SIMS LIMITED

Environment, Health, and Safety Management System Guide

LAST UPDATED: SEPT 2023

Contents


SIMS METAL
KARINA
SIMS METAL

Purpose and Scope

The Sims Limited EHS Management System supports our core values (safety, integrity, respect, transparency, excellence, and social responsibility) by embedding essential components into our structure and business methods. The EHS Management System focuses on the heart of our business, our workforce.

Each system component builds off the next to increase awareness, set expectations, and drive continuous improvement in protecting our people, guests, and the community from environmental, health, and safety risks. This aligns with the Sims' purpose to create a world without waste to preserve our planet.

The EHS Management System provides detailed standardized control measure requirements for Sims operations and the tools required to ensure proper understanding of their use and importance. The systems components also safeguard that Sims leaders never settle with the status quo and that we continue to innovate and improve, ensuring that control measures are effective and best in class today... and tomorrow.

This guide is a resource developed to assist Sims, manage risk, and meet its organizational requirements under EHS laws. Sims is listed on Australia's Stock Exchange. As such, the associated scope of Sims' EHS Management System is developed in line with the Australian Model: Work, Health and Safety Act. This imposes duties on the organization and its leaders, managers, and workers.

In line with the Australian Model: Work, Health and Safety Act, this document presents transparent information to Senior Business Leaders (referred to as 'officers' in the Act) about the responsibility concerning health and safety risks to employees and contractors and describes arrangements in place to manage those risks through 'due diligence' duties properly.

Jurisdictional References

Although citing Australia's requirements, this document is designed to meet the requirements of the jurisdictions in which we operate, including:

- Model Work Health and Safety Act 2011 (Australia)
- Health and Safety at Work Act 2015 (New Zealand)
- Section 217.1 Act and Regulations/Criminal Code (Canada)
- Occupational Safety and Health Act 29 CFR (United States)

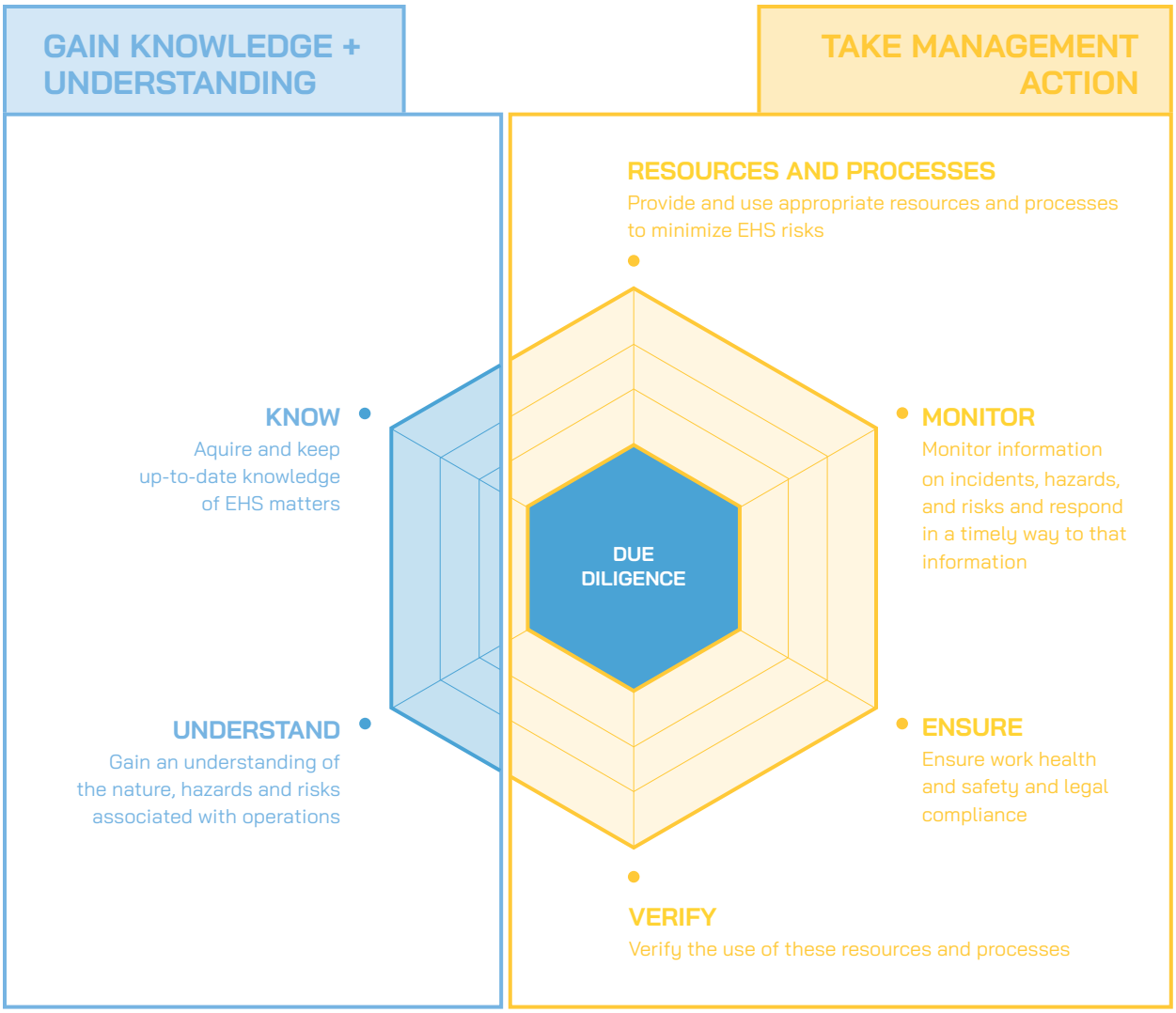
Responsibilities and Duties

Senior Business Leaders

Senior Business Leaders have high workplace health, safety, and environmental responsibility. A Senior Business Leader is an employee who can formulate company policies (which are also reviewed and agreed upon by the Executive Leadership Team), make or participate in making decisions that affect the whole or substantial part of the business, can significantly affect the corporation's financial standing; or is a person by whose instruction or wishes the management and employees are accustomed to act. They are the people who have significant decision-making ability and financial control over those conducting the business, and as such, have to demonstrate due diligence or duty of care in protecting both people and the environment throughout the company's operations.

Duty of Care

- Senior Business Leaders must demonstrate Due Diligence, as outlined in the following graphic.
- Senior Business Leaders must also give adequate information to each person who the business affects in order to prevent risks to the health and safety of people and damage to the environment.



Reasonably Practicable

Senior Business Leaders are responsible for managing risk 'so far as is reasonably practicable'. Sims applies this principal to managing EHS risk in its global operations.

'Reasonably practicable' in relation to a duty of care to protect employees' and visitors' health and safety, as well as the environment, means that at a particular time, leaders reasonably protected health, safety, and the environment, taking into account and weighing up all relevant matters including:

1. The likelihood of the hazard or the risk concerned occurring;
2. The degree of harm that might result from the hazard or the risk;
3. What the person concerned knows, or ought reasonably to know, about the hazard or risk, and about the ways of eliminating or minimizing the risk;
4. The availability and suitability of ways to eliminate or minimize the risk; and
5. The cost associated with available ways of eliminating or minimizing the risk, including whether the cost is grossly disproportionate to the risk.

See Risk Management section under EHS Management System Strategies for more details.

Management and Supervisors

Management and supervision are accountable for implementing Sims policies, standards and procedures in their area of responsibility.

Consultation and Worker Involvement

Managers and supervisors actively participate in employee involvement and consultation on EHS matters using EHS Management System tools that record and monitor continuous improvement measures. This includes a documented process for dealing with health, safety, and environmental issues, resolving issues if they arise, and providing feedback to those affected.

Employee representatives and groups are consulted and involved in decisions that impact worker health, safety, or the environment. Not only is this generally a requirement in most jurisdictions, but our workers have a vast wealth of experience to draw on when designing workplaces and work activities for safety and minimizing our environmental impact. Sims EHS Management component TRAINING requires leadership to complete training called COMMIT TO CARE that teaches leaders how to foster psychological safety and build trust-based relationships with personnel, leveraging effective communication methods and using EHS tools that incorporate employee engagement.

EHS Personnel

EHS is functionally aligned to maintain consistency and focus on company goals and improvement objectives. EHS personnel comprises of predominately environmentalists, industrial hygienists, and safety professionals.

Their role within the organization consists of:

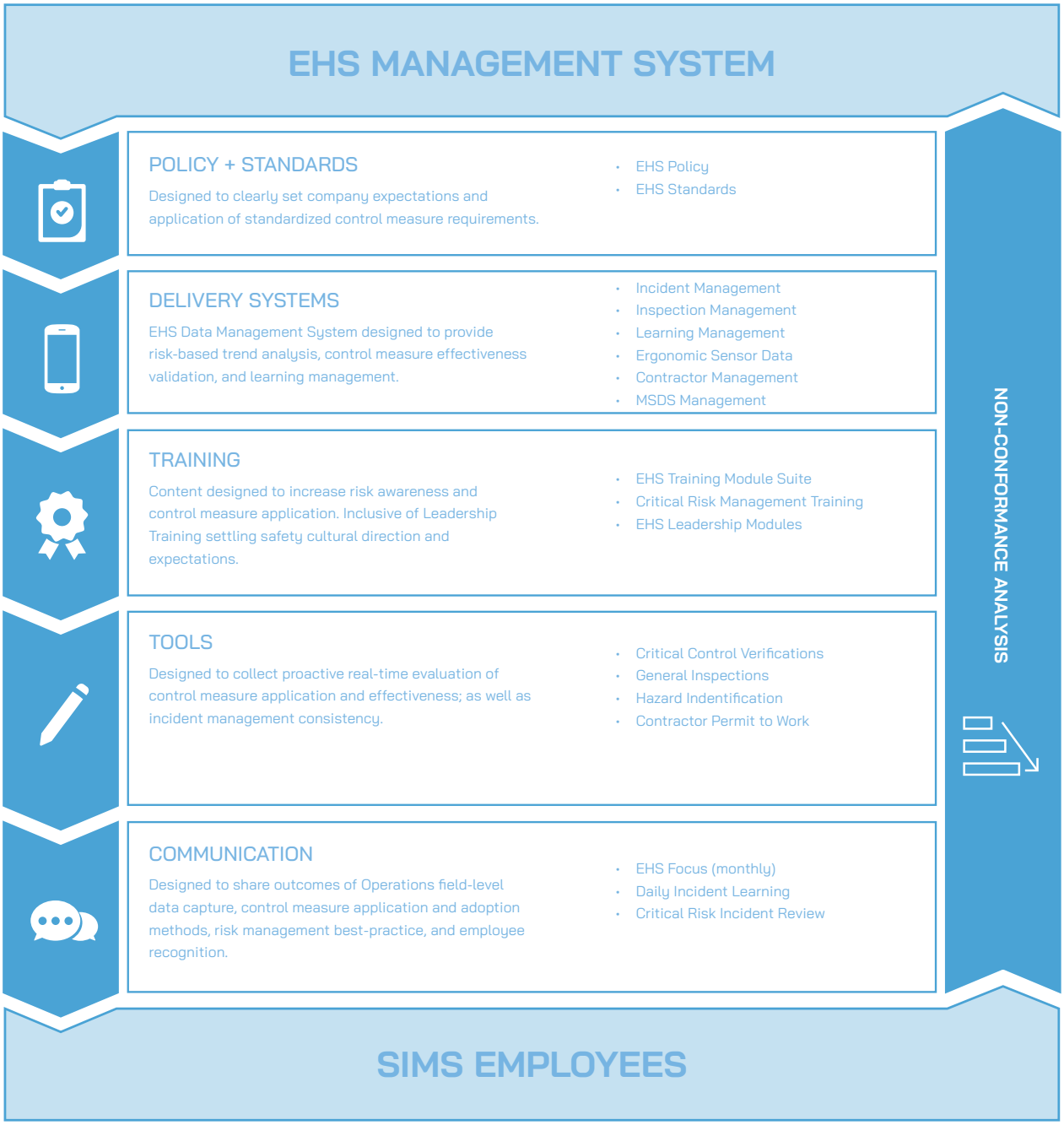
- Mentoring, coaching, and advising supervisors, managers, and Senior Business Leaders
- Assessing risk within the business and raising risk awareness
- Providing guidance on best-in-class control systems across the Sims group
- Researching and testing opportunities for continuous improvement
- Monitoring the effectiveness of Standard requirements, associated control measures, and processes

These elements drive consistency throughout the organization and provide clear reporting lines to drive accountability.

EHS Management System Components

Sims' EHS Management System is a global system designed to set up Sims employees for EHS success within their positions. Each element builds upon the next, driving increased understanding and expectations. Accountability is the key component that ties the management system together with a transparent flow of information to the company's Senior Business Leaders.

This management system, shown in the infographic below, applies to all company personnel, including those from business acquisitions, Joint Ventures, where Sims is the operating partner and other newly created businesses.



Standards and Guidance

Policies

Safety is a core value at Sims. It is an area identified by the Board, its Chief Executive Officer, and the Executive Leadership Team as one where relentless focus is needed to minimize serious risks to the workforce and environment. Sims' policy for health, safety, and environmental management commits the organization to eliminating or minimizing risks to the safety of workers and others, with a clear focus on fatal risk prevention, called Critical Risk Management, as well as protection of the environment, as outlined in the Board of Directors Commitment Letter and reinforced by the CEO and Executive Leadership Team Commitment Letter.

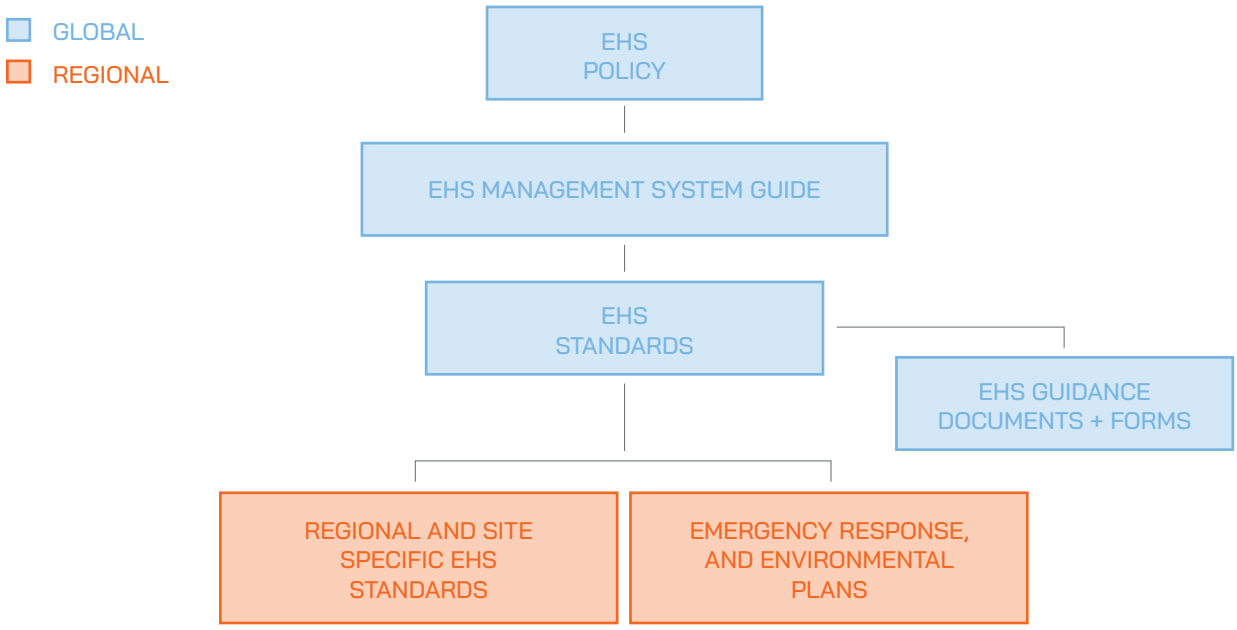
Standards and Guidance Documents

Standards and Guidance Documents are designed so employees, contractors, suppliers, and other third parties fully understand EHS control measure requirements and protection methods. Each requirement is illustrated through pictorial representations to support understanding. These fundamental documents are drafted through a review process that includes EHS representation, operational leader, and 'end-user' field employees of various backgrounds and experience across Sims' global business.

Hierarchy of EHS Documents

The hierarchy of EHS documents clarifies the purpose of each document, prevents redundancies, and provides a clear understanding of the hierarchy of documentation within the EHS management system. The following graphic represents Sims hierarchy:

HIERARCHY OF EHS DOCUMENTS DIAGRAM



All Group EHS documentation is posted to the EHS page of MySims.

Delivery Systems

Delivery systems refer to the digital platforms and programs that centralize Sims' EHS data and support continuous improvement programs. These systems capture, measure, support analysis, and report on EHS data and performance. They measure key performance indicators, manage incidents and compliance, and track training. They also provide transparency into EHS data through dashboards and drive accountability for completing program requirements. The use of these delivery systems is mandatory across Sims sites globally. Additional systems are utilized to assess ergonomic risks through body sensors. Data captured to evaluate process risk and corrective action effectiveness, giving business leaders the confidence to further invest in best-in-class control measures. Delivery Systems also support contractor management through Sims induction and training, site access monitoring, and permit-to-work management.

Key Performance Indicators (KPI)

KPI data is held within Sims data management system through digital online dashboards, which are updated with both leading and lagging information from around the globe. This data tracks individual performance with respect to completion of key EHS programs, such as critical control verifications, corrective action generation and completion to name a few. Dashboards for the lead indicators are presented several times each month to participants in the program increasing transparency and accountability.

Leading indicator programs are proactive continuous improvement initiatives focusing on business risk areas, reducing risk profiles before incidents occur. Leading indicator programs include performing regular inspections, creating and completing corrective actions, or completing EHS training. Lagging indicators are measures of EHS performance and include the number of employee injuries, the number of environmental incidents, and incident rates.

The KPIs shown below are examples of indicators Sims uses to track and measure performance, determine improvement, and drive desired outcomes.

- **Critical Control Verification** (leading indicator) inspections require participants to verify the effectiveness of Sims' current controls on a regular schedule.
- **Corrective Action Completion** (leading indicator) drives those who are assigned actions to complete corrective actions by determined deadlines.
- **Training Completion** (leading indicator) tracks that assigned safety training is completed in the allotted
- timeframe, ensuring no employee falls through the cracks.
- **General Site Inspection** (leading indicator) completion requires each site to be inspected monthly for minimum EHS standard requirements. This metric holds participants accountable for capturing data from the inspections in the system. This facilitates the analysis of trends.
- **Hazard Identification** (leading indicator) is monitored to ensure employees recognize and report hazards that pose risks to people, the environment, and property.
- **Critical Risk Incident Rate** (leading indicator) includes all incident and near-miss events with the highest potential severity risk. It drives focus on the effectiveness of controls and leads to continuous improvement in these areas of high risk.
- **Total Recordable and Lost Time Injury Rates** (lagging indicator) are used as benchmarks to validate that efforts made in leading indicator safety programs are working as designed to decrease incident experience. Recordable injuries are where an injury requires treatment from a medical professional above first aid. Lost Time injuries are when workers cannot return to work their next shift after an injury.
- **Incident Causation Dashboards** (lagging indicator) monitor incident experience based on incident causes, not treatment, as does the above incident rates. Incident Causation Dashboards clarify a specific area's risk profile, allowing leaders to target risk with improved corrective measures.

Training

EHS training modules are focused on end-user requirements found in the EHS Standards. They provide vital information on the critical risks in the business and the associated controls needed to protect employees, contractors, and site visitors. Examples of courses in the EHS training suite include Introduction to Critical Risk Management, Fire Prevention and Response, Traffic Management, Fall Prevention, etc.

EHS-related training records are managed online through the company's learning management system called Sims University. The system notifies employees of new training assignments, tracks training completion, and sends past-due notifications.

EHS has also provided the business with internal leadership courses that focus on trust-based relationship building between management and employees through psychological safety principles.

EHS Tools

Integrated into the leading indicator programs are the associated EHS tools used to drive continuous improvement and mitigate risk. These include digital general site inspections and critical control verifications, hazard identification tools, risk registers, and permits to work.

Over the years, the critical control verification tool library has grown as operational personnel identify new potential risks through the monthly inspection requirement. This drives further control measure enhancement, awareness, and increased reporting.

EHS tools, including due diligence checklists, have been developed to integrate new acquisitions and mergers (A&M) into the business. A&M is an example where all components of the EHS Management System come into play. An A&M Integration Standard has been designed to ensure utilization of all delivery systems, specific checklists and CCV tool focuses, training module application, corrective action assignment and increased communication cadences.

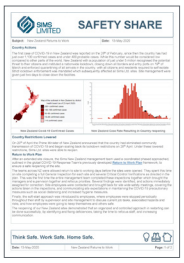
An Incident Management toolkit provides tools designed for a consistent method of incident investigation, analysis, risk rating, and corrective action development. These allow Sims management to understand and analyze causal factors that led to an incident and provide a comprehensive and transparent way to address findings and correct performance. Sims utilizes a single set of incident classification standards to drive global consistency with injury classification.

Communication

Communication is key in pulling each EHS Management System element together and in fostering a no-harm environment. Reporting and safety messaging come in several forms:

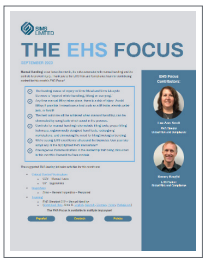
- **Daily incident report:** This report is automated through the data management system, delivering details of global incidents from the previous day. It provides increased transparency into incidents that have taken place throughout the organization and allows site leaders to evaluate similar risks on their sites immediately.
- **Incident Learning:** This report outlines critical risk incident investigation findings and key learnings, which include corrective actions; it is distributed globally.
- **EHS Focus:** is provided monthly, providing the risk theme of the month, the associated control measures outlined in the EHS standard, assigned training, critical control verification, and general inspection requirements for the month. The EHS Focus report also presents employee recognition awards issued regionally.
- **Monthly Lead Indicator Report:** This report provides progress against leading indicators and drives accountability by listing participants within the global lead indicator programs and their up-to-date completion rates.
- **Safety Share & Environmental Learning:** These reports are distributed globally and share the proactive use
- of the EHS Management System components and control measure success stories designed to inspire and motivate employees.

DAILY INCIDENT REPORT



SAFETY SHARE

INCIDENT LEARNING



EHS FOCUS

ENVIRONMENTAL LEARNING

Non-Conformance Analysis

The EHS function performs reviews across components of the EHS Management System and their application in the field to validate "we do what we say we do." For example, requirements within standards are challenged for ease of application and understanding and their applicability and adherence to the requirements assessed. Third-party employee safety perception surveys are regularly distributed to gauge use and understanding of the EHS Management System components.

Consistency and Quality Assurance

Measuring performance is key to driving continuous improvement. From an EHS perspective, consistency in classifying incidents and their associated risk ratings is needed to measure, prioritize focus, and enhance performance. Global consistency is achieved by applying Sims' developed incident review protocols. A committee reviews all incident entries and all associated incident risks regularly. Committee members use easy-to-follow tools to drive consistency and quality in EHS reporting, such as the Incident Consequence Table, which supports the consistent assignment of incident risk rating. These items are further assessed and validated through periodic Internal Audit reviews.

The ongoing review and monitoring of the management system and Sims' EHS performance indicators allows for continuous improvement opportunities, such as improving control effectiveness, standardizing preferred practices globally, and addressing non-conformance with standards and other management system components. EHS findings are captured in the company's delivery systems to allow for transparency, sharing of learnings, and consideration of these findings in Sims' EHS programs. Every Sims employee and visitor has a part in driving continuous improvement.

EHS Management System Strategies

EHS strategies include action plans designed to achieve specific EHS goals. Each EHS Management System component supports these goals. These strategies embed company requirements and expectations into operating rhythms. The following represent essential EHS strategies designed for consistent application globally.

Risk Management

Risk Management is a core element for preventing or minimizing EHS harm. Sims' risk management guidance documents, such as Safe Work Procedures and Job Safety Analysis, are used to:

- Identify safety, health and environment hazards in all business activities
- Assess the risks posed by those hazards to people and the environment
- Apply suitable controls to eliminate or mitigate those risks to an acceptable level
- Monitor effectiveness of controls and adjust where necessary

Sims tools are in place for identifying and managing risks from routine and non-routine activities. Risk is assessed at all levels in operations, using, for example:

- Safe Work Procedures (SWP) outline process tasks utilizing best-in-class control measures. A global suite of SWPs is designed to drive a consistent approach to high-risk tasks such as fire response.
- Job Safety Analysis (JSA) is utilized when new conditions or variables are not outlined in the SWP. A team of Ops and EHS personnel review the situation and draft additional process and control elements on the JSA.
- Organizational risk registers to capture and communicate key risks
- Front-line operational risk tools, such as Hazard Identification, a series of risk specific General Inspections and Critical Control Verifications

Risk Management is part of the normal operating rhythm for Sims' operational business leaders and their teams, who are accountable for and apply risk management to all aspects of operations.

Critical Risk Management

Sims focuses on those activities entailing fatal or serious injury risk potential and operates a Critical Risk Management program in all operating businesses. This essential program is focused on what is most important: preventing fatal and disabling injuries. The Critical Risk Management program is designed to protect the lives of Sims' employees and visitors. This is the most important program for every Sims employee to understand and participate in. Whether working in an office, or in one of Sims' yards or facilities, understanding the critical risks within the business, and more importantly our critical control measures, saves lives. These critical risks, representing the most common potentially fatal risks, were identified by studying over a decade of incident data at Sims. With this knowledge, Sims employees are armed with the tools needed to drive continuous improvement, enhance control measures, and mitigate as much as possible these potential incidents from happening.

VEHICLE TO PEDESTRIAN

VEHICLE TO VEHICLE

VEHICLE ROLL-OVER

FALL OF PERSON

FALL WHILE CLIMBING

FALLING OBJECTS

STACKED AND STORED MATERIALS

MANUAL TASKS

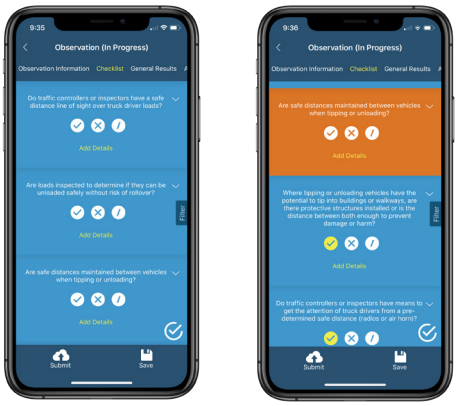
ROTATION AND MOVING PARTS

ELECTRICAL ENERGY

HAZARDOUS ENERGIES

COMPRESSION ENERGY

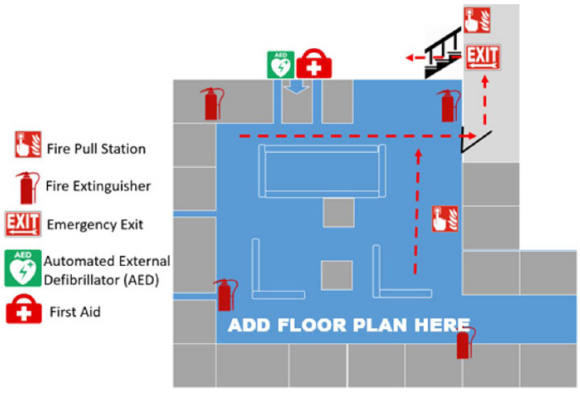
Through focused micro inspections called Critical Control Verifications, Senior Business Leaders, managers, and supervisors inspect to confirm controls are in place and evaluated for effectiveness. This data is collected and used to assess the design and effectiveness of the safety controls, and then used to standardize most suited controls globally.



Emergency Response

Emergency Action Plans have been developed to address each phase of a potential emergency. In the event of an emergency, the emergency action plans will be utilized to determine what effective controls must be applied and associated direction. Emergency Action Plans are an EHS Standard requirement at each Sims facility, with requirements to include location-specific risks and action measures. Emergency Action Plans and protocols are regularly reviewed, and roles and responsibilities are defined.

The Fire Prevention and Response EHS Standard includes specific requirements and guidance for site emergency response, including emergency drills, testing of alarms, and firefighting response systems.



Escalation of emergencies is outlined in Emergency Action Plans, which include the contacting of senior management and Corporate Communication personnel for additional support. In the event of a crisis situation, control measure determinations will be made by either a regional or global response team. The response team will contain EHS, HR, Corporate Communications, Legal, Operations, and other team members as applicable.

Depending on the type and size of the crisis, communication to site management will be delivered through direct communication, and supporting collateral will be posted on dedicated EHS sections of the company's intranet. As appropriate, communication efforts will be generated at either a group, regional, or site level. Proactive lower-risk emergency response plans and procedures are in place at a regional and site level and are regularly tested, reviewed, and updated. Responsibility for control of emergency situations has been assigned to specific individuals to communicate this information to all workers and visitors. Employees receive training and practice in emergency procedures appropriate to their allocated emergency response plans.

Occupational Health Management

Sims manages several unique occupational health challenges that are not only covered in the Group EHS Standard 015 – Occupational Health, but also require various individual and site-specific guidelines, training and monitoring tools.

Exposure monitoring is performed on sites with fixed or mobile monitoring equipment that will indicate onsite exposure to nuisance noise and dust. Control measures such as hearing conservation, exposure prevention methods, and respiratory protection and training are applied.

Inbound material risks are managed through various control measures such as inbound material inspection and acceptance protocols, including potential asbestos risks, blood-borne pathogens, and radiation risks unique to Sims' business. Employees may also be exposed to heat and cold stresses. Through Sims Standard requirements and awareness training, employees are prepared to protect themselves from these additional challenges.

Environmental Management

The EHS function has supplied dedicated environmental specialists to each region to drive continuous environmental improvement and meet our local compliance obligations. A global Environmental Management Committee has also been assembled to drive standardization efforts and build and manage company-wide environmental deliverables such as environmental training, Standard updates, and Aspects and Impact registers. Site management and supervision work closely with EHS and environmental specialists to maintain environmental compliance.

Environmental tasks include:

- Completion of Aspects and Impacts registers, collaborating with site leaders.
- The EHS data management system collects and manages environmental data, including local environment compliance obligations, permitting, monitoring tools, and sampling data.
- Working with regulators to address any environmental concerns and participate in discussions on regulatory changes that may impact our industry
- Listening and responding to community environment concerns
- Completing General Site Inspections and Environmental Critical Control Verifications that identify risks, evaluate controls, and capture key compliance requirements. These inspections focus attention on the following:
    - Spill prevention, control, and countermeasure site requirements
    - Fuel/oil management and secondary containment
    - Hazardous material management
    - Surface water management
    - Radiation detection systems
    - Noise monitoring and controls
    - Dust management

The EHS Standard 019 – Environmental Management outlines these environmental site requirements. In line with our purpose to create a world without waste, Sims and its employees understand that they are stewards of our natural world and should act accordingly to preserve it for future generations.


CAUTION
MOBILE CRANE
IN OPERATION


SIMS
LIMITED