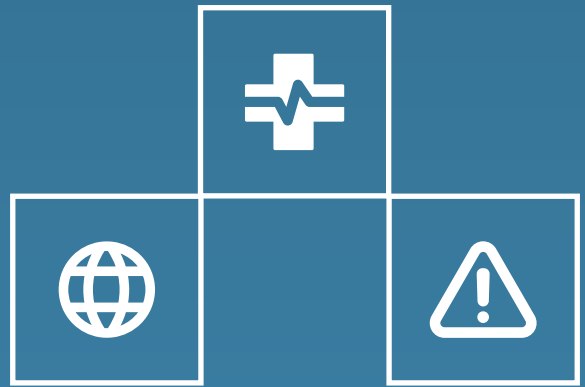




Environment, Health, and Safety Management System Guide



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Purpose and Scope

The Sims Limited (Sims or the company) EHS Management System supports our core values (safety, integrity, respect, transparency, excellence, social responsibility), defines our global EHS strategic elements, and directs Sims operations in protecting our people from health and safety risks and the community from environmental impacts. This is in line with the Sims purpose to create a world without waste to preserve our planet. We are stewards of our natural world and should act accordingly to preserve it for generations to come.

The EHS Management system provides a framework and key requirements for Sims operations globally including joint ventures where Sims is the operating partner. This guide is a resource and is developed to assist Sims, manage risk, and meet its organizational requirements under EHS laws.

Sims is listed on Australia's Stock Exchange and 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 with respect to health and safety risks to employees and contractors, and describes arrangements in place to properly manage those risks through 'due diligence' duties.

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)
- Health and Safety at Work etc. Act 1974 (United Kingdom)
- Occupational Safety and Health Act 29 CFR (United States)

Responsibilities and Duties

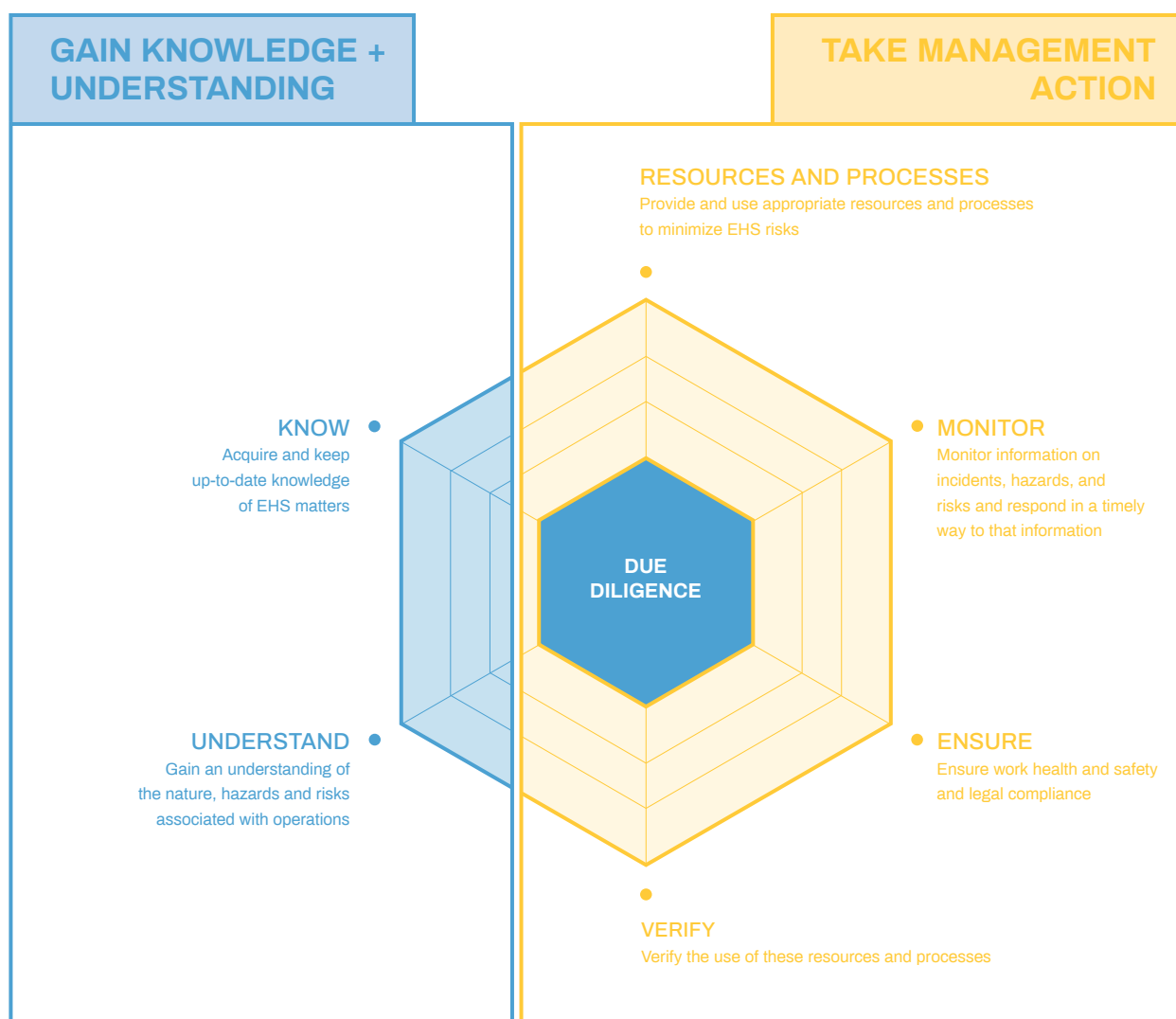
Senior Business Leaders

Senior Business Leaders have a high level of workplace health, safety, and environmental responsibility. A Senior Business Leader is an employee who can formulate company policies (which are also reviewed and agreed by the Executive Leadership Team), make or participate in making decisions that affect the whole or substantial part of the business; has the capacity to affect significantly the corporation's financial standing; or is a person in accordance with 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 in protecting both people and the environment throughout the company's operations.

Due Diligence

- 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 risk 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 to protect health, safety and the environment, means that which is, or was at a particular time, reasonably able to be done to protect 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 maintain active participation for employee involvement and consultation on EHS matters. This includes a documented process for dealing with health, safety, and environmental issues, resolving disputes if they arise, and providing feedback to those affected by the issue.

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, our workers have a vast wealth of experience to draw on when designing workplaces and work activities for safety, as well as minimizing our impact on the environment.

EHS Personnel

EHS personnel comprises of environmentalists, industrial hygienists and safety professionals. Their role within the organization consists of:

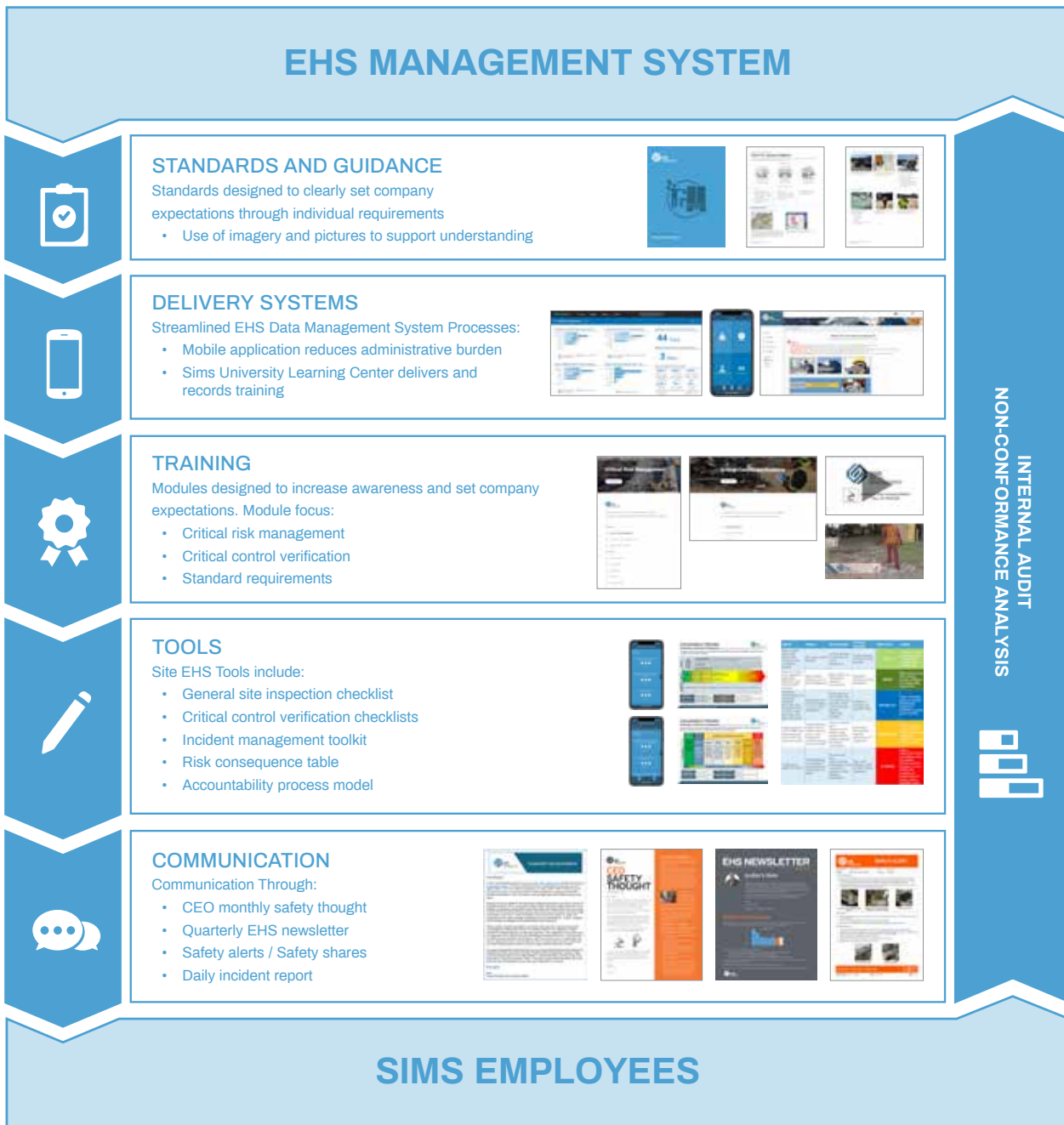
- Mentoring, coaching and advising supervisors, managers and Senior Business Leaders
- Sharing best practices across the Sims group
- Researching and testing opportunities for improvement
- Monitoring effectiveness of standards, processes and improvement initiatives
- Inspecting for conformance to company EHS standards and regulations

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 to be safe and successful in their positions. Each element builds upon the next with respect to EHS 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 and is an area identified by the Board, its Chief Executive Officer and the Executive Leadership Team as one where relentless focus is needed to maintain a no-harm work environment at all times. Sims' policies for health, safety and environmental management commit the organization to eliminating or minimizing risks to the safety of workers and others, and to the environment, as outlined in the Board of Directors Commitment Letter and reinforced by the CEO and Executive Leadership Team Commitment Letter.

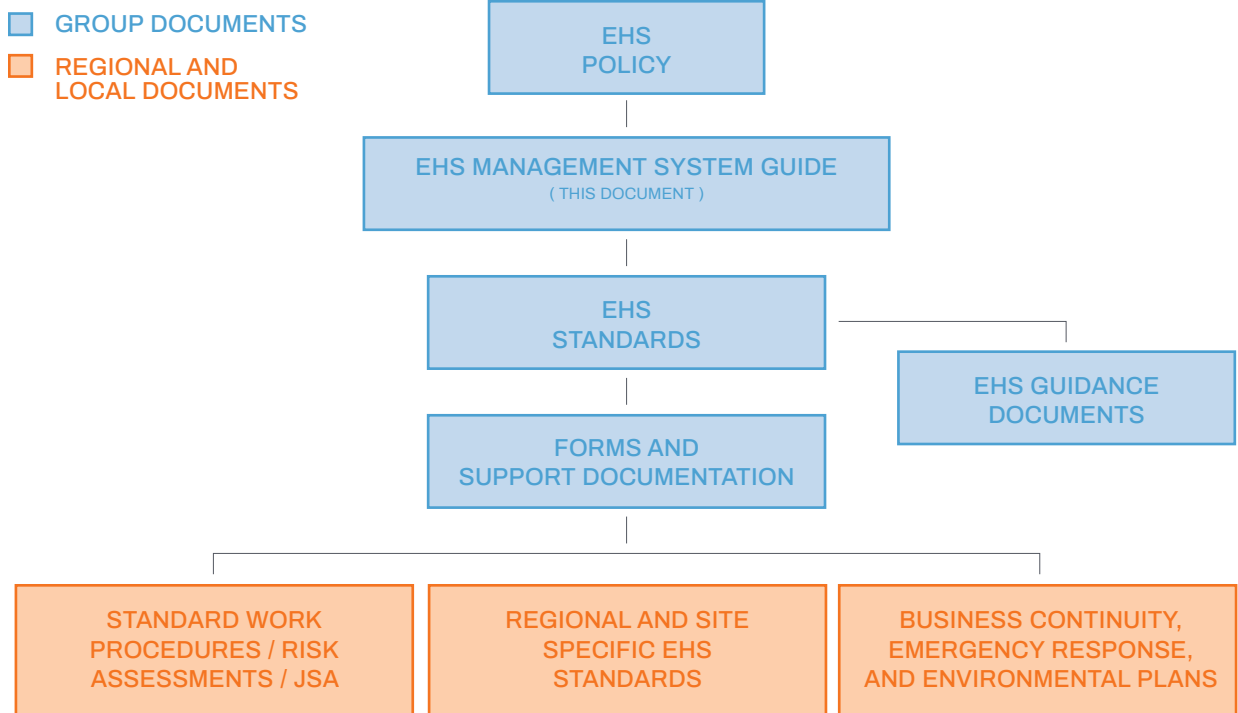
Standards and Guidance Documents

Standards and Guidance Documents are designed so that employees, contractors, suppliers, and other third parties fully understand EHS requirements. Each requirement is illustrated through pictorial representations to support understanding. These fundamental documents are drafted through a review process that includes 'end-user' field employees of various background 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 the Sims Group Intranet.

Delivery Systems

Delivery systems refer to the digital platforms and programs that centralize Sims' EHS data. These systems are used to capture, measure, and report on Sims' EHS performance. They allow trend analysis to be conducted, measure key performance indicators, manage incidents, and track training. They provide transparency into EHS data and performance and drive accountability for EHS performance. The use of these delivery systems is mandatory across Sims sites globally.

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 indicators are actions that will lead to better EHS outcomes. These include performing inspections, creating and completing corrective actions, or completing EHS training. Lagging indicators are measures of EHS performance and include number of employee injuries, 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** inspections require participants to verify the effectiveness of Sims' current controls on a regular schedule.
- **Corrective Action Completion** drives those who are assigned actions from general inspection or critical control verification findings to complete corrective actions by determined deadlines.
- **Training Completion** tracks that assigned safety training is completed in the allotted timeframe, ensuring no employee falls through the cracks.
- **General Site Inspection** completion requires each site be inspected monthly for minimum EHS standard requirements. This metric holds participants accountable to capture data from the inspections in the system. This facilitates the analysis of trends.
- **Total Recordable and Lost Time Injury Rates** are used to validate efforts made in safety programs and if they are working to decrease incident experience. Recordable injuries are where an injury requires treatment from a medical professional above first aid. Lost Time injuries are where a worker cannot return to work their next shift after an injury.
- **Critical Risk Incident Rate** focuses on those incidents that have the highest potential severity risk. It drives focus on the effectiveness of controls and leads to continuous improvement.

Training

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. This training drives understanding of the company's requirements and expectations. Example of courses include Introduction to Critical Risk Management, Hazard and Risk Assessment, and Emergency Response.

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 Tools

A number of tools are at the disposal of Sims' global EHS and operations teams. Key tools are used in identifying and mitigating EHS risks. These include risk registers, assessments and checklists (such as pre-start checklists and non-routine task assessments) which are used to identify, report and address risks and hazards noted. Other EHS tools such as digital General Site Inspections and Critical Control Verifications are designed to maintain standard requirements, identify non-conformances and monitor actions for closure.

An Incident Management toolkit provides 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 provides for 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.

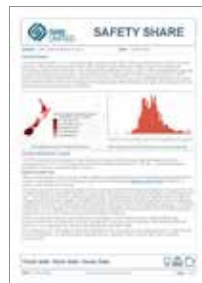
Communication

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 that have occurred from the previous day. It provides increased transparency into incidents that have taken place throughout the organization.
- **Safety Alert:** this report expands on details originally seen in the daily incident report, including findings and key learnings, and is distributed globally.
- **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.
- **CEO Safety Thought:** this globally distributed document is a platform for the CEO to discuss health and safety topics, and proactively address health and safety issues.
- **EHS Newsletter:** this newsletter highlights progress on EHS initiatives and updates on milestones achieved. It is produced by the VP of EHS and includes updates from Safety, Health, Environment, Compliance, and Sustainability (SHECS) and operations employees.
- **Safety Share:** this report is distributed globally and share the proactive use of the EHS Management System and success stories, designed to inspire employees.



SAFETY
ALERT



SAFETY
SHARE



EHS
NEWSLETTER



CEO SAFETY
THOUGHT



DAILY INCIDENT
REPORT

Internal Audit

Internal Audit performs reviews across components of the EHS Management System as well as 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, as well as for their applicability and adherence to the requirements assessed.

Consistency and Quality Assurance

Measuring performance is key to drive continuous improvement. From an EHS perspective, consistency in classifying incidents and their associated risk ratings are needed to measure, prioritize focus, and enhance performance. Global consistency is achieved through the application of Sims’ developed incident review protocols. A committee reviews all incident entries and all associated incident risks on a regular basis. Easy-to-follow tools are used by committee members to drive consistency and quality in EHS reporting such as the Incident Consequence Table, which supports consistent risk ratings. 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 allows for continuous improvement opportunities, such as improving effectiveness of controls, standardizing of preferred practices globally, and addressing non-conformance with standards and other components of the management system. 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 to play to drive 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 the prevention or minimization of EHS harm. Sims’ risk management system and tools 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

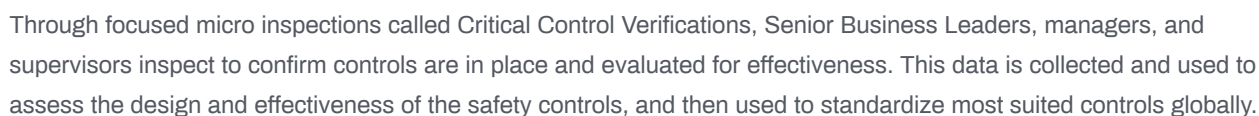
Sims operations have systems in place for the identification and management of risks from routine and non-routine activities. Risk is assessed at all levels in operations, using for example:

- Organizational risk registers to capture and communicate key risks
- Operational risk assessments for business activities or facilities
- Front-line operational risk tools.

Risk controls are identified and managed through tools such as Standard Work Procedures, Risk Assessments, and Job Safety Analysis (JSA), which provide front-line workers with a clear understanding of controls and expectations.

Risk Management is part of the normal rhythm of Sims’ operations and business leaders and their teams are accountable for ensuring risk management is integrated into all aspects of operations.

Whether working in an office, or in one of Sims' yards or facilities, understanding the critical risks within the business saves lives. These critical risks, which represent the most common potentially fatal risks, were identified by studying 10 years of incident data at Sims. With this knowledge Sims employees are armed with the tools needed to mitigate as much as possible these potential incidents from happening.

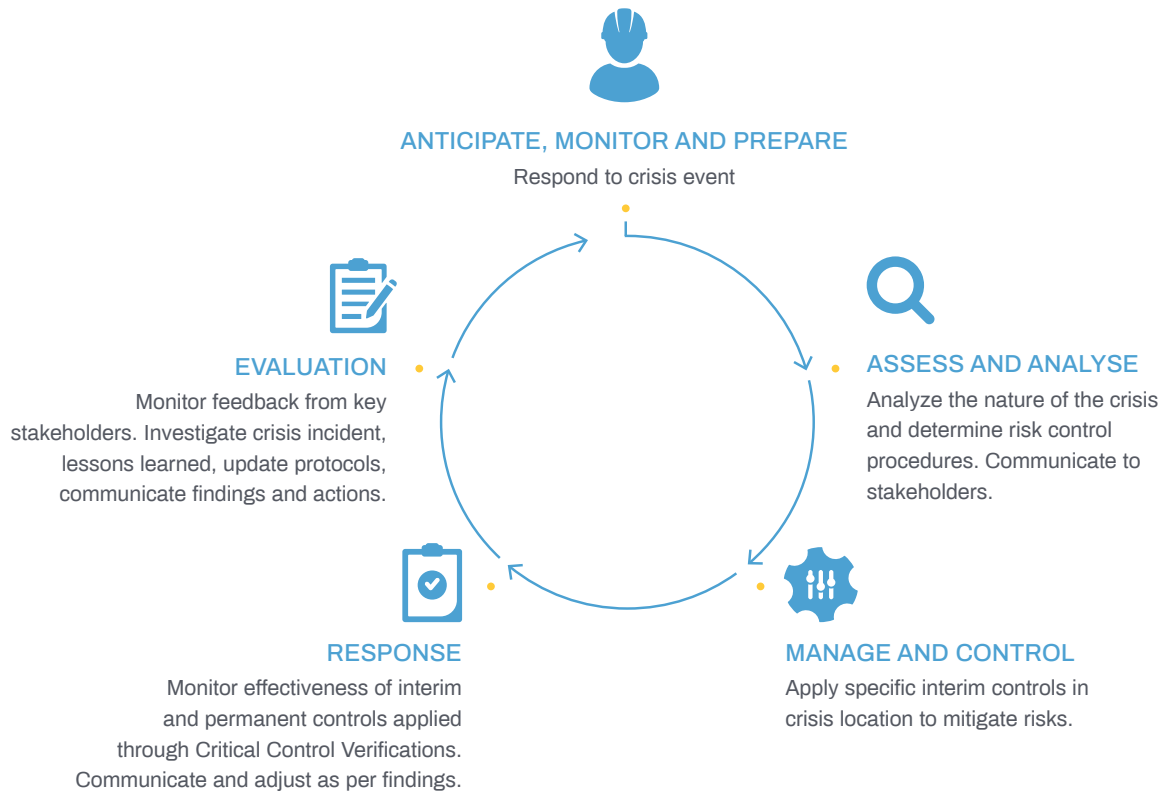


Emergency and Crisis Management

Emergency Response Plans have been developed to address each phase of a potential emergency. In the event of an emergency, the emergency response plans will be utilized to determine what effective controls must be applied, and associated direction. The Fire Prevention and Response EHS Standard includes specific requirements and guidance for site emergency response plans including emergency drills, testing of alarms, and firefighting response systems.

Emergency and crisis management response plans and protocols exist and are regularly reviewed. Roles and responsibilities to respond to a crisis or emergency are defined.

The below graphic represents the crisis management process:



Based on the level of EHS risk and size of the crisis, these risk and control determinations will be made by either a regional or global response team that will be assembled by Risk and Compliance, EHS and HR Leadership, and represent a multi-functional group which will also include EHS, HR, Communications, Legal, Operations, and others as applicable.

Dependent 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. Communication efforts will be generated at either a group, regional or site level as appropriate.

Proactive lower risk emergency response plans and procedures are in place on a regional and site level, and are tested, reviewed, and updated at regular intervals. 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 SHECS Standard 015 – Occupational Health, but also require various individual and site-specific guidelines, training and monitoring tools.

Risk assessment and exposure monitoring is performed on sites with fixed or mobile monitoring equipment that will indicate onsite exposure to nuisance noise and dust. Exposure controls are maintained through specific requirements such as hearing conservation and prevention methods, and respiratory protection and training.

Site-specific risks are managed through various inbound material inspection and controls to protect employees from potential asbestos risks, blood borne pathogen 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 engaged to protect themselves from these additional challenges.

Environmental Management

Site management and supervision work closely with EHS staff to maintain environmental compliance.

Environmental tasks include:

- Maintaining environment compliance with local rules and regulations by utilizing monitoring tools and regular sampling
- Monthly general inspections with a section focused on environmental requirements
- Work with regulators to address any environment concerns and participate in discussions on regulatory changes that may impact our industry
- Listen and respond to community environment concerns

General Site Inspections capture key aspect and impact compliance requirements. These inspections focus attention on:

- 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

These environmental site requirements are outlined in the SHECS Standard 019 – Environmental Management.

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 generations to come.





THINK SAFE. WORK SAFE. HOME SAFE.