



Risk Committee Charter

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Approving Body: Board of Directors

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1. Role of the Committee

The Risk Committee ('Committee') of the board of directors ('Board') of Sims Limited ('Sims' or the 'Company') primary role is to assist the Board in fulfilling its governance and oversight responsibilities in relation to enterprise risk management; in particular regarding:

- a. Sims' risk appetite and risk tolerance with respect to strategic, operational, compliance, financial and reputational risk, and overall risk culture,
- b. the functioning of Sims' internal control and risk management systems, and
- c. compliance with applicable legal and regulatory requirements.

This role will include assisting the Board to form a view on the risk culture within Sims and the extent to which that culture enables the Company to operate within its established risk tolerance.

2. Composition of the Committee

The Committee shall comprise at least three directors of the Company, with a majority being independent.

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 Group Company Secretary of Sims, or their nominee, will act as Secretary of the Committee.

3. Operations of the Committee

The Committee shall meet at least four times per year and more frequently if circumstances require it.

The dates, times, and venues of each meeting of the Committee will be notified by the Secretary as far in advance as possible. An Agenda and supporting papers for each meeting shall be circulated to Committee members, remaining Board members and other attendees (as appropriate), where practicable, no later than five business days prior to the time of the meeting.

Any director may attend meetings of the Committee. The Committee may extend an invitation to any person (internal or external) which it considers appropriate to attend all or part of any meeting of the Committee.

The required quorum for a meeting of the Committee will be reached where at least two Committee members are present, including the Committee Chairperson.

Only members of Committee are entitled to vote on a resolution of the Committee. Resolutions are passed by simple majority. Where required, the Chairperson shall have a casting vote or the matter will be escalated to the Board for decision, as appropriate. The Committee may pass resolutions without a meeting in the manner set out in the Constitution of the company.

Members of the Committee will not participate in discussions and will not vote on any issue in respect of which they have an actual or perceived material conflict of interest.

A Committee meeting may be held by Committee members 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 circulated prior to the next Committee meeting. The Committee Chairperson shall report to the Board on any matters of significance recorded in the minutes.

4. Functions of the Committee

4.1 Annual review of the Risk framework, Appetite Statement and Culture

The Committee will review and make recommendations to the Board regarding Sims' processes for identifying, assessing, and managing significant risk, including reviewing Sims' risk management framework at least annually to satisfy itself that the framework continues to be sound and that the risk culture is appropriate for the business.

This includes satisfying itself that the risk management framework deals adequately with contemporary and emerging risks such as conduct risk, digital disruption, cyber-security, privacy, and data breaches.

The Committee will also assist the Board in reviewing the Risk Appetite Statement and the extent to which management has operated within stated risk tolerances.

4.2 Receive and review reports from management and make recommendations to the Board

Review and, where appropriate, make recommendations to the Board in relation to:

- a. the risks related to the Company's strategy and key initiatives, including any significant mergers & acquisitions integration risks;
- b. new and emerging sources of risk, such as conduct risk, digital disruption, cyber-security, privacy, and data breaches;
- c. and the risk controls and mitigation measures that management has put in place to deal with those risks; the Company's risk exposures and the steps management has taken to monitor and control such exposures, including approving all trading and hedging policies and revisions;
- d. the Company's insurance program, having regard to Sims' business and the insurable risks associated with its business as well as the Director' and Officers' indemnity and liability insurance policies;

- e. the processes and reporting systems in place to support the Company's compliance with applicable legal and regulatory requirements, including compliance with anti-corruption, sanctions, competition, and export control laws, and ethical compliance programs, including Sims' Code of Conduct;
- f. the Company's policies and practices for detecting, reporting, and preventing serious breaches of business conduct;
- g. the policies and arrangements for the protection of the Company's information and data systems and other non-physical assets;
- h. the Company's crisis preparedness and disaster recovery plans;
- i. any material litigation, serious breaches of the code of conduct, or a breakdown of the entity's risk controls and the "lessons learned";
- j. any reports from regulator/s identifying contraventions or deficiencies in the Company's risk controls or compliance systems which relate to an area that the Committee has oversight on (as per this Charter), and
- k. Management proposals to accept risks outside tolerance levels.

4.3 Meetings with CRSO

The Committee will meet with the Group Chief Risk & Sustainability Officer (CRSO), without other members of management being present, on a periodic basis and whenever it is deemed appropriate by the Committee Chairperson.

4.4 Governance

The Committee will also:

- a. Review this Charter at least annually and recommend changes as deemed necessary to the Board; and
- b. Perform an evaluation of the Committee's performance at least annually to determine whether it is functioning effectively by reference to current best practice.

5. Authority of the Committee

The Committee, via the Committee Chairperson, shall have the authority to conduct or authorise investigations into any matter within the scope of the Committee's Charter with full access to all books, records, facilities and personnel of Sims. As the Committee deems necessary or appropriate to carry out its duties, it is authorized to select, engage (including approval of the fees and terms of engagement), oversee, terminate and obtain advice and assistance from outside legal, accounting or other advisers or consultants.