whether the Director is free of any material business or other relationship that could, or could reasonably be perceived to interfere, in a material respect, with the exercise by the Director of an independent judgement in the best interests of the Company as a whole and its security holders generally.

The length of service of each Director is included on pages 20 to 22 of the Directors' Report.

Further details regarding the circumstances considered by the Board in making assessments of independence are contained on the Company's website under [Director Independence Policy](#).

## **PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY**

### **Code of Conduct**

The Company has a set of values known as 'Our Bond' and a 'Guide to Business Conduct', which provides an ethical and legal framework for all employees and the Directors. The Guide sets standards on how the BlueScope Group should relate to its customers, employees, shareholders and the community. Both a summary and a full copy of the Guide and 'Our Bond' is available on the [Company's website](#).

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

### **Audit and Risk Committee**

The Board has established an Audit and Risk Committee, which assists the Board in the effective discharge of its responsibilities for financial reporting, internal controls, risk management, internal and external audit, and insurance (with the exception of directors' and officers' liability insurance). The Committee's Charter is set out in full on the [Company's website](#).

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

The composition and structure of the Audit and Risk Committee complies with the requirements of the ASX Governance Principles and Recommendations.

The names of the members of the Audit and Risk Committee and their attendance at meetings of the Committee are set out on page 23 of the Directors' Report. The qualifications of the members are set out on pages 20 to 22 of the Directors' Report.

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

For the 2015 financial year annual and half-year accounts released publicly, the Board received assurance from the Managing Director and Chief Executive Officer and the Chief Financial Officer that, in their opinion:

- the financial records of the Group have been properly maintained;
- the financial statements and notes required by accounting standards for external reporting:
  - (i) give a true and fair view of the financial position and performance of the Company and the consolidated BlueScope Group; and
  - (ii) comply with the accounting standards (and any further requirements in the Corporations Regulations) and applicable ASIC Class Orders; and
- the above representations are based on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

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

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

### **PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE**

The Company is subject to continuous disclosure obligations under the ASX Listing Rules and Australian corporations legislation. Subject to limited exceptions, the Company must immediately notify the market, through ASX, of any information that a reasonable person would expect to have a material effect on the price or value of its securities. As part of its continuous disclosure responsibilities, the Company has established a Continuous Disclosure Policy and guidelines to promote compliance with these requirements and to clarify accountability at a senior executive level for that compliance.

A summary of the Company's Continuous Disclosure Policy is included on the [Company's website](#).

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

Respecting the rights of shareholders is of fundamental importance to the Company. The Company recognises that shareholders must receive high-quality relevant information in a timely manner in order to be able to properly and effectively exercise their rights as shareholders.

A summary of the Company's Communications Strategy including measures encouraging shareholder involvement in AGMs, is available on the [Company's website](#).

The Company has implemented an investor relations program to facilitate effective two-way communication with our shareholders and prospective investors. Some of the specific initiatives we have put in place include:

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

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

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

#### **Risk Management**

The Company's Audit and Risk Committee, referred to under Principle 4 above, assists the Board in the effective discharge of its responsibilities for risk management.

Each year, the Board, with assistance of Committees, assesses whether the Company has a sound Risk Management Framework. This was confirmed by the Board with respect to the 2015 financial year. A summary of the Company's Risk Management Framework is available on the [Company's website](#).

### **Sustainability Risks**

Pages 8 to 9 of the Operating and Financial Review in the Company's Directors' Report contains a summary of the Company's key risks including, where relevant, material economic, environmental and social sustainability risks. These risks are managed within the Company's Risk Management Framework referred to above.

The Company reports on its sustainability performance through:

- the annual Community Safety and Environment Report which reports on the Company's safety and environmental performance, its commitment to communities and key initiatives to address the Company's risks and responsibilities in these areas; and
- the annual People Report which acknowledges the contribution of BlueScope employees to the Company's performance, and highlights their achievements, in particular in the areas of safety, diversity and innovation.

These reports are included on the [Company's website](#).

In addition, the Company's Guide to Business Conduct, which can also be found on the [Company's website](#), assists management of sustainability risks by providing a practical guide to employees on the Company's expectations for appropriate business conduct. The Guide is supported by other Company policies and regular training.

### **Internal Audit**

The Company's internal audit activities are undertaken by a dedicated Internal Audit function. The primary role of Internal Audit is to provide independent and objective assurance on the adequacy and effectiveness of internal controls and governance systems. An annual internal audit plan is approved and monitored by the Audit and Risk Committee. To maintain the independence necessary to carry out its role, Internal Audit does not perform any management functions or implement any internal controls, and reports functionally to the Chairman of the Audit and Risk Committee. Briefings on internal audit activities are provided at each Audit & Risk Committee meeting, including through a discussion in the absence of management.

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

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

The names of the members of the Remuneration and Organisation Committee and their attendance at meetings of the Committee are set out on pages 20 to 23 of the Directors' Report.

The Remuneration Report (on pages 24 to 41 of the Directors' Report) sets out details of the Company's policy and practices for remunerating Directors, key management personnel and senior executives. Other than superannuation, there are no schemes for retirement benefits for Non-Executive Directors.

The Company's Securities Trading Policy prohibits entry into transactions in associated products that limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes. A copy of the Policy is available on the [Company's website](#).

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

BlueScope Steel Limited

ABN / ARBN:

16 000 011 058

Financial year ended:

30 June 2015

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

These pages of our annual report:

This URL on our website: <http://www.bluescope.com/about-us/governance>

The Corporate Governance Statement is accurate and up to date as at 21 August 2015 and has been approved by the board.

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

Date: 21 September 2015

Name of Director or Secretary authorising lodgement: Michael Barron  
Company Secretary



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

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

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

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/about-us/governance/delegation-of-authority-policy">http://www.bluescope.com/about-us/governance/delegation-of-authority-policy</a>
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement



Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/media/9624/diversity%20bslhrp0102.pdf">http://www.bluescope.com/media/9624/diversity%20bslhrp0102.pdf</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>	
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> on pages 20 to 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/media/340350/nomination%20committee%20charter%20-%20website%20version.pdf">http://www.bluescope.com/media/340350/nomination%20committee%20charter%20-%20website%20version.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on page 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
<p>2.3 A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> on pages 20 to 22 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> on pages 20 to 22 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> on page 20 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a>
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>		
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/about-us/governance/business-conduct-guide">http://www.bluescope.com/about-us/governance/business-conduct-guide</a>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>	
<p>4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> on pages 20 to 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/media/26415/arc-charter-approved_17november20111.pdf">http://www.bluescope.com/media/26415/arc-charter-approved_17november20111.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on pages 20 to 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>
<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

<b>Corporate Governance Council recommendation</b>		<b>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</b>
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>		
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/about-us/governance/continuous-disclosure-policy">http://www.bluescope.com/about-us/governance/continuous-disclosure-policy</a>
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/about-us/governance">http://www.bluescope.com/about-us/governance</a>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/about-us/governance/shareholder-communications-strategy">http://www.bluescope.com/about-us/governance/shareholder-communications-strategy</a>
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>	
<p>7.1 The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> on pages 20 to 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/media/26415/arc-charter-approved_17november20111.pdf">http://www.bluescope.com/media/26415/arc-charter-approved_17november20111.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on page 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>
<p>7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> on pages 8 and 9 of our 2015 Directors' Report which is available at this URL on our website:  <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a>; <b>AND</b>  at : <a href="http://www.bluescope.com/sustainability/reports">http://www.bluescope.com/sustainability/reports</a></p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> at: on pages 20 to 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/media/340346/remuneration%20and%20organisation%20committee%20charter%20-%20website%20version.pdf">http://www.bluescope.com/media/340346/remuneration%20and%20organisation%20committee%20charter%20-%20website%20version.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> on page 23 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> on pages 24 to 41 of our 2015 Directors' Report which is available at this URL on our website: <a href="http://www.bluescope.com/investors/annual-reports">http://www.bluescope.com/investors/annual-reports</a></p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>AND</b></p> <p><input checked="" type="checkbox"/> at <a href="http://www.bluescope.com/media/26407/securities%20trading%20policy.pdf">http://www.bluescope.com/media/26407/securities%20trading%20policy.pdf</a></p>