



BlueScope Annual General Meeting 2023

21 November 2023

Address by Mark Vassella, Managing Director & Chief Executive Officer

CHECK AGAINST DELIVERY

I join with our Chair in welcoming all our shareholders here in person and online to our meeting today. It's a pleasure to again be in the Illawarra.

Before I start, let me say that John's contribution to BlueScope in his role as Chair over the last eight years has been immeasurable. For the whole of my time as Chief Executive, I have had the distinct honour to work with John.

John is well liked and highly respected by our people. He has always engaged in a way that has left them feeling valued as a BlueScope employee. His wisdom, calmness and genuine interest in, and affection for our company, has been an incredible asset.

You have seen us through difficult times and over the last few years we have experienced better times where we have invested in material growth projects as well as scrap recycling and painting acquisitions in the US.

John, these decisions are the foundations of the future prosperity of BlueScope.

On behalf of our 16,500 people, I say thank you to John. We wish you and Sharon all the very best for the future.

It's been a privilege, John.

As the Chair has noted, BlueScope's financial performance in FY23 was strong. I want to congratulate the beating heart of BlueScope, our people for their continuous efforts.

I'll start by speaking about health, safety, inclusion and diversity in the workplace.

Our people-centred approach to safety continues to evolve and we have now completed over 900 risk-control projects since 2020. Our safety initiatives have resulted in strong outcomes as shown by our lead indicators during the last financial year - however the lag indicator of TRIFR was 7.5 for FY23, above the long-term range of 5-7. This included the recent acquisitions where we have work to do.

Our focus on growing our total female representation continued throughout the year and is now sitting at 24 per cent while the Executive Leadership Team exceeds 50 per cent.

Outside of the robust financial performance in FY23, we were most pleased with the key achievements in the US where we are pursuing our growth strategy, we have ramped up production at the North Star mill, and the integration of both BlueScope Recycling and Materials and BlueScope Coated Products is progressing well.

The Chair has mentioned some of our innovative, breakthrough projects that will advance us closer to realising our Transform, Grow and Deliver strategy such as the Electric Arc Furnace in New Zealand, and closer to home, the upgrade of the No.6 Blast Furnace and the new metal coating line.

On our vision for Port Kembla, as we get closer to our 100-year anniversary in 2028, we are progressing plans for its low carbon, modern manufacturing future.

We are exploring options for large scale decarbonisation.

We aim to deliver the next wave of customer service, growth and productivity improvements by introducing robotics, automation and digital resources across our operations.

And excitingly, after 18 months of intensive research, analysis and community engagement, we have completed the Master Planning process to develop a vision for the 200 hectares of landholdings adjacent to the Port Kembla Steelworks. As a part of this plan, we have announced the first move in progressing this Master Plan, signing a

Memorandum of Understanding with TAFE NSW to explore the opportunity for a 'Super TAFE' on the site. More information about the Master Plan will be provided in due course.

Today, we have confirmed our 1H FY24 earnings guidance, as provided on 20 October 2023, however noted that we expect underlying EBIT for 1H FY24 to be towards the top end of the \$620 to \$670 million range, given the significant increase in US benchmark spreads since the earnings update.

Four years have passed since our Transform, Grow and Deliver strategy was established.

We aim to transform the business with a major focus on addressing climate change. Over four years, we have established a climate change team and a climate action strategy setting out our 2030 target and 2050 net zero goal.

In line with this strategy, upstream steelmaking greenhouse gas emissions have reduced year on year for five years, making a total reduction of 8.0 per cent since 2018.

Since 2018, there has been an 8.8 per cent decrease in non-steelmaking greenhouse gas emissions. While there's still more to be done, we are on track to meet our targets.

Realising our growth pillar has been most evident at our US businesses. Since 2019, \$2.5 billion has been invested to build quality earnings growth through two acquisitions and the North Star expansion.

And we remain laser focused on the goal to deliver a safe workplace, and a sustainable business with strong returns. This is demonstrated through an average underlying EBIT return on invested capital of 22 per cent over the last four years.

We have also continued to support the communities in which we operate with many of our people volunteering their time and the Company contributing tax payments in sixteen countries. In total we have contributed over \$1.4 billion in group tax payments with the largest amounts paid in Australia and North America.

To enable and deliver the next wave of our corporate strategy, Executive Leadership Team changes came into effect in February this year. Tania Archibald was appointed as Chief Executive Australian Steel Products and John Nowlan to a global role as the Chief Technical and Development Officer. In the US, Kristie Keast was appointed Chief Executive, North America.

Stepping into Kristie's previous role is Peta Renkin as Chief People Officer, and in March, we announced David Fallu as our new Chief Financial Officer who started in September of this year. And next month, we will welcome a new Chief Digital Information Officer, Sam Charmand.

As we enter a new era with Jane McAloon as our new Chair leading a diverse Board with a wealth of experience in global markets, BlueScope is well equipped to navigate the changing operating environment in the coming years.

Jane, congratulations on your new position and I look forward to your leadership as Chair moving forward.

And we will not be able to succeed without the strength of our 16,500 strong BlueScope team and the trust and support of you, our shareholders, as we transform, grow and deliver in 16 countries.

Authorised for release by: Penny Grau, Company Secretary

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