



NOMINATION/GOVERNANCE COMMITTEE CHARTER

Composition of the Committee

- The Nomination/Governance Committee ('Committee') of the board of directors ('Board') of Sims Metal Management Limited ('Sims MM' or the 'Company') shall comprise at least three directors of the Company, with a majority being independent directors.
- Appointments, rotations and resignations of Committee members will be recommended to the Board by the Chairperson of the Committee ('Committee Chairperson').
- The Committee Chairperson shall be appointed by the Board and shall be an independent director. The Committee Chairperson may also be the Chairperson of the Board, however, a separate Committee Chairperson shall be appointed if and when the Committee is dealing with the appointment of a successor to the Chairperson of the Board.
- The Group Company Secretary of Sims MM, or his or her nominee, will act as Secretary of the Committee.

Role of the Committee

The primary role of the Committee is to support and advise the Board in fulfilling its responsibility to ensure the Board comprises individuals who are best able to discharge the responsibilities of directors and represent the interests of the Company and its shareholders.

Functions of the Committee

- Reviewing and making recommendations to the Board in relation to:
 - the corporate governance procedures of the Company and any statement on corporate governance required to be made by the Board;

- the appointment, including the process for recruitment, and re-election, of directors, taking into account the policy and procedures contained in Appendix A;
 - following periodic assessment, the necessary and desirable competencies of Board members, including those competencies needed to address existing as well as emerging business and governance issues relevant to Sims MM;
 - the annual assessment of the independence of each director having regard to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations and the disclosures made in relation to the independence of each director;
 - Board succession plans generally and the Board skills matrix;
 - induction and continuing professional development programs for directors so that directors are able to maintain the skills and knowledge needed to perform effectively;
 - the establishment of procedures for, and overseeing, the performance evaluation of non-executive directors, the Board as a whole, and its various committees; and
 - ensuring there are plans in place to manage the succession of the Group Chief Executive Officer and other senior executives, including recommending the appointment and, where necessary, removal of such executives.
- Regularly reviewing whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and on Board committees effectively and address new and emerging business and governance issues. Where any gaps are identified, considering what training or development could be undertaken to fill those gaps.
 - Performing an evaluation of the Committee's performance at least annually to determine whether it is functioning effectively by reference to current best practice.
 - With regard to the Company's Workplace Diversity Policy ('Policy'):
 - reviewing, noting and monitoring the effectiveness of the Policy both as it relates to Company and Board diversity;
 - reviewing and recommending to the Board any updates to the Policy as deemed necessary;

- reviewing and approving the measurable objectives for achieving diversity in the composition of the Board, senior executives and workforce generally, and
- annually reviewing both those objectives and progress in achieving them.
- Reviewing and recommending any update to this Charter as deemed necessary.

Operations of the Committee

- The Committee shall meet at least twice each year and more frequently if required.
- The quorum is at least 2 members.
- An agenda for a Committee meeting shall, where practicable, be prepared and circulated to Committee members and other relevant individuals at least 48 hours prior to the time of the meeting.
- A Committee meeting may be held by Committee members communicating with each other by any technological means by which they are able to simultaneously hear each other and participate in discussion. The minutes of the meeting shall record the method of communication by which the meeting was conducted.
- Minutes of a Committee meeting shall be taken and tabled at the next convenient Committee meeting. The minutes and agenda of the prior Committee meeting will be included in the Board papers for the subsequent Board meeting. The Committee Chairperson shall report to the Board on any matters of significance recorded in the minutes. All directors will be permitted, within the Board meeting, to request information of the Committee Chairperson or members of the Committee.
- The Committee will also consider if any material matters arising out of the Committee meeting should be advised to any other Board committee and, if so, ensure that this occurs.
- The Committee, through the Committee Chairperson, may request the attendance at Committee meetings of management and/or staff of Sims MM on a regular or irregular basis, as it deems necessary, to provide appropriate information or explanations.

Authority of the Committee

- In order to perform its duties, the Committee is authorised, via the Sims MM Group Chief Executive Officer, to seek any information it requires from any employee of Sims MM.
- The Committee is authorised to obtain, at Sims MM's expense:
 - legal advice; and
 - advice from senior management of Sims MM, on Committee issues; and
 - other professional advice on any matters within its Charter, where the Committee considers that advice necessary or appropriate in the carrying out of its duties.

Appendix A

NOMINATION/GOVERNANCE COMMITTEE'S POLICY AND PROCEDURES FOR THE SELECTION AND APPOINTMENT OF NEW DIRECTORS AND THE RE-ELECTION OF INCUMBENT DIRECTORS

The Board seeks to ensure that:

- at any point in time, its membership comprises persons with an appropriate mix of skills, knowledge, independence, experience and diversity to maximise its effectiveness and its contribution to Sims MM; and
- the size of the Board is conducive to effective discussion and efficient decision making.

The appointment of new directors to the Board is considered and nominated by the Committee.

When the need for a new director is identified, using the Board skills matrix, the Committee will review the range of skills, experience, expertise, independence and diversity on the Board, identify its needs and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. The Committee will then prepare a short-list of candidates with

appropriate criteria. Where necessary, advice will be sought from independent search consultants.

The required commitment of time for candidates will be considered by the Committee prior to preparation of the short-list. In support of his or her candidature for directorship, a candidate will be required to provide the Committee with details of other commitments and an indication of time involved. A candidate is required to acknowledge that he or she has, and will continue to have, the time available to discharge his or her responsibilities to the Company.

The Committee will then nominate those candidates it considers appropriate for appointment as a director and recommend such nominees to the Board accordingly. The Committee will arrange for the undertaking of appropriate background and reference checks before nominating a director for appointment to the Board.

The full Board will then, after reviewing appropriate background and reference checks, elect and appoint the most suitable nominee(s).

Directors (other than the Group Chief Executive Officer) must retire and seek re-election at the third annual general meeting following their appointment or after three years (whichever is longer). In addition, a director (other than the Group Chief Executive Officer) appointed to fill a casual vacancy or as an addition to the Board must retire and seek re-election at the first annual general meeting following his or her appointment. Information submitted to shareholders about candidates standing for election or re-election as directors must include the following:

- biographical details (including competencies and qualifications and information sufficient to enable an assessment of their independence),
- details of relationships with the Company and its directors,
- details of any other directorships held,
- particulars of other positions which involve significant time commitments,
- any term of office already served,
- any other particulars required by law, and
- any other material information in the Company's possession relevant to the decision on whether or not to elect or re-elect a director.

The Board will provide a statement as to whether it supports the election or re-election of the candidate, a summary of the reasons why, and if the Board considers the candidate to qualify as an independent director, a statement to that effect.

In support of his or her candidature for re-election, a non-executive director will be required to provide the Committee with details of other commitments and an indication of time involved. Prior to being submitted for re-election, a non-

executive director will be required to specifically acknowledge to the Company that he or she will have sufficient time to meet what is expected.

New directors will be provided with a letter of appointment setting out their responsibilities, rights and the terms and conditions of their tenure. All new directors will participate in a formal orientation process which covers financial, strategic, operations and risk management issues as well as expectations for director behaviour.

This Charter was reviewed and adopted by the Committee on 10 June 2019.