



Creating Value by Providing a Pathway to Decarbonisation for our Customers

Geoff Brunsdon – Chairman

Alistair Field – Group CEO & Managing Director

Stephen Mikkelsen – Group Chief Financial Officer

Japan Investor Roadshow
30 August 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, 30 August 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.

Authorised for Release by: the Company Secretary, Gretchen Johanns

ABN 69 114 838 630

Head Office: level 9, 189 O'Riordan Street, Mascot, NSW, Australia 2020





**Strong Corporate
Governance,**
adds to Sims
competitive
advantage



Governance

Sims is a long-established organisation, having been in operation for 104 years

The company has grown primarily through M&A in the last 30 years:

- 1988 - acquired LMC in California
- 1992 - formed JV with Pacific Steel Industries creating Sims Pacific Metals Limited in NZ
- 1998 - completed acquisition of Sims Bird Limited in the UK
- 2005 - merged with Hugo Neu, one of the largest exporters of scrap metal in the US
- 2007 - formed a JV with Adams Steel creating SA Recycling in the US
- 2008 - acquired Metal Management, one of the largest recyclers in the US
- 2021 - announced acquisition of Atlantic Recycling Group and Recyclers Australia

Sims is the largest publicly listed provider of recycled metal by volume in the world. It has operations across 15 countries

Transition from a regional to a functional organisation enables consistency in operations, processes and products – a key requirement for sustainable long-term growth



Governance

Sims Board is responsible for establishing sound and transparent corporate governance culture

Sims Board

- ✓ Is fundamental to fostering investor confidence and driving higher value for shareholders through prudent risk management and a culture that encourages ethical conduct, accountability and sound business practices
- ✓ Provides strategic guidance, sets objectives, monitors performance and validates that Sims' internal control, risk management and reporting procedures are effective

Committees

Risk - Enterprise Risk Management, including climate risk

Nomination/Governance - Ensures the Board comprises individuals who are best able to discharge the responsibilities of directors and represent the interests of the Company and its shareholders

Safety, Health, Environment, Community and Sustainability (SHECS) - fulfilling and discharging SHECS obligations

People & Culture - implementation and maintenance of coherent, fair and responsible work environment that enables it to attract, reward and retain the very best employees

Audit - accounting and financial reporting, internal control structure, internal and external audit functions, and compliance with relevant legal and regulatory requirements

✓ *Say on Climate voting at FY22 AGM*

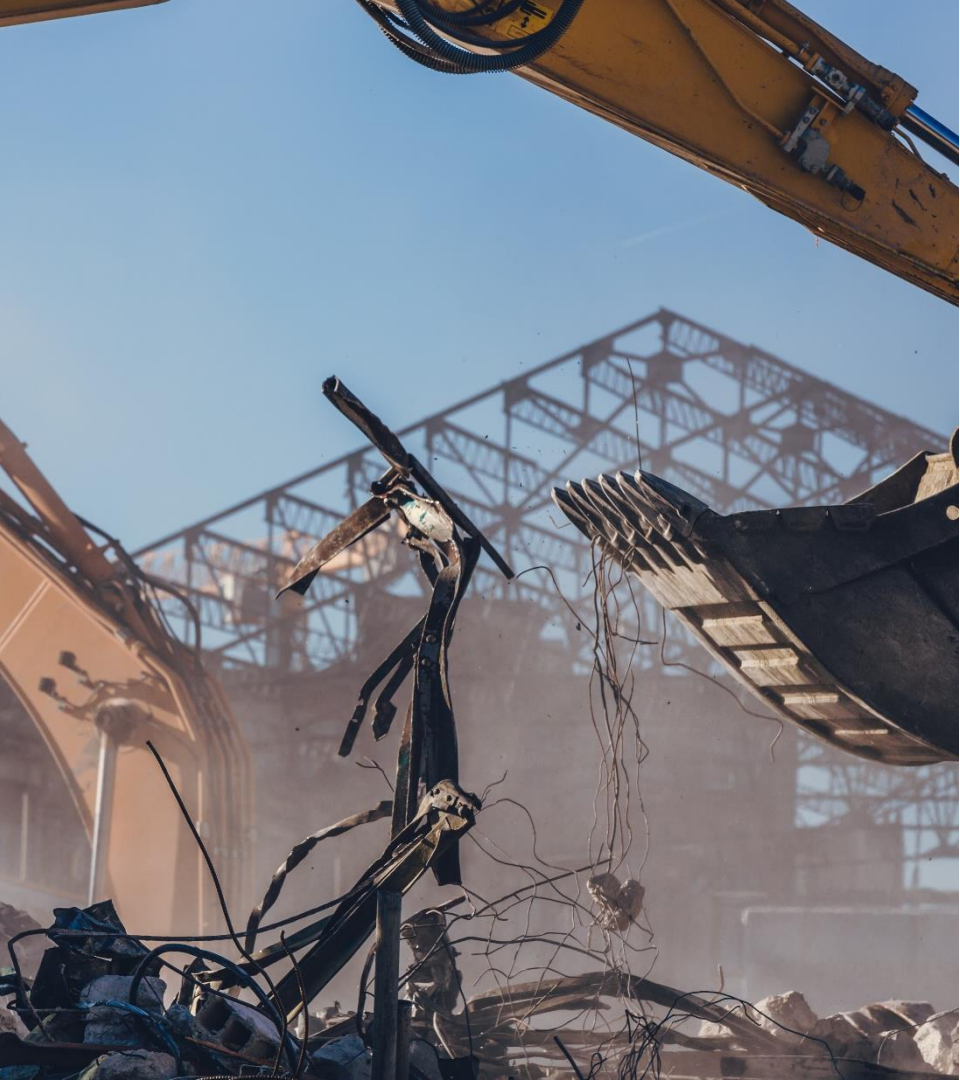
✓ *Actively managing board renewal*

✓ *Recorded the lowest ever Total Recordable Injury Frequency Rate in FY22. 1.1 in FY22 compared to average of the last 7 years of 1.7*

✓ *Enhanced FY22 remuneration disclosures and FY23 remuneration structure*

✓ *Reset of climate targets*





Overview of Sims Limited



Sims Limited

The group at glance

- Publicly listed Australian Company (ASX: SGM; OTC: SMSMY)
- Market capitalisation approximately A\$3.03 billion on 25 August 2022
- FY22 Total sales volumes of 8,106 million tonnes
- FY22 Revenue A\$9,264.4million
- FY22 Underlying EBIT A\$756.1 million
- FY22 Underlying NPAT A\$578.9 million
- FY22 Cash Flow Distribution¹ \$244.7 million



¹Comprising FY22 interim and final dividends and shares repurchased from 15 February 2022 to 18 July 2022



Our Purpose

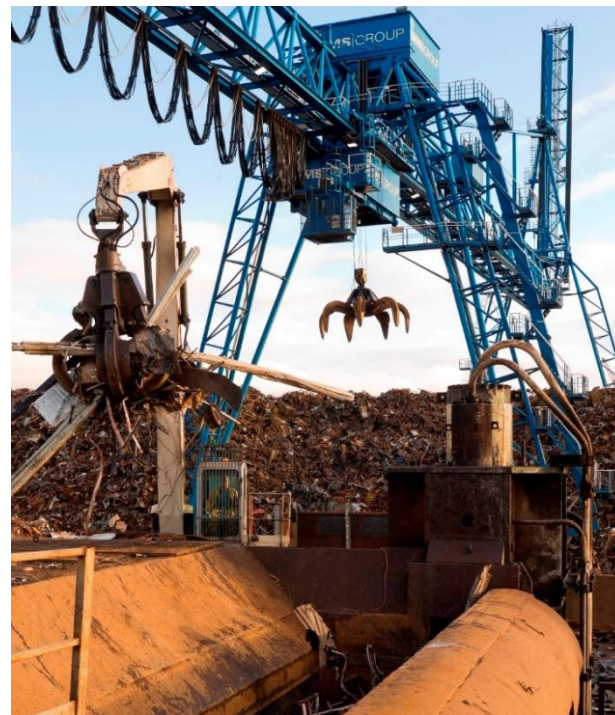
Create a world without waste
to preserve our planet



SIMS
LIMITED

FY22 Segment Overview

FY22	% of Group EBIT ¹
Metal Businesses	73
Sims Lifecycle Services	2
SA Recycling	40
Global Trading	(3)
Corporate & Other	(12)
Total	100%



¹Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges



Integrated Business Model

We provide solutions that solve multi-decade challenges related to decarbonisation and circular economy

Metal Recycling

Buys, processes and sells ferrous and non-ferrous recycled metals



Sims Lifecycle Services

Provides solutions to extend the life of data centre and corporate IT equipment by recognising value in end-of-life electronic assets, components and materials in a data-secure and environmentally sustainable way



Municipal Recycling

Leads urban recycling in New York City and manages a portion of the curbside recycling program for Chicago – two of the largest urban areas in the United States



Resource Renewal

Plans in place to transform the residue material following metals recycling – auto shredder residue (ASR), which currently is landfilled – into useful products for society



Renewable Energy

Sims owns 50% of LMS Energy, Australia's market leader in landfill biogas-to-energy and solar renewable energy



Global Footprint

Extensive network of facilities enables global sourcing of infeed and diversity of sales outlets



Facilities



Shredders

North America Metal



57



12

SA Recycling



123



23

UK Metal



28



4

Australia , New Zealand & PNG Metal



51



8

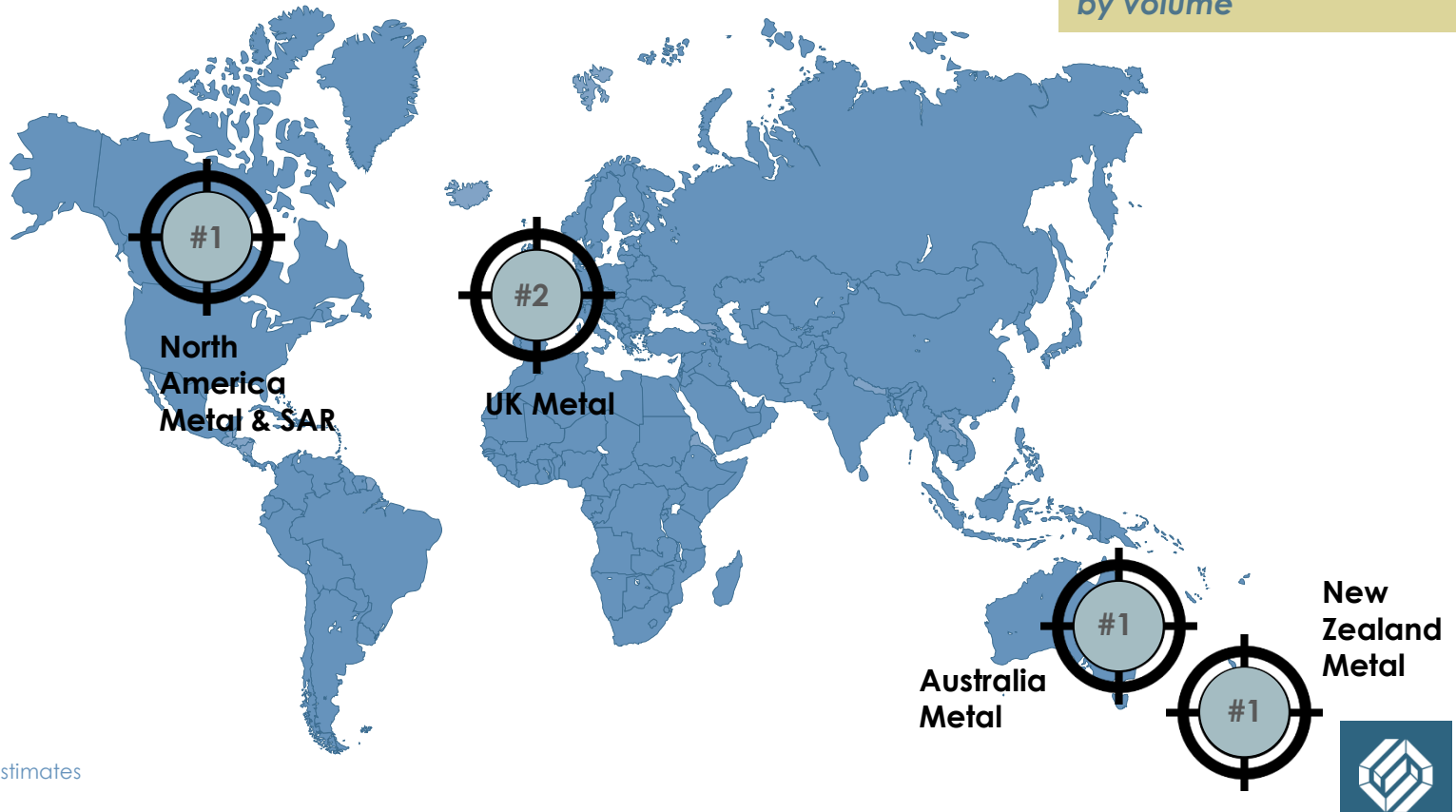
Footprint as of 29 March 2022



Market Leadership Position

We are #1 and #2 in the markets we operate

*We are the world's largest
public recycler of metals
by volume*



Source: Sims' estimates



Structural Market Tailwinds

Create strategic opportunities for Sims



Increased environmental concerns for our customers



More stringent environmental controls lift standards required to operate in the metal recycling industry



Growing demand for recycled copper and aluminum



Higher landfill costs driving an increased focus on waste management



Electrification and energy transition to drive copper and aluminium prices higher



Global push for high quality metals



Increased demand for recycled metal



Increased demand for cloud services



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 share¹ 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

¹World Steel Organisation; Internal Estimates



Sustainability as a Strategy for Growth

Drives the FY25 social, environmental and economic strategic targets¹

Operate Responsibly

Diversity

25% women in senior management

0% gender pay gap

Women on the board $\geq 40\%$

Safety

Total recordable injury frequency rate ≤ 1

Diversify earnings

Generate **10%** of our EBIT from new business models that enable the circular economy

Partner for Change

Metals

9.6 m tonnes of ferrous volumes in favourable geographies

300,000 tonnes of non-ferrous volumes in the US

SLS

Repurpose **8.5 million** units

SMR

Expand coverage by **50%**

Close the Loop

SRR

Process **120,000 tonnes** of ASR per year

Climate

100% renewable electricity

23% reduction in scope 1 & 2 emissions

Sims Energy

Acquire or build **50 MW**

Communities

Invest annually **0.5%** of three-year rolling pre-tax profits in environmental stewardship and economic empowerment projects



To create a world without waste to preserve our planet

¹Table shows summary of targets. For full list, please see slide in the appendix



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 industry¹

Steel produced from EAF emits **83%** less CO₂/tonne compared to BF-BOF²

An electric arc furnace can be charged with **100%** steel scrap. A basic oxygen furnace can be charged with as much as **30%** scrap³

Recycling aluminium saves **97%** of green house gas emissions produced in the primary production process⁴

Recycling copper requires **80% to 90%** less energy than primary production⁵



Source:

¹ World Steel Association

² Responsiblesteel.org

³ World Steel Association

⁴ Alupro

⁵ International Copper Association



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





**Full year ended 30
June 2022**

Delivered a very
strong result



Summary of Financial Outcomes

High-quality result - materially increased sales volume, revenue, and profit. Significantly higher cash flow distribution while maintaining a strong balance sheet.

Sales Revenue
\$ 9,264.4 million



FY21
\$5,916.3 million

56.6%

Underlying¹ EBITDA
\$958.9 million



FY21
\$579.9 million

65.4%

Underlying¹ EBIT
\$756.1 million



FY21
\$386.6 million

95.6%

Underlying¹ NPAT
\$578.9 million



FY21
\$284.1 million

103.8%

Sales Volumes
8,106 million tonnes



FY21
7,225 million tonnes

12.2%

Operating Cash Flow
\$547.8 million



FY21
\$129.4 million

323.3%

Return on Productive Assets³
39.0%



FY21
23.0%

+16.0 pts

Cash Flow Distribution⁴
\$244.7 million



FY21
\$140.3 million

74.5%

¹ Underlying earnings excludes significant non-recurring items, the impact of non-qualifying hedges, and internal recharges

³ Underlying EBIT / average of opening non-current assets and ending non-current assets excluding assets relating to adoption of AASB 16 Leases and deferred tax assets

⁴ Comprising FY22 interim and final dividends and shares repurchased from 15 February 2022 to 18 July 2022.



Business Segment Financial Performance

Near doubling of year-on-year EBIT. Improved volumes driven by NAM and SA Recycling

Trading Margin	FY21	FY22	Change
Trading Margin – Metals (A\$m)	1,071.5	1,539.1	43.6%
Trading Margin – Metals (%)	22.5%	19.9%	(2.6)ppts

Underlying EBIT ¹ (A\$m)	FY21	FY22	Change
Metal Business ²	286.3	550.1	92.1%
Sims Lifecycle Services	21.8	16.3	(25.2)%
SA Recycling	157.8	298.5	89.2%
Global Trading	(17.4)	(20.3)	16.7%
Corporate & Other	(61.9)	(88.5)	43.0%
Underlying EBIT¹	386.6	756.1	95.6%

Sales volumes ('000 tonnes)	FY21	FY22	Change
Metal Business ²	7,225	8,106	12.2%
Global Trading	1,259	1,474	17.1%
Other Brokerage	109	127	16.5%
Total sales volumes	8,593	9,707	13.0%

SAR sales volumes 100%	3,706	4,941	33.3%
Intake volumes ('000 tonnes)	FY21	FY22	Change
Metal Business ²	7,371	8,271	12.2%
Global Trading	1,261	1,474	16.9%
Other Brokerage	110	129	17.3%
Intake volumes	8,742	9,874	12.9%

SAR intake volumes 100%	3,809	4,892	28.4%
--------------------------------	--------------	--------------	--------------

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



Sustainability

Strengthened ESG credentials

Corporate
Knights

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

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

Received maximum AAA rating



Ranked #6 in Sustainability Magazine Top 100 companies in sustainability¹



Included in Financial Times/Nikkei Asia inaugural APAC Climate Leaders List



Terra Carta Seal for creation of sustainable markets¹



Included in Newsweek's list of America's Most Responsible Companies for the second year in a row

Who we work with



Bureau of
International
Recycling



Global Compact
Network Australia



¹Announced in 2H FY22



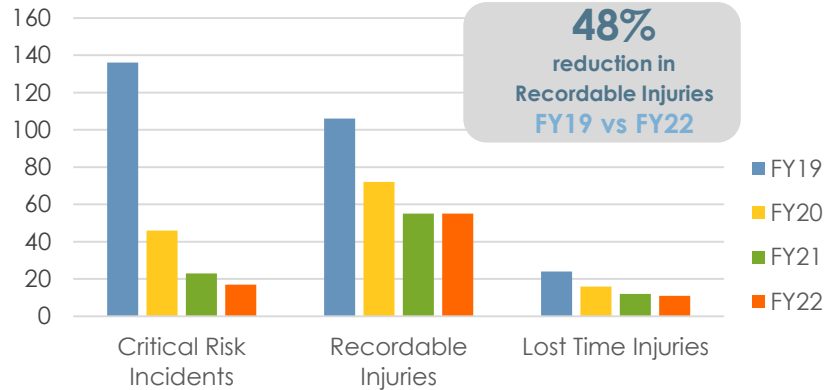


Appendix



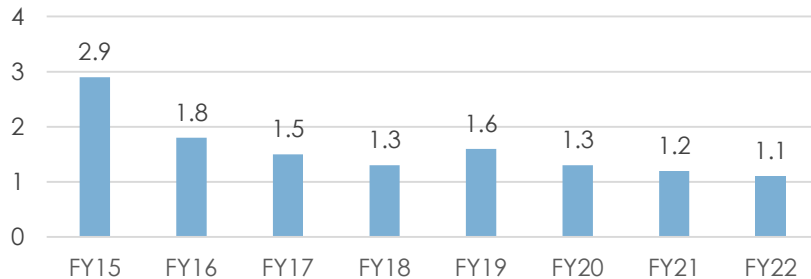
Employee Health & Safety

Strong safety performance with the lowest ever Total Recordable Injury Frequency Rate



- Implementation of the Critical Risk Management strategy delivered sequential improvements since FY19
- Proactive lead indicator programmes focused on control measure improvements resulted in:
 - Lowest number of critical risk incidents ever reported
 - Lowest number of lost time injuries ever reported
 - Lowest Total Recordable Injury Frequency Rate ever reported
- 12,000+ Improvement actions generated – targeted risk focus on traffic management and ergonomics

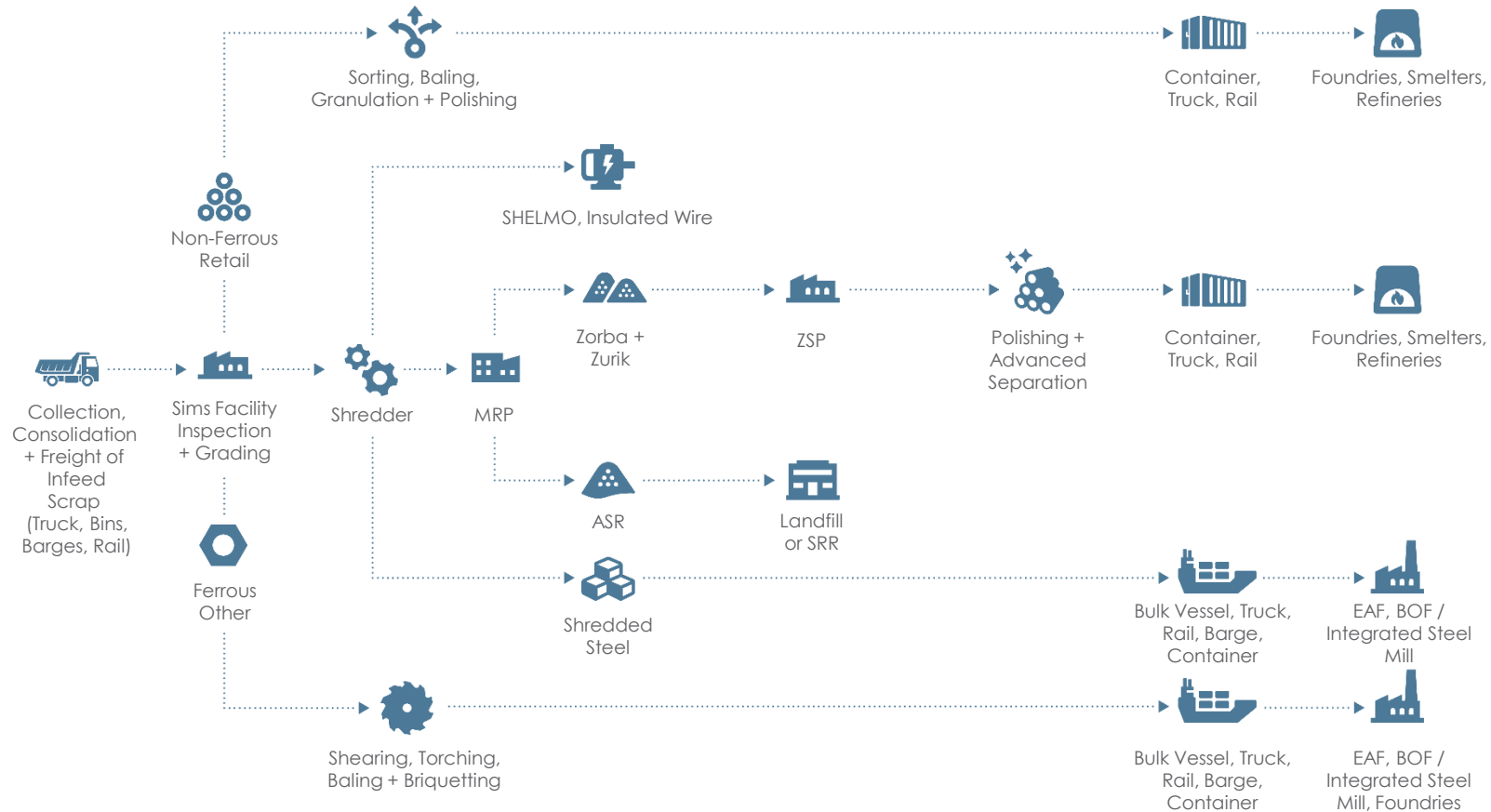
Total Recordable Injury Frequency Rate (TRIFR)¹



¹ Defined as total recordable injuries x 200,000 divided by number of hours worked for employees and contractors



Metal Operations



Driving Accountability and Transparency

2025 and beyond goals defined to measure success

OPERATE RESPONSIBLY



1	Foster a safe work environment	
1.1	Total Recordable Injury Frequency Rate (TRIFR) ≤ 1	●
1.2	Lost Time Injury Frequency Rate (LTIR) ≤ 0.10	●
1.3	Achieve and maintain a safety culture index in the survey top quartile	-
1.4	Eliminate critical safety risks, Critical Risk Incident Frequency Rate (CRIFR) ≤ 0.50	●
2	Close gender gap	
2.1	25% women in manager positions and above (Managers that sit at CEO-1 and CEO-2 in reporting structure)	●
2.2	Reach 0% gender pay gap across Sims Limited	●
2.3	Achieve representation of women on the board $\geq 40\%$	●
3	Develop a skilled and engage workforce	
3.1	Maintain an engaged and satisfied workforce as demonstrated by employee engagement survey results in the top quartile	●
3.2	Invest in education by increasing the number of available career development training programmes by 50% and promoting them	●
3.3	Improve annual employee performance review process to align with Sims Limited's purpose; incorporate role competencies and skills development plan	●
3.4	Ensure management incentive plan is consistent with sustainability goals	●
4	Ensure transparency on how our business is conducted in an ethical manner	
4.1	Train all employees and agents on our Code of Conduct, anti-corruption and anti-bribery policies	●
4.2	Provide all employees with training on human rights, modern slavery and labour rights to raise awareness and help fight human rights violations	●
4.3	Develop a supplier Code of Conduct and implement supply chain due diligence to identify and address high risk of human rights violations and unethical practices	●

● In-progress ● Achieved

CLOSE THE LOOP



5	Become carbon neutral by 2030 and achieve net zero by 2050	
5.1	Reduce Scope 1 and 2 emissions by 23% by FY25	●
5.2	100% renewable electricity by 2025	●
5.3	SLS carbon neutral (scope 1 & 2)	●
6	Achieve no waste to landfill	
6.1	Build resource renewal capacity to transform 120k tonnes of ASR per year into new products	●
7	Close materials loops further by expanding capacity and services	
7.1	Close loops by expanding secondary metal volumes to 9,600k tonnes of Fe and 300,000 tonnes of NonFe	●
7.2	Repurpose 8.5 million units	●
7.3	Expand municipal recycling coverage by 50%	●
7.4	Capture methane from landfills outside Australia and New Zealand (50 Megawatt)	●

PARTNER FOR CHANGE



8	Build trusted relationships with our communities	
8.1	Establish at key sites a community index survey; track progress for continuous improvement	-
8.2	Annually, invest 0.5% of three-year rolling pre-tax profits in programmes that support environmental stewardship and economic empowerment	●
8.3	Dedicate paid employee time for community engagement/volunteerism activities	●
9	Create new business models that further the circular economy	
9.1	Generate 10% of our EBIT from new business models and opportunities that enable the circular economy	●

