



Company	Bluescope Steel Ltd
Code	BSL
Meeting	AGM
Date	23 November 2018
Venue	Intercontinental Hotel Macquarie St. Sydney
Monitor	John Whittington. AGM attended by Geoff Orrock

Number attendees at meeting	80 shareholders plus visitors
Number of holdings represented by ASA	250
Value of proxies	\$5.2m
Number of shares represented by ASA	422,427
Market capitalisation	\$6.5 billion
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with Chair John Bevan

Bluescope's straightforward strategy delivers results

The Chair spoke of the continuing transformation of the businesses which have delivered outstanding performance in FY18 and reduced the cyclical nature of earnings.

He told the meeting the factors responsible for this change were:

- Investment in technology, branding and channels
- Business diversification across a mix of developed and emerging economies
- Focus on cost competitiveness
- Considered growth
- Clear capital management principles
- Commitment to focus on operating a sustainable business including amongst others Safety, climate risk and governance.

He remarked that the balance sheet was robust, there had been a significant increase in cash generation and many growth opportunities remained.

It was the company's intention to continue to pay consistent dividends in conjunction with on market share buy backs.

ASA complimented the company on its financial outcome and particularly on its market leading safety performance.

There were a number of questions regarding climate risk. The Chair said that the company accepts that climate risk is real and this year has set emission reduction targets based on a commitment to meet Australian requirements. There were two questions from ACCR who enquired did BSL support the BCA claim that a 45% emission reductions target would be economy wrecking, and a claim by Manufacturing Australia that coal must be part of the mix. The Chair advised that BSL takes its own view on emission reduction targets and that electric power should be reliable and affordable. The company has an agnostic view regarding the fuel source for power generation. In answer to a remark regarding lack of government participation in the energy debate, ASA told the meeting that at AGMs this year this was a common theme.

Both retiring directors spoke of their time on the BSL Board. Mr Dean told of his concern at the impact of the financial services commission and the erosion of trust in Boards and management generally. ASA agreed but remarked that it is now an opportunity to put these matters right.

ASA complimented the remuneration report but told the meeting that a table of actual remuneration would be of significant value to retail shareholders. After the meeting we agreed to supply a suggested format to the remuneration committee Chair.

We asked the Chair how often the termination benefits approval was used and he replied rarely.

ASA voted in accordance with its published voting intentions. All resolutions were well supported.