

BLUESCOPE ASP - SUPPLIER PAYMENT CODE

At BlueScope, we recognise that for us to be the best at what we do we need to rely on strong relationships with our suppliers both globally and locally. Our suppliers are critical partners for our business and we recognise that our success is a mutual proposition.

At BlueScope we are guided by Our Bond, a written expression of our values and principles that also reflects the importance of our Customers, Suppliers, our People, our Shareholders and the Communities in which we operate. Our Bond guides our actions and decisions and supports us in choosing to do what is right.

BlueScope recognises that on-time payment of invoices is an inherent part of our commitment to all our suppliers. We also recognise that, in addition to reliability of payments, the length of payment terms is a key consideration for small businesses, who often have less capacity to support long credit terms.

BlueScope businesses in Australia (BlueScope businesses) commit to the following principles in relation to payments to suppliers.

PROMPT AND ON-TIME PAYMENT COMMITMENTS

BlueScope businesses will:

1. Use best endeavours to **pay on time**, according to agreed payment terms, all valid invoices that are correctly submitted to us for payment.
2. **Provide clear guidance** to suppliers about the company's payment procedures and payment query resolution procedures.
3. Offer to eligible Australian **small business suppliers**, payment terms of 15 days from the end of month of receipt of a correct invoice or receipt of a correct product/service from the supplier (whichever is the later), or on mutually agreed terms.
4. Work with supplier businesses, where practicable, to apply technologies and practices that will **streamline processes and timeframes** for invoice reconciliation, approval and payment processes.
5. Maintain a clear, fair and efficient processes for **dealing with complaints and disputes** about payment times and practices.

SMALL BUSINESS SUPPLIERS

BlueScope recognises a small business as:

- an Australian business with annual turnover up to A\$10 million (*where a supplier business is part of a consolidated group of companies, the consolidated turnover must be less than A\$10 million*). Verification of turnover to be provided by the small business to BlueScope; AND
- where the value of goods and services supplied to BlueScope companies is less than A\$1 million per annum.

NOTIFICATION

BlueScope businesses will publish this Supplier Payment Code online. Additionally, BlueScope representatives will make suppliers aware of this Supplier Payment Code when suppliers are engaged for new work and/or contracts.

JOHN NOWLAN
Chief Executive Australian Steel Products

February 2019