



BlueScope Steel Limited
ABN 16 000 011 058
Level 11
120 Collins Street
Melbourne VIC 3000 Australia
PO Box 18207 Collins Street East
Melbourne VIC 8003
Telephone +61 3 9666 4000
Facsimile +61 3 9666 4118
www.bluescopesteel.com

24 December 2010

Australian Stock Exchange
Company Announcements Office
20 Bridge Street
Sydney, NSW, 2000

Dear Sir/Madam,

Securities Trading Policy

Attached is a copy of the Company's Securities Trading Policy.

Yours faithfully

A handwritten signature in black ink, appearing to read "M Barron", with a long horizontal flourish extending to the right.

Michael Barron
Company Secretary



Last Amended: 24 December 2010

Version: 9

Introduction and purpose

BlueScope Steel Limited (**BlueScope Steel**) aims to achieve high standards of corporate conduct and governance. BlueScope Steel is committed to ensuring that the Company and its employees do not breach prohibitions on insider trading or create any perception of employees dealing in securities when they should not do so.

The Board considers that compliance with this policy is essential to ensure that high standards of conduct are being met by all directors and employees of BlueScope Steel.

The purpose of this document is to detail the policy covering restrictions on dealing in BlueScope Steel securities and to establish a procedure relating to trading in securities that provides protection to both BlueScope Steel and employees against the misuse of unpublished information that could materially affect the value of securities.

If you do not understand any part of this policy or the summary of the law, or how it applies to you, you should raise the matter with your manager or the Legal Department before dealing with any securities covered by this policy.

Employees covered by this policy

This policy imposes trading restrictions on all employees of BlueScope Steel and its related companies who are in possession of **inside information**, and additional trading restrictions on the following people in BlueScope Steel and its related companies (**Restricted Persons**):

- all Directors;
- all Executive Leadership Team members;
- all direct reports to Executive Leadership Team members;
- all BlueScope Steel Executives;
- all employees having access to the monthly consolidated financial information; and
- other employees as nominated from time to time.

Insider trading laws

Insider trading laws cover all directors and employees. If you have any **inside information** which is not publicly known, it is a criminal offence for you to:

- trade in BlueScope Steel securities,
- advise or procure another person to trade in BlueScope Steel securities, or
- pass on **inside information** to someone else – including colleagues, family or friends - knowing (or where you should have reasonably known) that the other person will use that information to trade in, or procure someone else to trade in, BlueScope Steel securities.

This offence, called "insider trading", can subject you to criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or BlueScope Steel, for any loss suffered as a result of illegal trading or being fined under civil penalty provisions.

Confidential information

You also have a duty of confidentiality to BlueScope Steel. You must not reveal any confidential information concerning BlueScope Steel, use that information in any way that may injure or cause loss to BlueScope Steel, or use that confidential information to gain an advantage for yourself.



What is "inside information"?

Inside information is information that:

- is not generally available, and
- if it were generally available, it would – or would be likely to – influence investors in deciding whether to buy or sell BlueScope Steel securities.

It does not matter how you come to know the **inside information** (including whether you learn it in the course of carrying out your responsibilities or in passing in the corridor, or in a lift, or outside the work environment).

The financial impact of the information is an important factor but strategic and other implications can be equally important in determining whether information is **inside information**. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including BlueScope Steel) and information that is insufficiently definite to warrant disclosure to the public.

Insider trading is prohibited at all times

Notwithstanding any other provisions in this policy, if you possess **inside information**, you must not trade in BlueScope Steel securities, advise, or get others to do so, or pass on the **inside information** to others. This prohibition applies regardless of how you learn the information.

Securities of other companies

The prohibition on insider trading applies not only to information concerning BlueScope Steel securities but also if you have **inside information** relating to any other company that is not publicly available.

Restrictions extend to all forms of securities and trading

The restriction on trading securities in this policy includes:

- buying or selling shares, or any other form of security issued by a company, such as options, debentures or notes;
- buying or selling financial products issued or created over securities by third parties, such as such as warrants, put options or call options;
- short or forward trading any security or financial product listed above;
- entering into any other form of derivative contract relating to a security, such as a cap or collar facility; and
- any other transaction that limits the economic risk of holding a security.

No derivatives over unvested or restricted BlueScope Steel securities

BlueScope Steel shares or share rights may be granted to employees of BlueScope Steel as part of their remuneration. The use of derivative contracts in relation to unvested or restricted securities could distort the proper functioning of performance hurdles and reduce the intended alignment between management and shareholder interests.

Employees who hold unvested or restricted BlueScope Steel securities must:

- comply with the terms of issue of those securities; and
- not enter any transaction that limits the economic risk of holding unvested or restricted securities. This includes not entering any transaction to manage the risk of the timing, likelihood or manner of vesting, or unrestricted vesting, of any unvested or restricted BlueScope Steel securities.

No short-term trading

A Restricted Person must not deal in BlueScope Steel securities for short-term gain.

For the purposes of this policy 'short-term' is defined as within a 9 month period. Accordingly, any dealing in the same BlueScope Steel securities within a 9 month period is prohibited. For example, if BlueScope Steel shares are purchased on 1 January, those BlueScope Steel shares may not be sold until 2 October.



This does not restrict the sale of BlueScope Steel securities after the vesting of share rights or the end of a restriction period.

Transactions that may involve a forced sale of BlueScopeSteel securities

From the date this section takes effect, Restricted Persons must not enter into any new arrangements under which their BlueScope Steel securities are pledged as collateral for a loan or other agreement which could permit a sale of those securities without the security holder's consent.

Trading by Restricted Persons

Restricted Persons are only permitted to trade BlueScope Steel securities during the specific "trading windows" detailed below, if they have notified the Company Secretary in writing in advance and received clearance (see further below), or at other times in special circumstances described below.

For the avoidance of doubt, trading between Restricted Persons and their Controlled Entities (as defined below) are covered by this restriction.

The trading windows are:

- the 45 day periods from the commencement of trading the day following the announcement of the half year results and the day following the announcement of the full year results; and
- the 15 day period from the commencement of the trading day following the Annual General Meeting.

In exceptional circumstances the Board may determine, in its absolute discretion, to open a special trading window.

Reasons for the additional trading restrictions on Restricted Persons

Restricted Persons are in positions where it may be assumed that they have inside information and, as a result, trading by Restricted Persons other than in accordance with this policy may embarrass or reflect badly on them or on BlueScope Steel (even if they have no actual inside information at the time).

This policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise.

Permitted Trading

The trading windows imposed on Restricted Persons do not restrict:

- participation in share plans offered by the Company, provided the election to participate in the relevant plan is made during a trading window (this does not permit trading in shares acquired under Company share plans outside of trading windows);
- the exercise of vested share rights
- acceptance of a takeover offer; or
- trading under an offer made to all or most security holders (e.g. a rights issue, dividend re-investment plan or share buy back).

For the avoidance of doubt, nothing in this Policy permits trading in contravention of the insider trading provisions of the Corporations Act.

Controlled Entities

An employee must ensure that any Controlled Entity (as defined below) of that employee does not trade in BlueScope Steel securities except in accordance with this Policy (and as if the Controlled Entity itself was a Restricted Person).

"Controlled Entity" means, in relation to an employee, an entity in relation to which the employee has any investment control or influence in respect of dealings in BlueScope Steel securities.



Requirements before trading

Before trading, or before a Controlled Entity of a Restricted Person trades, in BlueScope Steel securities during the trading windows, that Restricted Person must:

- advise the Company Secretary in writing of the Restricted Person's, or the Restricted Person's Controlled Entity's, (as applicable) intention to trade in securities;
- confirm that the Restricted Person does not hold unpublished **inside information**; and
- have been advised in writing that there is no known reason to preclude the trading in BlueScope Steel securities.

The approval to trade in BlueScope Steel securities is valid for 10 trading days from the day after the approval is given.

If the proposed dealing in the securities does not occur within this 10 trading day period, the approval lapses and must be reapplied for.

Any disclosure under this paragraph must be made through the Company Secretary. In the case of the Chairman, any notification required must be made to the Board through the Company Secretary.

Trading outside the windows

Restricted Persons are prohibited from trading in BlueScope Steel securities at times outside the trading windows, however if a genuine and pressing requirement for funds causes a need to sell BlueScope Steel securities, then exceptions may be considered.

Exceptions will not be considered in the case of trading resulting from a forced sale in breach of this policy.

Other than Permitted Trading, Restricted Person must not trade outside a trading window unless they have notified their request to the Chairman in writing in advance and received written clearance to do so. Any request to trade outside the trading windows must be made through the Company Secretary.

In the case of the Chairman, any notification required must be made to the Board through the Company Secretary.

Any such request must include confirmation that the Director or employee does not hold any **inside information**. Clearance to trade in these circumstances will be valid for a period of 10 trading days from the day after approval is given.

Breaches of policy

Strict compliance with this policy is a condition of employment. Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

More information

For more information about this policy, contact the Company Secretary.