

NEWS RELEASE



Date: 8 October 2015
Release Time: Immediate

BlueScope Steel Limited
ABN 16 000 011 058
Level 11, 120 Collins Street
Melbourne VIC 3000
AUSTRALIA
P +61 3 9666 4000
www.bluescope.com

'GAME-CHANGING' AGREEMENT BETWEEN BLUESCOPE AND UNIONS

BlueScope today announced the Company has reached a Memorandum of Agreement with unions and employees at Port Kembla, on a "game-changing approach" to its workforce structure and a new 3 year Enterprise Agreement.

BlueScope Managing Director and CEO Paul O'Malley said the agreement is a significant and essential step to achieving the Company's \$200 million cost reduction target.

The new three-year enterprise agreement, including a three-year wage freeze and new streamlined provisions for the introduction of workplace restructures, has been settled without any industrial action.

Unions have also agreed to suspend the Port Kembla wages bonus scheme.

Approximately 300 manufacturing jobs will be removed in wide-ranging restructuring and productivity reforms agreed under the mediation guidance of the Fair Work Commission's Vice President Hatcher. A further 200 support and service positions will also be eliminated.

Mr O'Malley congratulated Port Kembla employees, the management team, union leaders and the FWC on the agreement.

"The constructive engagement by all parties has been outstanding.

"This is a major step towards achieving the \$200 million cost saving target. But we still have a lot of work to do in the coming weeks, as steel prices remain under pressure from the global steel glut.

"I feel that the positive vote from employees today is a significant step change improvement in our workplace – one that will result in a more cost efficient and flexible steelworks.

"We will provide a more detailed update on progress on delivering the \$200 million savings by the time of our AGM in November," Mr O'Malley said.

For further information about BlueScope: www.bluescope.com

BLUESCOPE CONTACTS:

Media

Michael Reay
Manager Corporate Affairs
P +61 3 9666 4004
M +61 (0) 437 862 472
E Michael.Reay@bluescope.com

Investors

Don Watters
Vice President Investor Relations
P +61 3 9666 4206
M +61 (0) 409 806 691
E Don.Watters@bluescope.com
