Creating Value by Providing a Pathway for Decarbonisation to our Customers

Macquarie Conference

5 May 2022

Disclaimer

The material contained in this document is a presentation of information about the Group's activities current at the date of the presentation, 5 May 2022. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group's periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

To the extent that this document may contain forward-looking statements, such statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, and which may cause actual results to differ materially from those expressed in the statements contained in this release.

This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Stephen Mikkelsen
CFO

Strategy

Structural Market Tailwinds

Create strategic opportunities for Sims

- Increased environmental concerns for our customers
- Electrification and energy transition to drive copper and aluminium prices higher
- More stringent environmental controls lift standards required to operate in the metal recycling industry
- Global push for high quality metals
- Growing demand for recycled copper and aluminum
- Increased demand for recycled metal
- Higher landfill costs driving an increased focus on waste management
- Increased demand for cloud services

Decarbonisation of the Metal Industry

Using recycled metal is paramount to reduce carbon emissions

7% of global greenhouse emissions are produced by the global steel industry[1]

Steel produced from EAF emits **83%** less CO_2/tonne compared to BF-BOF[2]

An electric arc furnace can be charged with **100%** steel scrap. A basic oxygen furnace can be charged with as much as **30%** scrap[3]

Recycling aluminium saves **97%** of green house gas emissions produced in the primary production process[4]

Recycling copper requires **80%** to **90%** less energy than primary production[5]

Source:
[1] World Steel Association
[2] Responsiblesteel.org
[3] World Steel Association
[4] Alupro
[5] International Copper Association

Well Positioned to Capitalise on Trends

Our capabilities and business strategy continue to match the accelerated tailwinds

Competitive Advantages

Technology & People
- Dedicated in-house engineering team
- Best-in-class shredding and non-ferrous metal separation technology
- Material Recovery Technology

Market Position
- International trading offices and agents in 15 different countries
- ~7% market share[1] of global seaborne ferrous scrap sales

Financial Strength
- Public company with strong balance sheet

Sustainability
- Track record of compliance with environmental regulations
- ESG credentials enhances appeal to similar minded suppliers and customers (metals & cloud)

Growth Strategy

Grow core business and leverage synergies to expand into adjacent markets

- Expand metal volumes in favourable regions
- Grow non-ferrous business
- Enter resource renewal
- Repurpose cloud infrastructure
- Expand proven landfill energy business overseas

Sustainability Strategy

- Operate Responsibly
- Close the Loop
- Partner for change

Create a world without waste to preserve our planet

1 World Steel Organisation; Internal Estimates

Business Strategy

Grow core business and leverage synergies to expand into adjacent markets

Sims Metal	Sims Resource Renewal	Sims Lifecycle	Sims Energy	Sims Municipal Recycling
Fortify and grow sustainable profits	Utilise waste to create new revenue stream and reduce costs	Grow product stewardship and services for recycling the cloud	Expand proven business model and technology globally	Develop recycling solutions for major cities
Expand ferrous volumes in favourable geographies - 9.6 m tonnes by FY25 **Doubling the US non-ferrous volumes by 300,000 tonnes by FY25**	**Process 120k of ASR tonnes/year by FY25**	**Repurpose 8.5 million units by FY25**	**Acquire or build 50 MW by FY25**	**Secure additional large city contracts by FY25**

Metal Business

We seek to deliver on the metal targets through a very targeted and disciplined growth strategy

Grow non-ferrous retail business in the US and expand metal volumes in favourable regions

Ferrous

Strategic lens to identify organic and M&A growth opportunities

- Coastal operations with export optionality
- Avoid hypercompetitive markets
- Markets supported by large metro populations
- Control of ‘at source’ material

Focus areas

- #1 US and ANZ
- #2 UK

Non-Ferrous

- Leveraging Alumisource acquisition to boost US volumes and scale up the business globally

NFSR

- Improve metal yields

Sustainability

Ranked #6 in Sustainability Magazine's Top100 Companies in sustainability

Corporate Knights

Ranked 11th in the Global 100 list of most sustainable companies, ranked for the 8th time

CLEAN200™

Ranked 87th in the Clean200 global list of publicly traded companies

Terra Carta Seal for creation of sustainable markets

CDP

Maintained 'B' grade

MSCI ESG RATINGS AAA

Received maximum AAA rating

ACSI

ACSI assessed Sims Ltd as a 'Leader' in ESG reporting

SUSTAINALYTICS

19.3 (low risk)

Accelerating Decarbonisation of Our Business

Brought forward carbon neutrality target by 12 years

Targets set in line with SBTi

2025

- 23% reduction in direct operations (scope 1 & 2)
- 100% renewable electricity by 2025
- SLS carbon neutral (scope 1 & 2)

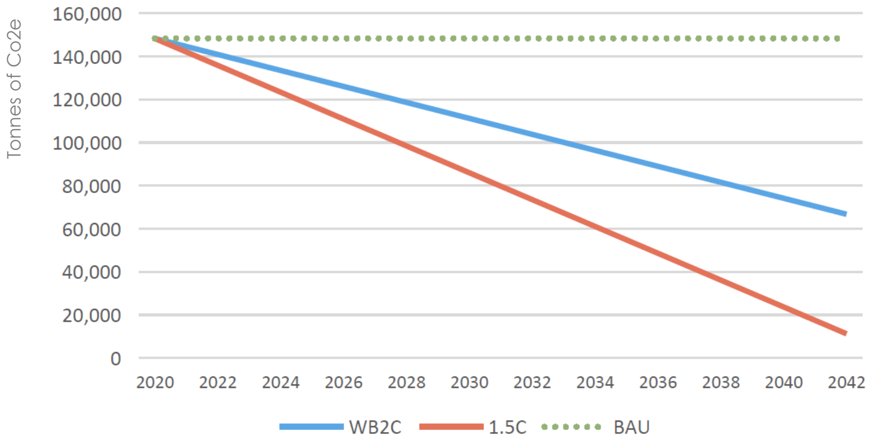
2030

Carbon neutral in direct operations (scope 1 & 2)

2050

Achieve net zero emissions

Sims Carbon Emissions



Well Below 2°C

Business As Usual (assuming no growth)

Strong Commitment To Sustainability

- Carbon neutrality target brought forward by 12 years
- Achieved board diversity target ahead of schedule
- Continuous improvement driving strong safety performance
- Sims makes a measurable contribution to decarbonisation
- Achieved many milestones during our ESG journey and we have been recognised for it
- Our sustainability strategy drives growth across all our businesses

Finance

Summary of Financial Outcomes

Achieved a high-quality result with sales volume, revenue, profit growth and margin expansion. Significantly higher cash flow distribution and balance sheet strength maintained

Sales Revenue
$4,265.0 million ↑

HY21
$2,452.0 million
74%

Underlying[1] EBITDA
$462.3 million ↑

HY21
$155.0 million
198%

Underlying[1] EBIT
$361.7 million ↑

HY21
$56.4 million
541%

Underlying[1] NPAT
$269.3million ↑

HY21
$37.3 million
622%

Sales Volumes
4.685 million tonnes ↑

HY21
4.310 million tonnes
9%

Operating Cash Flow
$290.8 million ↑

HY21
$149.3 million
95%

Return on Productive Assets[2]
37.5% ↑

HY21
6.2%
+31.3ppts

Cash Flow Distribution[3]
$135.0 million ↑

HY21
$24.2 million
458%

[1] Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges
[2] Underlying EBIT / average of opening non-current assets and ending non-current assets excluding assets relating to adoption of AASB 16 Leases
[3] Cash flow distribution will comprise of $81 million spent in dividends and $54 committed to the share buyback programme to be executed in 2HFY22.

Business Segment Financial Performance

More than a sixfold increase in EBIT. Improved volumes driven by NAM and SA Recycling

Underlying EBIT[1] (A$m)	**HY21**	**HY22**	**Change**
Metal Business[2]	62.7	266.5	325.0%
Sims Lifecycle Services	6.8	9.9	45.6%
SA Recycling	24.4	128.7	427.5%
Global Trading	(7.9)	(11.1)	40.5%
Corporate & Other	(29.6)	(32.3)	9.1%
Underlying EBIT[1]	**56.4**	**361.7**	**541.3%**

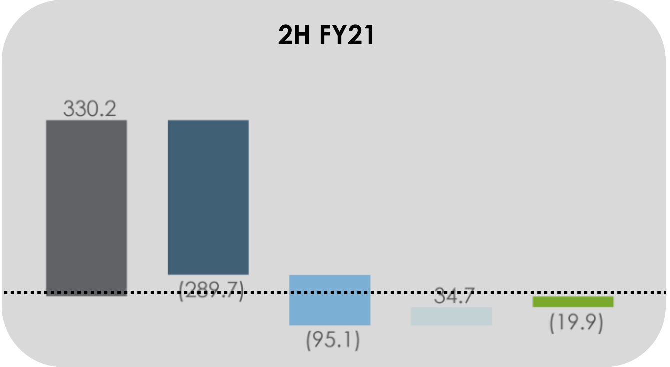
Sales volumes ('000 tonnes)	**HY21**	**HY22**	**Change**
Metal Business[2]	3,664	3,941	7.6%
Global Trading	567	675	19.0%
Other Brokerage	79	69	(12.7%)
Total sales volumes	**4,310**	**4,685**	**8.7%**
SAR sales volumes 100%	**1,858**	**2,203**	**18.6%**

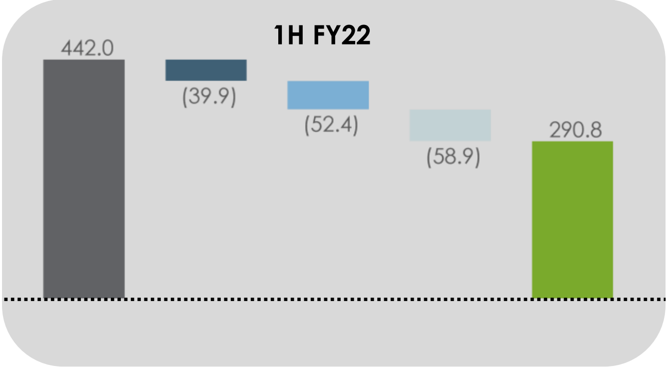
Intake volumes ('000 tonnes)	**HY21**	**HY22**	**Change**
Metal Business[2]	3,458	3,899	12.8%
Global Trading	573	674	17.6%
Other Brokerage	79	69	(12.7%)
Intake volumes	**4,110**	**4,642**	**12.9%**
SAR intake volumes 100%	**1,952**	**2,285**	**17.1%**

[1] Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges
[2] Metal Business EBIT comprises North America Metal, ANZ Metal and UK Metal EBIT

Cash Generation

Significant improvement in H1 FY22 operating cash flow





Statutory EBITDA Working Capital Movement
JV Dividend Vs JV Income Tax, Interest & Other
Operating Cashflow

Operating cash flow increased from negative $19.9 million in 2H FY21 to positive $290.8 million in 1H FY22, a $310.7 million improvement, largely due to a substantially smaller increase in working capital ($289.7 million 2H FY21 compared to $39.9 million 1H FY22)

Working capital up by $329.6 million from 1 January 2021 to 31 December 2021, reflecting higher inventory value due to:

- Significantly higher average sales prices

  + 64% for ferrous and +37% for non-ferrous

- Investment in working capital to support increased business activity

  +12.8% proprietary intake volumes

SA Recycling dividend

60% of SA Recycling EBIT; payment made in arrears quarterly

Trading Margins & Operating Costs

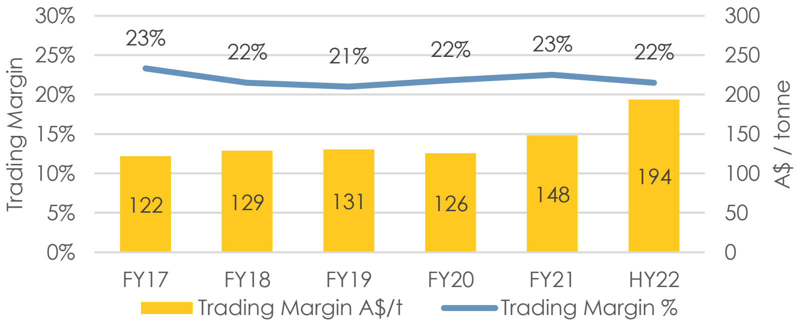
Metal Recycling

Trading Margin

- Margin in percentage terms typically steady through the cycle.
- Steady margins reflect the value added through material processing and trading activities within the value chain, which tends to be stable through rising and falling commodity prices.
- When more value is added to the ferrous and non-ferrous materials processed, through shredding, shearing and sorting, the wider trading margins and greater share of the value chain is captured.

Operating Costs

- Operating costs are a mixed of fixed and variable expenses, with circa 70% of total costs generally fixed.
- Employee benefit expenses comprise the largest portion of operating costs, at approximately 50% of the total.
- Repair and Maintenance, Fuel and Power, Waste removal, and SG&A represent the balance of key expense items in the metals recycling business.



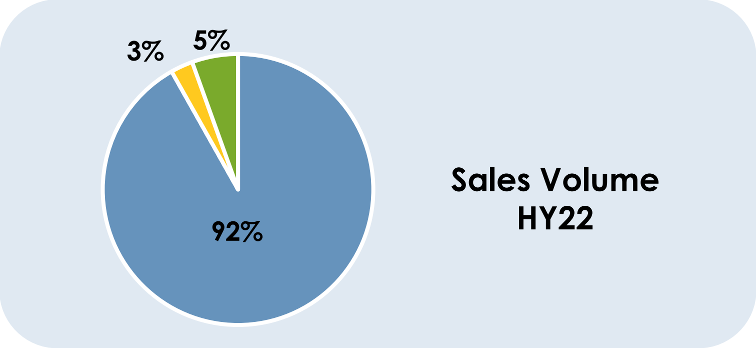
Metal Recycling	FY17	FY18	FY19	FY20	FY21	HY22
Sales Revenue	3,889	4,881	5,117	3,857	4,762	3,557
Trading Margin	**908**	**1047**	**1,077**	**841**	**1,072**	**763**
Net Operating Costs[1]	-628	-710	-736	-686	-618	-410
Underlying EBITDA	**280**	**337**	**341**	**155**	**454**	**353**
D&A	-93	-100	-114	-175	-167	-87
Underlying EBIT	**187**	**237**	**227**	**-20**	**287**	**266**
Trading Margin	23.3%	21.5%	21.0%	21.8%	22.5%	21.5%
EBITDA Margin	7.2%	6.9%	6.7%	4.0%	9.5%	9.9%
EBIT Margin	4.8%	4.9%	4.4%	-0.5%	6.0%	7.5%

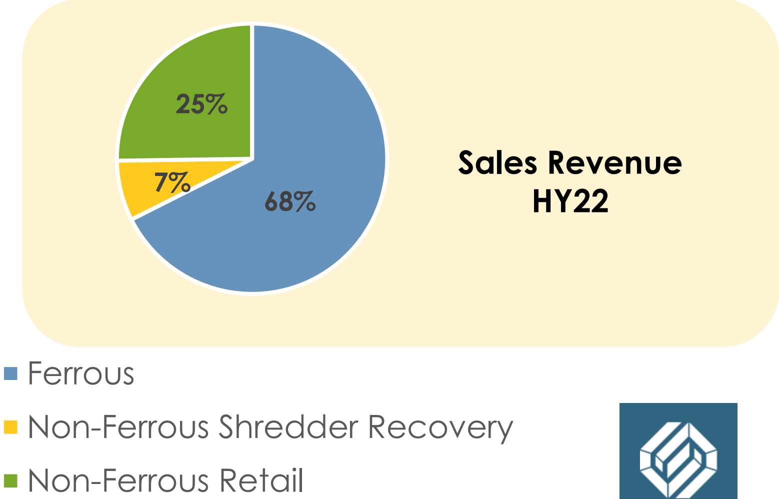
1. Net Operating Costs include all operating costs less depreciation & amortisation (which are disclosed separately) less significant items, less other revenue & income

Revenue Composition

1/3rd of revenues from non-ferrous metals

- Despite total non-ferrous metals accounting for less than 10% of sales volumes, in revenue terms, non-ferrous accounts for nearly 1/3rd of sales for the metals recycling business.
- Aluminium and Copper, in various grades and categories, represent most of the non-ferrous metals sold.
- Non-ferrous shredder recovery (NSFR) includes a range of metals which, unless further processed, fall into the category grades of 'Zorba' or 'Zurik', (largely aluminium & stainless steel respectively)
- NFSR is reported in ferrous metals.
- Sims' meaningful exposure to copper and aluminium metals gives the business attractive exposure to recent increasing commodity prices in the short-term, and long-term benefits from increased use of metal required to enable lower carbon emission technology.





Inflationary Impacts

Positive: Strong commodity tailwinds, partially offset by cost headwinds

Tailwinds

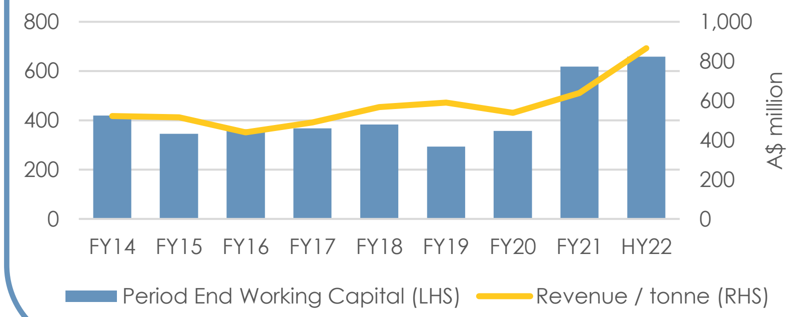
- Higher commodity prices for ferrous and non-ferrous metals, combined with a relatively stable trading margin percentage, is likely to drive strong absolute trading margins.
- Higher primary metal prices provides opportunities to further process scrap, thereby capturing higher margins.
- Lower relative costs for secondary vs primary metal production is likely to drive increased demand for scrap.

Headwinds

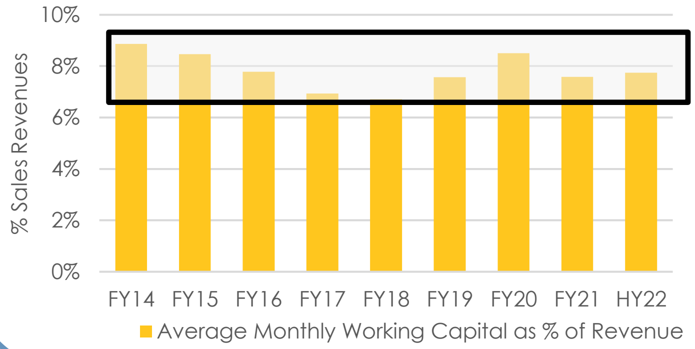
- Meaningful upward pressure on labour costs as well as tight availability for labour.
- Freight cost volatility.
  - Ship availability
  - Bunker fuel price
- Increased fuel costs.
- Higher costs and longer lead times for equipment.

Balance Sheet

Working capital requirements tightly aligned to commodity prices



Working capital relative to sales is more stable through the cycle



- Cash investment into working capital is tightly aligned to the price of ferrous and non-ferrous metal, with average revenue / tonne, largely mirroring changes in raw material intake costs.
- Inventory held often largely tied to a committed sale but is awaiting shipment.
- Sims' supplier payment terms are generally shorter than customer payment terms, with prompt payment for many smaller suppliers.

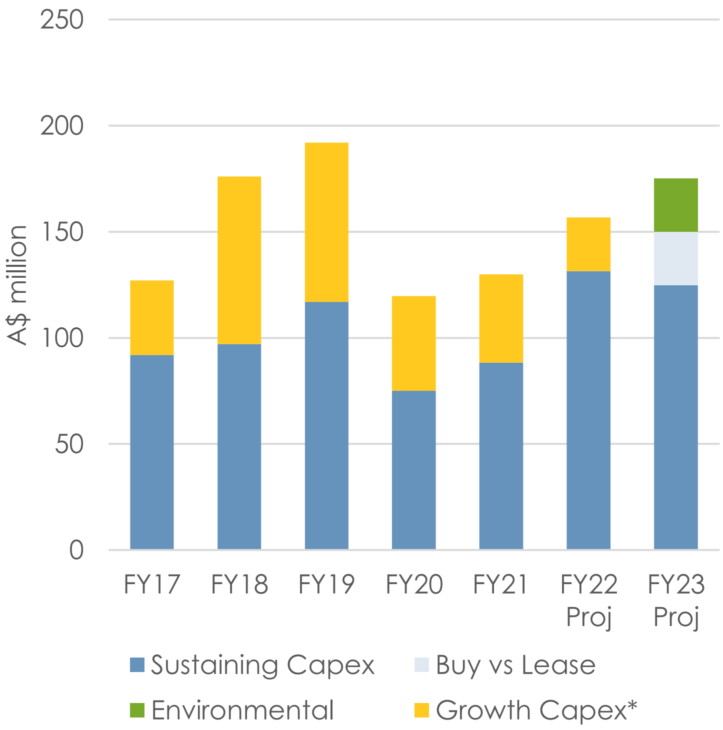
- In relative terms through the cycle, average working capital1 has remained relatively steady at 7% to 9% of revenues.
- Factors which may impact requirements include domestic / export sales mix and shipping issues such as availability of containers and bulk ships.

1) Working Capital = trade receivables + inventories – trade payables; average calculated based on monthly closing balances

Capital Expenditure

Disciplined and appropriate capital expenditure program

- FY22 has seen a pick-up in the rate of capital spend post-COVID as activity levels return to normal.
- Going forward, sustaining capital expenditure is expected to approximate depreciation (excl. right of use assets) at ~$120m to $130m pa.
- Mobile plant will be owned rather than leased to improve capital efficiency.
- Additional capital expenditure will be required for environmental projects in line with Sims' EH&S commitments.
- For SRR, the existing project (demonstration plant) will be funded through to conclusion of this stage.
- Growth capex requires a 15% post tax IRR.



** Growth Capex excluding acquisitions.*
FY23 forecast growth capex anticipated, but not included.

Capital Management

Prudent capital management, aligned to shareholder value

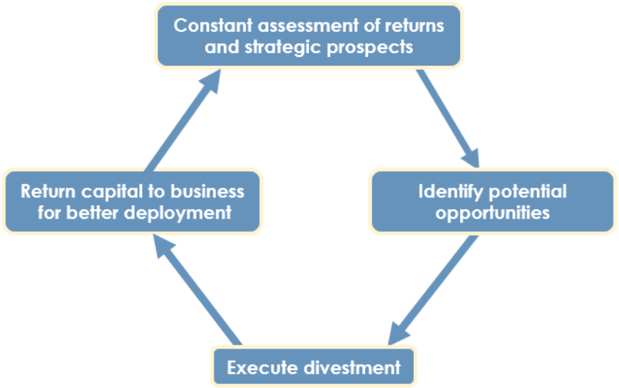
Summary of Priorities

1. Target $100 million net cash excluding significant changes in working capital attributable to commodity price movements.
2. Invest in growth capex and acquisitions that deliver shareholder value through a minimum 15% IRR.
3. Surplus cash distributed through a combination of dividends and on market buy backs taking into account conditions at that time and shareholder feedback. HY22 cash distribution is a good example:
    - 50% of Underlying net profit distributed; via
    - 30% partially franked divided; and
    - 20% on market buy back:
        - 1H22: 4.1 million shares @ $13.79
        - 2H22: 2.8 million shares @ $19.09
        - **Total: 6.9 million shares @ $15.96**

- SA Recycling, LMS and Sims Energy funded through JV Balance Sheet

Recycling Capital

- SMR – sold 50.5% stake for approximately US$45.4 million; proceeds recycled to substantially fund acquisitions of Recyclers Australia and ARG
- SLS European Operations – sold for €83.5 million; proceeds recycled to growth capex



Outlook Remains Strong

3Q22 performance tracked in line with 2Q22 and 4Q22 commenced strongly

- EBIT momentum has, to date, continued into 4Q22. Intake levels remain solid benefitting from strengthened non-ferrous and ferrous commodity prices
- SA Recycling's acquisition of PSC Metals has commenced full contribution in 2H FY22
- We continue to closely manage the impacts of freight cost volatility as well as increased fuel prices and are actively seeking medium term efficiency gains to offset inflation pressures

Macro-trends

- Ongoing or announced stimulus spending will increase demand for metal intensive infrastructure spending and drive retail consumption. Post consumption scrap will also increase. Positive for metal recycling (both ferrous and non-ferrous)
- Global decarbonisation of steel making, and electricity generation industries will drive demand for recycled metal
- The fundamental drivers of the cloud infrastructure recycling remain positive over the medium term. Cloud material shortage is expected to ease in early 2023 and cloud repurposing to return to rapid growth
- As always, there are risks to the materialisation of these positive drivers, particularly in relation to the global uncertainty from geopolitical risks, which have intensified in March. We remain vigilant to macro-economic factors, and the unpredictability of how COVID may evolve

Questions & Answers