Australian Government
Department of Industry, Science and Resources

Anti-Dumping Commission

Australian industry verification report

Verification and case details

Initiation date	19/06/2026	**ADN**	2026/089
Case number	706		
The goods under consideration	Zinc Coated (Galvanised) Steel		
Case type	Dumping Investigation		
Australian industry	BlueScope Steel Limited		
Location	BlueScope Port Kembla Steel Works, Port Kembla, NSW, 2025		
Verification from	26/05/2026	to	28/05/2026
Investigation period	1/01/2025	to	31/12/2025

Contents

Introduction

BlueScope Steel Limited (BlueScope) provided data to the Anti-Dumping Commission (the Commission) in relation to Dumping Investigation 706 (INV 706) into Zinc Coated (Galvanised) Steel exported to Australia from the Socialist Republic of Vietnam (Vietnam) and the Republic of Korea (Korea) by certain exporters specified in the application. Following consideration of BlueScope's application, Investigation 706 was initiated on 19 June 2026.[1]

A verification team (the team) has verified whether the data BlueScope submitted in its application is complete, relevant and accurate for use in INV 706. ADN 2016/30 describes the Commission's verification procedure.

The Commission initially conducted the verification as part of Investigation 703 (INV 703)[2]. After initiation of INV 703, it was identified that BlueScope's application for INV 703 did not accurately identify all the relevant entities subject to the application. On 18 June 2026, BlueScope withdrew its application for INV 703 and lodged a new application (INV 706) to reflect the correct entities.[3]

The Commission prepared this report to publish on the EPR for INV 706, noting that the verification initially commenced in INV 703 which has now been withdrawn. The data verified in INV 703 remained unaltered in BlueScope's INV 706 application. Consequently, for the findings in this report, the Commission has verified the same data as provided by BlueScope in relation to INV 706.

This report explains the team's findings, including the evidence considered and material issues identified. Where BlueScope or the team have materially revised the submitted data, this report outlines the nature, extent and outcomes of these revisions.

Verification teams are authorised to conduct verifications under sections 269SMG and 269SMR of the *Customs Act 1901*(Cth) (the Act).[4]

[1] Anti-Dumping Notice (ADN) 2026/089 refers.

[2] INV 703 was initiated after BlueScope withdrew its application for Investigation 702 (INV 702). BlueScope withdrew its INV 702 application after it was identified that a relevant exporter had been omitted from the application. BlueScope subsequently lodged an application for INV 703. For further information concerning the withdrawal of INV 702 and lodgement of the application for INV 703, refer to the Consideration Report for INV 703, Electronic Public Record (EPR) 703, document number 2.

[3] For further information concerning the withdrawal of INV 703 and lodgement of the application for INV 706, refer to the Consideration Report for INV 706, EPR 706, document number 2.

[4] All legal citations in this report are to the Act unless otherwise stated.

1 Company background

1.1 Corporate structure and ownership

BlueScope is a manufacturer of flat steel products and is publicly listed on the Australian Securities Exchange. BlueScope produces and sells a range of value-added coated and painted flat steel products for the Australian market.

BlueScope is the sole member of the Australian industry producing zinc coated (galvanised) steel that constitutes like goods in relation to the goods under consideration.

The data examined in this verification report reflects the business activities of BlueScope in relation to the production and sale of the like goods.

1.2 Related parties

The team examined the relationships between BlueScope and parties involved in the production and sale of the goods.

1.2.1 Related suppliers

BlueScope sources some of the raw materials from a related supplier within the BlueScope group of companies.

Considering BlueScope’s verified regular payment for these raw materials and verifying that the purchase price is determined by an external benchmark price, the team considers that these purchases from its related supplier are made on an arm’s length basis.

1.2.2 Related customers

BlueScope sold goods to related customers during the investigation period, which were identified in the sales listings provided to the Commission.

The verification team examined the pricing of sales to related and unrelated customers and did not identify evidence of systematic price differences between the two groups. Based on the available information, the team considers that sales to related customers were conducted on an arm’s length basis.

2 Like goods manufactured in Australia

2.1 Manufacturing in Australia

2.1.1 Information relied on

During the verification visit, the verification team toured BlueScope's production facilities at Port Kembla and observed the production of zinc coated (galvanised) steel.

Based on information gathered at the verification visit and information obtained from previous investigations and inquiries in relation to the subject goods, the team is satisfied that BlueScope is the sole Australian producer of the like goods.

2.1.2 Production process

BlueScope manufactures zinc coated (galvanised) steel in Australia through an integrated flat steel production process. Raw materials, including iron ore, coking coal, and scrap steel, are converted into liquid steel, which is then cast into slab steel and subsequently rolled into hot rolled coil. BlueScope's ironmaking, steelmaking, and casting operations in Australia run as a continuous process, operating 24 hours a day, seven days a week.

Hot rolled coils are pickled in a hydrochloric acid bath to remove surface scale and then are predominately cold rolled through a five-stand tandem rolling mill. The resulting cold rolled coil is further processed in BlueScope's metallic coating lines to produce zinc-coated (galvanised) steel. Not all galvanised steel undergoes cold rolling, and some products are manufactured directly from hot rolled coil.

2.2 Model control codes

2.2.1 Proposed model control code table

Details of the model control (MCC) structure for the goods are outlined in **Table 1**. Exporters and the Australian industry are required to submit data consistent with the MCC structure. At a minimum, the data must report sales and cost data separately for each of the mandatory MCC categories identified in **Table 1** below.

Item	Category	Sub-category	Identifier	Sales data	Cost data
1	Base Metal Thickness (BMT)	= >0.30 mm to <0.50mm	1	Mandatory	Mandatory
		= >0.50 mm to <0.75mm	2		
		= >0.75 mm to <1.00mm	3		
		= >1.00 mm to <1.50mm	4		
		= >1.50 mm to <2.00mm	5		
		= >2.00 mm to <2.50mm	6		
		= >2.50 mm to <3.50mm	7		
2	Steel Base	Hot Rolled	H	Mandatory	Mandatory
		Cold Rolled	C		

Item	Category	Sub-category	Identifier	Sales data	Cost data
3	Coating Type	Zinc coated or non-zinc/iron alloy coating variations (Z, ZA, ZM, etc. coating classes)	Z	Mandatory	Mandatory
		Zinc/iron alloy coating (ZF coating)	F		
4	Prime	Prime	P	Mandatory	Mandatory
		Non-prime	N		
5	Yield Strength - Minimum yield strength specified by product standard (Mega Pascals or “MPa”)	<= 275 MPa	Y1	Mandatory	Mandatory
		> 275 to <=375 MPa	Y2		
		> 375 to <=525 MPa	Y3		
		> 525 MPa	Y4		
		NA – minimum yield strength not specified in product standard	Y5		
6	Coating Mass	<= 100 g/m2	1	Mandatory	Mandatory
		> 100 g/m2 to <= 220 g/m2	2		
		> 220 g/m2 to <= 300 g/m2	3		
		> 300 g/m2 to <= 400 g/m2	4		
		> 400 g/m2	5		
7	Width	< 600 mm	A	Mandatory	Mandatory
		=>600 mm to < 1,220 mm	B		
		> 1,200 mm	C		
8	Form	Coil	C	Mandatory	Mandatory
		Sheet	S		

Table 1: MCC Structure

2.2.2 Amendments to model control codes

Following verification, the team does not currently recommend amending the MCC structure for BlueScope. The Commission will consider any submissions received from interested parties relating to the MCC structure during the course of the investigation.

2.3 Verification of model control codes

Table 2 provides detail on how the MCC sub-categories were determined for BlueScope's products and verified to source documents.

Category	Determination of the sub-category
BMT	BlueScope identified BMT for each model based on specification records in its business analytics system.
Steel Base	BlueScope relied on its production team's knowledge of chemical compositions for each grade of steel. BlueScope identified steel grade for each product based on its business analytics system.
Coating Type	BlueScope has two broad categories of coating for its products: normal galvanised products vs special zinc coated products These are designated by the prefix "Z" or "ZF", in accordance with AS1397:2021.
Prime	Based on BlueScope's business systems and product classification records.
Yield and Strength	Based on product name and corresponding datasheets for each product. BlueScope identified the product type based on its business analytics system.
Coating Mass	Based on the product technical datasheets. BlueScope relied on its production team's knowledge of coating mass density. According to AS1397:2021, the minimum coating mass is designated by a number following the coating type prefix.[5]
Width	BlueScope relied on product category information recorded in its business analytics system.
Form	BlueScope relied on product category information recorded in its business analytics system. BlueScope explained that all coil products can be converted into sheets with an additional manufacturing step and extra costs.

Table 2: MCC sub-category determination

2.4 The goods

The goods subject to anti-dumping measures are:

- *Flat rolled products of iron or steel, whether or not containing alloys, of a thickness of 0.3 millimetres up to and including 3.5 millimetres of any width, in coil or sheet form, plated or coated with zinc.*

- *The goods under consideration are flat rolled steel products that are plated or coated with zinc, where zinc comprises equal to or greater than 50 percent of the total coating composition. The remaining coating composition can comprise any other alloy elements.*

[5] AS 1397:2021 designates the zinc and zinc alloyed coating types by the following prefixes:
- Zinc Coating class = "Z" or "ZF"
- Zinc/aluminium coating class = "ZA"
- Zinc/aluminium/magnesium coating classes = "ZMa" or "ZMb"
- Aluminium/zinc coating class = "AZ"
- Aluminium/zinc/magnesium coating class = "AM"

AS 1397:2021 designates the number following the prefixes to represent the minimum coating mass in grams per square metre. AS 1397:2021 also specifies the testing methods required for each coating designation.

- *The goods under consideration do not include flat rolled steel products plated or coated with zinc that are painted, pre-painted, electro-galvanised, corrugated, or coated with aluminium-zinc alloys where aluminium is equal to or greater than 50 percent of the total coating composition.*[6]

The goods subject to this investigation are exported from:

- Korea by POSCO, Dongkuk Coated Metal Co. Ltd. and Dongkuk Steel Mill Co Ltd; and
- Vietnam by Nam Kim Joint Stock Company and Hoa Sen Group.

Further information regarding the goods is available in ADN No.2026/089.

2.5 Like goods

Like goods are defined under section 269T(1) of the Act as:

> goods that are identical in all respects to the goods under consideration or that, although not alike in all respects to the goods under consideration, have characteristics closely resembling those of the goods under consideration.

The verification team considers that the like goods manufactured by BlueScope are likely to be identical to, or have characteristics closely resembling, the goods exported to Australia. The verification team assessed whether the zinc coated (galvanised) steel manufactured by BlueScope constitutes like goods in relation to the goods under consideration imported from Korea and Vietnam. The verification team made this assessment against the following four factors:

1. **Physical likeness:** Based on information BlueScope presented, the primary physical characteristics of the goods imported to Australia closely resemble the locally produced goods, notwithstanding variations in individual customer or technical specifications such as grade, thickness, width or the composition of the zinc coating (with the zinc comprising equal to or greater than 50 percent of the total coating composition). BlueScope advised that any difference in coating materials within the 50% or more zinc coating requirement represents the same physical characteristic of being corrosion resistant. Any differences in surface treatment or finishing processes (e.g. passivation, oiling, skin pass) do not fundamentally alter the physical characteristics of the goods.
2. **Production likeness:** Based on information BlueScope presented, the team confirmed the goods exported to Australia and locally produced goods are manufactured in a similar way using similar raw material inputs.
3. **Commercial likeness:** Based on information BlueScope presented, the goods exported to Australia are commercially alike, competing directly and indirectly with the galvanised steel imported by the subject exporters. They are generally sold to common users or customers and compete in many of the same customer segments.
4. **Functional likeness:** Based on information BlueScope presented, the goods exported to Australia are functionally alike. The goods have a similar range of

[6] The goods under consideration do not include flat rolled steel products plated or coated with zinc that are painted, pre-painted, electro-galvanised, corrugated, or coated with aluminium-zinc alloys where aluminium is equal to or greater than 50 percent of the total coating composition.

end-uses, including for further processing into downstream building or fabricated steel products, such as roofing, gutters, steel framing members, pipe and tubes, fences, handrails, air-conditioning ducts, cable trays, electrical enclosures, guardrails and railings.

2.6 List of all model control codes

BlueScope produced and sold like goods with the MCCs listed in **Table 3** during the investigation period:

Sales/Cost MCC			
1-C-Z-P-Y2-2-B-C	3-C-Z-P-Y2-3-B-C	4-C-Z-P-Y2-4-C-C	5-C-Z-P-Y1-5-C-C
1-C-Z-P-Y4-3-A-C	3-C-Z-P-Y2-3-C-C	4-C-Z-P-Y2-5-B-C	5-C-Z-P-Y2-1-B-C
1-C-Z-P-Y4-3-B-C	3-C-Z-P-Y2-5-B-C	4-C-Z-P-Y3-2-A-C	5-C-Z-P-Y2-2-B-C
1-C-Z-P-Y4-5-B-C	3-C-Z-P-Y4-2-A-C	4-C-Z-P-Y3-2-B-C	5-C-Z-P-Y2-3-B-C
1-C-Z-P-Y5-1-A-C	3-C-Z-P-Y4-2-B-C	4-C-Z-P-Y3-3-A-C	5-C-Z-P-Y2-4-B-C
1-C-Z-P-Y5-1-B-C	3-C-Z-P-Y4-3-A-C	4-C-Z-P-Y3-3-B-C	5-C-Z-P-Y2-5-B-C
1-C-Z-P-Y5-2-B-C	3-C-Z-P-Y4-3-B-C	4-C-Z-P-Y3-4-A-C	5-C-Z-P-Y2-5-C-C
1-C-Z-P-Y5-3-B-C	3-C-Z-P-Y4-3-C-C	4-C-Z-P-Y3-4-B-C	5-C-Z-P-Y3-2-A-C
1-C-Z-P-Y5-5-C-C	3-C-Z-P-Y4-4-A-C	4-C-Z-P-Y3-5-A-C	5-C-Z-P-Y3-3-B-C
2-C-F-P-Y5-1-B-C	3-C-Z-P-Y4-4-B-C	4-C-Z-P-Y3-5-B-C	5-C-Z-P-Y3-4-A-C
2-C-Z-P-Y2-3-B-C	3-C-Z-P-Y4-5-A-C	4-C-Z-P-Y4-3-A-C	5-C-Z-P-Y3-4-B-C
2-C-Z-P-Y2-3-C-C	3-C-Z-P-Y4-5-B-C	4-C-Z-P-Y4-3-B-C	5-C-Z-P-Y3-4-C-C
2-C-Z-P-Y2-5-B-C	3-C-Z-P-Y5-1-A-C	4-C-Z-P-Y4-4-A-C	5-C-Z-P-Y3-5-A-C
2-C-Z-P-Y4-2-A-C	3-C-Z-P-Y5-2-B-C	4-C-Z-P-Y4-4-B-C	5-C-Z-P-Y3-5-B-C
2-C-Z-P-Y4-3-B-C	3-C-Z-P-Y5-2-C-C	4-C-Z-P-Y4-4-C-C	5-C-Z-P-Y5-1-B-C
2-C-Z-P-Y4-4-B-C	3-C-Z-P-Y5-3-A-C	4-C-Z-P-Y4-5-A-C	5-C-Z-P-Y5-1-C-C
2-C-Z-P-Y4-5-B-C	3-C-Z-P-Y5-3-B-C	4-C-Z-P-Y4-5-B-C	5-C-Z-P-Y5-3-A-C
2-C-Z-P-Y5-1-A-C	3-C-Z-P-Y5-3-C-C	4-C-Z-P-Y5-1-A-C	5-C-Z-P-Y5-3-B-C
2-C-Z-P-Y5-1-B-C	3-C-Z-P-Y5-5-B-C	4-C-Z-P-Y5-1-B-C	5-C-Z-P-Y5-3-C-C
2-C-Z-P-Y5-2-A-C	3-C-Z-P-Y5-5-C-C	4-C-Z-P-Y5-2-B-C	5-C-Z-P-Y5-4-C-C
2-C-Z-P-Y5-2-B-C	4-C-F-P-Y5-1-A-C	4-C-Z-P-Y5-3-B-C	5-C-Z-P-Y5-5-B-C
2-C-Z-P-Y5-3-A-C	4-C-F-P-Y5-1-B-C	4-C-Z-P-Y5-3-C-C	5-H-Z-P-Y2-2-B-C
2-C-Z-P-Y5-3-B-C	4-C-F-P-Y5-1-C-C	4-C-Z-P-Y5-4-C-C	5-H-Z-P-Y2-3-A-C
2-C-Z-P-Y5-3-C-C	4-C-Z-P-Y1-1-A-C	4-C-Z-P-Y5-5-B-C	5-H-Z-P-Y2-3-B-C
2-C-Z-P-Y5-5-B-C	4-C-Z-P-Y1-3-B-C	5-C-F-P-Y5-1-B-C	6-C-F-P-Y5-1-B-C
2-C-Z-P-Y5-5-C-C	4-C-Z-P-Y2-1-B-C	5-C-F-P-Y5-1-C-C	6-C-Z-P-Y1-3-B-C
3-C-F-P-Y5-1-B-C	4-C-Z-P-Y2-2-B-C	5-C-Z-P-Y1-1-A-C	7-C-Z-P-Y5-3-B-C
3-C-F-P-Y5-1-C-C	4-C-Z-P-Y2-3-B-C	6-H-Z-P-Y3-3-B-C	7-H-Z-P-Y2-1-B-C
3-C-Z-P-Y1-2-B-C	6-C-Z-P-Y3-4-A-C	7-C-Z-P-Y1-3-B-C	7-H-Z-P-Y2-2-B-C
6-C-Z-P-Y2-1-B-C	6-C-Z-P-Y3-4-B-C	7-C-Z-P-Y2-4-B-C	7-H-Z-P-Y2-3-B-C
6-C-Z-P-Y2-2-B-C	6-C-Z-P-Y3-5-A-C	7-C-Z-P-Y3-2-A-C	7-H-Z-P-Y2-4-B-C
6-C-Z-P-Y2-3-B-C	6-C-Z-P-Y3-5-B-C	7-C-Z-P-Y3-3-B-C	7-H-Z-P-Y3-2-B-C
6-C-Z-P-Y2-4-B-C	6-C-Z-P-Y5-3-B-C	7-C-Z-P-Y3-4-A-C	7-H-Z-P-Y3-3-B-C
6-C-Z-P-Y2-5-B-C	6-C-Z-P-Y5-5-B-C	7-C-Z-P-Y3-4-B-C	7-H-Z-P-Y3-5-B-C
6-C-Z-P-Y3-2-A-C	6-H-Z-P-Y2-2-B-C	7-C-Z-P-Y3-5-B-C	1-C-Z-N-Y5-3-B-C

Sales/Cost MCC			
6-C-Z-P-Y3-2-B-C	6-H-Z-P-Y2-3-B-C	5-C-Z-P-Y1-2-B-C	4-C-Z-N-Y5-3-B-C
6-C-Z-P-Y3-3-B-C	4-C-Z-P-Y2-3-C-C	5-C-Z-P-Y1-3-B-C	6-C-Z-N-Y3-3-B-C
3-C-Z-P-Y1-3-B-C	4-C-Z-P-Y2-4-B-C	5-C-Z-P-Y1-5-B-C	

Table 3: List of MCCs sold during investigation period

2.7 Like goods assessment

The team is satisfied that:

- zinc coated (galvanised) steel produced by BlueScope constitutes like goods in relation to the goods under consideration exported to Australia.[7]
- BlueScope carries out at least one substantial process of manufacture of like goods in Australia.[8]
- the like goods were, therefore, wholly or partly manufactured in Australia by BlueScope.[9]
- there is an Australian industry, consisting of BlueScope, which produces like goods in Australia.[10]

[7] Section 269T(1) (definition of ‘like goods’).

[8] Section 269T(3).

[9] Section 269T(2).

[10] Section 269T(4).

3 Australian market

3.1 Australian market background

The Australian market for zinc-coated (galvanised) steel is supplied by a single domestic producer (BlueScope) and by imports from overseas producers supplied through a range of commercial channels, including direct supply from mills, international traders, and domestic distributors and resellers.

The verification team understands that zinc-coated (galvanised) steel is generally regarded as a commodity product and that customers in the Australian market can readily change suppliers.

3.2 Australian market for the goods

3.2.1 Market segments

The two key industries that consume zinc-coated (galvanised) steel in Australia are:

- the building and construction industry, consisting of residential construction, and industrial/commercial construction; and
- the general manufacturing industry, mainly consisting of supplies to pipe and tube manufacturers, and other equipment manufacturers.

The building and construction industry is BlueScope's largest consumer of its like goods by volume, with the remainder of BlueScope's volume sold to the general manufacturing industry.

3.2.2 End use

In the building and construction industry, examples of end-use applications for galvanised steel include commercial and industrial buildings; light structural sections (purlins and girts); structural sections for carports, sheds and garages; plastering and ceiling accessories; garage door tracks; structural nail-plates; post stirrups; frame connectors; and bracing for timber frames.

In the general manufacturing industry, examples of end use applications for galvanised steel include feedstock as input for pipe and tube manufacture; air-conditioning ducting; cable trays; components in domestic appliances; hot water system components; electrical meter cabinets; toolboxes; meter boxes; grain silo components and general manufactured articles.

Locally produced and imported galvanised steel are used interchangeably across the two key market segments in Australia.

3.3 Distribution arrangements

3.3.1 Branding

BlueScope sells galvanised steel under several brand names, including GALVABOND® (a commercial grade suitable for forming and pressing applications), ZINCANNEAL® and GALVASPAN® (marketed at the construction industry to produce purlins and girts).

3.3.2 Marketing distribution to market segments

The different brands enable BlueScope to develop marketing strategies that target different market sectors. BlueScope has two major distribution channels selling directly to large customers and to distributors across Australia, that then on-sell to customers.

BlueScope's like goods are sold mostly to distributors/resellers, which on-sell BlueScope's like goods into the building and construction market, or are sold to the general manufacturing industry. BlueScope also sells like goods directly to the building product manufacturing industry in Australia. This industry roll-forms the goods into building products (such as light structural sections, bracing, tracks, connections, accessories etc.) and then distributes the manufactured products downstream (to builders, homeowners etc).

3.4 Supply and demand

3.4.1 Supply

Galvanised steel is supplied primarily through the following two key channels:

- the Australian industry, being BlueScope as the sole domestic producer, supplying both directly to large customers and through distributors and resellers and
- overseas steel mills supplying imported product, either directly to end users or through Australian-based importers, distributors and traders.

3.4.2 Demand

The primary demand drivers for galvanised steel include residential and commercial construction. Demand for BlueScope's like goods is therefore impacted by factors affecting residential and commercial construction.

There is also some substitution into markets and end uses previously dominated by other materials including replacing timber for residential framing. Within the manufacturing sector, pipe and tube manufacturers are a key source of demand.

BlueScope identified seasonal fluctuations (wet/dry seasons, the holiday season shutdown), economic factors (availability for capital, domestic conditions, consumer confidence), and government regulation (standards, policies) as relevant factors that influence demand.

BlueScope advised that the outlook for demand remains closely linked to construction activity and broader economic conditions. Demand is expected to be supported by ongoing infrastructure and residential construction projects, although uncertainty in global supply chains, input costs and interest rate conditions may affect market performance.

3.5 Pricing

BlueScope's pricing for galvanised steel in the Australian market is influenced by a range of domestic and international factors, with competition from imports playing a key role.

Prices are affected by movements in global steel prices, exchange rates and import competition in the Australian market. In particular, imported products from countries such as Korea and Vietnam compete directly with domestically produced goods across all major market segments, thereby influencing Australian industry pricing.

3.6 Australian market size

The verification team has estimated the size of the Australian market for zinc coated (galvanised) steel using the domestic sales data from BlueScope and data sourced from the Australian Border Force (ABF) import database.

The information sourced from the ABF import database was determined using the relevant tariff subheadings and statistical codes for zinc coated (galvanised) steel and additional filtering to remove imports with unusually high or low unit prices and imports that were not considered to be the goods based on the ABF database's goods description.

The relevant tariff statistical codes the Commission used when searching the ABF import data base were:

Tariff classification	Statistical codes	Description
7210.49.00	55, 56, 57, 58	Other flat-rolled iron or non-alloy steel products, plated or coated with zinc
7212.30.00	61	Flat-rolled iron or non-alloy steel products, plated or coated with zinc
7225.92.00	38	Flat-rolled products of alloy steel, width ≥ 600mm, plated or coated with zinc
7226.99.00	71	Flat-rolled products of alloy steel, width < 600mm, plated or coated with zinc

Table 4: Relevant tariff statistical codes

The verification team considers that its approach to estimating the size of the Australian market for zinc coated (galvanised) steel is relevant and reasonable as:

- the ABF import database is an independent and reliable source of data in relation to imported zinc coated (galvanised) steel and
- the completeness, relevance and accuracy of the sales data compiled by BlueScope was verified by the verification team (refer to Chapters 4 and 5 of this report).

Figure 1 below depicts the verification team's estimate of the size of the Australian market for zinc coated (galvanised) steel from calendar year (CY) 2022 to CY 2025.

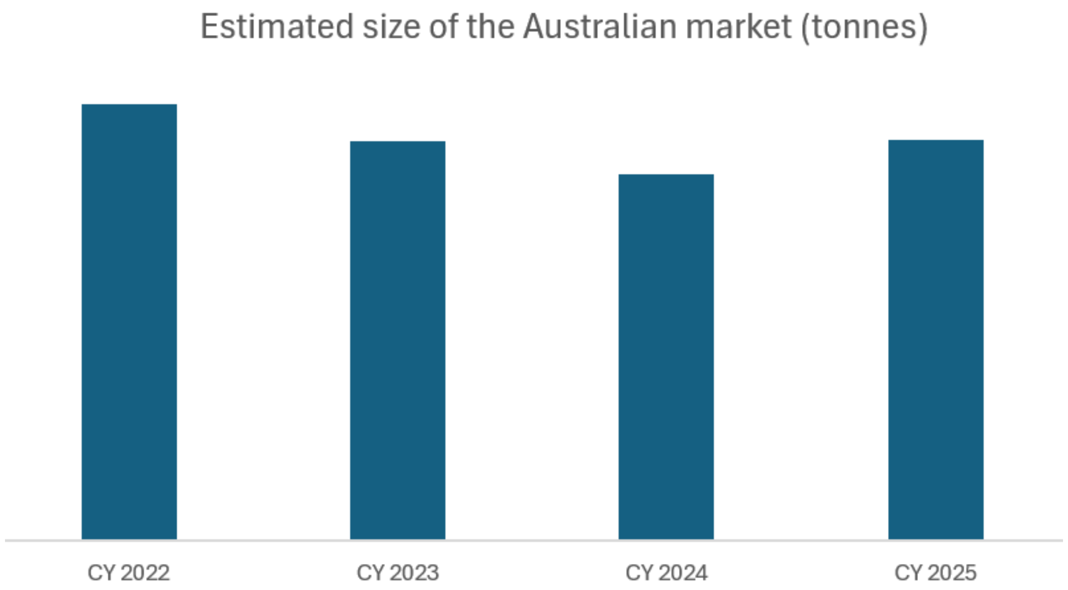

Figure 1: Australian market size (tonnes)

The verification team observes that the Australian market for zinc coated (galvanised) steel contracted between CY 2022 and CY 2024 before increasing in size in CY 2025. The market size in CY 2025 was broadly similar to the market size in CY 2023 (approximately one per cent lower) and remained below the market size at the beginning of the injury analysis period.

The verification team's analysis of the Australian market is in **Confidential Attachment 2.**

4 Verification of sales completeness and relevance

The verification team conducts verification of completeness and relevance by reconciling selected data submitted ‘upwards’ through management accounts to audited financial accounts. The verification team reconciles total sales value and quantity to management reports, with particular attention given to including all relevant transactions and excluding all irrelevant transactions. The total value from the management reports is reconciled to the total revenue figure reported in the audited income statement.

The verification team verified the completeness and relevance of the Australian sales listings submitted by reconciling these to audited financial statements, management accounts and various accounting systems in accordance with ADN No. 2016/30.

The verification team verified the relevance and completeness of the sales data as follows:

1. Reconciled the revenue for the 2025 financial year (FY) to the audited financial statements and trial balance.
2. Reconciled the total revenue for all product listings from BlueScope’s accounting system to the quarterly trial balance for quarter 1 and quarter 2 of FY 2026.
3. Assessed the accounting system categorisation of goods and non-goods in the sales listing for all products.
4. Assessed the accounting system categorisation of goods for domestic and export markets.

The verification team identified the following issues during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

4.1 Sales completeness and relevance exceptions

Exception 1: Exclusion of sales from sales data

Description: The verification team identified that certain sales had not been submitted in the datasets.

Resolution: The verification team requested BlueScope to provide the omitted sales. BlueScope subsequently provided revised sales data, which was reviewed and accepted by the verification team.

4.2 Import sales by company

BlueScope did not import the goods under consideration during the investigation period.

The team identified imports by entities related to BlueScope during the investigation period. These import volumes were not materially significant. BlueScope advised that its related distributors operate independently and may have imported the goods.

The verification team confirmed, through reconciliation of the sales listings and discussions with BlueScope, that the reported sales data relates only to goods produced by the Australian industry. The verification team therefore did not identify any sales by BlueScope of imported goods requiring separate treatment in the assessment of domestic sales.

4.3 Export sales by company

The verification team verified that BlueScope exported goods during the investigation period. The team confirmed that export sales were identified separately from domestic sales within the sales listings provided to the Commission.

The team verified this distinction through reconciliation of the sales data to financial records and system extracts. The verification team confirmed the export sales were excluded from the domestic sales dataset used for the analysis of the economic condition of the Australian industry.

4.4 Sales completeness and relevance finding

The verification team is satisfied that the updated sales data BlueScope provided post verification is complete and relevant. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1.**

5 Verification of sales accuracy

The verification team verified the accuracy of BlueScope's sales listing submitted in the application by reconciling these to source documents in accordance with ADN No 2022/086.

The verification team identified an issue outlined below during this process. Details of this verification process are contained in the verification work program and its relevant attachment at **Confidential Attachment 1.**

5.1 Sales accuracy exceptions

Exception 2: Sales data adjustment

Description: The verification team identified an issue in the treatment of certain discounts within the submitted sales data. **Resolution:** BlueScope reviewed the data and provided revised sales information to address the issue. The verification team reconciled the revised information to supporting records and accepted the updated data for verification purposes. The verification team considers the issue resolved.

5.2 Related party customers

The verification team observed that BlueScope sold goods to related customers during the investigation period. BlueScope advised that sales to related customers were treated by BlueScope the same as sales to unrelated customers.

The verification team examined the pricing of sales to related and unrelated customers, including how prices were set and recorded within BlueScope's systems. BlueScope advised that prices for both related and unrelated customers are determined based on commercial considerations, including market conditions and customer-specific factors, noting that detailed pricing information is confidential.

The verification team analysed the pricing data for sales to related and unrelated customers and did not identify evidence of systematic price differences or discrimination between the related and unrelated customers. Based on the available information, the verification team considers that sales to related customers were conducted on an arm's length basis.

Accordingly, the verification team is satisfied that BlueScope's selling prices for goods sold to related customers can be relied upon in the assessment of the economic condition of the Australian industry.

5.3 Sales accuracy finding

During the verification, and following consideration of matters identified in Exception 2, BlueScope provided revised sales data to address issues identified by the verification team. The verification team reviewed the revised data and is satisfied that the updated sales data submitted by BlueScope accurately reflects its sales of the goods under consideration for the purposes of the investigation.

Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1.**

6 Verification of CTMS completeness and relevance

The Commission typically verifies cost to make and sell (CTMS) as complete and relevant by reconciling the total cost to make (CTM) and selling, general and administrative (SG&A) expenses in cost listings up to management accounts and then audited financial accounts. ADN 2016/30 further describes this verification process.

BlueScope stated its accounting systems cannot practicably provide CTM records. Instead, BlueScope used cost of goods sold (COGS) records when preparing its quarterly cost data.

The verification team assessed the impact of using COGS, rather than CTM data by calculating BlueScope's inventory turnover rate. The verification team is satisfied that the quarterly COGS records sufficiently approximate a CTM and are a suitable basis for assessing BlueScope's costs and economic performance.

The team verified the relevance and completeness of the COGS data as follows:

1. Identified total company expenses in the FY 2025 for BlueScope Steel Limited, this is in note 29 of BlueScope's FY2025 audited financial report.
2. Linked total FY 2025 company costs in the audited financial reports to galvanised steel business unit subtotals in BlueScope's internal statutory reporting accounts system.
3. Linked galvanised steel business unit cost subtotals in BlueScope's statutory reporting accounts to total COGS in enterprise resource planning (ERP) system accounts for FY 2025
4. Identified total COGS in BlueScope's ERP system accounts for the investigation period
5. Reconciled total COGS in BlueScope's ERP system to detailed extracts through BlueScope's business analytics software
6. Reviewed the categorisation of the COGS of the goods and non-goods. Reconciled total COGS in BlueScope's business analytics software to COGS for sales of like goods only.

The team verified the relevance and completeness of the SG&A data as follows:

1. reconciled SG&A expenses reported in the cost listings to BlueScope's accounting system and trial balance
2. reviewed the categorisation and allocation of SG&A expenses to ensure that costs were appropriately attributed to the sale of the like goods; and
3. assessed whether the allocation methodology applied reflected the underlying business activities of BlueScope.

6.1 Exceptions during verification of completeness and relevance of CTMS data

The verification team identified that the submitted cost data was incomplete in certain respects, as outlined in Exception 3.

Exception 3: Exclusion of certain products from cost data

Description: The verification team identified that certain costs associated with sales included in the revised sales datasets had not been included in the submitted cost data. **Resolution:** BlueScope revised the cost data to include the relevant costs. The revised information was reviewed and accepted by the verification team.

6.2 CTMS completeness and relevance finding

The verification team is satisfied that the CTMS data submitted by BlueScope post verification is complete and relevant for the purposes of the investigation, following the revisions outlined in the exception above.

Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

7 Verification of cost to make and sell accuracy

The Commission typically verifies CTMS as accurate by reconciling a selection of volume, cost and other key data in the CTM and SG&A listings down to source documents. ADN 2016/30 further describes this verification process.

The verification team verified whether the COGS and SG&A listings BlueScope submitted are accurate by reconciling them to source documents, consistent with ADN 2016/30. As noted in chapter 6, BlueScope reported COGS instead of CTM.

The team identified the issues outlined below during this process. Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1**.

7.1 Cost to make and sell accuracy exceptions

Exception 4: Revised allocation of SG&A expenses

Description: During verification, the team identified that certain SG&A cost centres had been allocated solely to domestic sales of the like goods in the original cost dataset provided by BlueScope and not to export sales.

The team considered that this approach did not appropriately reflect the underlying business activities of BlueScope, as some SG&A costs relate to both domestic and export sales.

Resolution: The team discussed the identified issue with BlueScope and requested that the SG&A allocation methodology be revised to reflect an allocation of relevant costs across both domestic and export sales on an appropriate basis.

BlueScope subsequently revised its cost allocation methodology and provided an updated CTMS dataset, allocating SG&A costs proportionally based on volumes of domestic and export sales.

The team reviewed the revised allocation methodology and reconciled the updated cost data to supporting financial records. The team confirmed that the revised approach more accurately reflects the distribution of SG&A costs across BlueScope's operations.

Exception 5: HRC transfer cost

Description: During verification the team identified an issue relating to the allocation of hot rolled coil costs.

Resolution: BlueScope revised the allocation approach and provided updated cost data. The verification team reviewed the revised information and accepted the updated data for verification purposes.

7.2 Cost allocation method

Table 4 outlines the cost allocation methodologies applied to the key cost components relevant to the calculation of CTMS, including the allocation of HRC costs discussed in Exception 5.

Cost component	Method applied
Raw materials – HRC	Raw material costs were allocated based on production quantities. The team verified the allocation by reconciling major input costs (HRC transfer price) to BlueScope's cost accounting system and supporting financial records.
Raw Materials – Zinc	Raw material costs were allocated based on production quantities. The team verified Zinc costs through provision of purchase invoices from BlueScope.
Direct labour	Direct labour costs were allocated on a unit rate basis derived from total labour costs divided by production volume. The team reconciled labour costs to financial records and confirmed the allocation methodology was consistently applied.
Manufacturing overheads	Manufacturing overheads were allocated to products based on production volumes or cost centre allocations. The team verified the allocation by reconciling overhead expenses to the cost accounting system and reviewing cost driver assumptions.
Depreciation	Depreciation costs were allocated based on asset usage and useful life across production activities. The team verified depreciation charges against BlueScope's accounting system.

Table 5: Cost allocation method

7.3 Related party suppliers

BlueScope sources raw materials from a related entity within the BlueScope group.

The verification team reviewed the relevant arrangements and did not identify evidence that transactions with the related supplier were conducted other than on an arm's length basis.

Accordingly, the verification team is satisfied that the costs associated with transactions with the related supplier can be relied upon for the purposes of the investigation.

7.4 Cost to make and sell accuracy finding

The team is satisfied that the updated CTMS data submitted post verification by BlueScope is accurate and reasonably reflects the costs associated with the production and sale of the like goods, following the revisions outlined in the exceptions above.

Details of this verification process are contained in the verification work program and its relevant attachments, at **Confidential Attachment 1.**

8 Economic condition

8.1 Applicant's injury claims

In its application for a dumping investigation, BlueScope claimed that the Australian industry has experienced injury in the form of:

- loss of sales volume
- reduced market share
- price depression
- price suppression
- loss of profit
- reduced profitability
- reduced revenue and
- reduced return on investment.

8.2 Approach to injury analysis

The verification team has assessed the economic condition of the Australian industry from 1 January 2022 using the information provided by BlueScope. The verification team has compiled the figures presented on an annual basis for calendar years (CY) ending 31 December. The analysis is based on data that incorporates revisions made by BlueScope in response to the exceptions identified during verification. This preliminary assessment is at **Confidential Appendix 2**.

8.3 Volume effects

8.3.1 Sales volume

Figure 2 below shows BlueScope's domestic sales volume of zinc coated (galvanised) steel from CY 2022 to CY 2025.

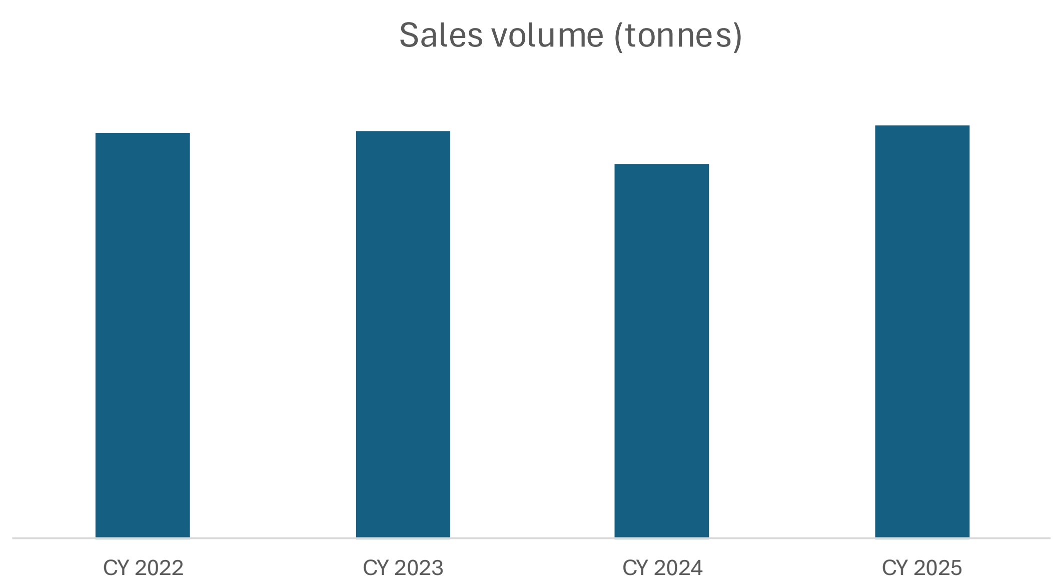

Figure 2 – BlueScope's Sales volume (tonnes)

Figure 2 indicates that BlueScope's sales volume increased slightly in CY 2023, declined in CY 2024, and then rose again in CY 2025 to a level above CY 2023.

8.3.2 Market share

Figure 3 below details BlueScope's Australian market share for the goods and like goods.

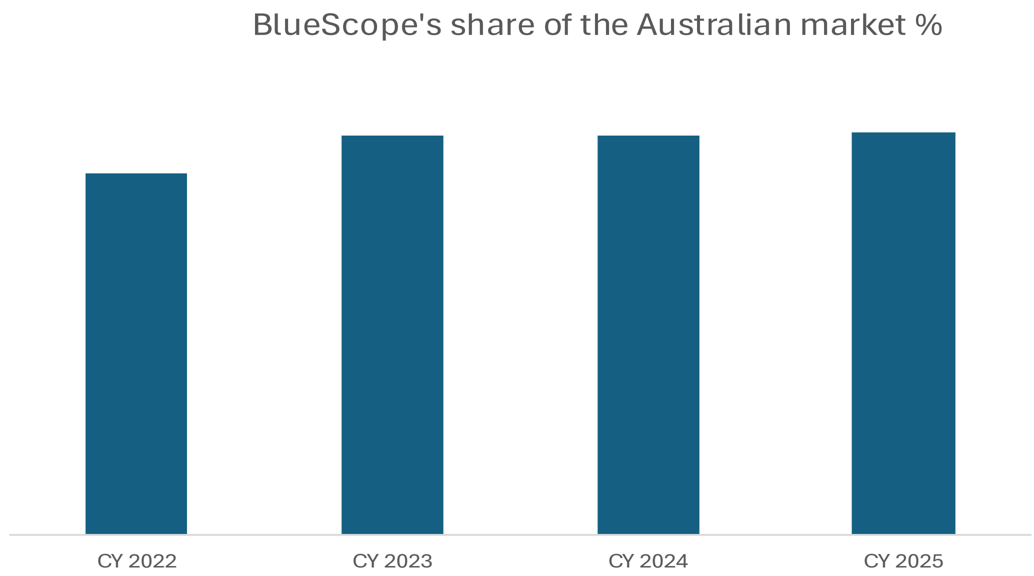

Figure 3 – Market share

Figure 3 indicates that BlueScope's market share increased from CY 2022 to CY 2023 then remained relatively stable from CY 2023 to CY 2025.

8.4 Price effects

Price depression occurs when a company, for some reason, lowers its prices. Price suppression occurs when price increases, which otherwise would have occurred, have been prevented. An indicator of price suppression may be the margin between prices and costs.

Figure 4 below shows BlueScope's unit selling price and unit CTMS[11] over the period examined.

[11] As noted in Chapter 6, BlueScope reported a COGS figure for CTM. See Chapter 6.

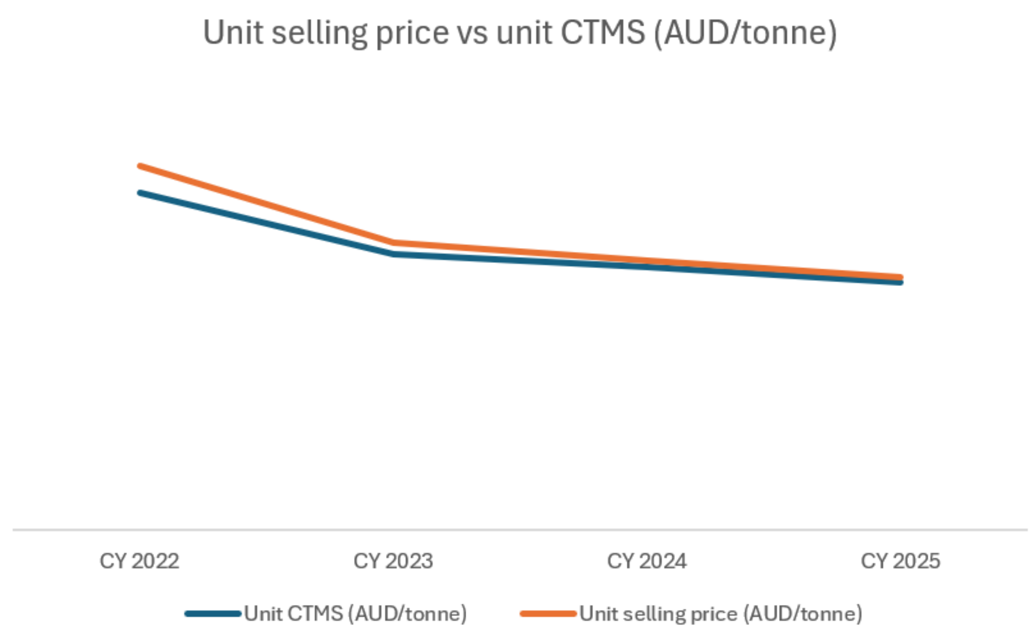

Figure 4 - Unit price and CTMS (AUD per tonne)

The verification team notes that both unit selling price and unit CTMS declined from CY 2022 to CY 2023, with unit selling price declining by a greater amount than unit CTMS. Both unit selling price and unit CTMS declined further from CY 2023 to CY 2024. From CY 2024 to CY 2025, unit selling price again declined by a greater amount than unit CTMS. CY 2025 represents the year with both the lowest unit selling price and lowest unit CTMS over the injury analysis period.

While unit selling price remained above unit CTMS throughout the injury analysis period, the margin between unit selling price and unit CTMS narrowed between CY 2024 and CY 2025. The verification team considers that the applicant was unable to maintain the level of margin achieved in CY 2024 during the POI. Accordingly, the verified data indicates the presence of price depression over the injury analysis period and supports a finding of price suppression in the POI.

8.5 Profit and profitability

Figure 5 below shows BlueScope's profit as a percentage of revenue from CY 2022 to CY 2025.

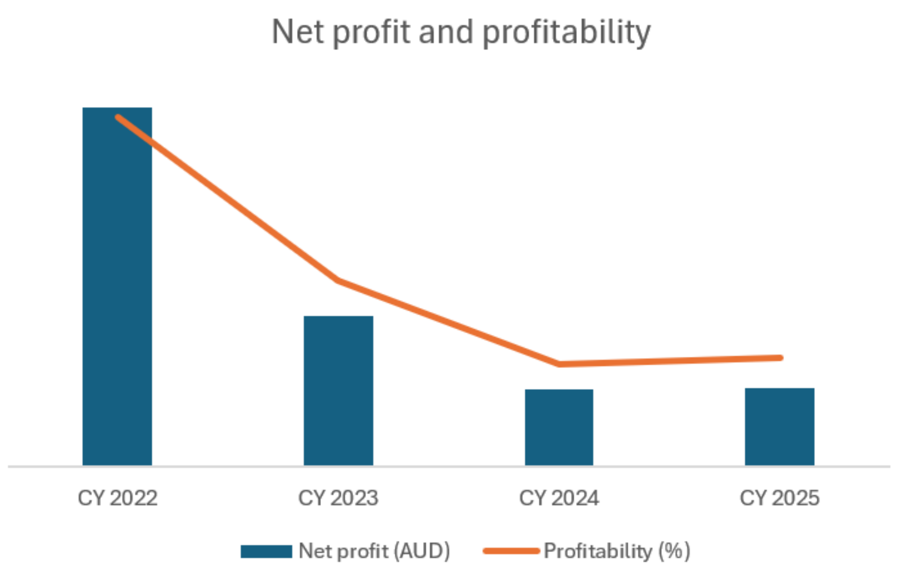

Figure 5 - Profit and profitability

Figure 5 indicates that:

- Net profit and profitability declined significantly from CY 2022, deteriorated further in CY 2024, and improved slightly in CY 2025.
- Notwithstanding this improvement, both indicators remained below CY 2022 levels throughout the remainder of the period.

In relation to financial performance, net profit and profitability declined significantly from CY 2022, deteriorated further in CY 2024, and improved slightly in CY 2025. Notwithstanding this improvement, both indicators remained below CY 2022 levels throughout the remainder of the period.

8.6 Other economic factors

In its application, BlueScope provided data in relation to other economic factors. In relation to these other injury factors, BlueScope stated it has experienced material injury in the form of reduced revenue and reduced return on investment. These are discussed separately below.

8.6.1 Revenue

Figure 6 shows BlueScope's revenue from the sale of like goods from CY 2022 to CY 2025.

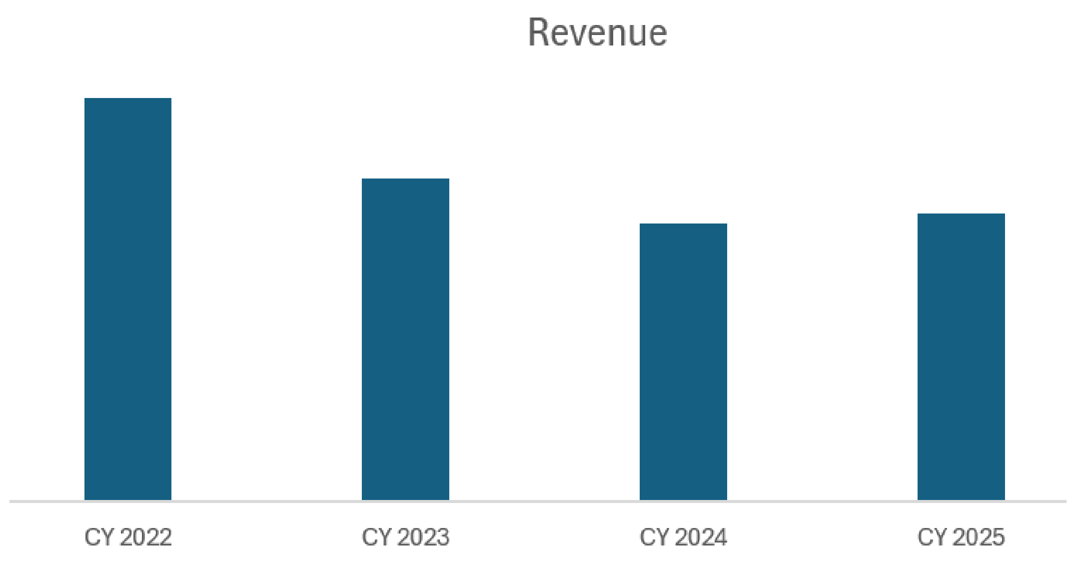

Figure 6 – Changes to revenue

Figure 6 indicates that revenue decreased from CY 2022 to CY 2024, before increasing slightly in CY 2025. Despite this slight increase, revenue remained below CY 2022 and CY 2023 levels.

8.6.2 Return on Investment

Figure 7 depicts BlueScope's return on investment (ROI) from CY 2022 to CY 2025.

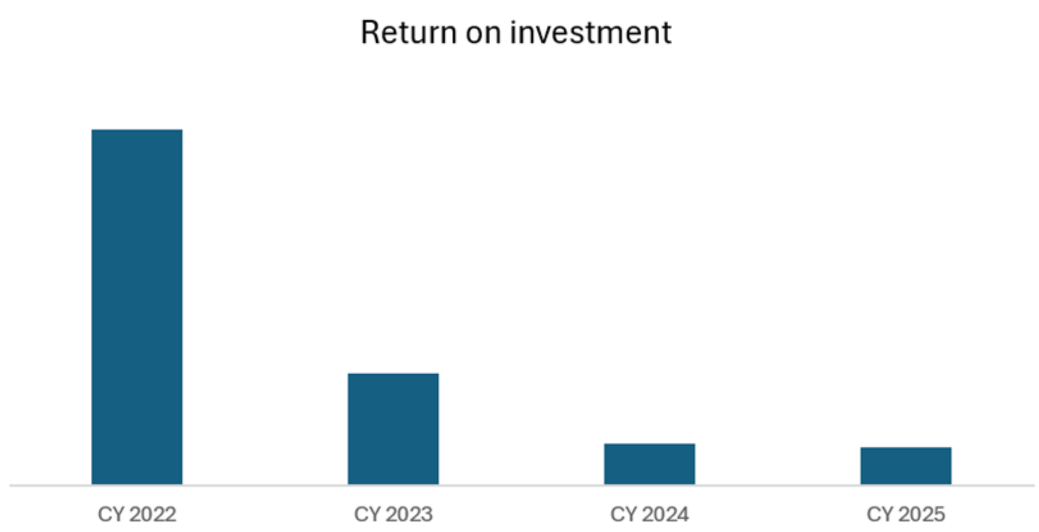

Figure 7 – Return on investment

Figure 7 indicates that return on investment decreased significantly from CY 2022 to CY 2023, declined further in CY 2024, and decreased slightly again in CY 2025. Return on investment remained below CY 2022 levels throughout the remainder of the period.

8.6.3 Other A7 injury factors

Table 5 summarises the variations or changes in the other economic indicators considered during the Commission's assessment.

Other economic factor	CY22	CY23	CY24	CY25
Asset value (like goods)	100	120	118	146
Capital Investment (like goods)	100	122	234	409
Capacity (like goods)	100	100	100	100
Production volume (like goods)	100	101	92	102
Capacity utilisation (like goods)	100	101	92	102
Employment (like goods)	100	116	113	129
Productivity (revenue per worker) (like goods)	100	87	82	79
Wages (like goods)	100	105	102	115

Table 6 - Other injury factors (indexed)

8.7 Conclusion

The verification team has assessed the information provided by BlueScope in relation to its claims of injury over the period CY 2022 to CY 2025.

In relation to volume effects, the data does not indicate a sustained decline in sales volume. While BlueScope's sales volume decreased in CY 2024, it increased again in CY 2025 to a level above CY 2023. Similarly, BlueScope's market share increased from CY 2022 to CY 2023 and remained relatively stable through to CY 2025. During the course of the verification, BlueScope provided further information concerning its claimed volume injury. This further information is discussed in Chapter 9.

In relation to price effects, both unit selling prices and unit CTMS declined over the period, with unit selling prices remaining above CTMS in all years. The data indicates fluctuations in the margin between prices and costs over the injury analysis period, with the margin improving between CY 2023 and CY 2024 before deteriorating in the POI. The observed decline in selling prices is indicative of price depression. The deterioration in the margin during the POI indicates that the applicant was unable to maintain the level of margin achieved in CY 2024, supporting a finding of price suppression in the POI.

In relation to financial performance, net profit and profitability declined significantly from CY 2022, deteriorated further in CY 2024, and improved slightly in CY 2025. Notwithstanding this improvement, both indicators remained below CY 2022 levels throughout the remainder of the period.

With respect to other economic factors, revenue declined from CY 2022 to CY 2024 before increasing slightly in CY 2025, although it remained below CY 2022 and CY 2023 levels. Return on investment declined significantly from CY 2022, decreased further in CY 2024 and again in CY 2025, remaining below CY 2022 levels throughout the remainder of the period.

Overall, the data indicates that BlueScope maintained sales volumes and market share over the period, but experienced weaker financial performance, including reduced profitability, revenue and return on investment. The observed decline in prices, in the context of stable volumes, is consistent with BlueScope having reduced prices to maintain its position in the market.

The verification team, based on information available to it to date, considers that BlueScope has experienced injury in the form of:

- price depression over the injury analysis period
- price suppression in the POI
- reduced profit
- reduced profitability
- reduced revenue, and
- reduced return on investment.

As noted in Chapter 9, BlueScope during the verification provided further information concerning its claims of loss of sales volume and market share. The Commission will consider this information during this course of the investigation.

9 Causal link

9.1 Background and approach to analysis

Under section 269TG, one of the matters that the Minister must be satisfied of in order to publish a dumping duty notice is that material injury to an Australian industry producing like goods has been or is being caused or is threatened.

The verification team discussed with BlueScope whether the alleged dumping of imported zinc coated (galvanised) steel can be demonstrated to be causing material injury to the Australian industry and collected evidence to support those claims. Following verification, BlueScope provided additional examples and supporting material to further explain the manner in which import competition is said to have affected its prices, sales opportunities and financial performance. The Commission will consider this evidence further during the course of the investigation.

The verification team also examined factors other than dumping to consider whether these may be contributing to the injury observed.

9.2 Volume effects

During verification, BlueScope submitted that it experienced volume-related injury as a result of competition from subject imports.

BlueScope stated that its assessment of volume injury is based on a ‘but for’ or counterfactual approach, whereby it considers that, in the absence of dumped imports from the subject countries, it would have achieved higher sales volumes and market share.

BlueScope provided a number of examples and post-verification material to support this claim, including estimates of lost sales volume and forgone supply opportunities in circumstances where alleged dumped import offers were present.

This information will be further examined during the investigation. However, the verification team notes that, at an aggregate level, BlueScope’s sales volumes and market share remained relatively stable over the period examined.

9.3 Price effects

BlueScope submitted that domestic pricing is influenced by competition from imported goods and provided information in support of that claim.

BlueScope operates an import parity pricing mechanism where known import offers in the market are used to determine levels of pricing. BlueScope submitted that it was required to reduce prices or offer discounts in order to compete with import offers in the Australian market and provided supporting information regarding those claims.

The verification team reviewed information relating to import competition and pricing outcomes and considers that the observed decline in selling prices is consistent with BlueScope's submissions regarding pricing pressure from imported goods.

9.4 Profit and profitability

During verification, BlueScope submitted that the price and volume effects described above had an adverse impact on its financial performance.

BlueScope stated that it reduced prices and provided discounts in order to compete with allegedly dumped imports and maintain sales volumes, which limited its ability to achieve higher levels of profitability over the period examined.

BlueScope submitted that, absent the presence of dumped imports, it would have been able to maintain higher prices and achieve improved profit outcomes.

The verification team notes that, while BlueScope's sales volumes and market share remained relatively stable over the period, profitability, revenue and return on investment declined significantly from CY 2022 and remained below CY 2022 levels throughout the remainder of the period.

These outcomes are consistent with the reduction in prices observed over the period, and with BlueScope’s submission that it reduced prices to maintain sales volumes in the presence of competing import offers of allegedly dumped imports from Korea and Vietnam.

9.5 Other economic factors

During verification, BlueScope submitted that broader market conditions, including changes in demand, may have influenced its performance over the period examined.

BlueScope noted that factors such as general economic conditions and fluctuations in demand were relevant to its operations. However, BlueScope maintained that import competition remained a key driver of the outcomes observed, particularly in relation to pricing.

The verification team notes that, as outlined in Chapter 8, revenue declined from CY 2022 to CY 2024 and increased slightly in CY 2025, but remained below earlier levels. Return on investment declined significantly from CY 2022, decreased further in CY 2024 and again in CY 2025, remaining below CY 2022 levels throughout the remainder of the period.

In the context of relatively stable sales volumes and market share, these outcomes are consistent with the reduction in prices observed over the period. This suggests that the deterioration in revenue and return on investment may be linked to pricing pressures, rather than reductions in sales volume.

The verification team will consider the interaction between these broader economic factors and the pricing dynamics described above in its further assessment of causation.

9.6 Injury caused by factors other than dumping and/or subsidisation

The verification team discussed with BlueScope whether factors other than the exportation of dumped goods may have contributed to the observed injury.

BlueScope advised that imports from countries other than the subject exporters were present in the market but did not consider these volumes to be significant compared with subject imports.

The verification team also notes that the Australian market contracted in CY 2023 and CY 2024 before increasing in CY 2025. Despite the increase, the market size in CY 2025 remained below the level observed at the beginning of the injury analysis period. These changes in demand may have influenced sales volumes, pricing and capacity utilisation over the period examined. Weaker demand conditions may place downward pressure on prices and affect financial performance independently of import competition.

Notwithstanding this, the verification team notes that BlueScope's sales volumes and market share remained relatively stable over the period, while prices declined and financial performance deteriorated. This suggests that factors other than demand, including competitive pricing pressure, may have influenced the observed outcomes.

The commission will assess the relative contribution of these and other factors, and the extent to which the alleged dumping has caused material injury, in the course of the investigation.

10 Appendices and attachments

Confidential Attachment 1	Verification work program
Confidential Attachment 2	Economic condition of the Australian industry