Appendix 4E

Sims Limited
ABN 69 114 838 630
Preliminary Final Report

Results for announcement to the market

Current period: Year ended 30 June 2026
Prior corresponding period: Year ended 30 June 2025

Results A$M				Year ended 30 June 2026		2025
Sales Revenue from continuing operations	Up	6.9%	to	8,007.5	from	7,494.0
Net profit/ (loss) for the period attributable to members	Up	1391.1%	to	245.3	from	(19.0)

Dividends (A¢)	Cents per Security	% Franked per Security
2026 Interim Dividend	14	100 %
2026 Final Dividend	20	100 %
Record date for final dividend		1 October 2026
Payment date for final dividend		15 October 2026

The Board has determined that the dividend reinvestment plan will not operate in relation to this dividend.

Net tangible assets (A$)	30 June 2026	30 June 2025
Net tangible asset per security	12.03	12.01

Details of entities where control has been gained or lost during the period

Name of entity	Country of incorporation	Date control obtained or lost	% of equity held by the ultimate parent as at 30 June 2026	30 June 2025
Sims Energy USA Holdings	USA	24 June 2026	— %	100 %
Schiabo Larovo Corporation	USA	24 June 2026	— %	100 %

Annual General Meeting

Pursuant to Listing Rule 3.13.1, notice is hereby given that the Annual General Meeting of Sims Limited will be held, virtually and in person, on Friday, 20 November 2026, commencing at 9:00am.

In accordance with Listing Rule 3.13.1, the closing date for receipt of director nominations is Friday, 9 October 2026.

For further explanation of the above figures, please refer to the Directors' Report and the consolidated financial statements, press release and market presentations filed with the Australian Securities Exchange Limited ("ASX").

The remainder of the information required by Listing Rule 4.2A is contained in the attached additional information.

The accompanying full year financial report has been audited by Deloitte Touche Tohmatsu. A signed copy of its 30 June 2026 report is included in the financial report.

Focused Strategy, Strong Performance

2026 ANNUAL REPORT

Contents

How We Create Shared Value

CUSTOMERS

We are committed to leading the Metal and Data Centre Infrastructure services industries through the quality of our products and our high level of service, providing a responsive and reliable approach to supply chains.

We partner with customers to tailor our offerings to their needs. Our extensive network delivers a strategic advantage in ensuring products and services are delivered in a reliable manner regardless of customer location. Working with our customers, we provide supply chain confidence and innovative and differentiated solutions to meet their emissions-reduction and energy-efficiency needs, delivered in a transparent and reputable manner.

SUPPLIERS

We treat our suppliers equally as customers. We actively collaborate with suppliers to identify opportunities for mutual growth, offering geographically diverse, safe and easily accessible recycling services.

We strive for a positive experience when suppliers visit our sites, and provide competitive compensation, recognising they have a choice in a highly competitive industry. Our public listing, sustainability performance and strong governance make us a reliable, transparent and attractive partner.

INVESTORS

We are uniquely positioned to leverage increasing regionalisation and customer supply chain reliability needs as the world focuses on the growing demand for recycled metals and repurposed technology infrastructure.

Focusing on margin and cash generation to maintain a strong balance sheet enables us to navigate market shifts effectively, and to consistently reward investors while capitalising on further growth opportunities.

EMPLOYEES

Our employees are key contributors to our success. We offer safe, inclusive and respectful workplaces where everyone is empowered to drive positive change.

Through diverse career pathways and exciting opportunities across many professional disciplines, we help build fulfilling and rewarding careers that contribute to a greener, more sustainable future.

GOVERNMENT

We are a transparent operator, upholding high standards within the industry.

Through our recycling and repurposing activities, we provide a public good in a safe and environmentally responsible manner, while contributing to local employment and local economies. We are a critical contributor to the supply chain security of domestic sovereign industries like metal manufacturing and the repurposing of technology infrastructure.

COMMUNITIES AND ENVIRONMENT

We extend the life of goods disposed of by society by recycling and repurposing them instead of sending them to landfill, helping to avoid emissions associated with manufacturing new products and waste disposal.

We strive to be a good neighbour who operates safely and in an environmentally responsible manner and contributes to the communities where we operate.

Delivering on Strategy

Create a World Without Waste to Preserve Our Planet

Repurpose and Recycle

CUSTOMERS

- Key raw material supplier
- Differentiated products
- Developed domestic channels/global network
- Deepen hyperscaler partnerships
- Expand lifecycle services for increasingly complex AI infrastructure

SUPPLIERS

- Part of our customer base
- Efficient access to supplier hubs in large markets
- Unprocessed material at value
- Access to high-value technology

OPERATIONAL EFFICIENCY

- Safe operations
- Aligned end-to-end supply chain
- Scalable and replicable capacity
- Automation and digital workflows

INNOVATE & AGILE

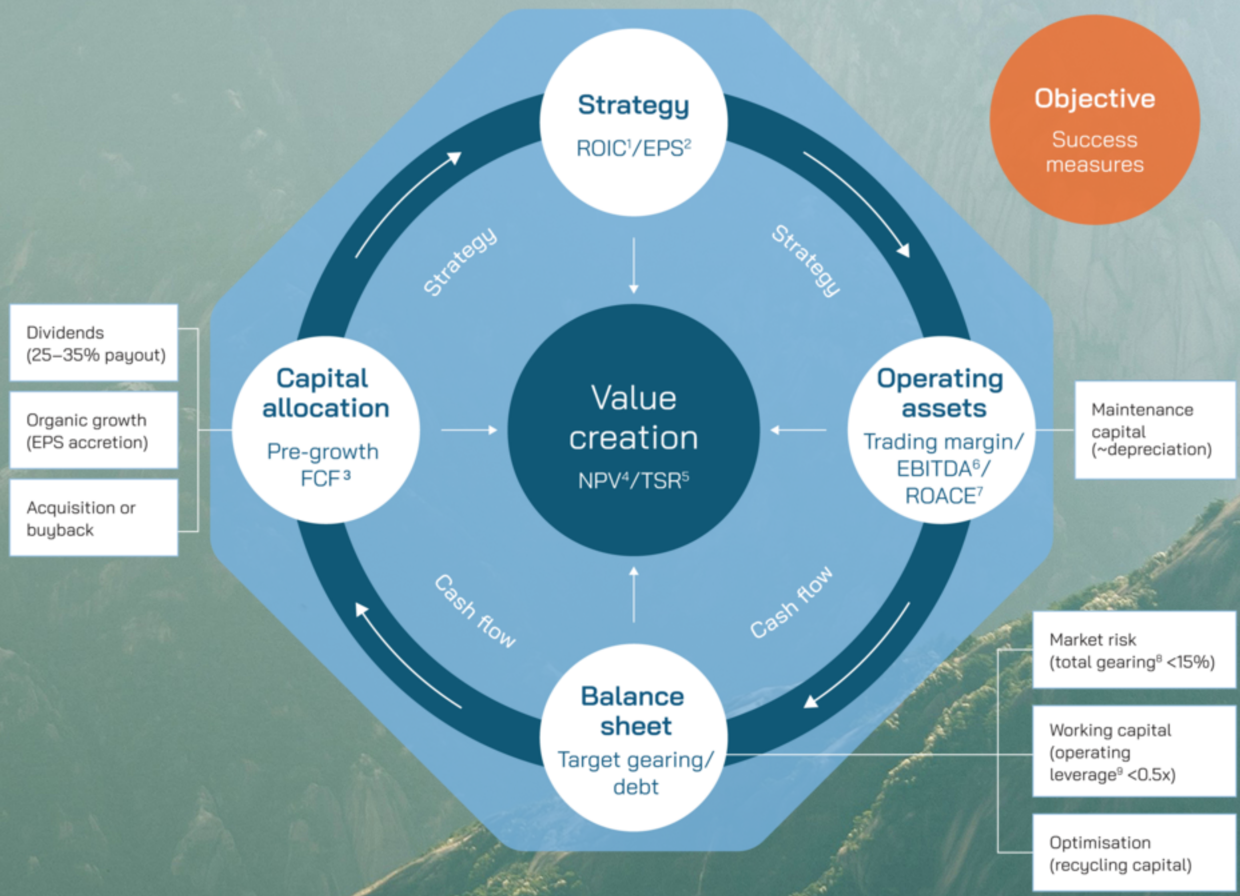
- Rapid response to shifts in the market
- Use of data to drive performance
- Simplified structures
- Accelerate R&D for next-generation technologies

INVEST RESPONSIBLY

- Focus on cash generation and value accretion
- Strong capital management
- Efficient working capital
- Expand global capacity in line with customer demand

Culture

Capital Management Framework



1 ROIC = Return on invested capital
2 EPS = Earnings Per Share
3 Pre-growth free cash flow (FCF) = underlying EBITDA adjusted for changes in working capital, sustaining capex, lease payments, interest and taxes
4 NPV = Net present value
5 TSR = Total Shareholder Return
6 EBITDA = earnings before interest, taxes, depreciation and amortisation
7 ROACE = Return on capital employed
8 Total gearing = total debt, including leases
9 Operating leverage excludes finance leases (underlying EBITDA multiple)

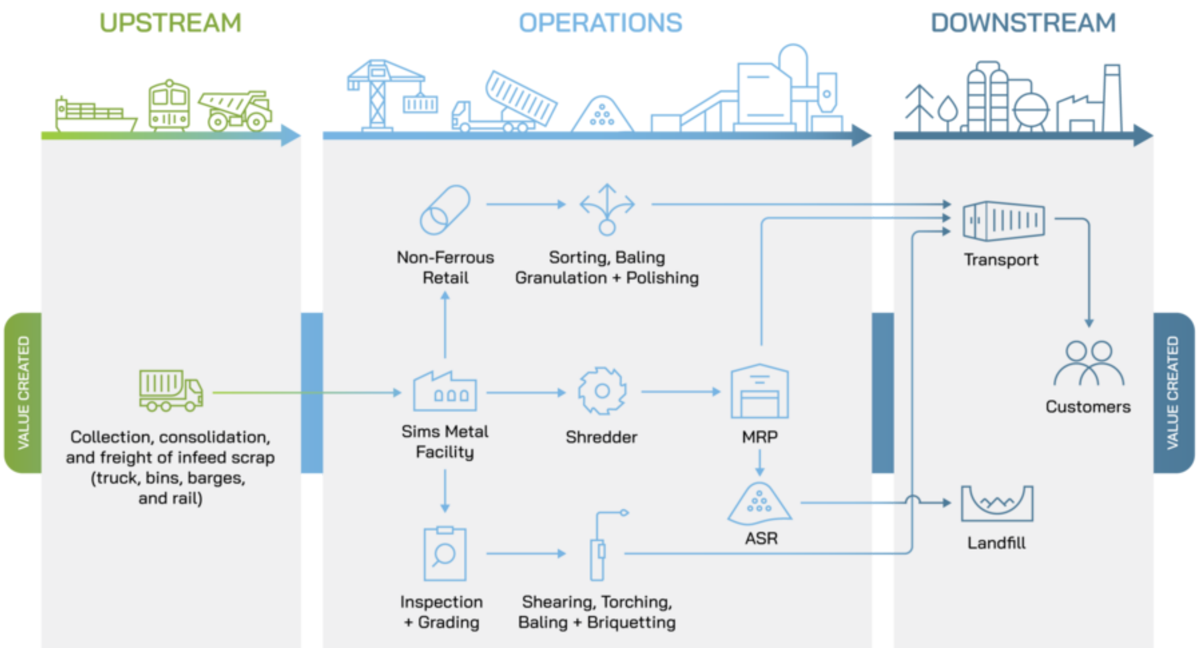
Our Circular Businesses

SIMS METAL

Sims Limited plays a key role in the global metal industry through our Sims Metal segment, operating fully owned recycling facilities across North America, Australia, Papua New Guinea and New Zealand.

These operations form a strategically located network that sources, processes and supplies ferrous and non-ferrous scrap to domestic and international customers. Sims also holds a 50% interest in SA Recycling, one of the largest metal recyclers in the United States (US). This significantly extends the scale of our business, giving us additional access to key US markets. It also positions Sims to benefit further from structural tailwinds, including the growing demand for low-emission materials, increased focus on domestic supply chain resilience, and long-term decarbonisation trends across the metals value chain.

Material Process Flow

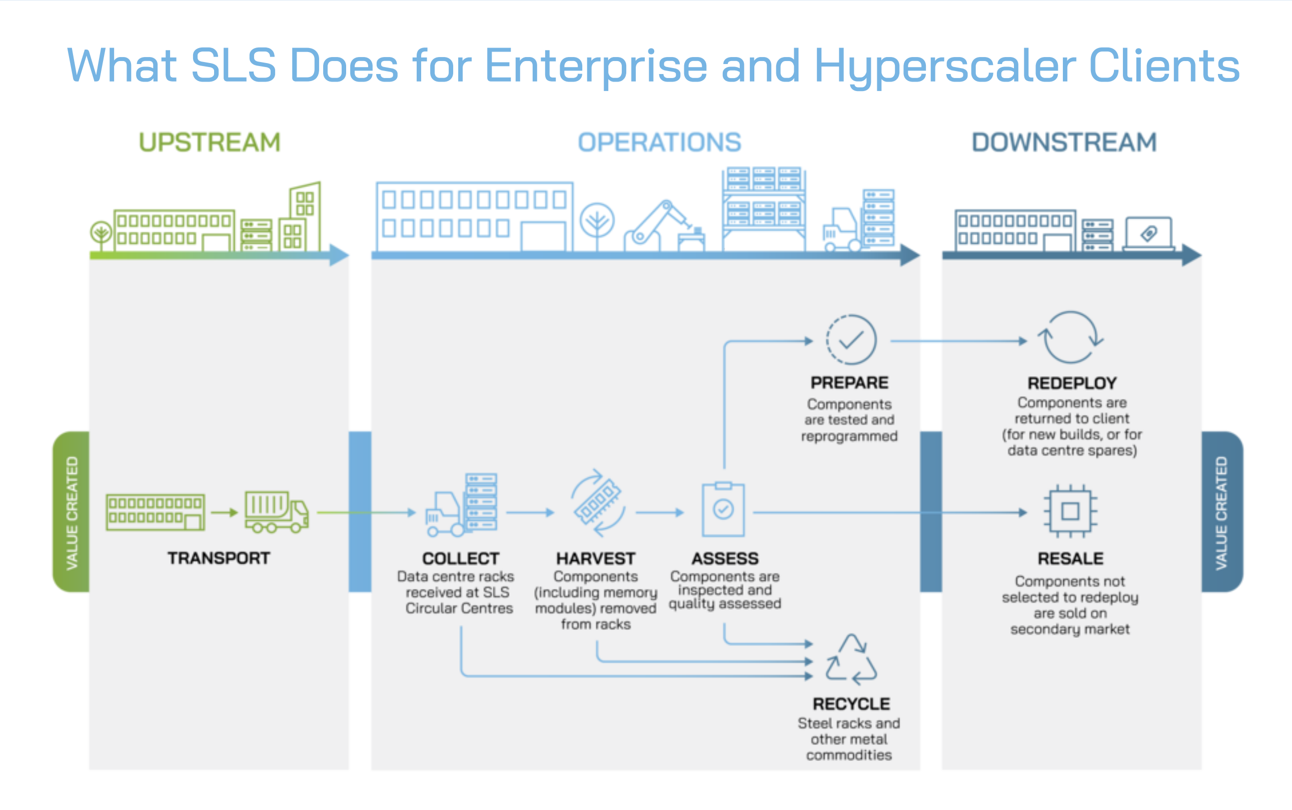


Sims Lifecycle Services (SLS), is a leading global provider of accelerator-enabled deployments — helping customers extend hardware utility, recover value from retired compute assets, and meet sustainability and circular economy commitments. Networking refreshes - including those involving GPU and Infrastructure decommissioning and technology lifecycle solutions. SLS supports organisations through the physical and technical complexity of large-scale server storage.

Services span secure data destruction, component-level testing and recovery, hardware redeployment, and refurbishment of servers, DRAM, SSDs, and networking equipment. Its global operating platform and infrastructure-level technical expertise make SLS a trusted partner for enterprise customers and hyperscaler data centre operators managing continuous technology refresh cycles.

SLS is well positioned to benefit from the compressed technology refresh cycles reshaping data centre infrastructure. The shift from general-purpose CPU racks to high-density GPU and accelerator infrastructure is driving faster turnover of legacy servers, DRAM and networking gear. As data centre operators upgrade infrastructure, the volume of decommissioned compute, memory, and storage hardware entering the secondary market continues to scale.

With an expanding global footprint and an integrated operating network spanning major data centre hubs, SLS combines deep hyperscaler and enterprise relationships with technical expertise in managing complex, high-density compute infrastructure across server, GPU-accelerated, memory storage, and networking environments. Supported by scalable operations and rigorous global compliance capabilities, SLS helps clients recover value, strengthen supply-chain resilience, and execute secure, consistent technology lifecycle programmes worldwide.



Geographically Diverse Footprint

281
Metal facilities

19
SLS

45
Shredders

13
Global footprint (countries)

NORTH AMERICA

77 Metal facilities

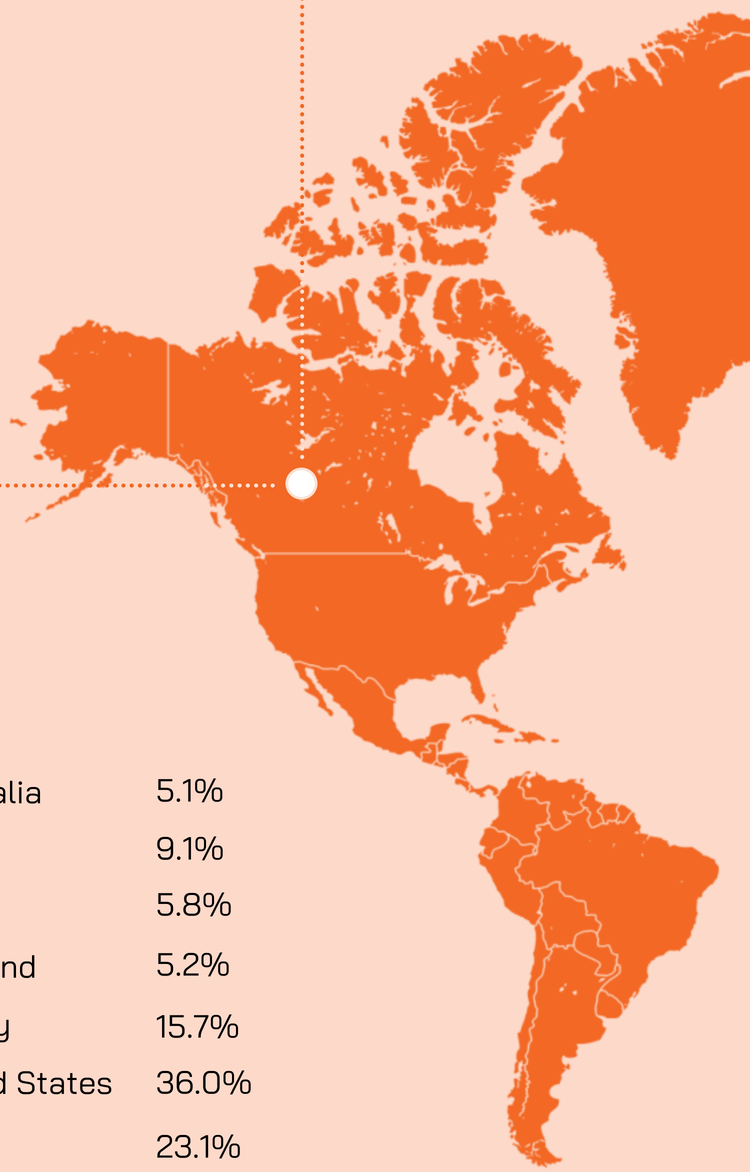
8 SLS centres

15 Shredders

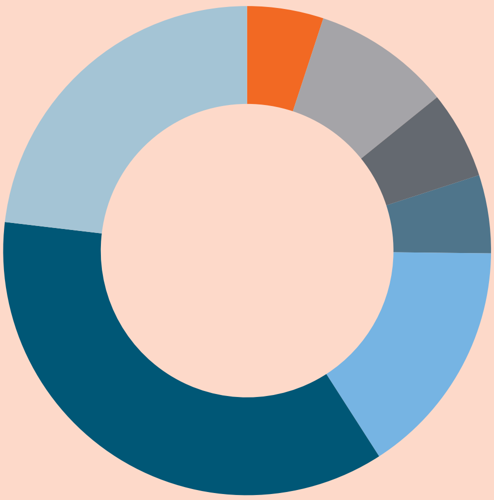
SA RECYCLING

153 Metal facilities

23 Shredders



Sales revenue to external customers[1]



1 Excludes SA Recycling

UNITED KINGDOM

5 SLS centres

EUROPE

2 SLS centres

INDIA

2 SLS centres

SINGAPORE

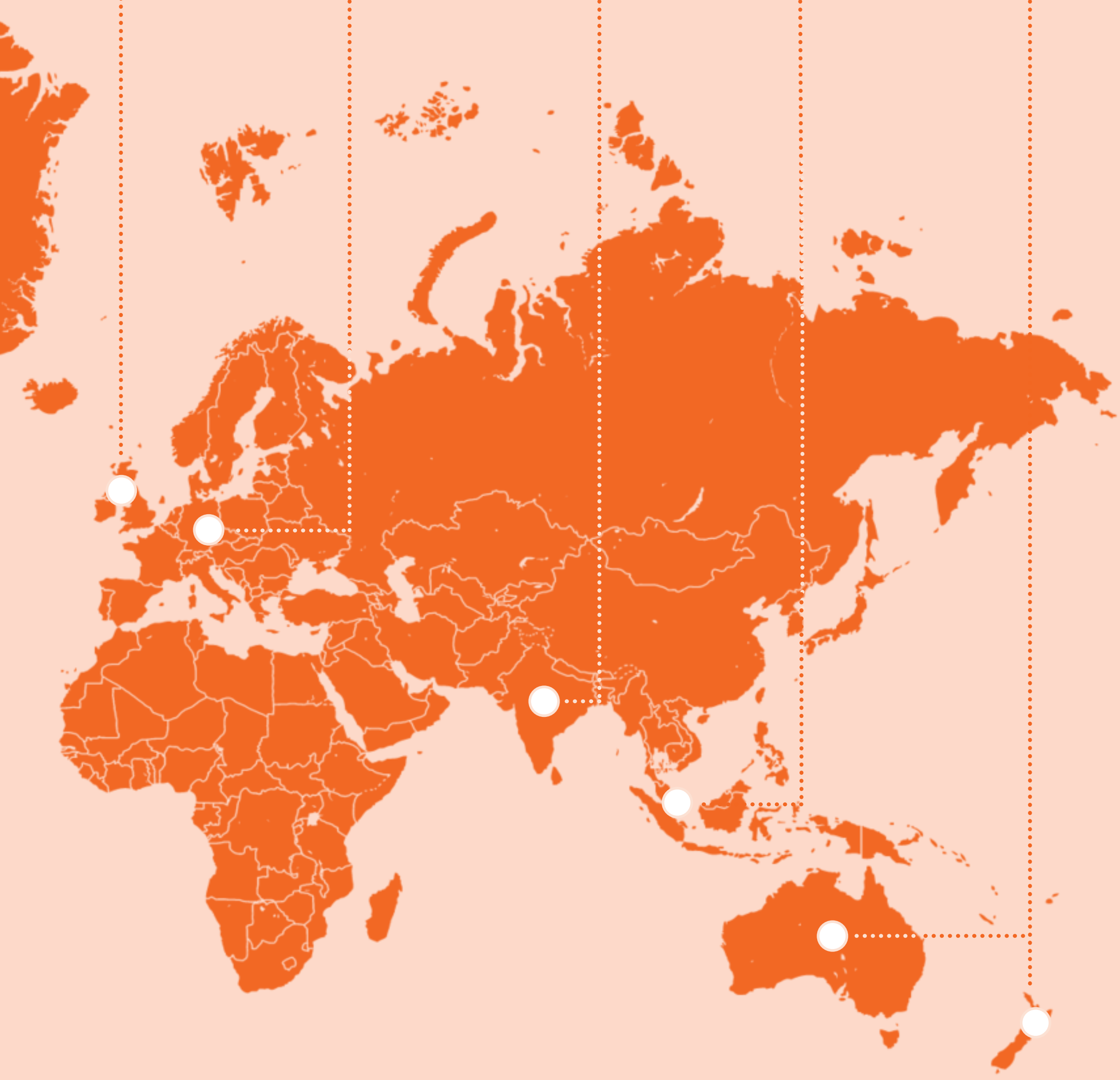
1 SLS centre

AUSTRALIA + NEW ZEALAND

51 Metal Facilities

1 SLS centre

7 Shredders



1 Including Brazil and Mexico

2 Including Ireland

3 Including Papua New Guinea

2026 Financial Highlights

Dividend

$52.2m

Dividends paid in FY26

Sales revenue

$8,007.5m

Total dividends

34c

Underlying[1] EBITDA

$727.8m

Operating cash flow

$423.6m

Underlying[1] EBIT[2]

$468.0m

Return on Invested Capital[4]

11.7%

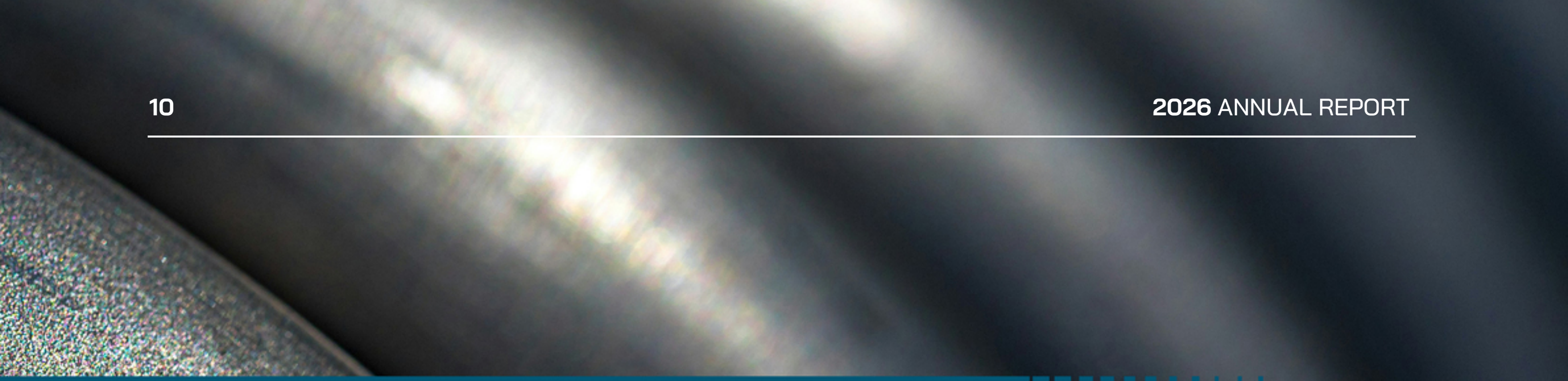
Underlying[1] NPAT[3]

$289.1m

Net debt

$358.3m

1 Excludes significant items, the impact of non-qualifying hedges, and internal recharges.
2 EBIT = Earnings before interest and taxes
3 NPAT = Net Profit After Tax
4 Net operating profit after tax / average invested capital (assumed 25% effective tax rate)



Operational Highlights

Sims Metal proprietary intake volumes

6,407,000

tonnes

Sims Metal proprietary sales volumes

6,334,000

tonnes

The recycling of 5.9 million tonnes of ferrous scrap via Sims Metal has the potential to **avoid 9.6 million tonnes of CO2e emissions** compared to producing the same amount of steel from raw materials

Safety

Reduction in Total Recordable Injury Frequency Rate since FY19

36%

Reduction in Total Lost Time Injury Frequency Rate (LTIFR) since FY19

18%

Recipient of the 2026 Safety on the Edge award for safety excellence

Safety On The EDGE

Chairman and CEO's Review

Strategic execution has strengthened our earnings platform and positioned Sims for long-term value creation.

FY26 demonstrated the benefits of the strategic decisions Sims has made in recent years. Despite geopolitical uncertainty, evolving global trade dynamics and continued market volatility, the Company delivered significantly improved financial performance while continuing to invest for future growth.

Underlying EBIT increased 167.6 percent to $468.0 million and underlying net profit after tax increased 247.9 percent to $289.1 million. This result reflected improved metal margins, robust non-ferrous markets, strong growth in Sims Lifecycle Services and continued cost discipline across the Group.

The Board and Management have taken decisive action to strengthen the Company's portfolio, sharpen its strategic focus and improve operating performance. These actions have created a more resilient business, supported by disciplined capital allocation and increased exposure to attractive long-term growth. While external conditions remain dynamic, we believe Sims is well positioned to create enduring value for shareholders.

Safety and Culture

Nothing is more important than the safety of our employees. In FY26, Sims again delivered an industry-leading safety performance, reflecting the commitment to our people and our unwavering focus on embedding safety throughout our operations.

Our continued focus on critical risk management, leading indicators and the rollout of our Commit to Care culture program further strengthened our safety culture across the business.

We continue to be impressed by the professionalism, accountability and care our employees demonstrate every day. Their commitment to one another, our customers, our suppliers, and our communities underpin the Company's success and remains one of Sims' greatest strengths.

Financial Performance and Capital Allocation

Our responsibility is to ensure shareholders' capital is allocated in a disciplined manner - balancing for growth with appropriate returns while maintaining the financial strength to navigate market cycles.

FY26 represented a significant improvement in the Company's financial performance. Sims delivered substantial growth in EBIT, reflecting stronger operating performance and the successful execution of initiatives implemented over recent years.

DIRECTORS' REPORT (continued)

Sales revenue from continuing operations increased 6.9 percent to $8.0 billion. Net cash inflow from operating activities increased to $423.6 million, while pre-growth free cash flow increased 45.2 percent to $180.8 million.

We continued to invest in opportunities that enhance our competitive position while maintaining a strong balance sheet and the flexibility to pursue future growth. Return on Invested Capital increased to 11.7 percent, reflecting stronger operating performance and disciplined capital allocation. The Board remains committed to recycling capital from non-core assets where appropriate and directing investment towards the opportunities offering the greatest potential to create long-term shareholder value.

During the year, the Company paid $203.4 million for property, plant, equipment and intangible assets and paid cash dividends of $52.2 million, including a fully franked interim dividend of 14 cents per share. Our approach remains focused on balancing growth investment and shareholder returns while preserving financial flexibility.

Executing Our Strategy

The continued evolution of our portfolio has created a stronger and more resilient earnings platform.

Within our Metal business, we continued to invest in processing capabilities, logistics infrastructure and network optimisation. These investments improve operational efficiency, strengthen competitiveness, and position the business to benefit from increasing demand for recycled materials as smelters transition towards lower-carbon production.

North America Metal underlying EBIT increased 69.7 percent to $135.9 million, supported by improved commercial execution, disciplined purchase pricing and stronger domestic ferrous and non-ferrous markets. Proprietary intake increased 5.1 percent during the year.

Australia and New Zealand Metal delivered underlying EBIT of $55.8 million, a decrease of 22.7 percent, as elevated Chinese steel exports continued to place pressure on ferrous markets. Disciplined buying and strong non-ferrous performance partially offset some of these headwinds. Proprietary intake nevertheless increased 4.2 percent.

During the year, we strengthened our North American operating platform through the acquisition of Tri Coastal Trading in Houston. The acquisition enhances our logistical capabilities and operational efficiency while creating opportunities to realise value from surplus property assets, consistent with our disciplined approach to portfolio optimisation and capital allocation.

Across the Metal businesses, we expanded maritime, rail and transportation capacity and invested in metal recovery, sorting and fines-processing capabilities.

SA Recycling made an outstanding contribution, with Sims' share of underlying EBIT increasing 96.3 percent to $235.5 million. It also completed 11 acquisitions, adding 12 sites, expanded its railcar fleet and logistics capacity, and invested in additional metal recovery capability.

Sims Lifecycle Services delivered an outstanding year, with robust demand for repurposed technology solutions across the global data centre ecosystem driving strong earnings growth and further strengthening its competitive position. As artificial intelligence adoption accelerates and investment in hyperscale data centres continues to expand, SLS is exceptionally well positioned to benefit from these structural growth trends through its differentiated capabilities, global footprint and long-standing customer relationships.

SLS underlying EBIT increased more than fivefold to $172.7 million and its underlying EBIT margin rose to 22.8 percent. Repurposed units increased 90.9 percent to 16.8 million. The business also expanded into Ireland, progressed a new facility in India, extended US sites to support additional hyperscaler services and invested further in robotics and automation.

Governance

Effective governance remains fundamental to long-term value creation. The Board continually reviews its composition to ensure it has the skills, experience and diversity required to oversee the Company's strategy in a rapidly evolving business environment.

In December 2025, we were delighted to welcome Nancy Novak as an Independent Non-executive Director. Nancy's expertise in artificial intelligence, robotics and digital infrastructure strengthens the Board's capabilities and aligns closely with the Company's strategic growth opportunities, particularly within Sims Lifecycle Services. Nancy will stand for election at this year's Annual General Meeting, and we commend her to shareholders.

Sustainability

Sustainability is fundamental to the way Sims creates long-term value. Our businesses help customers reduce emissions, conserve natural resources and strengthen supply chain resilience through the recycling of various metals and extending the useful life of technology infrastructure. Our purpose - to create a world without waste to preserve our planet - continues to guide our decisions and long-term strategy.

During FY26, we strengthened our climate ambition by establishing new interim targets to reduce absolute greenhouse gas emissions by 7 to 10 percent by FY30 and 13 to 16 percent by FY35, from a FY26 baseline. These targets support our long-term aspiration of achieving net zero emissions by 2050. They build on the successful achievement of our FY25 interim climate objectives, including sourcing 100 percent renewable electricity across all operated businesses and reducing Scope 1 and Scope 2 (market-based) emissions by 50 percent from our FY20 baseline.

We also continued to strengthen diversity and inclusion across the organisation. Women now represent 24 percent of executive and senior leadership positions and 43 percent of the NED Board members. We maintained our focus on gender pay equity, improving the metric from –2.7 percent in FY25 to –1.7 percent at year-end—within our target range of ±2 percent. Together with our continued leadership on safety, these achievements reinforce our commitment to responsible business practices that support long-term sustainable performance.

DIRECTORS' REPORT (continued)

Looking Ahead

The Board and Management's role is to ensure Sims is positioned not only to perform through market cycles, but also to capitalise on the structural trends reshaping our industries. Following the transformation of its portfolio, the Company has a stronger balance sheet, a more resilient operating model and greater exposure to markets offering attractive long-term growth.

Global decarbonisation continues to increase demand for recycled metals, while investment in artificial intelligence and digital infrastructure is creating significant opportunities for Sims Lifecycle Services. These trends reinforce the relevance of our businesses and our purpose.

In FY27, our priorities are to maintain commercial and margin discipline in the Metal businesses, realise the benefits of recent investments and acquisitions, continue to scale SLS while protecting returns, and continue to improve capital efficiency.

Macroeconomic uncertainty and market volatility will inevitably remain. Nevertheless, we are confident that Sims has the strategy, financial strength, governance and people to continue creating sustainable value for shareholders for many years to come.

Thank You

We extend our sincere thanks to our employees for their professionalism, resilience and unwavering commitment throughout the year. Their focus on safety, operational excellence and customer service has been instrumental in delivering the Company's strong performance.

We also thank our customers, suppliers and the communities in which we operate for their continued partnership and support. Finally, on behalf of the Board, we thank our shareholders for your ongoing confidence in Sims.

We look forward to welcoming you to our Annual General Meeting.

Philip Bainbridge
Chairman and independent non-executive director

Stephen Mikkelsen
Global Chief Executive Officer and Managing Director

DIRECTORS' REPORT (continued)

Board of Directors

Committees within Sims

Audit · People & Culture · Nomination / Governance · Safety, Risk, & Sustainability

Philip Bainbridge

Chairman
Appointed March 2024

Independent Non-Executive Director
Appointed September 2022

Mr Bainbridge was appointed as a Director on 1 September 2022 and appointed Chairman of the Company on 25 March 2024. He is also Chair of the Nomination/Governance Committee. Mr Bainbridge has extensive senior executive experience, primarily in the oil and gas sector across exploration, development and production. He has worked in a variety of jurisdictions, including North America, Europe, Asia and Australia. His most recent executive role was as Executive General Manager LNG for Oil Search Limited. Prior to that, he served in senior executive roles at Pacific National and BP Group. Mr Bainbridge is also Chairman of Tilt Renewables, the Global Carbon Capture and Storage Institute, and Sino Gas and Energy. He was previously Chair of the Papua New Guinea Sustainable Development Program.

Degrees and Qualifications
Mr Bainbridge holds a Bachelor of Science in Mechanical Engineering, Graduate of the Australian Institute of Company Directors (GAICD), and completed the International Executive Programme at INSEAD.

Stephen Mikkelsen

Group Chief Executive Officer and Managing Director
Appointed October 2023

Mr Mikkelsen was appointed Chief Executive Officer and Managing Director in October 2023, after originally joining Sims Limited in 2018 as the Global Chief Financial Officer. He brings more than 30 years of finance and executive management experience to the company. Prior to joining Sims Limited, Mr Mikkelsen held senior leadership positions at AGL Energy, including serving as Chief Financial Officer from 2006 to 2012, followed by Group General Manager Retail Energy and Executive General Manager Energy Markets.

Degrees and Qualifications
Mr Mikkelsen holds a Bachelor of Business Studies from Massey University and is a member of Chartered Accountants Australia & New Zealand.

Other Listed Company Boards
Mr Mikkelsen is a non-executive director of ASX-listed Origin Energy.

Victoria Binns

Independent Non-Executive Director
Appointed October 2021

Ms Binns has more than 35 years of experience in the global resources and financial services sectors, including 10 years in executive leadership roles at BHP in Asia and 15 years in financial services with Merrill Lynch Australia and Macquarie Equities. Ms Binns held a number of board and senior management roles at BHP, including Vice President Minerals Marketing, leadership positions in the metals and coal marketing business and Vice President Market Analysis and Economics; and at Merrill Lynch Australia, including Managing Director and Head of Australian Research, Head of Global Mining, Metals and Steel, and Head of Australian Mining Research. She is a non-executive director for the not-for-profit Carbon Market Institute (CMI), a member of the Advisory Council for J.P. Morgan, Australia & New Zealand, and on the Advisory Board of Merlon Capital Partners.

Degrees and Qualifications
B.E. (Hons I) (Mining) (UNSW), Grad Dip SIA, FAusIMM, GAICD

Other Listed Company Boards:
Ms Binns is a non-executive director of ASX-listed Evolution Mining.

Grant Dempsey

Independent Non-Executive Director
Appointed April 2024

Mr Dempsey has more than 35 years' experience, having served in numerous roles as a senior executive, strategic advisor and investment banker. Most recently, Mr Dempsey served as the Chief Financial Officer of TPG Telecom, one of Australia's largest telecommunication companies. He previously served as Chief Financial Officer at Alumina Limited, Senior Adviser, Finance at ANZ Banking Group, and Head of Investment Banking (Australia and New Zealand) at J.P. Morgan. Mr Dempsey is Chair of Firmus Grid Ltd.

Degrees and Qualifications
Mr Dempsey holds a Bachelor of Commerce from the University of Melbourne.

Other Listed Company Boards
Mr Dempsey currently serves as a Non-Executive Director of Industry Funds Management (IFM) Investors and chairs its board investment committee. Mr Dempsey is also a non-executive director of The a2 Milk Company, an ASX and New Zealand-listed company.

DIRECTORS' REPORT (continued)

Russell Rinn

Independent Non-Executive Director

Appointed December 2024

Mr Rinn has more than 40 years of experience in the steel, fabrication and metal recycling industries. Most recently, Mr Rinn served as an executive Vice President of Steel Dynamics Inc. and the President and Chief Operating Officer of OmniSource, its metal recycling subsidiary. He previously served as an Executive Vice President of Commercial Metals Company (CMC), a Texas-based metal recycler and producer of rebar and related products.

Degrees and Qualifications

Mr Rinn holds a Bachelor of Finance, Marketing and Business Administration from Texas Lutheran University and is a graduate of the Executive Program of the Stanford University Graduate School of Business, and the Management Development Program at the University of Michigan's Ross School of Business.

Nancy Novak

Independent Non-Executive Director

Appointed December 2025

Ms Novak was appointed as a director on 15 December 2025. Ms Novak is the Chief Innovation Officer for Compass Datacenters, which designs, builds and operates large-scale data centers for hyperscalers and cloud providers. Through this work, she has developed strong relationships with her clients. Ms Novak has more than 35 years of construction experience and has overseen delivery of over $5 billion in projects during that time. Prior to joining Compass, Ms Novak was the National Vice President of Operations for Balfour Beatty Construction. She serves on the Executive Board of Directors for the National Institute of Building Sciences (NIBS), the Board of Directors for the World Trade Center Institute, and the Board of Directors for Weston Solutions, a global environmental firm.

Degrees and Qualifications

Ms Novak holds a Bachelor of Science in Construction Engineering from San Diego State University.

Shinichiro Omachi

Non-independent Non-Executive Director

Appointed November 2024

Mr Omachi started his business career in the Mineral & Metal Resources division of Mitsui. He held various senior strategy positions at Mitsui during his tenure, including as Executive Vice President, Chief Strategy Officer, Chair of the Sustainability Committee, and Chair of the Portfolio Management Committee. In June 2022, Mr Omachi took the position of Counsellor to Mitsui.

Kathy Hirschfeld, AM

Independent Non-Executive Director

Appointed September 2023

Ms Hirschfeld is a chemical engineer with 20 years' experience with BP in oil refining, logistics and exploration in Australia, the United Kingdom and Turkey. She also served as a logistics officer in the Australian Army Reserve. Ms Hirschfeld has extensive experience on ASX, NYSE, private company and government boards. She stepped down as Chair of Powerlink Queensland in September 2025 after seven years. Ms Hirschfeld previously served as a board member and president of UN Women National Committee Australia and non-executive director of Energy Queensland, ToxFree Solutions, InterOil Corporation, Broadspectrum, Powerlink Queensland, Snowy Hydro, Queensland Urban Utilities and Spark Infrastructure RE Limited. Additionally, she was a member of the Senate of the University of Queensland for 10 years.

Degrees and Qualifications

Ms Hirschfeld is a Member of the Order of Australia (AM), holds a Bachelor of Engineering and an Honorary Doctorate of Engineering from the University of Queensland, and is an Honorary Fellow of Engineers Australia, a Fellow of the Institution Chemical Engineers, the Australian Academy of Technological Sciences and Engineering, and the Australian Institute of Company Directors.

Other Listed Company Boards

Ms Hirschfeld is Director of Central Petroleum Ltd.

DIRECTORS' REPORT (continued)

Executive Leadership Team

Stephen Mikkelsen

Global Chief Executive Officer and Managing Director

Stephen Mikkelsen was appointed Global Chief Executive Officer and Managing Director of Sims Limited in October 2023, having joined the company in 2018 as Global Chief Financial Officer. He brings more than 30 years of finance and executive management experience to the role.

Before joining the company, Stephen held a series of senior leadership positions at AGL Energy, including Chief Financial Officer from 2006 to 2012, followed by Group General Manager Retail Energy and Executive General Manager Energy Markets.

Stephen holds a Bachelor of Business Studies from Massey University and is a member of Chartered Accountants Australia and New Zealand.

Warrick Ranson

Global Chief Financial Officer

Warrick Ranson was appointed Global Chief Financial Officer of Sims Limited in December 2023. He brings more than two decades of executive-level experience from senior positions within blue-chip corporations operating across global markets in the mining and resources industries.

Before joining the company, Warrick served as Chief Financial Officer of OZ Minerals Limited for nearly six years, guiding the company through a period of substantial growth and value creation. He previously spent approximately 18 years at Rio Tinto in a variety of roles.

Warrick is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand, holds a Bachelor of Business Studies from the University of Tasmania, is a graduate of the Australian Institute of Company Directors, and holds a MBA from the University of Oxford.

Gretchen Johanns

Global General Counsel and Company Secretary

Gretchen Johanns joined Sims Limited in 2018 as Global General Counsel and Company Secretary. She brings more than 25 years of experience as a senior legal advisor to publicly listed US companies across the information technology, service and media industries.

Before joining the company, Gretchen served as Deputy General Counsel and Corporate Secretary at Xerox Corporation. She previously held legal roles of increasing responsibility at Time Warner Cable Inc.

Gretchen holds a Juris Doctor from Cornell University and a Bachelor of Arts from Grinnell College.

Brad Baker

Global Chief Human Resources Officer

Brad Baker joined Sims Limited in 2018 as Global Chief Human Resources Officer. He brings almost 30 years of human capital strategy experience across the plastics processing and metal machine tool manufacturing, drilling equipment and consumable tooling manufacturing and mining services industries, together with extensive international operations and board-level experience with publicly listed companies in the US and Australia.

Before joining the company, he was Senior Vice President of Human Resources and a corporate officer at Boart Longyear.

Brad holds a Master of Business Administration from Xavier University and a Bachelor of Science in Business Administration from Bowling Green State University.

DIRECTORS' REPORT (continued)

Rob Thompson

President Global Metal

Rob Thompson joined Sims Limited in 2022 as Global Chief Commercial Officer for Sims Metal, with global responsibility for both ferrous and non-ferrous buying and sales. In October 2024, he was named President of North American Metals, and on 1 July 2026 he was appointed President of Global Metal.

Before joining the company, Rob was Vice President of Sales and Marketing for Gerdau North America. He brings more than 30 years of experience in the global metal recycling and steel industry, having previously served as Vice President of Raw Materials and led areas including Logistics, Sales and Operations Planning, and Rebar Fabrication.

Rob holds a degree in Economics from the University of Toronto.

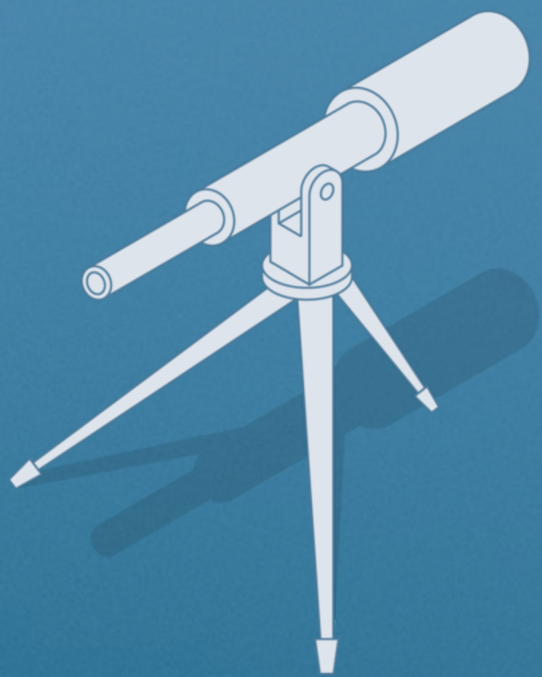
Jeff Wysocki

Group Chief Technology Officer

Jeff Wysocki was appointed Group Chief Technology Officer of Sims Limited in 2026. He brings more than 30 years of global technology and digital leadership experience across publicly listed companies.

Before joining the company, Jeff served as Chief Information Officer at The Mosaic Company, where he led global technology and digital transformation initiatives. Earlier in his career, he held senior leadership roles at Kimberly-Clark, MolsonCoors and Medtronic, contributing to large-scale transformation programs and acquisitions.

Jeff holds a Bachelor's degree in Management Information Systems and Finance, and an MBA from the University of Wisconsin–Oshkosh.



Directors’ Report

DIRECTORS' REPORT

The Directors present their report on the consolidated entity (referred to hereafter as the "Group") consisting of Sims Limited (the "Company") and the entities it controlled at the end of, or during, the year ended 30 June 2026 ("FY26").

PRINCIPAL ACTIVITIES

The principal activities of the Group during FY26 comprised of (a) buying, processing, and selling of ferrous and non-ferrous recycled metal and (b) providing technology infrastructure lifecycle solutions for enterprise and hyperscale customers, including the repurposing and recycling of data centre equipment and components. The Group's principal activities remained unchanged from the previous financial year.

OPERATING AND FINANCIAL REVIEW

Disclosing Non- IFRS Financial Information (unaudited)

(A$M UNLESS OTHERWISE DEFINED)	FY26	FY25	CHANGE
Financial Performance metrics from continuing operations			
Sales revenue	**8,007.5**	7,494.0	6.9%
Statutory earnings before interest, tax, depreciation and amortisation ("EBITDA")	**667.2**	323.7	106.1%
Significant items, and the impact of non-qualifying hedges	**(60.6)**	(106.3)	43.0%
Underlying EBITDA[1]	**727.8**	430.0	69.3%
Depreciation expense	**(246.0)**	(238.2)	(3.3%)
Amortisation expense	**(13.8)**	(16.9)	18.3%
Statutory earnings before interest and tax ("EBIT")	**407.4**	68.6	493.9%
Underlying EBIT[1]	**468.0**	174.9	167.6%
Net interest expense	**(44.4)**	(33.7)	(31.8%)
Statutory income tax expense	**(117.7)**	(32.5)	(262.2%)
Underlying income tax expense	**(134.5)**	(58.1)	(131.5%)
Statutory net profit after tax ("NPAT")[7]	**245.3**	2.4	10120.8%
Underlying NPAT[1]	**289.1**	83.1	247.9%
Statutory diluted earnings per share ("EPS") (cents)	**125.3**	1.2	10341.7%
Underlying diluted EPS (cents)	**147.7**	42.5	247.5%
Full year dividends per share (cents)	**34.0**	23.0	47.8%
Financial Position metrics			
Net assets	**2,655.7**	2,586.8	2.7%
Net debt	**358.3**	332.3	7.8%
Lease liabilities	**290.9**	274.3	6.1%
Total capital[2]	**3,304.9**	3,193.4	3.5%
Return on invested capital (%)	**11.7%**	4.5%	7.2ppts
Gearing Ratio[4]	**19.6%**	18.8%	0.8ppts
Operating Leverage[5]	**0.49**	0.77	(28.0)ppts
Other Key metrics			
Net cash inflow from operating activities	**423.6**	297.1	42.6%
Pre-growth free cash flow[6]	**180.8**	124.5	45.2%
Employees	**4,015**	3,916	2.5%
Proprietary sales tonnes ('000)	**6,334**	6,341	(0.1%)
Repurposed Units (million)	**16.8**	8.8	90.9%

1 Underlying EBITDA, underlying EBIT and underlying NPAT excludes significant non-recurring items, the impact of non-qualifying hedges and internal recharges.
2 Total capital = Net assets plus Net debt plus Lease liabilities.
3 Return on invested capital ("ROIC") = Net operating profit after tax divided by Average invested capital.
4 Gearing Ratio = Net debt including lease liabilities divided by Total capital.
5 Operating Leverage = Net debt divided by Underlying EBITDA
6 Pre-growth free cashflow = Underlying EBITDA adjusted for changes in working capital, sustaining capex, lease payments, interest and underlying taxes.
7 The FY25 NPAT of $2.4 million reflects continuing operations only. Total loss after tax from continuing and discontinued operations for FY25 was $19.0 million.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Sensitivity to movements in foreign exchange rates

The principal currencies in which the Group's continuing operations conducted business during the year were United States ("US$") dollars and Australian dollars ("A$"). Although the Group's reporting currency is the Australian dollar, a majority of the Group's sales and purchases are in currencies other than the Australian dollar. In addition, significant portions of the Group's net assets are denominated in currencies other than the Australian dollar.

The Group's consolidated financial position, results of operations, and cash flows may be materially affected by movements in the exchange rate between the Australian dollar and the respective local currencies to which its subsidiaries are exposed.

Some of the results discussed below are presented on a "constant currency" basis, which means that the current period results are translated into Australian dollars using applicable exchange rates from the prior corresponding period. This allows for a relative performance comparison between the two periods before the translation impact of currency fluctuations.

Foreign exchange rates compared with the prior corresponding period for the major currency that affect the Group's results are as follows:

	AVERAGE RATE–YEAR ENDED 30 JUNE			CLOSING RATE–AS AT 30 JUNE		
	2026	2025	CHANGE	2026	2025	CHANGE
US dollar	**0.6785**	0.6477	4.8%	**0.6919**	0.6580	5.2%

As at 30 June 2026, the cumulative effect of the retranslation of net assets of foreign controlled entities, recognised through the foreign currency translation reserve, was $85.9 million compared to $207.4 million as at 30 June 2025.

At reporting date, if the foreign currency exchange rates had been 10% lower or higher against the region's functional currency, with all other variables held constant, the Group's profit after tax would have been $11.3 million (2025: $5.9 million) higher or lower respectively. There would have been no impact to other comprehensive income. The sensitivity analysis includes only outstanding foreign currency denominated monetary items at the reporting date and adjusts their translation for a 10% change in the foreign currency rate.

All balances are stated in Australian dollars unless otherwise indicated.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

External operating environment

Metal

Market conditions improved during FY26 despite a mixed macroeconomic backdrop. While economic activity remained subdued across several key indicators, stronger US domestic scrap prices, particularly in non-ferrous metals, together with improving ferrous scrap prices, supported a more favourable operating environment than the prior year.

In the United States, the macroeconomic environment remained mixed during the year, with resilient economic growth offset by rising inflationary pressures, weak consumer confidence and subdued manufacturing activity. Construction activity weakened, particularly in the residential sector, although investment in data centres and technology-related infrastructure continued to support steel demand. Despite the soft macroeconomic backdrop, the domestic ferrous market strengthened as lower steel imports supported domestic prices and improved steel mill utilisation rates. Continued investment in electric arc furnace (EAF) steelmaking and manufacturing reshoring also supported structural demand for recycled ferrous scrap.

Türkiye's HMS prices strengthened marginally during the year, increasing by 2.89% in FY26 compared with the prior year. Despite some headwinds from Chinese and Russian billet entering the market late in the year, the improvement was primarily driven by tighter regional scrap supply, changes in trade flows resulting from the conflict in the Middle East, and evolving trade patterns associated with the implementation of the Carbon Border Adjustment Mechanism ("CBAM").

In Australia and New Zealand, market conditions continued to be influenced by Chinese steel export activity, with Asian export HMS scrap prices relatively flat year on year. However, demand from regional scrap importers, particularly Bangladesh, improved. A new EAF located at Glenbrook in New Zealand and proposed EAF developments in Australia continue to reinforce the expected long-term outlook for domestic scrap demand.

Non-ferrous metal markets remained strong throughout FY26. Copper and aluminium prices were supported by structural demand driven by electrification, grid investment and AI-related data centre infrastructure, alongside ongoing supply constraints and geopolitical disruptions. In the United States, tariffs on primary aluminium and copper further strengthened domestic prices, with the average US Midwest aluminium premium increasing to 0.94 USD/lb or 217% above FY25. Heightened geopolitical uncertainty, including tensions in the Middle East, also contributed to stronger LME prices during the year. As a result, average LME copper and aluminium prices increased by 26% and 22% respectively in FY26 compared with FY25. Higher primary metal prices supported secondary non-ferrous markets, with average Zorba prices increasing 22% to $2,335 USD/mt.

Sims Lifecycle Services

The operating environment for Sims Lifecycle Services (SLS) during FY26 continued to evolve as the push to build out artificial intelligence (AI) infrastructure accelerated.

Capital expenditure on AI infrastructure continued to increase from FY25 levels, with investment focused on high-performance compute infrastructure, including AI servers, memory, storage and networking. This sustained demand for AI infrastructure continued to outpace supply.

Supply of DDR4 memory remained constrained throughout the year as semiconductor manufacturers prioritised production of higher-margin High Bandwidth Memory (HBM) and DDR5 products. Despite the industry's transition towards DDR5 and HBM, a substantial installed base of DDR4 hardware is expected to remain in operation for the foreseeable future, supporting continued demand and elevated prices, which rose by over 1,000%[1] compared with the prior corresponding year. Together, strong demand and constrained supply are expected to continue supporting the refurbishment, redeployment and resale of enterprise and hyperscale memory. Supplier commentary suggests these dynamics are likely to persist beyond 2027, providing continued support for demand and prices in secondary markets.

In 2H FY26, constraints in securing both power and critical hardware became increasingly evident in data centre development, delaying the commissioning of new facilities. While this has resulted in greater timing variability in enterprise technology decommissioning in the near term, hyperscalers and enterprise customers continue to place greater emphasis on circular economy initiatives to improve resource efficiency and strengthen supply chain resilience.

1 TrendForce, DDR4 8Gb, 1GX8 3200 Price (USD), New

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Business activity levels

Metal

INTAKE VOLUMES TONNES ,000	YEAR ENDED 30 JUNE 2026	2025	CHANGE
Continuing Operations			
North America Metal	**4,918**	4,678	5.1%
Australia/New Zealand Metal	**1,489**	1,429	4.2%
Total Proprietary Volumes	**6,407**	6,107	4.9%
Global Trading Operations and other	**1,313**	1,382	(5.0%)
Total Intake Volume from continuing operations	**7,720**	7,489	3.1%
Discontinued operations			
UK Metal[1]	**–**	369	(100.0%)
Total Intake Volume	**7,720**	7,858	(1.8%)

Shrunk intake volumes excluding brokerage tonnes ("proprietary intake volumes") increased by 4.9% to 6.4 million tonnes in FY26 compared with FY25 levels. The increase was primarily driven by the North America Metal ("NAM") business, reflecting improved commercial execution, competitor supply disruptions, stronger Zorba and firmer domestic ferrous prices that encouraged increased shred feed supply, and the four-month contribution from the Tri Coastal Trading ("TCT") acquisition in Houston. In Australia/New Zealand ("ANZ") proprietary intake volumes increased 4.2% despite ongoing pressure on global steel markets from elevated Chinese steel exports. The business successfully secured additional market share as industry dynamics affected competitors.

SALES VOLUMES TONNES ,000	YEAR ENDED 30 JUNE 2026	2025	CHANGE
Continuing Operations			
North America Metal	**4,802**	4,751	1.1%
Australia/New Zealand Metal	**1,532**	1,590	(3.6%)
Total Proprietary Volumes	**6,334**	6,341	(0.1%)
Global Trading Operations and other	**1,243**	1,261	(1.4%)
Total Sales Volume from continuing operations	**7,577**	7,602	(0.3%)
Discontinued operations			
UK Metal[1]	**–**	421	(100.0%)
Total Sales Volume	**7,577**	8,023	(5.6%)

Proprietary sales volumes remained broadly unchanged in FY26 at 6.3 million tonnes compared to FY25, with a 1.1% increase in NAM offset by a 3.6% decline in ANZ. The increase in NAM reflected stronger non-ferrous and ferrous sales. Lower volumes in ANZ were driven by softer ferrous market conditions, operational disruptions and the timing of export shipments, despite a strong fourth quarter.

1 Year ended 30 June 2025 represents three months trading.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

SLS

Sales Volumes	YEAR ENDED 30 JUNE		
	2026	2025	CHANGE
Repurposed Units (million)	**16.8**	8.8	90.9 %
Gigabyte Memory Sold (million)	**70.5**	122.5	(42.4%)

Total repurposed units increased from 8.8 million in FY25 to 16.8 million in FY26, an increase of 90.9% reflecting the continued expansion of services and deeper engagement across the customer base.

GB Memory Sold totalled 70.5 million GB in FY26, compared with 122.5 million GB in FY25, representing a decline of 42.4%. The decline primarily reflected the phasing out of lower-margin, prior-generation DDR3 memory during FY25, which resulted in lower DDR3 volumes in FY26, together with a higher volume of 16GB cards in the second half of FY26 in response to decommissioning schedules.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Financial Performance

FY26 sales revenue of $8,007.5 million was up 6.9% compared to FY25 sales revenue of $7,494.0 million. At constant currency, sales revenue was up 10.9%. Revenue growth was assisted by a 6.1% (10.0% at constant currency) increase in Metal average sales prices, supported by a greater contribution from non-ferrous sales, together with a 2.6% increase in overall Metal sales volume, including brokerage. Sims Lifecycle Services revenue was 77.4% (84.1% at constant currency) higher in FY26 compared to FY25,

Sims Metal trading margin[1] for FY26 was up by 6.2% or up by 10.2% in constant currency, compared to FY25. The increase was driven by ongoing improvements in NAM's performance and a favourable non-ferrous market, partially offset by continued challenging market conditions in ANZ for ferrous sales. SAR's trading margin, up by 21.6% (27.4% at constant currency) in FY26 compared to FY25, was also favourably impacted by the significantly stronger nonferrous market but also further growth in ferrous trading. SLS's trading margin increased by 68.9% (75.5% at constant currency) compared to FY25, supported by a structural shift in DDR4 memory prices and an increased volume of processed repurposed units.

The Group generated an underlying EBITDA of $727.8 million, reflecting an increase of 69.3% compared to the FY25 underlying EBITDA of $430.0 million.

FY26 Underlying EBIT was $468.0 million compared to $174.9 million in FY25, an increase of 167.6%. At constant currency, Underlying EBIT increased by 181.1%. Improvements in metal margin, a robust non-ferrous market, SLS growth and cost containment across the Group contributed to the increase. Sims recognised $235.5 million in underlying EBIT from its 50% equity interest in the SAR joint venture in FY26, up from $120.0 million in FY25.

Statutory EBIT was $60.6 million lower than Underlying EBIT, after including the impact of asset write downs, and further redundancy and restructuring costs. Statutory EBIT for FY26 was $407.4 million, an increase of 493.9% compared to FY25 statutory EBIT of $68.6 million. At constant currency, statutory EBIT increased by 508.9%.

FY26 net interest expense was up by 31.8% compared to FY25, as a result of higher average borrowing levels during the year.

1 Sims Metal trading margin includes NAM and ANZ only

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results - Continuing Operations

North America Metal

	YEAR ENDED 30 JUNE			
A$M	2026	2025	CHANGE	CONSTANT CURRENCY CHANGE
Sales revenue	**4,841.3**	4,503.6	7.5%	12.6%
Trading margin	**1,029.7**	942.8	9.2%	14.4%
Operating costs (excluding D&A)	**(717.7)**	(686.9)	(4.5%)	(9.4%)
Share of results of JV (underlying)	**1.9**	(1.6)	218.8%	225.0%
Underlying EBITDA	**313.9**	254.3	23.4%	29.3%
Underlying EBIT	**135.9**	80.1	69.7%	77.7%
Proprietary Sales tonnes (thousands)	**4,802**	4,751	1.1%	
Trading margin (%)	**21.3%**	20.9%	0.4%	
Underlying EBIT margin (%)	**2.8%**	1.8%	1.0%	

North America Metal ("NAM") FY26 sales revenue increased by 7.5% to $4,841.3 million (12.6% at constant currency), primarily reflecting higher average selling prices (particularly in non-ferrous), together with increased sales volumes.

Market conditions improved during FY26. Stronger domestic steel demand, supported by ongoing electric arc furnace (EAF) capacity growth and US tariffs on imported steel, resulted in higher domestic ferrous prices and increased infeed volumes. Export ferrous prices (excluding freight) remained broadly flat, reducing average realised export selling prices. Strong underlying demand for both copper and aluminium, together with higher global prices, supported non-ferrous markets. In the US, tariffs on imported aluminium elevated the premium on domestic aluminium prices over London Metal Exchange (LME) prices, supporting higher realised non-ferrous selling prices.

Trading margin was 9.2% higher (14.4% at constant currency) in FY26 compared to FY25 driven by higher average selling prices and strong commercial execution to preserve and widen spreads, better aligning purchase prices with market movements. Trading margin percentage increased to 21.3%, reflecting improved margin management and the benefit of higher NFSR prices. This was partially offset by a greater contribution from non-ferrous retail sales, which generated higher trading margin dollars but lower percentage margins.

Operating costs increased by 4.5% to $717.7 million (9.4% at constant currency) in FY26 compared with FY25, principally reflecting higher processing activity and the impact of higher waste removal and energy costs. Inflationary pressures from higher fuel prices and the contribution from four months of trading following the TCT acquisition also added to the cost base.

In FY26, underlying EBITDA increased 23.4% to $313.9 million, or 29.3% on a constant currency basis. Underlying EBIT increased by 69.7% to $135.9 million or $142.3 million on constant currency basis.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results - Continuing Operations (continued)

Interest in SAR Joint Venture

A$M	YEAR ENDED 30 JUNE 2026	2025	CHANGE	CONSTANT CURRENCY CHANGE
Sales revenue	**6,455.8**	5,454.7	18.4%	24.0%
Trading margin	**1,904.0**	1,565.6	21.6%	27.4%
Operating costs (excluding D&A)	**(1,198.5)**	(1,106.3)	(8.3%)	(13.5%)
Underlying EBITDA	**705.5**	459.3	53.6%	60.9%
Underlying EBIT	**495.2**	259.5	90.8%	99.9%
Underlying PBT	**471.0**	240.0	96.3%	105.6%
Sims underlying EBIT (50% share)[1]	**235.5**	120.0	96.3%	105.6%
Proprietary Sales tonnes (thousands)	**5,779**	5,391	7.2%	
Trading margin (%)	**29.5%**	28.7%	0.8%	
Underlying EBIT margin (%)	**7.7%**	4.8%	2.9%	

[1]Sims underlying EBIT represents a 50% share of SAR's profit before tax, after accounting for adjustments from US GAAP to IFRS.

SAR's FY26 sales revenue rose to $6,455.8 million, an increase of 18.4% (24.0% at constant currency) driven by higher average non-ferrous selling prices and increased sales volumes.

Market conditions were favourable across both the ferrous and non-ferrous markets during FY26. Stronger domestic ferrous prices, particularly in the second half of the year, supported higher realised ferrous selling prices, while elevated Zorba prices demonstrated the benefit of SAR's extensive shredding network and high exposure to this product.

Trading margin was up by 21.6% (27.4% at constant currency) in FY26 compared to FY25, driven by the significantly stronger non-ferrous market and growth in ferrous trading. Trading margin percentage increased to 29.5% from 28.7% due to improved realised margins across both ferrous and non-ferrous products. This was partially offset by a greater contribution from non-ferrous retail sales, which generated higher trading margin dollars but lower percentage margins.

Operating costs (excluding depreciation and amortisation) increased 8.3% to $1,198.5 million (13.5% at constant currency), remaining below revenue growth despite the impact of acquisitions as well as higher energy and processing costs, and inflationary pressures on fuel and labour.

Underlying EBITDA increased 53.6% to $705.5 million (60.9% at constant currency). The JV contributed $235.5 million to the Group's underlying EBIT compared to $120.0 million in FY25, up 96.3%. At constant currency, SAR's contribution would have been $246.7 million, representing a 105.6% increase.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results - Continuing Operations (continued)

Australia & New Zealand Metal

	YEAR ENDED 30 JUNE		
A$M	2026	2025	CHANGE
Sales revenue	**1,776.0**	1,575.5	12.7%
Trading margin	**370.7**	375.5	(1.3%)
Operating costs (excluding D&A)	**(254.9)**	(242.4)	(5.2%)
Share of results of JV (underlying)	**1.7**	1.1	54.5%
Underlying EBITDA	**117.5**	134.2	(12.4%)
Underlying EBIT	**55.8**	72.2	(22.7%)
Proprietary Sales tonnes (thousands)	**1,532**	1,590	(3.6%)
Trading margin (%)	**20.9%**	23.8%	(2.9%)
Underlying EBIT margin (%)	**3.1%**	4.6%	(1.5%)

Australia and New Zealand ("ANZ") FY26 sales revenue was $1,776.0 million, an increase of 12.7% compared to FY25. The increase was primarily driven by higher average non-ferrous selling prices and strong growth in non-ferrous sales volumes, offsetting a decline in ferrous sales volumes.

Market conditions remained challenging during FY26. Elevated Chinese steel exports into Asia retained pressure on ferrous prices and margins. While ferrous margin pressure persisted throughout the year, disciplined buy-price management and strong non-ferrous margins partially offset these impacts.

Trading margin reduced by 1.3% to $370.7 million in FY26 compared to FY25, reflecting lower ferrous margins from challenging ferrous markets and freight cost pressures. Trading margin percentage decreased to 20.9% from 23.8% due to the impact of the weaker ferrous market conditions and a greater contribution from non-ferrous sales, which generated additional trading margin dollars but a lower percentage margin.

Operating costs increased by 5.2%, below revenue growth of 12.7% compared to FY25. The increase includes currency losses on revenue related trading activities as well as inflationary pressures (underlying and Middle East conflict related) including higher fuel costs and increased waste disposal levies. Despite these cost impacts, disciplined cost control delivered improvements in fixed cost management and operational efficiencies across the business, including improved shredder utilisation.

In FY26, underlying EBITDA decreased by 12.4% to $117.5 million compared to FY25, partly reflecting the depreciation of the US dollar against the Australian dollar and its impact on the value of both export and domestic prices in Australian dollar terms. FY26 Underlying EBIT decreased by 22.7% to $55.8 million, compared to FY25.

DIRECTORS' REPORT (continued)

Operating Segment Results - Continuing Operations (continued)

Sims Lifecycle Services ("SLS")

A$M	YEAR ENDED 30 JUNE 2026	2025	CHANGE	CONSTANT CURRENCY CHANGE
Sales revenue	**757.0**	426.6	77.4%	84.1%
Trading margin	**406.3**	240.5	68.9%	75.5%
Operating costs (excluding D&A)	**(216.0)**	(194.6)	(11.0%)	(14.8%)
Underlying EBITDA	**190.3**	45.9	314.6%	333.0%
Underlying EBIT	**172.7**	32.6	429.8%	454.7%
Underlying EBIT margin (%)	**22.8%**	7.6%	15.2%	15.4%
Repurposed Units (million)	**16.8**	8.8	90.9%	
Gigabyte Memory Sold (million)	**70.5**	122.5	(42.4%)	

Sims Lifecycle Services ("SLS") FY26 sales revenue was $757.0 million, representing an increase of 77.4% (84.1% at constant currency) compared to FY25. The increase primarily reflected higher resale revenue, supported by strong DDR4 memory prices.

Market conditions were favourable during FY26, supported by continued investment in AI infrastructure and the expansion of US data centre capacity, which increased hyperscaler activity and demand for IT asset disposition services. Ongoing shifts in manufacturer production towards DDR5 chips and high-bandwidth memory (HBM) constrained DDR4 chip availability, supporting elevated DDR4 prices through most of FY26.

Robust market activity was reflected in the number of processed repurposed units which grew by 90.9% to 16.8 million in FY26 compared to FY25, with increased hyperscaler activity and the continued expansion of US data centre capacity. SLS further strengthened its position within the hyperscaler segment by expanding its service offering and furthering its customer relationships.

Memory sold decreased by 42.4%, from 122.5 million GB units in FY25 to 70.5 million GB units in FY26, due to the phasing out of lower-margin, prior-generation DDR3 memory during FY25 and the resulting decline in DDR3 volumes, together with higher volumes of 16GB cards sold in the second half of FY26 in response to decommissioning schedules.

Operating costs increased 11.0%, (14.8% at constant currency) below revenue growth of 77.4% (84.1% at constant currency) in FY26 compared to FY25. The increase reflected higher business volumes and ongoing investment to support business growth, including the opening of a new processing centre in Ireland.

Underlying EBITDA increased 314.6% (333.0% at constant currency) to $190.3 million in FY26 compared to $45.9 million in FY25.

Underlying EBIT increased 429.8% (454.7% at constant currency) to $172.7 million in FY26 compared to $32.6 million in FY25. Underlying EBIT margin percentage increased 15.2% percentage points to 22.8%, supported by strong prices in the resale segment.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Operating Segment Results - Continuing Operations (continued)

Corporate and Other (Underlying EBIT)

	YEAR ENDED 30 JUNE		
A$M	2026	2025	CHANGE
Global Trading Operations	**(16.5)**	(3.5)	(371.4%)
Central, Corporate and Projects	**(115.4)**	(120.5)	4.2%
Sims Resource Renewal	**–**	(6.0)	100.0%

Global Trading Operations' underlying EBIT loss of $16.5 million in FY26 increased by 371.4% compared to FY25 underlying EBIT loss of $3.5 million. The FY25 result included additional trading margin contributions from Unimetals, with the FY26 result now principally reflecting general operating costs.

Central, Corporate and Project costs were $115.4 million for FY26, a reduction of $5.1 million on FY25 costs. Central and Corporate costs reduced marginally as the group transitioned to its global shared services hub and project expenditure fell as expenditure required to support the deployment of a replacement yard-based operations management system for the Metal business reduced in line with development progress and preparation for initial deployment.

In FY25 following the successful construction and commissioning of its Rocklea demonstration plant, Sims elected to cease work on the development and commercialisation of plasma-assisted gasification technology for the processing of Automotive Shredder Residue (ASR) waste, conducted through its wholly owned subsidiary Sims Resource Renewal as market conditions were considered as not yet conducive to scaling the technology.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Reconciliation of Statutory Results to Underlying Results (Non-IFRS Information - Unaudited)

	EBITDA[1]		EBIT		Profit after tax from continuing operations	
	FY26	FY25	FY26	FY25	FY26	FY25
A$M						
Reported earnings	**667.2**	323.7	**407.4**	68.6	**245.3**	2.4
Significant items:						
Asset write downs	**58.0**	45.1	**58.0**	45.1	**43.4**	34.0
Gain on business transactions (net of transaction costs and impact of discontinued operations)	**–**	(1.7)	**–**	(1.7)	**–**	(2.5)
Restructuring and redundancies	**11.7**	23.5	**11.7**	23.5	**8.8**	17.3
Gain on sale of business	**(4.7)**	–	**(4.7)**	–	**(3.5)**	–
Non-qualifying hedges	**(5.8)**	14.3	**(5.8)**	14.3	**(5.8)**	14.3
Closure of Sims Resource Renewal	**–**	25.1	**–**	25.1	**–**	17.6
Other non-recurring items	**1.4**	–	**1.4**	–	**0.9**	–
Underlying earnings[2]	**727.8**	430.0	**468.0**	174.9	**289.1**	83.1

1 EBITDA is a non-IFRS financial measure. See table above that reconciles EBITDA to statutory net profit.

2 Underlying earnings is a non-IFRS measure that is presented to provide an understanding of the underlying performance of the Group. The measure excludes the impacts of acquisitions and disposals, as well as items that are subject to significant variability from one period to the next. The reconciling items above (before tax) have been extracted from the annual financial statements.

Significant item amounts in FY26 include the following:

- Asset write downs reflect a loss allowance of $58 million, primarily relating to the company's UK Metal receivable.
- Restructuring and redundancies primarily relate to ongoing measures to simplify the organisational structure.
- Gain on sale of business relates to the Group's share of the profit made by its joint venture partner SA Recycling on the sale of certain business units.
- Non-qualifying hedges primarily reflect the mark-to-market adjustment on commodity hedges held at balance date. These hedges do not qualify for hedge accounting.

Reconciliation of Statutory NPAT to Statutory EBIT to Statutory EBITDA

	YEAR ENDED 30 JUNE	
A$M	2026	2025
Statutory net profit after tax from continuing operations	**245.3**	2.4
Interest expense from external borrowings, net of interest income	**30.1**	21.0
Lease liability interest expense	**14.3**	12.7
Income tax expense	**117.7**	32.5
Statutory EBIT from continuing operations	**407.4**	68.6
Depreciation and amortisation, excluding right of use asset depreciation	**171.5**	169.8
Right of use asset depreciation	**88.3**	85.3
Statutory EBITDA from continuing operations	**667.2**	323.7

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Cash flow and Net Debt

The approach to capital management is staged and disciplined and reflects the volatility of the market. The company remains conservative in its approach to debt to ensure appropriate flexibility and liquidity to operate through the cycles.

On a statutory basis, FY26 cash flow from operating activities was $423.6 million compared to $297.1 million in FY25 as a result of the higher earnings.

Capital expenditure for property, plant and equipment and intangible assets, on a statutory basis, was a total cash outflow of $203.4 million in FY26 compared to $194.1 million in FY25.

In February 2026, Sims purchased TCT for $94.8 million, comprising the major component of $97.5 million spent on various business acquisitions in the year.

Free cash flow

Free cash flow represents cash flow available to pay dividends, repay debt, invest in additional major growth projects or return surplus cash to shareholders. In line with the Group's Dividend policy, the Group aims to provide returns to shareholders by targeting an ordinary dividend of between 25% and 35% of its pre-growth free cash flow, while prioritising the maintenance of a strong balance sheet. The following table presents the Group's free cash flow for the year, reconciled from underlying EBITDA.

	AS AT 30 JUNE	
A$M	2026	2025
Underlying EBITDA	**727.8**	430.0
Underlying working capital movement	**2.3**	98.9
Net interest paid	**(43.1)**	(40.8)
Underlying tax expense	**(134.5)**	(40.7)
Non cash impact of SAR	**(141.2)**	(63.3)
Underlying operating cash flow	**411.3**	384.1
Lease payments	**(81.5)**	(89.6)
Sustaining capex	**(149.0)**	(170.0)
Pre-growth free cash flow	**180.8**	124.5
Growth capex	**(54.4)**	(17.7)
Free cash flow	**126.4**	106.8

Cash received from the SAR joint venture reflects allowances for reinvestment in capital expenditure and growth and the timing of dividend payments which are typically received in the quarter following the underlying business earnings. SAR's fourth quarter contribution to the Group's earnings result will be received in the first quarter of FY27.

Growth capital excludes acquisitions and primarily relates to organic investments that improve metal recovery and increase throughput. The majority of the expenditure in FY26 related to additional copper recovery plants and a number of throughput improvements at select facilities.

Sustaining capital includes operational investments that support the efficient operation of scrap yards and distribution infrastructure as well as regulatory-related projects.

The Group paid cash dividends of $52.2 million in FY26, an increase from the prior year level of $38.6 million in line with its capital management and dividend allocation framework. $20.6 million was spent to purchase shares under the employee share plan.

Net Debt

On 30 June 2026, the Group had a net debt position of $358.3 million compared to a net debt position of $332.3 million on 30 June 2025. The Group calculates net debt as total financial borrowings less cash balances as follows:

	AS AT 30 JUNE	
A$M	2026	2025
Total borrowings	**535.8**	513.4
Less: total cash[1]	**(177.5)**	(181.1)
Net Debt	**358.3**	332.3

[1] Includes restricted cash of $13.6 million (30 June 2025: $29.6 million). Refer to note 19 for further information.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Strategic Developments

Solid progress was made on the Group's strategic initiatives during FY26. To ensure long-term growth the Company actively manages its portfolio to adapt to market changes.

Initiative	Progress
Metal	**North America Metal** • Acquisition of Tri Coastal Trading in Houston • Path to market expansion investments: completion of Claremont dredging for increased maritime capacity; rail access extension in Claremont and Chesapeake; additional transportation capacity growth across NAM • Metal In Waste: shredder and metal sorting upgrades at Alumisource; sorting capacity improvement across NAM; Metal Recovery Plants to improve yields • Site expansion: development of new yards on the East and West Coast to strengthen footprints in these regions • Regulatory: environmental initiative on the West Coast to ensure long-term compliance **ANZ Metal** • Advanced fines processing capability through the Broadmeadows and Pinkenba fines plant projects, with Pinkenba commissioning underway ahead of operations commencing in August 2026 • Completed small acquisitions • Completed construction of the Auckland rail siding to enhance supply to local EAF • Advanced construction of the Auckland Metal Recovery Plant • Completed staged redevelopment of the Kooragang Island site
SA Recycling	• Completed 11 acquisitions, adding 12 additional sites • Expanded railcar fleet and logistics capacity • Invested in Gwinnett and Bakersfield MRP plants • Acquired strategic adjacent properties to support growth
Lifecycle Services	• Expanded footprint into Ireland • Further investment in robotics and automation • New facility in India • Extended development of USA sites to accommodate additional hyperscaler services

Outlook

SLS's first-half underlying EBIT is expected to be between $75 million and $90 million. While DDR4 market fundamentals remain strong, the timing of data centre decommissioning activities remains variable.

The factors that supported strong non-ferrous demand and prices in FY26 are expected to remain supportive in FY27. Our North American businesses and ANZ have robust non-ferrous product lines, and these will continue to deliver significant trading margin contributions.

Tariffs are expected to continue to protect US steel manufacturers and thereby support the demand for ferrous scrap, together with additional EAF capacity that has now come online in FY26, and further capacity expected in FY27. The construction of data centres continues to also support the demand for steel and in turn the demand for scrap. We are well positioned with our North American Metal businesses to provide high-quality ferrous products throughout the US to meet this increased demand.

We expect Chinese steel exports to continue pressuring ferrous markets in FY27, particularly ANZ, where weaker domestic demand and the absence of steel tariff protection create a more challenging market. Over the medium term, we expect domestic demand to increase with the commissioning of Glenbrook in New Zealand and, in our view, at least one EAF in Australia. ANZ is well placed to meet this increased demand.

DIRECTORS' REPORT (continued)

NAMES AND PARTICULARS OF DIRECTORS

The following persons were Directors of the Company during the financial year and up to the date of this report:

- Philip Bainbridge
- Stephen Mikkelsen
- Victoria Binns
- Grant Dempsey
- Kathy Hirschfeld
- Shinichiro Omachi
- Russell Rinn
- Nancy Novak (appointed 15 December 2025)

Details of the Directors' qualifications, experience and any special responsibilities, including Committee memberships, are set out on pages 14 to 15.

COMPANY SECRETARIES

Gretchen Johanns (Executive)
Ms Johanns joined the Company in November 2018 as Group General Counsel and Company Secretary. Ms Johanns has more than 25 years of experience as a senior legal advisor with U.S. publicly-listed companies in the information technology, service and media industries. Prior to joining the Company, Ms Johanns served as Deputy General Counsel and Corporate Secretary at Xerox Corporation. Previously, she served in various legal roles at Time Warner Cable Inc.

Michelle Pole
Ms Pole was appointed General Counsel and Company Secretary for the ANZ region in August 2024. She is an experienced governance professional with a strong background in company secretarial practice, legal advisory, and regulatory compliance in the mining and resources sector. Prior to joining Sims, she held a senior legal and company secretarial role at ASX 100-listed OZ Minerals Ltd. Immediately before joining the Company, she held an operational leadership position at BHP's Carrapateena copper mine, broadening her insight into the interface between governance, legal, and operational outcomes.

DIRECTORS' MEETINGS

The following table shows the number of board and committee meetings held during the financial year ended 30 June 2026 and the number of meetings attended by each Director:

	BOARD OF DIRECTORS		AUDIT COMMITTEE[2]		SAFETY, RISK & SUSTAINABILITY COMMITTEE[2]		AUDIT & RISK COMMITTEE[2]		SHECS COMMITTEE[2]		PEOPLE & CULTURE COMMITTEE		NOMINATION/ GOVERNANCE COMMITTEE	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
P Bainbridge	7	7											3	3
S Mikkelsen	7	7												
V Binns	7	7	3	3			2	2			4	4	3	3
G Dempsey	7	7	3	3			2	2						
K Hirschfeld	7	6	3	3	2	2	2	2	1	1				
S Omachi	7	7			2	2			1	1	4	4		
R Rinn	7	7			2	2			1	1	2	2	3	3
N Novak[1]	4	2			2	2					2	2		

1 Ms Novak joined the Board on 15 December 2025.

2 Effective November 2025, the Board revised its committee structure and responsibilities. The former Audit & Risk Committee was reconstituted as the Audit Committee, and the former Safety, Health, Environment, Community & Sustainability (SHECS) Committee was reconstituted as the Safety, Risk and Sustainability Committee.

A = Number of meetings held during the year ended 30 June 2026, during which the relevant Director was a member of the Board or applicable Committee, as the case may be.
B = Number of meetings attended by the relevant Director.

Directors also attend meetings of committees of which they are not a member. This is not reflected in the table above.

DIRECTORS' REPORT (continued)

DIRECTORS' INTERESTS

As at the date of this report, the interests of the Directors in the shares of the Company are set forth below:

	SHARES
P Bainbridge	31,330
S Mikkelsen[1]	161,515
V Binns	7,700
G Dempsey	–
K Hirschfeld	10,082
S Omachi	–
R Rinn	7,515
N Novak	–

1 The table above shows only the shares held by Mr Mikkelsen. Refer to the Remuneration Report for information on options and performance rights held by Mr Mikkelsen.

DIVIDENDS

In August 2026, the directors declared a final dividend of 20.0 cents per share (100% franked) for the year ended 30 June 2026. Together with the interim dividend paid during the year of 14.0 cents per share, total dividends for the financial year were 34.0 cents per share. The FY26 final dividend will be paid on 15 October 2026 to shareholders on the Company's register at the record date of 1 October 2026.

The Directors have determined that the dividend reinvestment plan will not operate in relation to this dividend.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the state of affairs for the year ended 30 June 2026.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The Directors are not aware of any items, transactions or events of a material or unusual nature that have arisen since the end of the financial year which will significantly affect, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

LIKELY DEVELOPMENTS

Information as to likely developments in the operations of the Group is set out in the Operating and Financial Review above.

DIRECTORS' REPORT (continued)

ENVIRONMENTAL REGULATION

Sims Limited and its controlled entities ("Sims" or "the Group") are subject to environmental regulations and reporting requirements in Australia as well as other countries in which it operates. The Group has environmental licenses and consents in place at various operating sites as prescribed by relevant environmental laws and regulations in respective jurisdictions. Conditions associated with these licenses and consents include those which stipulate environmental monitoring requirements and reporting limits to monitor conformance with the requirements of such licenses and consents.

Under Australian environmental regulation, an entity is required to provide a summary of its environmental performance as per s299(1)(f) of the Corporations Act 2001. Further information on the Company's environmental performance is set out in the Group's Annual Sustainability Report. On 8 October 2025, the Group lodged its FY25 Sustainability Report on the ASX. A copy of the report can be viewed at https://www.simsltd.com/investors/reports.

Additionally, the Group's Australian operations are subject to the reporting requirements of the National Greenhouse and Energy Reporting Act 2007 ("NGER"). The NGER Act requires the Group to report its annual greenhouse emissions and energy use of its Australian operations.

Sims has also developed its first Climate Change Risks and Opportunities report under the Australian Sustainability Reporting Standards ("ASRS"), which introduced mandatory climate-related sustainability disclosures in line with global standards. The report forms part of these Financial Statements and can be viewed under the FY26 Climate Mandatory Disclosures included as Part 2 of the Sustainability Report in this Annual Report.

There have been no material breaches of environmental permit conditions or legislation for the reporting period.

MANAGING RISKS

An integral part of the way Sims operates is recognising and managing the broad range of risks that it faces. Each must be given careful and appropriate consideration in order to support our commitments to our customers and stakeholders in line with our vision to **create a world without waste to preserve our planet.** In accordance with our Risk Management Policy and Framework, Sims manages risk with the aim of:

- Supporting the achievement of strategic objectives through the identification and management of key areas of risk and opportunity on a proactive basis;
- Providing the basis for informed decision making;
- Enabling consistent and frequent communication between management and key governance committees; and
- Continuously enhancing the perception of Sims to our key stakeholders, including customers, shareholders and the community.

Through our Risk Management process (which is detailed in our Risk Management Policy), Sims Limited continuously monitors, assesses and manages the response to these risks, which range from operational events to external factors. Some of these key areas of risk and opportunities are discussed in detail in the following sections.

CLIMATE CHANGE RISKS

Climate change poses physical risks to our business, our people, and to the infrastructure, communities and environment that we operate in. We believe that the transition to a low-carbon economy and the parallel transition to a circular economy presents opportunities for our business.

Learn more about our approach to climate change, including our detailed assessment of the risks and opportunities, in our FY26 Climate Mandatory Disclosures included as Part 2 of the Sustainability Report in this Annual Report. Performance data is included in our Sustainability Databook, available at https://www.simsltd.com/sustainability/download-centre/

Risk appetite

Sims is committed to living its purpose and views environmental risks as opportunities that allow us to differentiate our offering, even when it is difficult. We pride ourselves in providing a pathway to decarbonisation and circularity to our customers, delivering constant innovation and improvement that aims at protecting the environment and communities we operate in, and setting the standard for our industry.

Our management response:

Our management response on Climate Change Risks & Opportunities is detailed in our FY26 Climate Mandatory Disclosures included as Part 2 of the Sustainability Report in this Annual Report.

DIRECTORS' REPORT (continued)

HEALTH & SAFETY RISKS

Health & safety are core company values. Sims leads in safety performance for the simple reason that we do not wait to respond to incidents but rather we effectively address risks proactively through our global lead indicator programs. Our Health and Safety strategy uses data to target specific risks and verify the effectiveness of controls, to drive continuous improvement. We build culture through proactive Commit to Care training; principles that focus on psychological safety and building trust based management/employee relationships.

Learn more about our approach to safety, including performance data in the Sustainability Report and Databook, available at https://www.simsltd.com/sustainability/download-centre/

Opportunities

Demonstrating that we can meet or exceed our commitments in safety supports operational resilience, our ability to attract and retain talent, and helps us achieve our purpose.

Sims has built a program as the foundation to our safety culture called Commit to Care. A program that all leaders must complete, building understanding and setting expectations on how to treat personnel, avoiding blame culture. The success of this program has seen an increase in the reporting of high-risk potential incidents, as well as low risk events, which gives Sims the opportunity to improve upon control measures.

Threats

We engage in activities that have the potential to cause harm to our people, including serious injuries and fatalities. Safety incidents can alter the lives of the individual, their family and community. A serious safety event could also cause damage or disruptions to our assets and operations, impact our financial performance, result in litigation or regulatory action, and cause long-term damage to our social license to operate and reputation.

Risk Appetite

First and foremost is safety. We are committed to providing a safe working environment for our people and will take all reasonable steps to protect the public, our customers, contractors and suppliers. Therefore, we have no tolerance for behaviour that knowingly compromises the safety of our people and the wider community. Sims takes the mental well-being of our workforce just as seriously as their physical well-being and encourages our workforce to feel comfortable openly discussing their struggles, concerns or challenges.

Our management response includes:

- Defining critical control verifications to address critical risks (those risks with the potential of causing the most serious harms). Key focus areas, such as traffic management, have been identified based on risk levels and the highest likelihood of occurrence;
- Specifying minimum and recommended requirements for hazard controls;
- Reporting, investigating, and sharing learnings from incidents across Sims;
- Developing a proactive safety culture through training, surveying and management example;
- Investigating and deploying technology for incident prevention and detection;
- Providing mental health and wellbeing training in order to reduce the stigma of mental health conditions. Ensuring Employee Assistance Programs are in place for employees to receive support related to mental health, general wellbeing, and other concerns;
- Including Leading Indicator targets related to safety performance in remuneration incentives. Reactive 'Lagging Indicators' programs (Total Case Injury Frequency Rate & Lost Time Injury Frequency Rate) have been retired in order to focus on hazards and associated risks although continue to be monitored; and
- Maintaining Emergency Response Plans, which include evacuation routes, fire response equipment, and injury first aid.

DIRECTORS' REPORT (continued)

SOCIAL LICENCE

We recognise the significant shifts in our external operating environment and increased stakeholder expectations regarding the role of companies in society and the communities in which they operate. In particular, we recognise that without a social licence from our communities and broader stakeholders, we would simply not be able to operate. In this context we have developed a Social Licence Framework, not just to manage risks associated with maintaining our Social Licence, but importantly to ensure Sims continues to be a partner for change in the communities in which we operate.

Opportunities

Building and deepening our relationships with the communities we operate in, and our wider stakeholders, supports operational resilience and our ability to attract and retain talent (which is mostly sourced from the local community). Our customer base is often also local, and we want to be the place where the local community and supplier base recycle their metals. This not only helps our bottom-line by giving us access to intake at source, but also develops our brand and credibility as a business and supports our purpose.

Threats

The rapid gentrification or urbanisation of previously industrial or semi-rural suburbs in the vicinity of larger cities means that most of our sites, even if relatively removed from urban centres at inception, are now in close proximity to (or in the midst of) urban areas or sensitive receptors. Through our operations, we have the potential to cause disruption and nuisance to the communities and the environment around us, markedly in our Metals business, whether through fires at our sites, dust, noise, increased heavy-vehicle traffic, other factors, and ultimately cause long-term damage to our social licence to operate and reputation.

Our SLS business has lesser exposure to gentrification or urbanisation related threats, with most of their operations relatively unobtrusive and taking place in enclosed warehouses within industrial business parks or similar locations. However, an increase in public scrutiny of new data centre developments, driven by concerns over land use, water consumption and energy demand creates an emerging risk with approximately 75 proposed data centre projects reportedly delayed in the US in CY26[1]. In response, hyperscalers and enterprise customers continued to place greater emphasis on circular economy initiatives to improve resource efficiency and strengthen supply chain resilience. This has the potential to generate both positive and negative impacts on the SLS business.

Risk Appetite

We pride ourselves in providing a pathway to decarbonisation and circularity to our customers and delivering constant innovation and improvement that aims at protecting the environment and communities we operate in, and set the standard for our industry.

Our management response includes:

- A vast array of operational measures are in place and substantial investments identified to address and mitigate undesirable impacts from our operations on our communities and the environment. Such measures include (but are not limited to) buffer walls, enclosing some of our equipment (where reasonably practicable), and planting trees to screen off noise and improve visuals;
- Targeted, locally focused, action plans in place for key sites;
- Social Licence Framework and associated governance mechanisms in place;
- Dedicated resources in key locations to understand our communities' needs and drive our action plans;
- Reporting, investigating, and sharing learnings from incidents impacting our communities and the environment across the Group;
- Developed crisis and emergency response plans and business continuity plans;
- Sims works collaboratively with local fire departments and fire detection firms to ensure our control measures in fire prevention and methods for response continually improve with new technologies. We have also partnered with fire detection firms to trial state-of-the-art, machine-learning, early detection warning systems to control fire risk; and
- Continuous review and improvement of key operational procedures, such as stockpiling practices and material inspection protocols.

DIRECTORS' REPORT (continued)

REGULATIONS AND PUBLIC POLICY

As previously articulated, we recognise the significant shift in our external operating environment and increased stakeholder expectations, including those from government and regulatory authorities. In this regard, we view the efforts of government (and the private sector) to decarbonise and lower emissions as a significant opportunity for Sims.

Particularly relevant to Sims are cap and trade schemes, emission limits, as well as carbon-pricing mechanisms and taxes on GHG emissions. Sims supports the efforts endorsed by the European Council in December 2019 to make the EU climate neutral by 2050 and by Australia to achieve net zero greenhouse gas emissions by no later than 2050, in line with the Paris Agreement. Sims remains committed to curbing its own emissions.

Opportunities

For Sims, a low-carbon transition is at the heart of our business strategy. As such, we see a significant upside in the current and proposed government policies which have the objective of transitioning to a low-carbon economy. As a leader in the metals recycling industry, we see ourselves as a critical element of the transition, and in furthering the circular-economy agenda, either through strategic industry associations or directly engaging with government where appropriate. Refer to the FY26 Climate Mandatory Disclosures included as Part 2 of the Sustainability Report in this Annual Report for further detail on this opportunity.

Threats

The potential threats arising from regulatory changes or measures relating to the transition to a low-carbon economy range between tactical challenges such as an increased cost of purchased energy, or capital costs needed for the electrification of equipment, or lower emissions equipment to, on a strategic front, potential restrictions to the export of our products which may come through waste management initiatives. Sims has not to date experienced and does not expect to experience any material negative impact related to these current or potential regulations in the short, medium or long term (and have therefore not elaborated on this as a threat for our ASRS reporting), but we continue to monitor, evaluate and engage with government and through industry associations to ensure we remain current and are able to respond to these changes with sufficient agility.

Non-compliance with regulatory requirements is viewed as a key operational risk that requires close monitoring and management, as a breach of regulatory conditions or licenses could cause significant disruption to our operations, and/or result in costly fines, and ultimately damage our reputation. Details on how this risk is managed are below.

Risk appetite

Sims requires strict compliance with laws and regulations across our organisation including safety, trading, environment, and reporting to our stakeholders and the public. While we require compliance, we simultaneously pursue clarity in regulations which impact our business and strive to ensure all players in the industry are held to the same environmental standards that we pursue.

We encourage regular community and bi-partisan political engagement efforts at a federal, state and local level to support the achievement of our purpose and vision. We discourage complacency in our processes and procedures that put us at risk of regulatory violations and potential litigation.

Our management response includes:

- Engaging through industry associations, business chambers, and directly with government where appropriate;
- Annual review of industry association lobbying to monitor activity alignment with Sims' policy and position (particularly regarding climate change);
- Monitoring and scanning for changes in the policy and regulatory environment;
- Engagement of specialised third-party advisory firms or individuals as required;
- Government Engagement & Advocacy Policy to guide activities;
- Rotating, regular internal Audit reviews of site compliance with key regulatory obligations;
- Internal Controls Questionnaires to regularly assess and report on the status of key controls pertaining to areas of regulatory compliance across all our sites;
- Annual compliance training for all staff; and
- Whistleblower mechanisms to ensure any breaches of laws or regulation can be promptly and anonymously reported and recorded.

DIRECTORS' REPORT (continued)

TECHNOLOGY AND CYBER SECURITY

As Sims continues to evolve, our processes are becoming increasingly reliant on technology and the systems with which we operate more sophisticated. We view technology as a tool to assist and enhance the running of our day-to-day operations and also a key component of our future strategy. Consequently, Sims has consistently invested in enhancing its technology suite and bolstering its cyber security and incident detection, monitoring and response capabilities.

Opportunities

We see significant opportunities in enhancing our core operating systems, as well as in the use of business intelligence, data analytics and, where appropriate, artificial intelligence.

Our Sims Lifecycle Services business is well positioned to benefit from the increasing use and continuing evolution of data centres globally. SLS works with a range of established technology companies, helping businesses and data centre operators manage ongoing technology infrastructure refresh cycles. As a global provider of technology infrastructure lifecycle solutions, SLS supports the reuse, redeployment and responsible recycling of technology equipment and components. Its services include data centre decommissioning, secure data destruction, equipment and component testing, refurbishment, redeployment and value recovery.

Threats

We view technology and its use as a sizeable opportunity, while also recognising that it presents clear threats which need to be managed, such as risks associated with the adoption and implementation of new technologies and the failure to take necessary steps to prepare for cybersecurity incidents or technical outages which could result in operational incidents, business disruptions or data breaches, and ultimately have adverse effects on our social license to operate, reputation, financial performance, and overall competitiveness.

Risk appetite

We encourage all Sims employees to acknowledge that they have a responsibility to protect Sims' assets and data and encourage investment in training that promotes proactive behaviours to prevent, detect, respond and recover from cyber security incidents.

Our management response includes:

- Maintaining technologies to improve our overall cybersecurity resilience, including but not limited to global virtual private networks ("VPNs"), multi-factor authentication ("MFA"), robust anti-virus/anti-spyware/anti-malware software technologies, data protection via encryption and machine authentication;
- Implementing a robust incident response strategy in partnership with third-party service providers of managed detection and incident response and conducting our annual global IT incident response tabletop exercise;
- Conducting executive level Crisis Management exercises simulating a wide-spread cyber security event with the participation of representatives of the Board as well as key executives across all potentially impacted business units and functions;
- Enhancing our information security/cybersecurity awareness training program by leveraging various internal communication channels, including email (frequent publication of cybersecurity articles) and MySims Intranet site (security videos and Cybersecurity Awareness newsletter);
- Continuing to include training on relevant security awareness policies (e.g., acceptable use, protection of information assets) as part of our new employee onboarding process;
- Deployed our mandatory bi-annual Cybersecurity Training, which is managed through the Sims University Learning Centre;
- Conducting bi-monthly internal simulated phishing testing attacks and enhancing our KPI reporting;
- Maintaining appropriate cyber insurance;
- Robust Disaster Recovery Plans across all regions, which are tested annually; and
- Subjecting our cybersecurity practices to at least bi-annual internal and/or external audit/s, and vulnerability assessment and penetration testing multiple times during the year.

DIRECTORS' REPORT (continued)

GEOPOLITICAL AND MACROECONOMIC RISKS

Sims Metal financial and operational performance is exposed to fluctuations in the market price for ferrous and non-ferrous metals and precious metals, which at times are volatile. The underlying causes for these fluctuations are typically geopolitical and macroeconomic factors which, albeit being beyond Sims' direct control, need to be closely monitored and, to the extent possible, their impact anticipated and mitigated.

Our SLS business is less exposed to the geopolitical and macroeconomic risks which impact Metal commodities. SLS's performance is more uniquely linked to factors associated with the evolution and growth of technology and, in particular, Artificial Intelligence and the consequential requirement for data centre investment.

Opportunities

We are confident in the medium and long-term fundamentals of the business.

For Metal, the demand for ferrous scrap spurred on by infrastructure spending and Electric Arc Furnace ("EAF") steelmaking production is expected to remain robust. India remains a key area of growth, and we expect to be able to leverage its foreshadowed infrastructure expansion in the coming years. We are also of the view that non-ferrous demand will likely remain strong driven by sustained efforts towards decarbonisation. electrification, grid investment and AI-related data centre infrastructure - alongside ongoing supply constraints and geopolitical disruptions.

We expect our SLS business to continue to benefit from the large scale investment and development of data centres, which is occurring world-wide

On more general terms, we continue to build our understanding of geopolitical and macroeconomic threats and opportunities as we believe this cannot just assist us in implementing appropriate risk mitigation measures but also enhance the development of our strategy, our operations planning and response, and ultimately provide a potential future competitive advantage.

Threats

In the short term, adverse movements in commodity prices may negatively impact our financial performance. Current ferrous scrap prices, driven, at least partially, from the continued oversupply of Chinese steel, may result in a continuation of soft scrap inflows. We expect non-ferrous volumes and prices to provide a level of offset, as they continue to track favourably.

Potential conflicts or issues impacting the semiconductor supply-chain (which is concentrated in certain global hubs, namely Taiwan, China, the Netherlands, Japan, Korea and the US) could reasonably be expected to have an impact on the SLS business, given the link between the semiconductor supply-chain and its key customer base. We continue to monitor developments, however the evolution of geopolitical conflict remains an area of uncertainty over which Sims has no control

The cost of capital may also affect the results of our operations, financial performance and returns to investors in the short term depending on interest rates and currency movements.

Our management response includes:

- Monitoring geopolitical and macroeconomic developments and trends, including through signal monitoring and our enterprise-level watch list of emerging themes, to provide an early indication of events that could impact our strategy;
- Regular briefings or updates from external Subject Matter Experts to management and the Board;
- Maintaining response plans for various scenarios (including major international conflict/s) to mitigate disruptions to sales and logistics;
- Inventory management and turning inventories quickly;
- Use of forward commodity contracts matched to purchases or sales of non-ferrous metals (primarily copper, nickel and aluminium) and certain precious metals (primarily gold, silver and palladium);
- Strategic planning and stress testing of assumptions using a range of diverse pricing forecasts for key commodities;
- Cost containment measures and other initiatives deployed to offset the impact of a commodity pricing downturn and improve margins.

DIRECTORS' REPORT (continued)

INSURANCE AND INDEMNIFICATION OF OFFICERS

During the financial year, the Company had contracts in place insuring all Directors and Executives of the Company (and/or any subsidiary companies in which it holds greater than 50% of the voting shares), including Directors in office at the date of this report and those who served on the Board during the year, against liabilities that may arise from their positions within the Company and its controlled entities, except where the liabilities arise out of conduct involving a lack of good faith. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid as such disclosure is prohibited under the terms of their contracts.

SHARE OPTIONS AND RIGHTS

Unissued shares

As of the date of this report, there are no share options outstanding and 4,610,451 rights outstanding in relation to the Company's ordinary shares. Refer to note 28 of the consolidated financial statements for further details of the options and rights outstanding as at 30 June 2026. Option and right holders do not have any right, by virtue of the option or right, to participate in any share issue of the Company.

Shares issued as a result of the exercise of options and vesting of rights

During the financial year, there were 127,393 ordinary shares issued upon the exercise of share options and 724,684 ordinary shares issued through the employee share ownership programme trusts in connection with the vesting of rights. Refer to note 28 of the consolidated financial statements for further details of shares issued pursuant to share-based awards. Subsequent to the end of the financial year and up to the date of this report, there have been nil ordinary shares issued upon the exercise of share options and nil ordinary shares issued in connection with the vesting of rights.

NON- AUDIT SERVICES

The Company may decide to employ its external auditor (Deloitte Touche Tohmatsu) on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the financial year are set out in note 31 of the consolidated financial statements.

The Board has considered the position and, in accordance with advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set forth in note 31 of the consolidated financial statements, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Act is set out on page 71 and forms part of the Directors' Report for the year ended 30 June 2026.

ROUNDING OF AMOUNTS

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2026/183, dated 27 March 2026, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest tenth of a million dollars, unless otherwise indicated.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board of Directors.

P Bainbridge
Chairperson
New South Wales
18 August 2026

S Mikkelsen
Managing Director and Group CEO
New South Wales
18 August 2026

Remuneration Report

REMUNERATION REPORT (continued)

Introduction from the Chair of the People & Culture Committee

FY26 was a year of strong overall performance for Sims, underpinned by significant improvement in our North American Metal businesses and Sims Lifecycle Services material outperformance against initial expectations.

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Sims Limited's Remuneration Report for the fiscal year ended 30 June 2026 (FY26).

Sims' executive remuneration framework is designed to attract, motivate, develop and retain an excellent calibre of leadership talent from the global marketplace in which we operate, align executive remuneration with shareholder's interest, drive both short-term and long-term performance within our cyclical industries given changing market dynamics, and foster and support our purpose, values and culture.

Each year, we review our executive remuneration framework to ensure that it remains competitive considering our short- and longer-term strategic objectives, ensuring we have appropriately considered external factors, as well as views expressed by our shareholders. Following supportive feedback from this engagement as a result of the changes we made to our long-term incentive plan (LTI) structure for the performance measurement period FY25-FY27, we have maintained the structure for FY26.

Overview of FY26

FY26 was a year of strong overall performance for Sims, underpinned by a significant improvement in the performance of our North American Metal businesses and Sims Lifecycle Services, both of which materially exceeded the Board's initial expectations. While the ANZ Metal business continued to face headwinds from low-priced Chinese steel exports, its strong processing capabilities, extensive collection network and improved operational discipline enabled it to capitalise on favourable non-ferrous market conditions, partially mitigating these challenges. Continued execution of Sims' strategic priorities - simplifying operations, improving margins and increasing the direct sourcing of unprocessed scrap - delivered strong outcomes, driving significant margin expansion and a substantial improvement in profitability compared with the prior year.

In North America, our largest metal market, we continued to benefit from the realignment of our organisational structure, which strengthened commercial and operational execution while increasing flexibility across both domestic and export sales channels. This enhanced our ability to respond quickly to changing market conditions and capture the most attractive market opportunities as they emerged. Our strategic focus on increasing unprocessed scrap intake also contributed to further improvements in margins and earnings, supported by higher non-ferrous recoveries and volumes generated through better material processing.

Our SA Recycling joint venture delivered a strong EBIT result in FY26, supported by robust trading margins and the successful integration of further acquisitions. Together, SA Recycling and NAM operate complementary networks across distinct US markets, enhancing Sims' sourcing capability, customer reach and national market presence. Through the application of shared safety standards, technology platforms and operational expertise, the businesses are well placed to capture opportunities arising from continued growth in electric arc furnace (EAF) steel production and increasing demand for recycled metals in the United States.

REMUNERATION REPORT (continued)

During the year, management continued to invest in the Company's operating platform, including expanding rail logistics capability, enhancing market agility and strengthening the ability to optimise value across regional markets. We also invested in environmental compliance initiatives to support the Company's licence to operate and the long-term sustainability of our operations. The acquisition of Tri Coastal Trading further strengthened our regional footprint, expanded our sourcing network and enhanced our long-term growth platform in North America.

Sims Lifecycle Services delivered an excellent result, supported by robust underlying demand for repurposed solutions across the global data centre ecosystem. While the timing of customer decommissioning programs will continue to influence the distribution of volumes and earnings between reporting periods, our strategy and business remain well positioned to capitalise on the sector's favourable long-term fundamentals, underpinned by our differentiated operating model, strategic customer relationships and ongoing supply shortages.

From a sustainability perspective, Sims delivered another outstanding safety result, reflecting our ongoing commitment to keeping our employees, contractors and visitors safe. This included achieving our fourth consecutive year with a Total Recordable Injury Frequency Rate (TRIFR) of 1 or lower, while also reducing the total number of recordable injuries year-over-year, and delivering another year of best-in-class Lost Time Injury Rate (LTIR) of 0.33. We also achieved our Scope 1 and 2 emission objective, reducing emissions by more than 50% from our FY20 baseline, significantly exceeding our FY26 target of a 23% reduction.

FY26 remuneration framework and outcomes

The FY26 financial component of the Short-term Incentive (STI) was assessed on an EBIT target set for the entire year. Based on the FY26 EBIT result, the Company significantly outperformed the targeted EBIT resulting in an average payment for the KMP executives of 189% of the target financial component (representing 80% of the total STI opportunity).

The second component of the STI (representing 20% of the total opportunity) is based on an assessment of executives' individual performance goals. In FY26, KMP achieved 110% - 115% for that portion of the STI bonus. In total, the CEO and executives achieved STI outcomes of 94% of the maximum STI bonus. Fifty percent of the bonus achieved by the CEO is deferred post-tax into Sims ordinary shares with a 2-year holding period. Since other KMP achieved a bonus exceeding 120% of the target amount, one-half of the excess of the STI bonus over the target, is deferred post-tax into Sims ordinary shares with a 2-year holding period.

Our Long-term Incentive award is focused on alignment to shareholder experiences and delivering sustainable growth and value over the long term. The LTI structure for the grants made in FY24 with a performance measurement period FY24-FY26 has three components, TSR, Strategic Performance Rights (SPR) and Return on Productive Assets (ROPA). The TSR performance over the three-year measurement period resulted in an achievement of the 65th percentile against the comparator group, resulting in 81% vesting of the TSR performance rights. After careful consideration of a range of factors, including a very successful focus on improving trading margin and earnings, the Board determined that SPR vesting would be 100%. Notwithstanding a strong FY26 performance of 18.7%, the ROPA rights did not meet the minimum three year average threshold requirement resulting in zero (nil) vesting of the ROPA rights.

The combination of the three components resulted in an overall achievement of 63% of the LTI performance rights eligible to vest in the performance period ending in FY26.

KMP changes

Two changes to the KMP occurred throughout the course of FY26.

Nancy Novak was appointed to the Board as an Independent Non-Executive Director effective 15 December 2025. Ms Novak has over 35 years of experience in the U.S. construction industry and currently serves as the Chief Innovation Officer for Compass Datacentres, which designs, builds and operates large-scale data centres for hyperscalers and cloud providers.

John Glyde announced his transition to retirement from Sims Limited after 42 years of dedicated service. Effective 1 July 2026, Mr Glyde transitioned from his role as Managing Director, ANZ Metal and member of the Executive Leadership Team. Mr Glyde will remain with Sims through mid-calendar 2027 in a reduced capacity focusing on a number of strategic priorities.

In connection with Mr Glyde's announcement, Rob Thompson, previously President, North America Metal, was appointed President, Global Sims Metal, effective 1 July 2026.

Looking ahead to FY27

Sims relies on a high-performing geographically diverse management team to execute our growth strategy and deliver sustainable long-term value for shareholders, in a manner that is consistent with our purpose, values and culture. We believe Sims' remuneration structure provides the right balance and meets the multiple objectives of our remuneration framework. As a result, there are no plans for material changes in FY27 from the framework put in place in FY26.

Thank you for your ongoing support and we welcome your feedback at the AGM.

Yours sincerely,

Victoria Binns

People & Culture Committee Chairperson

RemCoChair@simsmm.com

REMUNERATION REPORT (continued)

The People and Culture Committee (Committee) presents the Remuneration Report (Report) for the Company and the Group for the performance period from 1 July 2025 to 30 June 2026 (FY26). This Report forms part of the Directors' Report and has been audited by our independent auditor, Deloitte Touche Tohmatsu, in accordance with section 308 (3C) of the Corporations Act 2001. The Report sets out remuneration information for the Company's Key Management Personnel (KMP).

Listed below are KMPs for FY26 including Executives and Non-Executive Directors (NEDs). "Executives" in this report refers to executive KMP.

Directors and Executives who were KMP during FY26

NAME	POSITION	COUNTRY	APPOINTED/DEPARTED (WHERE APPLICABLE)
Executives			
Stephen Mikkelsen	Group Chief Executive Officer and Managing Director (Group CEO)	Australia	–
Warrick Ranson	Group Chief Financial Officer (Group CFO)	Australia	–
John Glyde	Managing Director Australia & New Zealand Metal (MD ANZ Metal)	Australia	–
Robert Thompson	President, North America Metal (President NAM)	USA	–
NEDs			
Philip Bainbridge	Chairperson and Independent NED	Australia	–
Victoria Binns	Independent NED	Australia	–
Grant Dempsey	Independent NED	Australia	–
Kathy Hirschfeld	Independent NED	Australia	–
Nancy Novak	Independent NED	USA	Appointed 15 December 2025
Shinichiro Omachi	Non-Independent NED	Japan	
Russell Rinn	Independent NED	USA	

Effective 1 July 2026, Mr Glyde transitioned out of his role as Managing Director, ANZ Metal and member of the Executive Leadership Team and is no longer a KMP. Effective 1 July 2026, Mr Thompson was appointed President, Global Sims Metal.

REMUNERATION REPORT (continued)

SECTION 1: FY26 EXECUTIVE REMUNERATION STRATEGY AND FRAMEWORK

1.1 EXECUTIVE REMUNERATION FRAMEWORK SNAPSHOT AND GUIDING PRINCIPLES

At Sims, our remuneration philosophy is designed to underpin the Company's Purpose, Vision and Strategy and ensure the performance culture of the business is strongly aligned to our overarching objective of safely delivering sustainable value to our shareholders. Aligning to this philosophy are guiding principles used to evaluate our remuneration design, structure and framework decisions.

Sims' Executive remuneration framework provides the foundation for how remuneration is determined and paid. The framework is aligned with the business' performance objectives, the remuneration guiding principles, and is informed by market practice. The mix of total target remuneration for Executives consists of fixed remuneration for the performance of job duties, short-term incentives for delivery of one-year financial goals and execution of important strategic and operational objectives, and long-term incentives for achievement of multi-year financial goals and execution of strategic initiatives that position the company for future success.

OUR REMUNERATION PRINCIPLES

We Align Executive & Shareholder Interest by emphasising the achievement of long-term results using at-risk incentives and share ownership through deferred equity and holding requirements.

We Drive Short-Term & Long-Term Achievements with balanced objectives linked to Group, business unit and individual performance.

We Attract, Motivate, Develop & Retain Talent through competitive remuneration programs reflective of the market, scope of role, geographic location and performance.

We Align Remuneration with Sims' Purpose & Market Dynamics by designing fit-for-purpose programs accounting for our global operations, cyclical industry and market dynamics, and the Company's purpose.

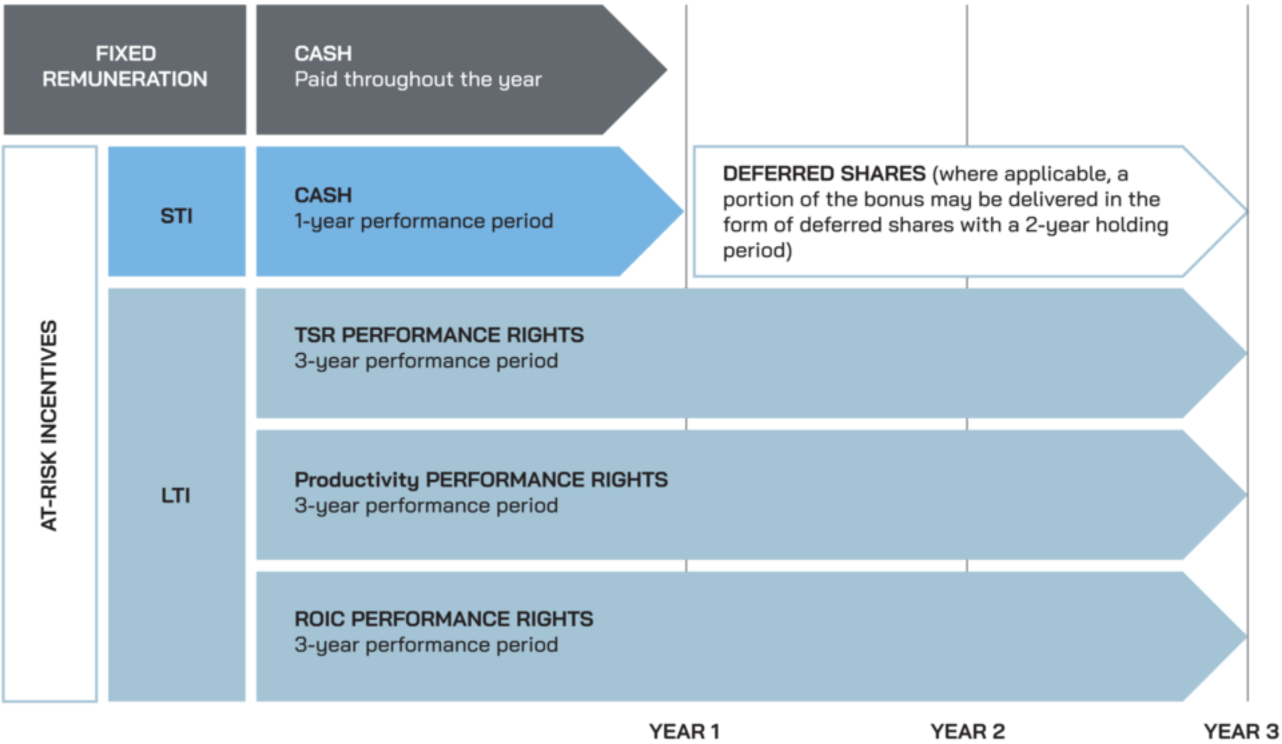
We Align Risk & Strategy Execution through appropriate and balanced mix of incentives and metrics linked to both short-term execution and long-term strategy.

REMUNERATION REPORT (continued)

EXECUTIVE REMUNERATION FRAMEWORK			
		AT-RISK INCENTIVE	
	FIXED REMUNERATION	SHORT-TERM INCENTIVE	LONG-TERM INCENTIVE
Purpose	Attract and retain top global talent	Rewards for meeting or exceeding challenging annual financial, strategic and individual performance goals	Drives a focus on creating sustainable long-term shareholder value and reinforcing an ownership mindset
Instrument	Base salary, superannuation, pension, and/or retirement contributions where applicable, and other non-monetary benefits	Cash and Deferred Ordinary Shares. For the CEO, 50% of the post-tax earned bonus is delivered in the form of deferred ordinary shares with a 2-year holding period. For other Executives, if the bonus exceeds 120% of target, then 50% of the excess over 100% of target is delivered post-tax in the form of deferred ordinary shares with a 2-year holding period.	• Total Shareholder Return Performance Rights (TSR) (1/3rd of total LTI opportunity) • Productivity Performance Rights (1/3rd of total LTI opportunity) • Return on Invested Capital Rights (ROIC) (1/3rd of total LTI opportunity)
Measurement / Considerations	Reviewed periodically considering various factors including (but not limited to) role size and complexity, skills and experience, talent scarcity and relevant external remuneration benchmarks	**Financial performance (80%)** Underlying EBIT **Non-financial performance (20%)** Individual performance goals under several key focus areas: • Environment, Health & Safety • Organisational Simplification • Margin Optimisation • Culture, Leadership, Diversity and People • Sustainability and Community	**TSR Performance Rights** Relative TSR against companies in the ASX 200 materials and energy sectors, over a three-year performance period **Productivity Performance Rights** Achievement of goals tied to productivity and margin improvements over a three-year performance period **ROIC Rights** Achievement of the Company's performance relative to a Return on Invested Capital metric over a three-year performance period
Quantum		**Group CEO** 125% of base salary at target (230% of base maximum) **Group CFO** 100% of base salary at target (184% of base maximum) **MD ANZ Metal, President NAM** 75% of base salary at target (138% of base maximum)	**Group CEO** LTI grant value of 175% of base salary **Group CFO** LTI grant value of 100% of base salary **MD ANZ Metal, President NAM** LTI grant value of 125% of base salary

REMUNERATION REPORT (continued)

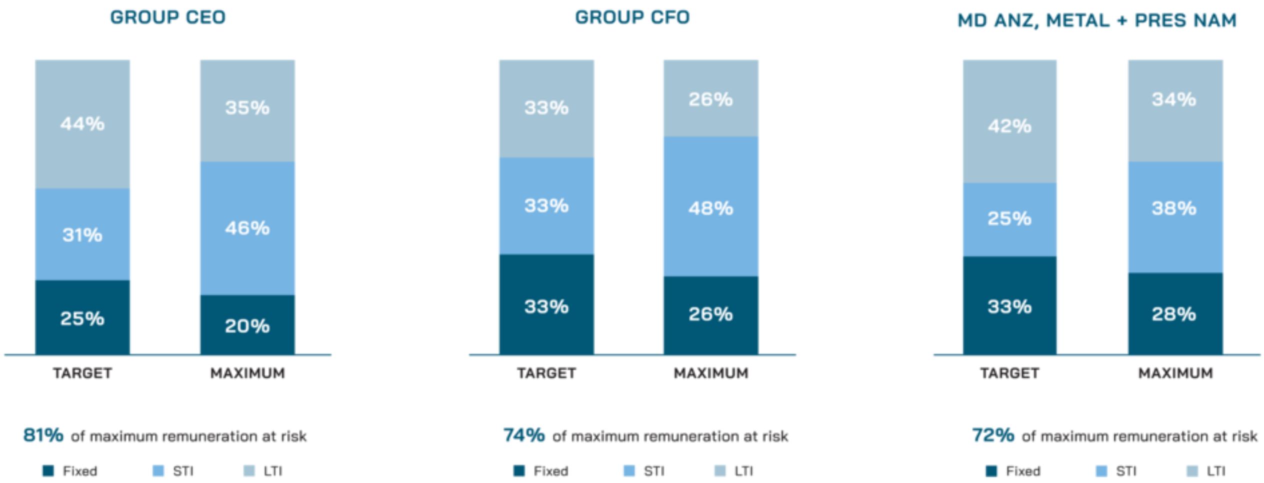
Delivery of FY26 Remuneration Components



1.2 EXECUTIVE REMUNERATION MIX

The charts below show the mix of the aggregate remuneration components at target and maximum for each of our Executives for FY26. References to actual remuneration outcomes received by the Sims' Executives for FY26 are provided in section 2.4 and 2.5.

FY26 Remuneration structure and mix at target and at maximum achievement for Sims' Executives[1,2]

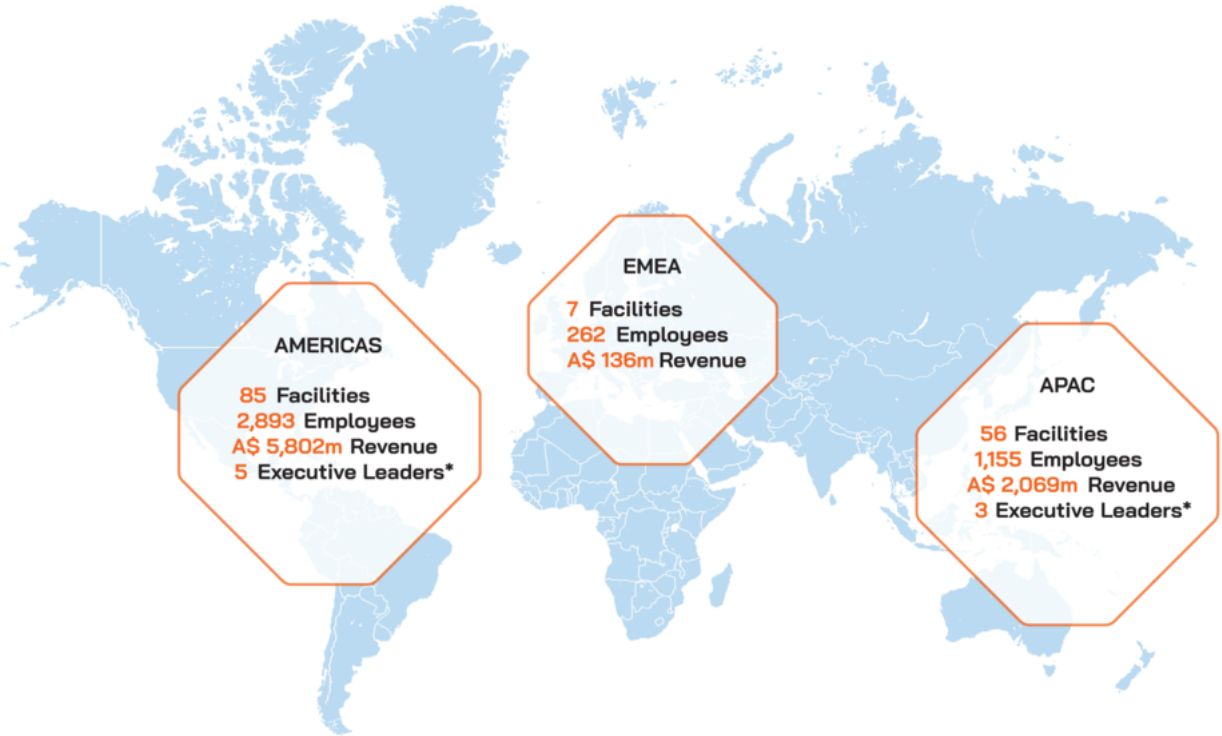


1 Fixed Remuneration excludes accrued benefits.
2 Totals may not add to 100% due to rounding of individual components.

REMUNERATION REPORT (continued)

1.3 EXECUTIVE REMUNERATION BENCHMARKING

The Committee believes it is important to understand the relevant market for executive talent in order to ensure Sims' remuneration strategy and programs support the guiding principle to attract, retain and develop a pipeline of highly qualified leaders. Sims has adopted a market positioning strategy where the remuneration program design and total remuneration for Executives are benchmarked against a group of peer companies that are listed on the Australian Securities Exchange (ASX), New York Stock Exchange and the NASDAQ Stock Market. The Company competes against the peer companies for executive talent across its different business operations and jurisdictions, globally.



* Executive Leaders above include KMP and other members of the Executive Leadership Team.

Fixed remuneration acts as a base level of pay for ongoing performance of job responsibilities. A competitive level of fixed remuneration is critical to attract and retain executives.

Total fixed remuneration includes base salary and benefits, such as superannuation or other retirement programs, health insurance, life and disability insurance, and automobile allowances where applicable. At-risk remuneration elements are based on annual bonus and performance-based equity incentives.

Fixed and at-risk remuneration at Sims references an appropriate range around the market median (50th percentile) as one input to the Company's remuneration decisions. In addition, other inputs include:

- The geographic reach of the role;
- The complexity of the role;
- Skills and experience required for the role;
- Market pay levels and competitiveness against the benchmark peer group;
- The criticality of the role to successful execution of the business strategy; and
- Market dynamics and cyclicality affecting the industry in which the Company operates.

REMUNERATION REPORT (continued)

Executive Benchmarking Peer Group

The People & Culture Committee, with assistance from its independent remuneration consultants, monitors composition of the peer group to ensure it continues to serve as an appropriate reference for establishing total remuneration for Sims' Executives. The Committee considers companies with similarities to Sims on one or more of the following characteristics:

- within our industry or comparable lines of business
- complexity of global operations and geographic footprint
- similar revenue, profit, assets, and capital expenditures
- similar industry dynamics and cyclicality
- similar number of employees
- similar market capitalisation

This peer group is used exclusively for benchmarking of executive remuneration and is not linked to any incentive program.

By considering benchmarking peers across a number of parameters, this ensures that Sims is able to attract and retain key talent that reflects the geographical and operational complexity of our business. The Committee believes that overemphasising peer companies by market capitalisation can lead to significant volatility in remuneration quantum due to temporary peaks or troughs in Sims' and peers' market value. It should be noted that the United States listed peers companies not only represent our key source of competition for executive talent, but many are also companies that Sims competes with for business acquisitions.

The Committee, along with its independent compensation consultant, recently reviewed Sims' peer group which currently reflect the 33 companies listed below:

AUSTRALIAN LISTED COMPANIES			
Ansell	Downer EDI	Nufarm	Worley
Aurizon	Graincorp	Orica	
BlueScope Steel	Dyno Nobel (formerly Incitec Pivot)	Orora	
Cleanaway Waste Management	James Hardie Industries	Qube	
Coronado Global Resources	Metcash	Viva Energy Group	
U.S. LISTED COMPANIES			
Algoma Steel Group	Clean Harbors	Greif	Silgan
Alpha Metallurgical Resources	Commercial Metals Co	Hyster-Yale Materials	Worthington Steel
ATI	Constellium SE	O-I Glass	
Boise Cascade Co	Eagle Materials	Ryerson Holding Corp	
Carpenter Technology Corp	Enviri Corp	Schneider National	

REMUNERATION REPORT (continued)

1.4 SHORT-TERM INCENTIVE PLAN OVERVIEW FOR FY26

Who participates in the STI Plan?	The Group CEO and other Executives
What is the objective of the STI Plan?	To recognise Executives for the achievement of financial, strategic and individual performance goals over one year.
How is it paid?	Cash and Deferred Shares - for the CEO, one-half of the bonus will be deferred post-tax into Sims ordinary shares with a 2-year holding period. For other Executives, if the total bonus award exceeds 120% of target, one-half of the excess over 100% will be deferred post-tax into Sims ordinary shares with a 2-year holding period.
When is it paid?	STI is delivered in September following finalisation of the Company's audited financial results.
What is the performance period?	STI awards are assessed over a 12-month performance period aligned with the Company's financial year (1 July 2025 to 30 June 2026).

How much can the Executive earn?

Positions	Target Opportunity	Maximum Opportunity
Group CEO	125% of Base Salary	230% of Base Salary
Group CFO	100% of Base Salary	184% of Base Salary
MD ANZ Metal, President NAM	75% of Base Salary	138% of Base Salary

The maximum opportunity represents 200% achievement on the financial component and 120% achievement on the non-financial component (see below).

How is performance assessed and what are the performance measures?

Financial Performance Measure

The financial measure under the STI is underlying EBIT, representing 80% of the total target STI opportunity. Underlying EBIT is established as part of the Company's budget process which includes consideration of the current economic environment. The Board assesses the underlying EBIT achievement, and Executives can earn a maximum of 200% achievement of the financial component of the STI, being approximately 87% of the total maximum STI opportunity. Sims' Board may reassess the effectiveness of the performance measures under the STI annually and may determine to make adjustments to ensure continued alignment to strategy and delivery of appropriate returns to shareholders.

The Board believes the utilisation of underlying EBIT as a reporting metric provides a consistent and comparable year-over-year measure. This improves transparency, line of sight, communication and simplicity. EBIT associated with the disposal of businesses, impact of impairments, restructuring charges, timing of non-qualified hedges and other non-recurring items that are subject to significant variability from one period to the next are excluded from the calculation. Refer to the Reconciliation of Statutory Results to Underlying Results within the Operating and Financial Review section of the Directors' Report for a reconciliation of underlying EBIT to statutory EBIT.

Details of the FY26 remuneration outcomes and accomplishments for KMP are provided under section 2.6.

Non-Financial Performance Measure

An Executive's individual performance is also a component of the STI awards, representing 20% of the total target STI opportunity. Individual Performance Goals (IPGs) are set in a number of key areas which focus on safety and business initiatives critical to the overall success of the Company and execution of its strategic initiatives and operating objectives. The Board assesses the IPG achievement of the CEO and reviews and approves the CEO's assessment of achievement by other Executives. Executives can earn a maximum of 120% achievement for the IPG component of the STI, being approximately 13% of the total maximum STI opportunity.

The People & Culture Committee established specific criteria for FY26 individual performance goals pertaining to the Group CEO which are cascaded by the CEO to other Executives of Sims. IPGs for Executives included objectives in the areas of safety; culture and leadership; organisational simplification; margin optimisation; sustainability; and community engagement. Additional details regarding achievement against goals are provided for each KMP Executive in section 2.6.

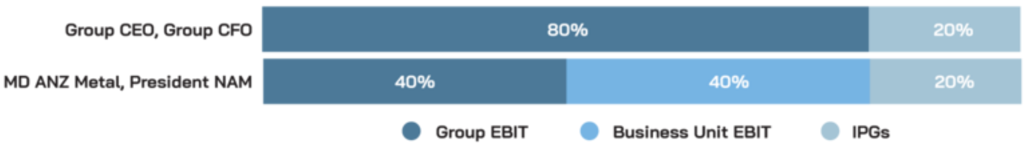
No minimum financial achievement is required for Executives to earn a payout for the achievement of the non-financial component of the STI. The Board retains discretion regarding the funding of the non-financial component payouts.

The Group CEO's performance is assessed by the Committee, and any earned incentive payment recommendation must be approved by the Board of Directors. The performance of other Executives is reviewed annually by the Group CEO, and recommended payments are considered and, if appropriate, approved by the Committee.

REMUNERATION REPORT (continued)

What are the performance weightings for each Executive?

The table below outlines financial and non-financial weightings for each Executive, of which 80% is represented by underlying EBIT.



For FY26 Group and Business Unit EBIT are defined as underlying EBIT.

The Board believes these weightings align to the principle of balancing objectives for which Executives are directly accountable and responsible, while retaining a link to Group performance.

What is the range of achievement and payout levels for the financial component?

The STI is determined by reference to a range of threshold, target and maximum levels of performance hurdles. For FY26, the People and Culture Committee established goals for the fiscal year with the range of financial achievement and potential STI payout opportunities as outlined below. Results between the values are determined on a linear basis.

Group and Business Unit EBIT Achievement	STI Funding Percentage
Below Threshold	0%
At Threshold	50%
At Target (100% of Budget)	100%
At or Above Maximum	200%

What happens to STI awards when an Executive ceases employment?

STI performance for the relevant period will be assessed and paid on a pro rata basis for a qualifying employment cessation event (i.e. generally termination due to death, permanent disability, redundancy, retirement or in other circumstances determined at the discretion of the Board). See section 4.2 for further information on the treatment of an Executive's STI upon termination. A voluntary termination prior to the date of any earned payout will result in no STI award being paid for the year, unless the Committee determines otherwise. STI awards are not payable in the case of termination for cause.

Is there a malus/ clawback provision?

Yes. Sims' Board may exercise clawback provisions related to STI payments in the event of fraud or serious misconduct by Executives, or any other eligible plan participant.

Why does the Board consider Board discretion to be appropriate?

At all times, the Board may exercise discretion on STI awards. The Board acknowledges that selected performance measures and formulaic calculations may not provide the right remuneration outcome in every situation, leading to occasions where the incentive does not reflect the true performance and overall contributions of the executive. It is at this point that discretion becomes necessary, such that the Board can adjust outcomes up or down as warranted.

Discretion will only be applied in a manner that aligns the experience of both the Company and shareholders. Any discretion to be applied will be disclosed and explained in the Remuneration Report, as necessary.

REMUNERATION REPORT (continued)

1.5 LONG-TERM INCENTIVE PLAN OVERVIEW FOR FY26

Who participates in the LTI Plan?	The Group CEO and other Executives
What is the objective of the LTI Plan?	• To align executive and shareholder interests through share ownership, focusing on Group results through awards of long-term, at-risk, deferred equity while also motivating and retaining its key Executives. • To reward executives for accomplishment of strategic objectives that position the Company for future success and improve operational capabilities as well as for achievement of multi-year financial objectives. • The Company's FY26 LTI design encourages strong alignment of Executives' interest with those of the Company's shareholders, as the ultimate reward is dependent upon the Company's financial and share price performance.
How is the award delivered and what is the performance period?	Executives are offered grants in the form of Performance Rights under the LTI plan. **Performance Rights** A Performance Right is a contractual right to acquire an ordinary share for nil consideration if specified performance conditions are met. Performance Rights include TSR Rights, Productivity Rights and ROIC Rights. Details regarding the performance rights are below: • **TSR Rights**: reward achievement of higher shareholder returns relative to peer companies in the ASX 200 materials and energy sectors, over the three-year performance period of 1 July 2025 through 30 June 2028. Rights vest after three years, with the quantum subject to attainment of the performance conditions. • **Productivity Rights**: incentivise achievement of goals tied to productivity improvements underlying improved margins and earnings over the three-year performance period of 1 July 2025 through 30 June 2028. Rights vest after three years, with the quantum subject to attainment of the performance conditions. • **ROIC Rights**: incentivise achievement of the Company's Return on Invested Capital over the three-year performance period of 1 July 2025 through 30 June 2028. ROIC is defined as Net Operating Profit After Tax divided by Average Invested Capital for the fiscal year ending 30 June 2028. Rights vest after three years, with the quantum subject to attainment of the performance conditions.
How often are awards made?	LTI awards are granted on an annual basis to eligible executives. The Board has absolute discretion to determine the frequency and timing of grants under the LTI Plan.
What is the mix of awards?	All Executives were granted LTI awards for FY26 in values proportionate as follows:

POSITIONS	TSR RIGHTS	PRODUCTIVITY RIGHTS	ROIC RIGHTS
Group CEO & other Executives	1/3rd	1/3rd	1/3rd

What is the quantum of the award and what allocation methodology is used?	**Performance Rights** For all Performance Rights, the number of rights granted is calculated by dividing each Executive's Target Opportunity by the average closing price of the underlying shares of the Company for the five trading days up to and including 29 August 2025. Further details and the Company's rationale for the grants offered under the LTI plan are highlighted throughout the remainder of this section.

REMUNERATION REPORT (continued)

How are the TSR Rights measured?

TSR measures the growth over a particular period in the Company's share price plus the value of reinvested dividends. The TSR performance hurdle was chosen as it directly aligns with shareholders' interest as executives are rewarded only when the Company's TSR equals or exceeds the median of the comparator companies.

Comparator Group

The comparator group used to measure TSR performance is the constituent companies as of 1 July 2025 in the ASX 200 materials and energy sectors. This comparator group is made up of companies in related sectors and of similar size to Sims, that are subject to many of the same economic trends as Sims.

Vesting schedule

TSR-based grants vest according to relative positioning of the Company's TSR at the end of a three-year performance period.

Sims' TSR Relative to the TSR of Comparator Group	Proportion of TSR Rights Vesting
Below 50th Percentile	0%
At 50th Percentile	50%
Between 50th and 75th Percentile	Straight line between 50% and 100%
At or Above 75th Percentile	100%

How are the Productivity Rights measured?

Productivity Rights are measured over a three-year performance period.

Productivity Rights vest based on achievement of defined goals over the Performance Period.

Sims' Board has full discretion to make adjustments on either the calculation or testing results of the Productivity Rights performance measures.

Productivity Goals / Weighting	Measure at Test Date (30 June 2028)
Margin Optimisation / 50%	Advancement of sustainable strategic improvements to metal margins through initiatives such as improved shredder capacity utilisation, increased unprocessed intake tonnages, optimising home market and export sales channels, and production of tailored products to key home or international customers.
Innovation / 50%	Drive innovation for operational and overhead improvements to reduce labour and production costs, reducing metal in waste through improved metal capturing processes and maximising scale and automation, resulting in lower costs, higher revenues, or both.

How are the ROIC Rights measured?

ROIC Rights are measured over a three-year performance period. ROIC Rights vest based on the Company's Return on Invested Capital over the Performance Period. WACC is Weighted Average Cost of Capital.

FY2028 ROIC	Proportion of Earned ROIC Rights Vesting
Below WACC	0%
Achieved WACC or Higher	100%

REMUNERATION REPORT (continued)

What happens to LTI awards when an Executive ceases employment?	When a participant voluntarily resigns or is terminated for cause, all unvested awards are forfeited, as all rights are subject to a continuous service provision. Where termination of employment is the result of a qualifying cessation (i.e., generally death, permanent disablement, redundancy, retirement, or in other circumstances at the discretion of the Board), a participant will be entitled to his or her unvested awards subject to any performance conditions, in accordance with the original vesting schedule. Any unvested awards that did not meet the required performance conditions will lapse at the end of the relevant performance period.
How are dividends treated during the vesting period?	Holders of rights and options are not entitled to dividends over the term of the relevant vesting period (and in the case of options, until exercised). Deferred shares do earn dividends during the holding period, as these shares are fully vested.
Is there a malus/ clawback provision?	Yes. Sims' Board may exercise clawback provisions related to LTI payments and future vesting in the event of fraud or serious misconduct by Executives, or any other eligible plan participant.
What happens in the event of a change of control?	The Board has the discretion to immediately vest the rights and options prior to their vesting date if there is a change of control event or in the event that a takeover bid of the Company is recommended by the Board, or a scheme of arrangement concerning the Company, which would have a similar effect to a full takeover bid, is approved by the Company's shareholders.
Why does the Board consider Board discretion to be appropriate?	At all times, the Board may exercise discretion on LTI awards. The Board acknowledges that selected performance measures and formulaic calculations may not provide the right remuneration outcome in every situation, leading to occasions where the incentive does not reflect the true performance and overall contributions of the executive. It is at this point that discretion becomes necessary, such that the Board can adjust outcomes up or down as warranted. Any discretion applied is disclosed and explained in the Remuneration Report.

1.6 MINIMUM SHAREHOLDING GUIDELINES

All KMP Executives are subject to Minimum Shareholding Guidelines. Unless otherwise approved by the Board, Executives will be prohibited from selling any shares (other than as necessary to satisfy tax withholding obligations upon vesting of Rights), while under the Minimum Shareholding Guideline. Minimum Shareholding Guidelines consider all vested shares, including those subject to a holding period.

KMP Executive	Minimum Shareholding Guideline
CEO	2x Fixed Remuneration
Other Executives	1x Fixed Remuneration

REMUNERATION REPORT (continued)

SECTION 2: FY26 COMPANY PERFORMANCE/EXECUTIVE REMUNERATION OUTCOMES

2.1 SIMS' FINANCIAL PERFORMANCE RESULTS

Year-on-Year Performance

In FY26, Sims delivered a strong financial performance while continuing to execute its long-term strategic priorities. Although operating conditions improved compared with the prior year, the environment remained challenging, with geopolitical tensions, evolving trade policies, elevated Chinese steel exports and generally subdued economic activity continuing to influence markets.

Against this backdrop, the Company remained focused on disciplined execution and operational improvement.

North America Metal delivered a significantly stronger result than the prior year. Performance reflected the benefits of leadership and organisational changes, increased domestic sales optionality and a deliberate shift towards higher-margin, unprocessed material sourced directly from industrial suppliers. These initiatives increased exposure to strong non-ferrous market conditions while improving the business's ability to capture value in a more resilient domestic US ferrous market. During the year, the acquisition of Tri Coastal Trading (TCT) and investment in domestic rail logistics further strengthened the platform and enhanced long-term market flexibility.

Australia and New Zealand Metal delivered another resilient performance despite ongoing pressure on ferrous markets from elevated Chinese steel exports. Strong non-ferrous market conditions and the region's diversified earnings profile helped offset weaker ferrous market conditions and supported solid profitability.

Sims Lifecycle Services (SLS) continued its impressive growth trajectory, with EBIT increasing by 429.8% and volume growth of 90.9%. Performance was supported by structural growth in enterprise technology refresh cycles, underpinned by continued investment in AI infrastructure and data centre expansion. Strong memory markets further supported value recovery and profitability. The result further demonstrated the scalability of SLS's capital-light business model and its strong positioning in the growing Data Centre Infrastructure Services.

Statutory EBIT was $407.4 million, with an Underlying EBIT of $468.0 million.

FY26 sales revenue of $8,007.5 million was up 6.9% compared to FY25 sales revenue of $7,494.0 million, assisted by a 6.1% (10.0% at constant currency) increase in Metal average sales prices, partially offset by a 2.6% increase in overall Metal sales volumes.

Total metal trading margin for FY26 was up by 6.2% compared to FY25, despite challenging trading conditions across all markets.

FY26 operating cash flow was $423.6 million, compared to $297.1 million in FY25.

A total dividend of $52.2 million was paid in FY26.

Total capital expenditures for property, plant and equipment and intangible assets, on a statutory basis, were $203.4 million during FY26 compared to $194.1 million in FY25.

Finally, the Company maintained its industry-leading safety performance, recording a Total Recordable Injury Frequency Rate (TRIFR) of 1, well below industry benchmarks. This achievement reflects the Company's enduring commitment to embedding a strong safety culture throughout its operations.

REMUNERATION REPORT (continued)

The following table provides a summary of the results over the past five years:

	FINANCIAL YEAR				
	2026	2025	2024[7]	2023	2022
Statutory profit before interest and tax (A$m)[1]	**407.4**	68.6	72.6	293.0	773.6
Statutory diluted earnings/ (loss) per share (A¢)	**125.3**	1.2	(29.9)	91.7	295.6
Statutory return/ (loss) on shareholders' equity	**9.2%**	0.1%	(2.3%)	6.8%	23.8%
Net debt (A$m)	**358.3**	332.3	411.9	135.5	102.7
Return on productive assets[2]	**18.7%**	7.3%	1.8%	11.4%	39.0%
Underlying profit before interest and tax (A$m)[3]	**468.0**	174.9	42.9	252.2	756.1
Total dividends paid (A$m)[4]	**52.2**	38.6	40.6	123.6	140.2
Share Buyback (A$m)	**–**	–	–	14.6	123.9
Share price at 30 June (A$)[5]	**27.56**	15.34	10.30	15.75	13.71
CEO STI outcome (% of maximum)[6]	**99.5%**	70%	11%	12%	100%
CEO Performance Rights vesting %[6]	**63%**	36%	32%	91%	82%
CEO SSI Rights vesting %[6]	**N/A**	N/A	N/A	N/A	80%

1 Statutory profit before interest and tax includes one off significant items. Refer to Reconciliation of Statutory Results to Underlying Results (Non-IFRS Information - Unaudited) section in the Directors report for more details.

2 Underlying EBIT divided by the average of opening non-current assets and ending non-current assets excluding right of use assets arising from AASB16 *Leases*, deferred tax assets and long term lease receivables.

3 Underlying EBIT is a non-IFRS measure that is presented to provide an understanding of the underlying performance of the Group. The measure excludes the impacts of impairments, disposals as well as items that are subject to significant variability from one period to the next. Refer to the *Reconciliation of Statutory Results to Underlying Results* within the *Operating and Financial Review* section of the Directors' Report for further detail.

4 FY26 final dividend of 20 cents per share was declared after 30 June 2026 and will be paid in FY27.

5 1 July 2021 share price was $16.37.

6 CEO STI, Performance Rights and SSI Rights are shown in the year in which their respective performance periods end.

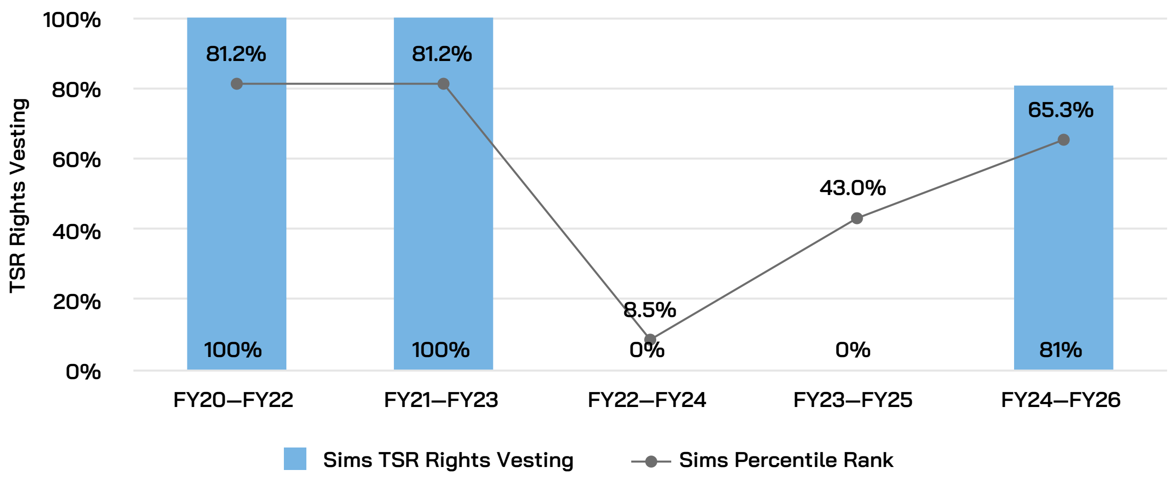
7 2024 figures combine both continuing and discontinued operations results.

REMUNERATION REPORT (continued)

2.2 TOTAL RETURN TO SHAREHOLDERS

Sims Total Shareholder Return – Sims TSR Rights Vesting

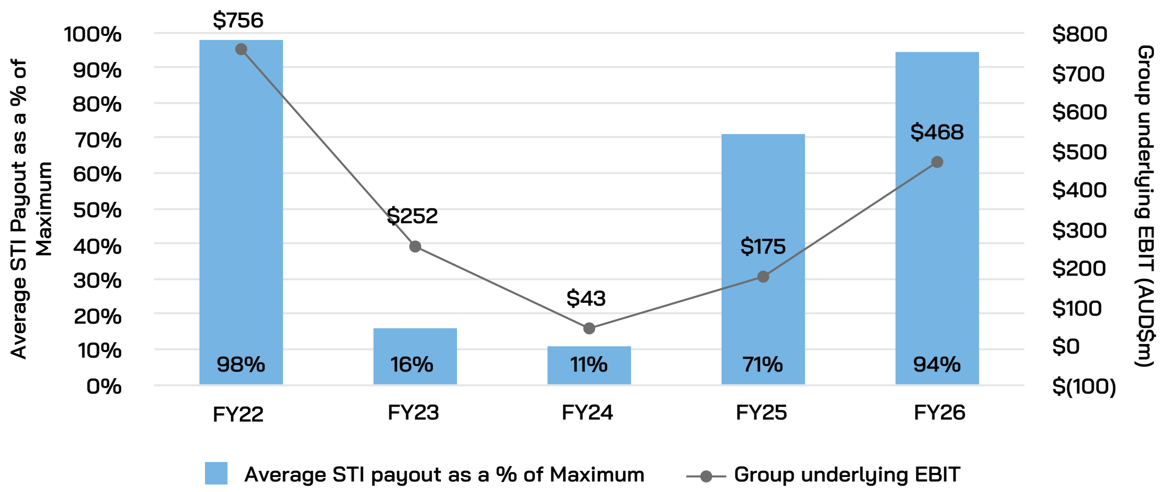
The chart below compares Sims relative TSR percentile rank to the vesting of Sims TSR Rights over the previous five performance periods:



2.3 HISTORICAL AVERAGE STI PAYOUT AS % OF MAXIMUM

Average Executive STI Payout (as a % of maximum) compared to Sims' EBIT performance

Sims' Group underlying EBIT over the past five years is shown in the chart below. The chart confirms that historical average STI outcomes for Executives are aligned with the Company's financial results.



REMUNERATION REPORT (continued)

2.4 EXECUTIVE STATUTORY REMUNERATION TABLE

Executive Statutory Remuneration

The following Executive Statutory Remuneration table has been prepared in accordance with the accounting standards and has been audited by the Company's external auditors:

(A$)		SHORT-TERM BENEFITS			POST-EMPLOYMENT BENEFITS		SHARE-BASED PAYMENTS[5]		
NAME & LOCATION	FINANCIAL YEAR	CASH SALARY[1]	CASH BONUS[2]	OTHER BENEFITS[3]	PENSION AND SUPER-ANNUATION	OTHER LONG TERM BENEFITS[4]	LTI	TOTAL	% of performance related pay
Current KMP									
S Mikkelsen[6]	**2026**	**1,543,750**	**3,530,786**	**121,836**	**30,000**	**25,739**	**1,593,412**	**6,845,523**	**75 %**
Australia	2025	1,472,500	1,899,290	116,743	29,932	24,466	1,469,600	5,012,531	67 %
W Ranson	**2026**	**1,091,817**	**1,986,891**	**87,233**	**30,000**	**18,204**	**993,444**	**4,207,589**	**71 %**
Australia	2025	1,054,896	1,341,682	81,308	29,932	17,528	708,758	3,234,104	63 %
J Glyde[6]	**2026**	**857,281**	**950,218**	**69,366**	**342,912**	**14,294**	**580,350**	**2,814,421**	**54 %**
Australia	2025	827,646	921,564	67,179	345,060	13,752	716,604	2,891,805	57 %
R Thompson[6]	**2026**	**1,137,620**	**1,528,795**	**69,336**	**55,939**	**–**	**699,091**	**3,490,781**	**64 %**
USA	**2026[7]**	**1,191,717**	**1,601,493**	**72,633**	**58,599**	**–**	**732,335**	**3,656,777**	**64 %**
	2025	1,037,003	1,020,284	11,781	54,561	22,487	733,241	2,879,357	61 %
Total	**2026**	**4,630,468**	**7,996,690**	**347,771**	**458,851**	**58,237**	**3,866,297**	**17,358,314**	
	2026[7]	**4,684,565**	**8,069,388**	**351,068**	**461,511**	**58,237**	**3,899,541**	**17,524,310**	
	2025[8]	4,392,045	5,182,820	277,011	459,485	78,233	3,628,203	14,017,797	

1 Cash salary includes amounts sacrificed in lieu of other benefits at the discretion of the individual.

2 Cash bonus amounts reflect the amounts provided for all Executives under the FY26 and FY25 STI plan. In FY26, a total of $2,662,701 of the cash bonus (Mr Mikkelsen - $1,765,393, Mr Ranson - $447,596, Mr Glyde - $111,876 and Mr Thompson $337,836) will be used to purchase ordinary shares on 15 September 2026, on an after tax basis (subject to a two year holding period).

3 Other short-term benefits include employer contributions to health and life insurance plans, relocation expense and associated tax gross-ups, and amounts accrued for annual leave during the period.

4 Other long-term benefits include Australian accrued long-term leave (for Messrs Mikkelsen, Ranson and Glyde) and amount for deferred compensation plans (for Mr Thompson).

5 Share-based payments represent the accounting expense (as computed pursuant to AASB 2 *Share-based Payments*) recognised by the Company for share-based awards. For Messrs Thompson and Ranson this also included a one-time award of RSUs as part of their respective employment offers.

6 Messrs Mikkelsen, Ranson, Glyde received their cash payments in Australian dollars. Mr Thompson was paid in U.S. dollars.

7 FY26 remuneration for Mr Thompson has been translated on a constant currency basis for a relative performance comparison to FY25 before the translation impact of currency fluctuations. The current period amounts paid in U.S. dollars are translated into Australian dollars using the prior year U.S. dollar exchange rate.

REMUNERATION REPORT (continued)

2.5 SUPPLEMENTAL REMUNERATION TABLE

Total Realised Remuneration received by Executives in FY26[1]

As part of the Company's commitment to clear and transparent communication with its shareholders, the Committee has included the table below showing the remuneration that was actually paid to KMP Executives in FY26. The figures in this table include the market value of LTI grants that vested during FY26, while the section 2.4 table includes the accounting value for LTI grants recognised during FY26, regardless of the date on which they vest, or whether they vest at all.

		CASH SALARY	OTHER BENEFITS	CASH BONUS	LTI	TOTAL REMUNERATION	ACTUAL TOTAL
(A$) [2] EXECUTIVES	FINANCIAL YEAR	ACTUAL $	ACTUAL $[3]	ACTUAL $[4]	ACTUAL VESTED $[5]	ACTUAL $	REMUNERATION AS % OF TARGET TOTAL REMUNERATION
Current KMP							
S Mikkelsen	**2026**	**1,543,750**	**33,086**	**3,530,786**	**381,094**	**5,488,716**	**88 %**
	2025	1,472,500	33,179	1,899,290	230,580	3,635,549	70 %
W Ranson	**2026**	**1,091,817**	**33,247**	**1,986,891**	**–**	**3,111,955**	**94 %**
	2025	1,054,896	29,932	1,341,682	–	2,426,510	76 %
J Glyde	**2026**	**857,281**	**346,333**	**950,218**	**296,824**	**2,450,656**	**78 %**
	2025	827,646	348,447	921,564	169,432	2,267,089	80 %
R Thompson	**2026**	**1,137,620**	**48,516**	**1,528,795**	**293,793**	**3,008,724**	**87 %**
	2026[6]	**1,191,717**	**50,823**	**1,601,493**	**307,763**	**3,151,796**	**87 %**
	2025	1,037,003	73,352	1,020,284	196,475	2,327,114	79 %

1 The figures in the table are different from those shown in the Executive Statutory Remuneration table in section 2.4. The table in section 2.4 is consistent with financial statement recognition and measurement and includes an apportioned accounting value for all unvested STI and LTI grants during or after FY23 (some of which remain subject to satisfaction of performance and service conditions and may not ultimately vest).

2 Messrs Mikkelsen, Ranson and Glyde received their cash payments in Australian dollars. Mr Thompson was paid in U.S. dollars.

3 Other Benefits include employer contributions to defined contribution retirement plans, health and life insurance plans and relocation expenses and associated tax gross-ups, if applicable.

4 Actual Cash Bonus refers to the Executive's total STI provided for in FY26 to be paid in FY27 (and similar for the comparative period). In FY26, a total of $2,662,701 of the cash bonus (Mr Mikkelsen - $1,765,393, Mr Ranson - $447,596, Mr Glyde - $111,876 and Mr Thompson $337,836) will be used to purchase ordinary shares on 15 September 2026, on an after tax basis (subject to a two year holding period).

5 Actual vested LTI refers to equity grants from prior years that vested during FY26. The value is calculated using the Company's closing share price on the day of vesting after deducting any exercise price.

6 FY26 remuneration for Mr Thompson has been translated on a constant currency basis for a relative performance comparison to FY25 before the translation impact of currency fluctuations. The current period amounts paid in U.S. dollars are translated into Australian dollars using the prior year U.S. dollar exchange rate.

2.6 REMUNERATION OUTCOME FOR SIMS EXECUTIVES

KMP remuneration outcomes for fixed remuneration and the incentives related to the performance period ended 30 June 2026 are set out within this section.

FY26 Fixed Remuneration Changes

The Group CEO received a 5.0% adjustment to base salary, with the remaining KMP Executives receiving salary increases of 3.5% in FY26.

Historical remuneration practice is to review, and where warranted, make Executive base salary adjustments effective annually in September.

FY26 Short Term Incentive Performance Outcomes

An Executive's STI payout is based on two fundamental factors: how well the Company performed and how well the individual Executive performed against pre-established goals. In accordance with the methodology set out in section 1.4 of the Remuneration Report, an assessment was undertaken of the performance of the Group CEO and each KMP Executive against their FY26 objectives.

REMUNERATION REPORT (continued)

Details on the CEO's performance against financial and non-financial STI objectives, with commentary on achievements, are provided in the scorecard shown below.

CATEGORY	KPIs	RATIONALE FOR SELECTION & ASSESSMENT	TARGET WEIGHTING	PERFORMANCE MIN / TARGET / MAX	WEIGHTED OUTCOMES
Financials[1]	Underlying EBIT	Ensure a focus on growing and managing the profitability of the business as a key driver of sustainable shareholder returns.	80%		160.0%
Non-Financial[2] **(IPGs)**	Drive improvement to earnings and enterprise valuation through progression of the North America Metal Roadmap initiatives. Leverage fixed cost through acquisitions and/or strategic alliances and JV partnerships across our North America and Australia Metal business. Develop viable potential funding alternatives to support the company's growth initiatives.	Reflects key areas that drive out-performance on safety and business initiatives critical to the overall success of the Company including the execution of its strategic, performance improvement, and sustainability initiatives and operating objectives. The North America Metal trading margin and earnings improvements are a direct reflection of the commercial improvements and cost reduction impacts. The acquisition of Tri Coastal Trading strengthened our regional footprint, expanded our sourcing network and further enhanced our long-term growth platform in North America			
	Advance the growth of our Sims Lifecycle Services business through product and services portfolio expansion, increased levels of automation, operating model efficiencies and systems interfaces with customers.	Sims Lifecycle Services continued expansion into data centre asset redeployment, geographic expansion well advanced, and improved the organisational operating model to focus on systems, automation and robotics. Several operational automation processes have been successfully implemented to improve scalability, quality and uptime performance.	20%		23.0%
	Deliver on key safety leading indicator objectives and embed the new critical risk indicator into operational KPI reporting. Advance and improve Sims culture based on its engagement survey results. Develop key succession plans where required. Successfully execute Global Shared Services launch.	As previously disclosed in this Report, our outstanding safety performance remains in the best in class category. We continue to see strong employee engagement scores and have introduced further development and training programs in FY26 designed around reinforcing our culture and values. Our talent capabilities and succession program remains robust with several key roles announced through the fiscal year. We again made excellent progress to close pay equity gaps where they exist, achieving our longer-term goal of +/-2%.			
Scorecard Outcome			100%	183% of Target (99.5% of Maximum)	

1 FY26 underlying EBIT of $468.0 million exceeded the target of the performance goal.

REMUNERATION REPORT (continued)

The table below outlines the percentage of maximum STI achieved (and forfeited), and the total STI awarded, for each Executive in FY26.

EXECUTIVES	STI MAXIMUM OPPORTUNITY (A$)	STI ACHIEVEMENT (% OF MAXIMUM)	STI FORFEITED (% OF MAXIMUM)	STI ACTUAL AMOUNT (A$)
Current KMP				
S Mikkelsen	3,550,080	99.5%	0.5%	3,530,786
W Ranson	2,008,725	98.9%	1.1%	1,986,891
J Glyde	1,336,698	71.1%	28.9%	950,218
R Thompson	1,569,745	97.4%	2.6%	1,528,795

FY26 Long Term Incentive Performance Outcomes for Performance Periods ending 30 June 2026

FY24 Strategic Performance Rights

Strategic performance-based rights were tested for achievement at the end of the three-year performance period ended 30 June 2026. While the specific details of those goals and the progress made thereto may be commercially sensitive, a summary of the measures and progress the Board considered in its assessment of achievement is set out below. In certain instances, the Board also evaluated the significant success in improving trading margins on metal volumes as communicated to, and supported by, shareholders. This was instrumental in achieving the strong financial performance in FY26.

INCENTIVE MEASURE	TARGET	ACHIEVEMENT/COMMENTARY	ACHIEVEMENT
Grow Ferrous business **(20% of opportunity)**	Global ferrous volumes of 9.5 million tonnes.	The board assessed this goal as fully achieved, recognising the significant efforts to achieve a material uplift in total trading margin by reducing unprofitable ferrous volumes in favour of much more profitable unprocessed infeed volumes.	**Fully Achieved** **20% Earned**
Grow non-ferrous business **(20% of opportunity)**	Global non-ferrous volumes of 1.0 million tonnes	The board assessed this goal as fully achieved by reaching the targeted non-ferrous tonnes.	**Fully Achieved** **20% Earned**
Metal Sales & OP (45% of opportunity)	Improve shredder capacity utilisation to 62% and increase unprocessed intake to 4.8 million tonnes. Increase sales diversity optionality and pathway to Home Markets volumes to 2.9 million tonnes	The board assessed the individual components of this goal as fully achieved, all of which exceeded the set targets.	**Fully Achieved** **45% Earned**
Sustainability **(15% of opportunity)**	Reduce Scope 1 & 2 emissions from FY20 baseline by greater than 30% Close and maintain pay equity gap to target range of +/-2% and expand to race, ethnicity, where data is available.	The board assessed this goal as fully achieved with a significant over-performance reached in our emissions reduction and achieving an outstanding result in achieving our pay-equity target of +/- 2%.	**Fully Achieved** **15% Earned**
		Overall Performance	**100% Earned**

All volume-based targets were adjusted to reflect the sale of the UK Metals business on 4 October 2024. At this level of achievement, 100% of the FY24 Strategic Performance Rights will vest on 31 August 2026.

REMUNERATION REPORT (continued)

FY24 Return on Productive Assets performance rights that were tested on 30 June 2026 for achievement of goals established for the FY24-26 performance period did not vest. The ROPA achievement was assessed based on the following table:

FY24-26 Average ROPA	Proportion of ROPA Rights Vesting
Below 12%	0%
12%	50%
12% - 20%	Straight line between 50% and 100%
Above 20%	100%

For FY24-26 the average ROPA result is 9.1% which was below the 12% threshold achievement. At this level of achievement, 0% (nil) of the ROPA Rights will vest on 31 August 2026.

FY24 TSR Performance Rights

TSR performance-based rights that were tested for achievement at the end of the three-year performance period ending 30 June 2026, attained a TSR positioning of 65.3 percentile against the comparator group. At this level of achievement, 80.6% of the TSR Performance Rights will vest on 31 August 2026. The TSR achievement is based on the following table:

Sims' TSR relative to TSR of Comparator group	Proportion of TSR Rights Vesting
Below 50th Percentile	0%
At 50th Percentile	50%
Between 50th and 75th Percentile	Straight line between 50% and 100%
At or Above 75th Percentile	100%

FY24 Total of Performance Rights

In total, 63% of the maximum opportunity of FY24 Performance Rights will vest on 31 August 2026. This total is based on the achievement levels above with Strategic Performance Rights weighted at 45%, ROPA Rights weighted at 33% and TSR Rights weighted at 22%.

REMUNERATION REPORT (continued)

SECTION 3: FY27 EXECUTIVE REMUNERATION STRATEGY AND FRAMEWORK

3.1 CHANGES TO SIMS' REMUNERATION FRAMEWORK FOR FY27

Due to the favourable feedback received from Sims' shareholders and various stakeholder groups on the changes to the FY26 remuneration structure we disclosed in last year's Report, no material changes were made to either the STI or LTI plan designs for FY27.

SECTION 4: EXECUTIVE REMUNERATION GOVERNANCE AND DISCLOSURE TABLES

4.1 REMUNERATION GOVERNANCE

The Committee assists the Board in fulfilling its oversight responsibility relative to the integrity of the Company's remuneration framework and works closely with other Board Committees to ensure the Company's policies and procedures on risk management, organisational culture, and Board effectiveness are consistent with the long-term best interests of the Company and its shareholders.

BOARD

The Sims' Board has responsibility for the Company's executive remuneration programs which include:

- Establishing remuneration philosophy and guiding principles
- Oversight of remuneration practices and policies
- Reviewing and approving recommendations from the People & Culture Committee

PEOPLE & CULTURE COMMITTEE

The Committee includes at least 3 directors of the Company with the majority being independent, and advises the Board on:

- Remuneration strategy, framework, performance goals, recruitment, retention, termination and NED fees and framework
- Considers recommendations from Sims' management in making remuneration decisions based on the Company's remuneration guiding principles

MANAGEMENT

Sims' management provides information relevant to remuneration decisions and makes recommendations to the Committee on:

- Remuneration structure, policies and market trends
- Remuneration recommendations

REMUNERATION CONSULTANT

- The People & Culture Committee may, at its discretion, select independent consultants to provide advice and information relevant to make informed remuneration decisions.

The Committee engaged its independent remuneration consultants to review and revise the remuneration peer group and also provide the Board with updated peer group pay data relative to base remuneration and short- and long-term incentives. For FY26, the Remuneration Consultant provided to the Committee a peer group review and market remuneration data for selected KMP. For the purposes of the Corporations Act no remuneration recommendations in relation to KMP were provided by the Remuneration Consultant during FY26.

REMUNERATION REPORT (continued)

4.2 EXECUTIVE CONTRACTS

Termination Entitlements under Executive Contracts

The table below outlines termination provisions for the Group CEO and other KMP executives, in accordance with formal contracts of a continuing nature with no fixed term of service. For FY26, there were no changes to the terms of the contracts for Executives reported in this year's Remuneration Report. These Termination Entitlements were approved by shareholders at the Company's 2014 Annual General Meeting.

Termination Entitlements if Terminated by the Company or by the Executive for Good Reason	Group CEO and Other Executives
Notice Period	• 3 months; provided by either the Executive or the Company • For Mr Glyde, 6 months if provided by the Company
Fixed Remuneration	• 12 months of fixed remuneration
STI	• Pro-rata STI payment subject to performance testing and Board discretion based on Executive performance
LTI	• Eligible for continued vesting of LTI awards, subject to performance testing and original vesting dates
Other Entitlements	• Eligible for any accrued but unpaid remuneration (leave and accrued benefits) • Up to 12 months Company paid health insurance premiums
Termination due to Death or Permanent Disability or Other Circumstances at the Board's discretion	• Entitlements as shown above relating to treatment of Fixed Remuneration, STI, LTI and Other Entitlements
Termination due to Retirement	• Entitlements as shown above relating to treatment of STI and LTI

REMUNERATION REPORT (continued)

4.3 SHARE BASED PAYMENTS AND EQUITY HOLDINGS

Performance Rights and Restricted Share Units provided as remuneration

The following table summarises the outstanding performance rights and RSUs granted to Executives.

NAME	GRANT DATE	GRANT TYPE	NUMBER GRANTED	VALUE AT GRANT DATE[2]	DATE NEXT TRANCHE VESTS	MAXIMUM TOTAL VALUE OF UNVESTED GRANT[1] (A$)
Ordinary Shares (A$)						
S Mikkelsen	2-Nov-23	ROPA	46,529	11.66	31-Aug-26	27,058
	2-Nov-23	Strategic	63,448	11.66	31-Aug-26	39,004
	2-Nov-23	TSR	31,019	6.87	31-Aug-26	11,235
	14-Nov-24	TSR	67,437	9.60	31-Aug-27	238,573
	14-Nov-24	ROIC	67,437	12.29	31-Aug-27	305,423
	14-Nov-24	Productivity	67,437	12.29	31-Aug-27	305,423
	21-Nov-25	TSR	63,168	7.01	31-Aug-28	303,115
	21-Nov-25	ROIC	63,168	14.47	31-Aug-28	625,688
	21-Nov-25	Productivity	63,168	14.47	31-Aug-28	625,688
W Ranson	2-Nov-23	ROPA	22,312	11.66	31-Aug-26	12,975
	2-Nov-23	Strategic	30,425	11.66	31-Aug-26	18,704
	2-Nov-23	TSR	14,875	6.87	31-Aug-26	5,388
	4-Dec-23	RSU	36,928	12.56	31-Aug-26	114,935
	14-Nov-24	TSR	32,183	9.60	31-Aug-27	113,854
	14-Nov-24	ROIC	32,183	12.29	31-Aug-27	145,757
	14-Nov-24	Productivity	32,183	12.29	31-Aug-27	145,757
	21-Nov-25	TSR	25,470	7.01	31-Aug-28	122,219
	21-Nov-25	ROIC	25,470	14.47	31-Aug-28	252,284
	21-Nov-25	Productivity	25,470	14.47	31-Aug-28	252,284
J Glyde	2-Nov-23	ROPA	19,701	11.66	31-Aug-26	11,457
	2-Nov-23	Strategic	26,866	11.66	31-Aug-26	16,516
	2-Nov-23	TSR	13,134	6.87	31-Aug-26	4,757
	14-Nov-24	TSR	28,555	9.60	31-Aug-27	101,019
	14-Nov-24	ROIC	28,555	12.29	31-Aug-27	129,326
	14-Nov-24	Productivity	28,555	12.29	31-Aug-27	129,326
	21-Nov-25	TSR	28,248	7.01	31-Aug-28	135,549
	21-Nov-25	ROIC	28,248	14.47	31-Aug-28	279,800
	21-Nov-25	Productivity	28,248	14.47	31-Aug-28	279,800
R Thompson	2-Nov-23	ROPA	21,018	11.66	31-Aug-26	12,223
	2-Nov-23	Strategic	28,660	11.66	31-Aug-26	17,619
	2-Nov-23	TSR	14,012	6.87	31-Aug-26	5,075
	14-Nov-24	TSR	31,282	9.60	31-Aug-27	110,667
	14-Nov-24	ROIC	31,282	12.29	31-Aug-27	141,677
	14-Nov-24	Productivity	31,282	12.29	31-Aug-27	141,677
	21-Nov-25	TSR	34,750	7.01	31-Aug-28	166,750
	21-Nov-25	ROIC	34,750	14.47	31-Aug-28	344,203
	21-Nov-25	Productivity	34,750	14.47	31-Aug-28	344,203

1 No performance rights or RSUs will vest if the vesting conditions are not satisfied, hence the minimum value of unvested awards is nil. The maximum value of the unvested performance rights and RSUs has been determined as the amount of the grant date value that is yet to be expensed, which will vary from expense recognised contingent on achievement criteria. Performance rights and RSUs are granted for nil consideration.

2 Value at grant date represents the fair value of each TSR right granted at the date of grant and is independently determined using a Monte-Carlo simulation model which takes into account any market related performance conditions. Value at grant date of other performance rights were determined based on the grant date stock price discounted for lack of dividend rights.

REMUNERATION REPORT (continued)

Movement in Performance Rights and Restricted Share Units[1] during the fiscal year ended 30 June 2026

The number of performance rights and RSUs to ordinary shares in the Company held during the financial year by each Executive is set out below:

NAME	INSTRUMENT THAT PERFORMANCE RIGHTS AND RSUS ARE OVER	BALANCE AT 1-JUL-25	NUMBER GRANTED	NUMBER VESTED/ EXERCISED	NUMBER FORFEITED	BALANCE AT 30-JUN-26
Current KMPs						
S Mikkelsen	Ordinary shares	417,698	189,504	(26,781)	(47,610)	532,811
W Ranson	Ordinary shares	201,089	76,410	–	–	277,499
J Glyde	Ordinary shares	203,308	84,744	(20,859)	(37,083)	230,110
R Thompson	Ordinary shares	214,887	104,250	(20,646)	(36,705)	261,786

1 Restricted Share Units (RSUs) represent the right of a participant to receive an ordinary share of Sims stock for no consideration other than the passage of time. RSUs are not a part of ongoing Executive remuneration and any RSUs reflected above were either granted as a one time award as part of the offer of employment with Sims or are from awards granted prior to becoming an Executive.

KMP share holdings as at the end of the financial year ended 30 June 2026

KMP share holdings as at the end of the financial year and activity during the financial year, including personally related parties, is set out below:

NAME	BALANCE AT 1-JUL-25	RECEIVED ON EXERCISE OF OPTION, PERFORMANCE RIGHTS AND RSUS	DEFERRED SHARES IN LIEU OF STI	PURCHASES/ (SALES)	BALANCE AT 30-JUN-26
NEDs					
P Bainbridge	31,330	–	–	–	31,330
V Binns	7,700	–	–	–	7,700
G Dempsey	–	–	–	–	–
K Hirschfeld	10,082	–	–	–	10,082
N Novak	–	–	–	–	–
S Omachi	–	–	–	–	–
R Rinn	2,900	–	–	4,615	7,515
Executives					
S Mikkelsen	139,123	26,781	8,211	(12,600)	161,515
W Ranson	–	–	5,517	–	5,517
J Glyde	214,621	20,859	4,235	(56,902)	182,813
R Thompson	29,122	20,646	6,476	(5,028)	51,216

REMUNERATION REPORT (continued)

4.4 NON-EXECUTIVE DIRECTOR FEES

NED Fees

The level of NED fees reflects the need to reward directors for their commitment to the corporate governance of the Company, their active participation in the affairs of the business and the contribution they make generally to the maximisation of shareholder value. The Company aims to provide a level of fees for NEDs taking into account, among other things, fees paid for similar roles in comparable companies, the time commitment, risk and responsibility accepted by NEDs, and recognition of their commercial expertise and experience. Given the geographical spread of the NEDs, with several NEDs located in either the U.S. or Japan, the Company also considers global market competitiveness in setting fee levels.

The maximum aggregate amount available for NED fees (including superannuation) is the greater of A$3 million and US$3 million per annum as approved by shareholders at the Company's 2015 Annual General Meeting. Total aggregate NED fees for FY26 were A$1,831,554/ US$1,239,983 (FY25: A$1,998,298 / US$1,289,942).

During FY19, the Company established a policy of paying all NED fees based on the Australian dollar, regardless of where the director is resident. There have been no changes to NED base fees since July 2011. The table below outlines NED base fees for FY26 and FY25:

	2026	2025
	A$	A$
Base Fees		
Chairperson	493,300	493,300
NED	222,750	222,750
Committee Fees[1]		
Committee Chairperson[1,2]	27,375	27,375
NED Committee Member	8,760	8,760

1 The NEDs received pro-rated fees based on the time served on each Committee.

2 Chairperson of the Nomination/Governance Committee does not receive any fee for the role.

NEDs also receive reimbursement for essential travel, accommodation and other expenses incurred in travelling to and/or from meetings of the Board, or when otherwise engaged in the business of the Company in accordance with Board policy.

NEDs are not currently covered by any contract of employment; therefore, they have no contract duration, notice period for termination, or entitlement to termination payments. NEDs do not participate in any incentive (cash or equity-based) arrangements.

For Australian resident NEDs, superannuation is deducted from the above fees disclosed in Column A. The Company paid superannuation at 12.0% up to the maximum contribution (A$30,000) for each Australian resident NED in FY26. Superannuation is not paid in respect of overseas NEDs. NEDs do not receive any retirement benefits.

REMUNERATION REPORT (continued)

4.5 NON-EXECUTIVE DIRECTOR REMUNERATION

Non-Executive Director Remuneration

For NEDs who receive payments in U.S. dollars, the table below also reflects the Australian dollar equivalent based on the exchange rate at the date of payment. For NEDs who receive payments in Australian dollars, the table below also reflects the U.S. dollar equivalent based on the exchange rate at the date of payment. Accordingly, exchange rate movements have influenced the disclosed fee level.

A$ UNLESS NOTED NON-EXECUTIVE DIRECTORS			SHORT-TERM BENEFITS	POST-EMPLOYMENT BENEFITS		
NAME	LOCATION	FINANCIAL YEAR	CASH FEES	SUPERANNUATION[1]	TOTAL A$	TOTAL US$
P Bainbridge	Australia	**2026**	**463,398**	**29,932**	**493,330**	**335,507**
		2025	463,398	29,932	493,330	318,905
V Binns	Australia	**2026**	**240,040**	**27,605**	**267,645**	**182,022**
		2025	234,148	26,927	261,075	168,769
G Dempsey	Australia	**2026**	**224,327**	**25,798**	**250,125**	**170,107**
		2025	217,698	25,035	242,733	156,913
K Hirschfeld	Australia	**2026**	**232,184**	**26,701**	**258,885**	**176,064**
		2025	232,184	26,701	258,885	167,352
S Omachi[2]	Japan	**2026**	**240,270**	**–**	**240,270**	**163,404**
		2025	152,171	–	152,171	96,448
R Rinn[3]	USA	**2026**	**251,220**	**–**	**251,220**	**169,041**
		2025	80,090	–	80,090	49,711
N Novak[4]	USA	**2026**	**70,079**	**–**	**70,079**	**43,838**
		2025	–	–	–	–
Total		**2026**	**1,721,518**	**110,036**	**1,831,554**	**1,239,983**
		2025	1,379,689	108,595	1,488,284	958,098

NEDs retired in FY25

T Gorman[5]	USA	2025	237,311	–	237,311	153,157
H Kato[6]	Japan	2025	100,113	–	100,113	66,691
D O'Toole[7]	Australia	2025	154,789	17,801	172,590	111,996
Total		2025	492,213	17,801	510,014	331,844

1 Superannuation contributions are made on behalf of Australian resident NEDs to satisfy the Company's obligations under Australian Superannuation Guarantee legislation.
2 Mr Omachi joined the Board from 13 November 2024.
3 Mr Rinn joined the Board from 2 December 2024.
4 Ms Novak joined the Board from 15 December 2025.
5 Mr Gorman is a resident of the USA and received his payment in Australian dollars. Mr Gorman retired from the board on 9 May 2025.
6 Mr Kato retired from the Board on 13 November 2024.
7 Ms O'Toole retired on 25 February 2025.

REMUNERATION REPORT (continued)

4.6 OTHER TRANSACTIONS WITH KMP

Transactions entered into with any KMP of the Group, including their personally related parties, are on normal commercial terms.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board of Directors.

P Bainbridge
Chairperson
New South Wales
18 August 2026

S Mikkelsen
Managing Director and Group CEO
New South Wales
18 August 2026

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000
Australia

Tel: +61 (0) 2 9322 7000
Fax: +61 (0) 2 9322 7001
www.deloitte.com.au

18 August 2026

The Board of Directors
Sims Limited
Level 9, 189 O'Riordan Street
Mascot, NSW, 2020

Dear Board Members

Auditor's Independence Declaration to Sims Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Sims Limited.

As lead audit partner for the audit of the financial report and review of the sustainability report (Part 2. Climate Mandatory Disclosures) of Sims Limited for the financial year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit of the financial report and review of the sustainability report; and
- Any applicable code of professional conduct in relation to the audit or review.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

Samuel Vorwerg
Partner
Chartered Accountants

Sustainability Report

About This Report

Sims' purpose is to create a world without waste to preserve our planet. Sustainability is embedded in our strategy, operations and decision-making processes, reflecting our role in advancing circularity, conserving natural resources and supporting the transition to a lower-carbon economy.

Sims sustainability information is distributed across Sims Limited's FY26 suite of disclosures.

This report outlines the sustainability topics most relevant to our business, stakeholders and long-term success and is comprised of two sections:

Part 1: Voluntary Sustainability Disclosures

This section provides information on the sustainability topics most relevant to Sims and its stakeholders. The disclosures are structured around our sustainability pillars of Operating Responsibly, Supporting Communities and Climate Action and cover key environmental, social and governance topics relevant to our business.

Part 2: Climate Statements

The Climate Statements contain the Company's mandatory climate-related financial disclosures prepared in accordance with AASB S2 *Climate-related Disclosures* and address climate-related governance, strategy, risk management, metrics and targets.

In addition to this report, Sims publishes the following sustainability-related data:

- **ESG Databook:** A companion Excel document containing detailed ESG data points.
- **Modern Slavery Statement:** A standalone report addressing human rights due diligence and modern slavery risks, released at the end of each calendar year.

Acknowledgement Of Country

At Sims Limited, we acknowledge and pay our respects to the Indigenous, Traditional, and First Peoples of the lands, waters, and territories on which we operate across the world.

We recognise the deep cultural, spiritual, and historical connections that Indigenous Peoples have to their ancestral lands and honour their enduring contributions to community, environment, and society.

As a global company committed to sustainability, inclusion, and reconciliation, we continue to support initiatives that preserve Indigenous heritage, promote equity, and help ensure cultural knowledge is sustained for future generations.

Feedback And Contact

We are committed to continuous improvement in our sustainability performance and reporting. If you have any questions, suggestions, or comments on this report, we'd love to hear from you.

Please get in touch with our team:

Ana Metelo
Email: ana.metelo@simsmm.com

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Part 1. ESG Voluntary Disclosures

Part 2. Climate Mandatory Disclosures

SUSTAINABILITY REPORT (continued)

Part 1. ESG Voluntary Disclosures

Financial Year ESG Highlights

PERFORMANCE

During FY26, we continued to deliver progress across our sustainability priorities, with key highlights including:

Operating Responsibly · Supporting Communities · Taking Action on Climate

Maintained **95%** completion of our Leading Indicator goals, driving a reduction in actual recordable injuries.

Achieved a psychological safety score of **4.0 out of 5** in an independent employee survey[1].

Improved our pay equity metric from **-2.7%** in FY25 to **-1.7%** within our target range of ±2%.

Celebrated the fifth graduating cohort of Women Leading@Sims, with more than **40%** of alumni promoted or given expanded responsibilities.

Progressed the development of our next **Innovate RAP** in Australia.

At the end of FY26, women represented **24%** of executives and senior leaders and **43%** of NED board members.

Invested **$0.64m** in the community in FY26.

Contributed **903** volunteer hours in FY26.

Spent **$2.26m** with Supply Nation registered businesses in FY26.

Reduced Scope 1 and Scope 2 (market) emissions by **50%** compared to our FY20 baseline – more than surpassing our 23% reduction target.

Maintained **100%** renewable electricity in all operated businesses.

Continued our **carbon neutrality commitment** in SLS direct operations.

1 *The survey consisted of over 500 interviews with employees throughout the organisation, including North America, ANZ, and Europe for both Metal and SLS.*

SUSTAINABILITY REPORT (continued)

AWARDS, CERTIFICATIONS AND RECOGNITION

CDP
B
grade in Climate 2025

MSCI
AAA
ESG rating

ISS ESG Corporate Rating
B+
2026

Sustainalytics
Low ESG risk
in 2026

SUSTAINABILITY REPORT (continued)

Our Sustainability Strategy

At Sims Limited, our purpose to create a world without waste to preserve our planet shapes how we do business.

Sustainability is fundamental to our business and how we grow, operate and create value. Our sustainability strategy guides how we manage our environmental, social and governance impacts, manage risks, strengthen our business and contribute to positive environmental and social outcomes, including the transition to a more circular economy.

We seek to align our actions with the United Nations Sustainable Development Goals (SDGs), in particular:

- SDG 8 - Decent Work and Economic Growth
- SDG 9 – Industry, Innovation and Infrastructure
- SDG 11 – Sustainable Cities and Communities
- SDG 12 - Responsible Consumption and Production
- SDG 13 - Climate Action

Our sustainability strategy is built around three pillars that guide our priorities and decision-making across the business:

- **Operate Responsibly**: We put safety first, invest in our people and uphold high standards of ethics, governance and transparency. We are committed to creating an inclusive workplace where our people can thrive.
- **Support Communities**: We build trusted relationships with the communities where we operate through meaningful engagement, responsible operations and community investment, recognising that strong community connection is essential to our long-term success.
- **Take Action on Climate**: We are committed to advancing the circular economy and reducing our environmental impacts. Through innovation, operational improvements and climate action, we improve resource efficiency, support decarbonisation and strengthen long-term resilience, while enabling our customers to reduce their carbon footprint through the use of recycled metals.

SUSTAINABILITY REPORT (continued)

ESG Governance

The Board has ultimate responsibility for overseeing sustainability-related matters and delegates oversight of specific responsibilities to the Safety, Risk and Sustainability Committee, Audit Committee and People and Culture Committee, as set out in their respective charters. The Executive Leadership Team, supported by the Group Director, Investor Relations and Sustainability and the Head of Assurance, supports the implementation of the sustainability strategy and the management of sustainability-related risks and opportunities.

Sustainability is integrated into Sims' broader governance, risk management, compliance and assurance framework. This includes incorporating sustainability considerations into enterprise risk management, monitoring compliance with sustainability-related policies and regularly reviewing policies, processes and controls to support evolving regulatory requirements.

Key internal policies supporting our sustainability governance framework include:

- Environment, Health and Safety Policy
- Supplier Code of Conduct
- Diversity Policy
- Human Rights Policy
- Human Rights Remediation Process
- Anti-bribery + Anti-corruption Policy
- Whistleblower Policy
- Code of Conduct
- Risk Management Policy
- Nature and Biodiversity Policy
- Energy and Climate Policy

Materiality

In FY25, Sims reviewed its FY22 materiality assessment to confirm the sustainability topics that are most significant to our business and stakeholders. The review considered evolving ESG trends and regulatory requirements, peer benchmarking, and engagement with internal and external stakeholders. Following the review, Sims refined its focus areas from 16 topics presented in a traditional matrix to a consolidated list of seven material topics. These topics continue to guide our sustainability strategy, priorities and reporting, reflecting our most significant impacts on people, the environment and the economy. Nothing changed for FY26 in terms of our ESG materiality.

Material topic	Why it matters
Circular Economy and Value Chain Emissions	We play an important role in supporting the transition to a low-carbon, circular economy through metal recycling, resource recovery and reducing value chain emissions.
Health, Safety and Wellbeing	Protecting the health, safety and wellbeing of our people is fundamental to our operations and long-term success.
Community Relations	Building trusted relationships with the communities where we operate supports our social licence to operate and long-term business success.
Human Rights and Modern Slavery	We are committed to respecting human rights and addressing modern slavery risks across our operations and value chain.
Ethical Business Practices & Corporate Governance	Strong governance and ethical business practices underpin stakeholder trust, responsible decision-making and long-term value creation.
Regulatory Compliance	Maintaining compliance with applicable laws and regulations supports responsible operations and helps manage business risk.
Diversity, Equity and Inclusion	Fostering an inclusive workplace helps attract, develop and retain diverse talent while strengthening our culture and performance.

SUSTAINABILITY REPORT (continued)

Operate responsibly

Our people

Health and Safety

Protecting the health and safety of our employees, contractors and visitors is fundamental to how we operate. Our approach is strategically embedded into our systems and structures, deliberately designed, rigorously implemented and continuously improved.

Rather than relying on traditional reactive safety models that focus primarily on responding to incidents after they occur, we continually evaluate our risk profile, each month throughout the year, to ensure that significant risks are well controlled. Control measures are challenged for effectiveness, and improvements are systematically delivered to strengthen the measures that prevent harm. This approach has led to the introduction of innovative safety controls, including several implemented for the first time in recycling operations, designed to help prevent fatal and life-altering events.

We have also evolved from traditional incident investigation to an Incident Learning approach, focusing on understanding how work is performed in practice and identifying opportunities to strengthen systems and controls. Management engage with the workforce to identify system gaps, contribute to solutions and share learnings, supporting a culture of continuous improvement and proactive risk reduction.

Our Commit-to-Care safety culture program is our global leadership approach that supports critical risk management by strengthening psychological safety, trust and continuous improvement across our operations. It focuses on continuous improvement initiatives and the effectiveness of leading indicators, rather than reactive treatment-based indicators that have the potential to negatively influence psychological safety and our trust-based culture. As a result, reporting has increased while lagging indicators have been maintained.

We are committed to sharing our learnings, research and innovations across the recycling industry to help raise safety standards beyond our own operations. We believe that we have a moral and ethical responsibility to share what we have learned. Progress is accelerated when knowledge is shared, and lives are protected when better solutions become standard practice.

What changed in FY26

During FY26, Sims continued to strengthen critical risk controls across its Sims Metal and Sims Lifecycle Services operations. Key initiatives included retrofitting forklift gates and doors across 100% of our forklift fleet to reduce the risk of operator evacuation during rollover events, transitioning from interim traffic controls to state-of-the-art fixed traffic management systems, and implementing globally standardised hand tools to reduce hand injury risks.

Sims has become recognised globally for its culture-building programs that prioritise psychological safety and foster trust-based relationships between leadership and the workforce. During the year, Sims received the Safety on the Edge Diamond Award for Safety Excellence in recognition of this approach.

During FY26, Total Recordable Injury Frequency Rate (TRIFR) was 1.09, with fewer actual recordable injuries than the previous year. Reporting continued to increase while lagging indicators were maintained, reflecting our commitment to learning and continuous improvement.

FY26 safety leading indicators have a target of 95%. Performance against this target is outlined below (refer to the Glossary for definitions on page 119):

- Critical Control Verification (CCV): 98% to Target, with over 2,600 CCVs completed in FY26.
- EHS Inspection: 99% to Target.
- EHS Quality Review: 96% to Target.
- Critical Risk Action Closure: 97% to Target.
- Critical Risk Incident Learning: 91% to Target.
- EHS training: 97% to Target, with more than 150,000 training modules completed in FY26.

Head of Global EHS, Brian Maeck presents about Sims safety culture transformation at the 2026 safety-on-the-edge forum, followed by awarding Sims with the Diamond Excellence Award. Dr. Amy Edmondson and Dr. Todd Conklin are celebrating Sims' recognition with EHS Director, Kyle Mills, EHS Global Systems Manager, Ben Redd and Brian Maeck

SUSTAINABILITY REPORT (continued)

People and Culture

Cultivating a Learning Culture

Sims is committed to building a culture where employees feel respected, included and confident to speak up. By fostering trust, collaboration and continuous learning, we aim to create an environment where employees actively contribute to improving how we work and support one another.

During FY26, we continued to expand our Commit-to-Care program, including piloting the first Workforce Edition with more than 300 employees across Europe, the United States, Australia and New Zealand. The program is reinforced through internally produced peer-to-peer micro-learning videos that use practical examples to support day-to-day behaviours and a consistent global approach to culture.

An independent psychological safety survey conducted during FY26 by a third-party consultancy specialising in occupational psychology reported an overall score of 4.0 out of 5, with particularly strong results for leadership influence, trust, inclusion and employees' confidence to speak up.

These initiatives have contributed to increased hazard identification and near-miss reporting, greater confidence to speak up, stronger collaboration between employees and leaders, and increased pride and engagement across our operations.

These improvements have been enabled by strong leadership commitment, greater use of leading indicators to inform decision-making, global standardisation of key processes, and continued investment in building trust through psychological safety and inclusive leadership. Together, these foundations support a culture where employees feel empowered to contribute, collaborate and continuously improve.

Employee voice and engagement

In FY26, Sims focused on responding to feedback from its FY25 Global Engagement Survey, with an emphasis on strengthening accountability and action at the local business level. Survey results were systematically cascaded to site leadership, ensuring leaders across the organisation had access to detailed insights and were accountable for progressing targeted actions.

Key focus areas identified through employee feedback, and actions taken, included:

- Feedback and Recognition - a global working group established to design a more consistent approach to employee recognition. A provider has been selected, with initial rollout focused on service recognition and a roadmap to expand broader recognition practices across the workforce.
- Transparency and Culture - feedback highlighted the need for greater transparency in promotions and internal opportunities. In response, the Group has increased visibility of roles through intranet-based job postings to support fair and accessible career progression.
- Career Growth and Development - investment has been made in frontline leadership capability, including blended learning programs combining digital and in-person delivery. These programs are designed to strengthen leadership effectiveness, team collaboration, and problem-solving capability.
- Purpose and Direction - employee feedback indicated an opportunity to further strengthen connection to organisational purpose and values. In response, a Culture Statement has been developed to guide our decisions and actions for progressing toward the culture we aspire to achieve at Sims, with work underway to align this with the Company's values and embed them across the organisation.

Turnover

During FY26, overall employee turnover was 20%, consistent with the turnover rate for FY25. Voluntary turnover has reduced slightly to 14%. Our voluntary turnover rate for women is 13% compared to 14% for men. The most common reasons cited in exit surveys included career opportunities and flexible work practices. Our exit survey and process are undergoing a review in order to enhance and increase the collection of feedback from employees who leave voluntarily.

SUSTAINABILITY REPORT (continued)

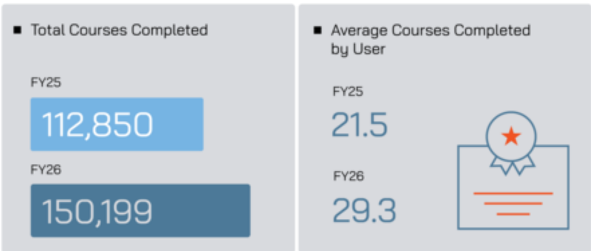
Growth & Development

As part of our commitment to cultivating a high-performing culture aligned with our core values and leadership capabilities, all employees participating in the performance review process evaluate their demonstration of these principles in their roles.

While continuous feedback and coaching are encouraged, more formal evaluations take place during both mid-year and end-year reviews using our human capital management (HCM) system. This ensures consistency and alignment across the organisation. Currently, 77% of our workforce complete reviews through the automated HCM system, and we continue to extend access to others. The system improves efficiency and reinforces our focus on organisational cohesion and accountability.

Training Statistics FY26

Sims employees completed 150,199 courses in the Sims University Learning Centre in FY26, a 33% increase over FY25. The average courses completed by users also increased from 21.5 courses to 29.3, an increase of over 36%.



>150K Sims University courses were completed by our employees in FY26

Sims Limited employs a globally distributed workforce and connecting with employees can be challenging – particularly for those not desk-based. In 2017, we launched our internal learning platform, the Sims University Learning Centre (Sims U), which delivers vital information, assessments and training globally.

Sims University offers a catalogue of more than 1,500 courses across a wide variety of topics, including operations, professional development, systems and technology, health, safety and wellness.

We are now able to upload external or facilitated/in person training occurring in the yards and facilities into Sims U to maintain complete learning histories. The platform is also accessible on mobile devices, increasing access for employees without company computers.

Leadership Development at Sims

We launched the Leaders Commitment at Sims curriculum in 2024 and assigned the course to all managers and supervisors globally. It comprises two courses – Commit to Care and Commit to Lead – designed to equip leaders with the skills needed to cultivate an inclusive and psychologically safe workplace. Completion remains mandatory for all Sims' managers, whether newly hired or promoted.

Building on this foundation, in August 2026 we launched the Leaders' Commitment at Sims Refresher course. This program reinforces the original principles and supports the continued development of inclusive leadership capabilities across the organisation.

We also launched the Leadership Forum @ Sims program for managers identified and nominated by their immediate supervisors and the Executive Leadership Team.

The objective of these three-day forums is to strengthen participants' enterprise acumen, leadership capabilities, and cross-functional exposure.

The program was very well received, with participants consistently describing the Forums as a high-impact, strategically relevant experience that enhanced their confidence, deepened their connections, and increased their readiness to serve as future leaders of the organisation.

Culture and Inclusion

Sims recognises culture as a critical enabler of long-term performance, supporting consistency, clarity and accountability across a globally distributed workforce. During FY26, the Group progressed work to further define and embed its organisational culture, with a focus on equipping leaders to set clear expectations and foster aligned behaviours within their teams.

A refreshed Culture Statement has been developed to articulate this shared identity, supported by an ongoing review of the Company's values to ensure they remain relevant, clearly understood, and reflected in day-to-day practices. This work is intended to strengthen organisational alignment and provide a consistent foundation as the business continues to evolve. Our principles are designed to:

- Ensure a safe, welcoming and positive environment for all stakeholders,
- Promote resilience, agility and autonomy to our teams and individuals to achieve a performance-driven approach to success in often ambiguous, complex and rapidly changing environments,
- Commit us to provide exceptional products, solutions and support to customers and suppliers,
- Respect and value all employees regardless of their role, providing opportunities to grow, develop and succeed,
- Recognise our geographic diversity as a competitive advantage, where working relationships enable and foster collaboration, accountability, measured risk-taking, empowerment, innovation and growth,
- Drive positive interactions through mutual respect, inclusivity, support and integrity,
- Establish trust through honesty, clarity, transparency, positive intent and open feedback and communication.

SUSTAINABILITY REPORT (continued)

Advancing Women in Leadership

Sims Limited has long been committed to increasing the representation of women, especially in leadership. Following a temporary reduction in FY24 due to restructuring activities, representation rose again in FY26 to 24%. We remain focused on building a balanced leadership team and will continue to invest in targeted initiatives.

Pay Equity

Sims applies a global methodology to calculate gender pay equity, relative to country-specific averages for roles of similar scope. This ensures consistency and transparency across regions and fairness in pay practices.

In FY26, each region allocated part of its annual pay increase budget to gender pay equity. At year-end, the metric improved from -2.7% in FY25 to -1.7%, which has now fallen within our target range of ±2%.

Women Leading@Sims Forum: Empowering Future Leaders

Since 2021, the Women Leading@Sims Forum has provided high-potential women with targeted development, exposure to key initiatives and networking opportunities. The fifth cohort graduated in May 2026, and over 40% of program alumni have been promoted or given expanded responsibilities. A sixth cohort will launch in October 2027.

Objectives and progress

Female representation	Target (%)	FY26 (%)
New hires	25	**21**
NED Board members	40	**43**
Executive and Senior Leadership positions	>=25	**24**
Management roles	25	**23**
Overall across the organisation	**25**	**23**

Entry-level programs mandate 30–50% female representation in trainee cohorts.

The proportion of women among all Board Directors was 38%.

Celebrations Workgroup

The Celebrations Workgroup continued in FY26, building connection, inclusivity and community through an annual calendar of speakers, celebrations and events that recognise diversity, community, employee recognition, wellbeing and our Company values.

Highlights included International Women's Day, Diwali, Lunar New Year, and Black History Month, to name a few.

Elevating and Developing Diverse Talent

- **Organisational Capability Review Enhancements –** Integrated the Organisational Capability Review (OCR) process across all management levels, embedding reviews of organisational structures, critical skills, talent and succession. A specific focus on diverse talent now ensures development and promotion pathways are tracked and visible.
- **Career Pathways –** Completed the Equipping for Growth pilot program in Australia and New Zealand which focuses on career mapping and developing transferable skills for weighbridge employees. The weighbridge has historically been a gateway role for women entering Sims Limited's operational and commercial areas, and the program supports all participants to transition into frontline management and leadership, with a strategic focus on gender diversity. The six-part program covers goal setting, development planning and courageous communication. The pilot program has demonstrated positive early outcomes, supporting internal mobility and talent retention. Since completing the program, 45% of participants have progressed into new roles within the business, while all participants remained employed with Sims at the conclusion of the program. Planning is underway to support a broader rollout in FY27.
- **Recruitment –** Broadened our candidate pool through partnerships with organisations that specialise in placing women and underrepresented groups. Initiatives included Sims in School, which brought representatives and site tours to schools in Darwin, Kwinana and Auckland, with a recorded session shared across 100 schools in Queensland. In North America, our partnership with Women in Trucking is expanding the talent pipeline for truck drivers and other transport roles.
- **Management Trainees and Cadets –** Continued to target at least 30% female participation in early career programs. Our Leaders in Training stream engages university and technical college graduates as well as internal applicants. In FY26, North America Metals and Sims Lifecycle Services launched their first-year programs, with feedback informing improvements for FY27. Recruitment for cadets and trainees has recommenced for FY27 with the same gender diversity commitment.
- **Scrapping Barriers** - Piloted the Scrapping Barriers program in Australia, which aims to identify and address perceived barriers to greater diverse representation within the industry. The program created a safe space for participants to present their perspectives and feedback on what opportunities are available to bring about positive change.

SUSTAINABILITY REPORT (continued)

First Nations

Reconciliation Action Plan

FY26 marked a period of reflection and transition in Sims Australia's reconciliation journey, following the completion of our first Innovate Reconciliation Action Plan (RAP).

During the year, we undertook a structured review of our RAP implementation, including the completion of our RAP Traffic Light Report, to better understand what worked well and where we can strengthen our approach. This process provided valuable insight into the effectiveness of our governance, resourcing and delivery model, and highlighted opportunities to improve how responsibility for RAP implementation is shared across the organisation.

We also engaged senior leaders and RAP Working Group members to build alignment on these insights and reaffirm the commitment of our Senior Leadership Team to continuing our RAP journey, with a clear focus on ensuring our efforts are meaningful, authentic and deliver real impact for Aboriginal and Torres Strait Islander peoples and communities.

Insights from this review are now informing the development of our next Innovate RAP. Early areas of focus being explored include strengthening cultural capability, exploring more effective First Nations employment pathways, and improving how we capture and report on workforce participation data.

As we transition to the next phase of our RAP journey, we remain committed to building on our experience to deepen relationships, strengthen respect and create meaningful opportunities for First Nations peoples in Australia.

Ethical Business Practices

Human Rights and anti-modern slavery

At Sims, we are committed to respecting and supporting internationally recognised human rights in accordance with the UN Universal Declaration of Human Rights and the UN Guiding Principles for Business and Human Rights.

In FY26, we've progressed our commitments to help eliminate modern slavery in several ways, including:

- Analysing and addressing gaps in our operations and supply chain controls
- Raising awareness of our hotline, empowering employees and third parties to report concerns
- Embedding strict requirements with labour agencies and providing training to recognise and prevent unethical practices like bribery and corruption

More details will be disclosed in our FY26 Modern Slavery Statement, which will be posted to our website in December 2026.

Ethical conduct

Sims is committed to ethical behaviour that builds trust and creates long-term value. We ensure employees understand the importance of acting with honesty, fairness, and integrity through our governance framework which includes our Code of Conduct, policies, and training programs.

We ensure employees understand the importance of acting with honesty, fairness and integrity.

Fair remuneration

This Annual Report details our executive remuneration philosophy, which is overseen by the Board Committee and informed by shareholder engagement and feedback. We use the Korn Ferry/Hay Grading methodology for consistent role evaluation to evaluate internal pay fairness. We participate in independent salary surveys to validate that we are market competitive.

We ensure entry-level wages exceed minimum requirements and respect employees' rights to unionise and bargain collectively. Details on collective bargaining coverage are available in the Sustainability Databook.

Privacy and security

Sims continues to prioritise robust privacy and security measures to protect data and information. Our practices align with industry standards, and no reportable security breaches occurred in FY26.

We maintain the strength of our cybersecurity by using technologies such as virtual private networks (VPNs), multifactor authentication (MFA), and encryption. We benchmarked our practices against the National Institute of Standards and Technology (NIST) cybersecurity framework, improved awareness training, and conducted internal and external audits alongside phishing simulations.

Key actions in FY26 included:

- Maintaining our layered security approach by leveraging multiple technologies to improve our overall cybersecurity landscape, including global VPNs, MFA, robust anti-virus/anti-spyware/anti-malware software, data protection via encryption, and machine authentication.
- Completed a benchmark of our organisation against the NIST cybersecurity framework.
- Continuing to enhance our information security and cybersecurity awareness training program by leveraging internal communication channels, including email (with frequent cybersecurity articles) and MySims, our company intranet (security videos and the Cybersecurity Awareness newsletter).
- Including training on relevant security awareness policies (e.g., acceptable use, protection of information) as part of new employee onboarding.
- Deploying our mandatory Annual Cybersecurity Training video through the Sims University Learning Centre.
- Conducting bi-monthly internal simulated phishing attacks and enhancing KPI reporting.
- Maintaining appropriate cyber insurance.
- Implementing a robust incident response strategy in partnership with third-party managed detection and incident response providers and conducting our annual global incident response tabletop exercise.
- Subjecting our cybersecurity practices to annual internal and external audits, along with vulnerability assessments and penetration testing multiple times during the year.

Economic Contribution

FY26 sales revenue was $8,007.5 million, a 6.9% increase from FY25, which was assisted by a 6.1% increase in Metal average sales prices, supported by a higher non-ferrous component but partially offset by a 0.1% reduction in overall proprietary Metal sales volumes. The year ended with an underlying EBIT of $468.0 million.

The contribution of Sims Lifecycle Services to underlying EBIT was 36.9% due to increased activity.

Taxation

During FY26, Sims Limited published its FY25 voluntary tax contribution report to provide information that will help communities, investors, and other stakeholders better understand Sims Limited's tax strategy, governance, and compliance with Australian and international tax laws. This will help increase community confidence that Sims Limited pays its appropriate share of taxes. These disclosures also demonstrate our strong commitment to transparency to all of the Company's stakeholders.

Sims Limited strives to pay the right amount of tax at the right time in the jurisdictions where we operate. This is consistent with our commitment to sustainability, being socially responsible, and operating our businesses with full integrity. Stakeholders are invited to refer to the tax contribution report for more details, including a country-by-country breakdown of tax, and our approach to risk management and governance arrangements.

External and internal auditors periodically test and review to validate that internal controls are properly working, and that documentation is maintained, evaluated, monitored, and communicated timely to the executive leadership team, internal and external audit, and the Audit Committee of the Board of Directors.

SUSTAINABILITY REPORT (continued)

Support Communities

Community investment and volunteering

At Sims, we aim to be a responsible and proactive partner in the communities where we operate. During FY26, we continued to strengthen our community engagement through volunteering, education, financial contributions and partnerships that support local priorities while promoting environmental stewardship and the circular economy. Financial investment in FY26 was 24% higher ($0.64 million) compared with FY25 ($0.52 million).

Education and awareness remained a key focus across our operations. In North America, Sims partnered with schools, community organisations and first responders to deliver education on metal recycling, sustainability and the safe handling of lithium-ion batteries. In Australia, our partnership with Keep South Australia Beautiful (KESAB) provided guided tours of our Adelaide shredder facility for schools and community groups, helping more than 720 participants gain a practical understanding of recycling processes, waste segregation and circular economy principles.

Our employees also supported a range of local volunteering and community initiatives throughout the year. In North America, teams partnered with local non-profit organisations, food pantries, schools and community groups through volunteering, fundraising and donation programs. In Australia, employees participated in initiatives such as Clean Up Australia Business Day, working alongside community volunteers and local government representatives to remove litter from environmentally significant areas and help protect local ecosystems. Teams in Victoria and Tasmania also supported national mental health campaigns, including R U OK? and Lifeline, raising more than $20,000 through the Mates in Metals and Miles for Metals initiatives to promote mental health awareness and support our communities. In Western Australia, Sims also supported the WA Police firearm buy-back scheme through the secure destruction of surrendered firearms, contributing to improved community safety and distributed Christmas hampers to families in Port Hedland.

We also continued investing in workforce development through apprenticeship and re-entry programs in North America, creating pathways to employment for underserved communities, while supporting local arts and cultural organisations that strengthen community connections. In Western Australia, Sims partnered with the Kwinana Industries Council to support the iMen program, welcoming Year 10 students to our Kwinana facility for site tours, career pathway discussions and mock interviews to encourage future careers in industry. In NSW, HR collaborated with a recruitment company that works with people with disabilities or challenging backgrounds

During FY26, Sims Metro, in Jersey City and Newark NJ, was recognised by the National Association for the Advancement of Colored People (NAACP) as Community Partner of the Year, reflecting our ongoing commitment to building strong relationships and making a positive contribution to the communities in which we operate.

Together, these initiatives reflect our commitment to inclusive growth, environmental stewardship and maintaining our social licence to operate.

Complaints and responsiveness

Transparency in the management of community concerns remains a key priority for Sims. In FY26, we recorded 17 complaints, broadly consistent with 16 complaints in FY25, reflecting our ongoing focus on operational controls, responsiveness, and community engagement.

Across both years, complaints were primarily associated with noise, air emissions, including dust, smoke and odour, as well as transport-related activities such as load restraint and material containment during haulage. Transport-related concerns represented a significant proportion of complaints, particularly in FY25, reinforcing the ongoing importance of contractor oversight, load security standards and effective haulage management.

Air-related concerns, including dust, odour and smoke associated with torch cutting activities, were raised across several sites. In response, site teams acted promptly to implement additional controls, increase dust suppression where required, and maintain open communication with community members and regulators. These actions support continuous improvement and help ensure concerns are addressed in a timely and transparent manner.

Within our Australian operations, Sims has established an Environmental Feedback Line to provide communities with a direct channel to raise concerns with site representatives. This enables timely response, improved issue resolution and stronger engagement with local stakeholders.

Our commitment to being a responsible corporate citizen, good neighbour and trusted community partner remains central to how we operate. Through investment in local initiatives, support for volunteer activities and transparent responses to community concerns, Sims continues to build trusted relationships that support our licence to operate and contribute to our long-term sustainability objectives.

SUSTAINABILITY REPORT (continued)

Action on Climate

As a global leader in metal recycling and circular solutions, Sims plays an important role in supporting the transition to a low-carbon economy. While we are committed to reducing greenhouse gas emissions across our own operations, our greatest climate contribution comes from helping customers avoid emissions through recycling, reuse and resource recovery. By keeping valuable materials in circulation and reducing demand for virgin material production, we help conserve natural resources and support the transition to a more circular, low-carbon economy.

During FY26, we maintained our position on sourcing 100% renewable electricity and continued progressing the decarbonisation of our operations, achieving a reduction of 50% in Scope 1 and 2 emissions compared with FY20. Following a detailed decarbonisation assessment, we established new Scope 1 and 2 emissions reduction target ranges for FY30 and FY35 (7% to 10% and 13% to 16% respectively). We are now developing an implementation roadmap to inform capital allocation and support the establishment of specific shorter-term emissions reduction initiatives and targets.

Mandatory Climate Disclosures within this Sustainability Report presents our climate governance, strategy, risk management, transition planning, metrics and targets, and greenhouse gas emissions in accordance with AASB S2. Please refer to this section for our Scope 1 and 2 emissions, as well as further information on our decarbonisation initiatives and emissions reduction target ranges.

Circularity and avoided Impact

As the global economy transitions to net zero, circular solutions such as recycling have become increasingly important. Metals and electronics are among the most carbon-intensive materials to produce, with the steel industry alone responsible for an estimated 7–9% of global CO_2 emissions[1], making recycling, reuse and refurbishment some of the most effective ways to reduce greenhouse gas emissions and conserve natural resources.

By recovering and processing scrap metal, and by refurbishing and recycling electronic equipment, Sims helps avoid the emissions associated with extracting, processing and refining virgin materials. These avoided emissions occur outside our value chain and are therefore not included in our Scope 1, 2 and 3 inventory. Nevertheless, they represent our most significant contribution to climate action by reducing embodied carbon, conserving finite resources and enabling the decarbonisation of industries that rely on recycled materials.

The scale of this impact is substantial. The emissions avoided through the recycling of 5.9 million tonnes of steel is 9.6 million tonnes of CO2e, which is more than 130.6 times greater than our combined Scope 1 and 2 emissions, demonstrating the important role recycling and circularity play in supporting the transition to a low-carbon economy.

The emissions we help avoid are more than 130.6 times greater than our combined operational footprint[2].

1 CO2CRC Reduction of Greenhouse Gas Emissions in Steel Production

2 Scope 1 and Scope 2 market

SUSTAINABILITY REPORT (continued)

Avoided emissions in Metal

In our Metals business, avoided emissions are generated because producing metals from scrap requires substantially less energy than producing them from virgin materials. Sims recovers and processes ferrous and non-ferrous scrap into high-quality secondary raw materials that are returned to manufacturing supply chains.

These recycled materials are essential inputs for industries such as construction, automotive manufacturing, renewable energy infrastructure and electrification, supporting the transition to a lower-carbon economy. Compared with primary production, recycling metals requires significantly less energy and water, generates fewer greenhouse gas emissions, and reduces the need to extract and process virgin raw materials. The environmental benefits associated with recycling key metals are illustrated below.

Compared with primary metal production, every tonne of recycled metal avoids significant raw material extraction, energy use, water consumption and greenhouse gas emissions associated with the mining and processing stages. The avoided impacts are shown below.

Every tonne of recycled material avoids:

Steel

Mining of
1,400 kg of iron ore[1],
740 kg of metallurgical coal[1]
and **120 kg** of limestone[1]

74% energy[2]

40% water[2]

58% emissions[2]

Copper

Mining of
161 tonnes
of ore-bearing rock[3]

85% energy[4]

5,970 litres of water[5]

65% emissions[4]

Aluminium

Mining of **8,000 kg** of bauxite ore[4]

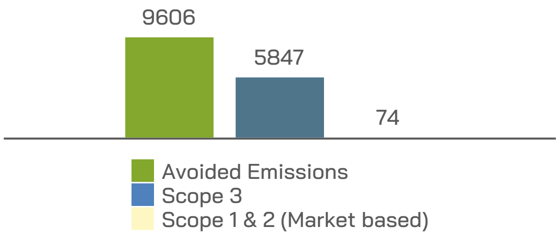
95% energy[4]

95% water[6]

97% emissions[7]

The recycling of 5.9 million tonnes of steel scrap via Sims Metal has the potential to avoid 9.6 million tonnes of CO_2e emissions compared to producing the same amount of steel from raw materials. This equates to a saving of 1.6 tonnes of CO_2e per tonne of steel[8].

Sims Limited emissions in the value chain (ktCO2e)



1 World steel. Raw materials
2 BIR. Ferrous Metals
3 MDPI. Decreasing Ore Grades in Global Metallic Mining: A Theoretical Issue or a Global Reality?
4 BIR. Non-Ferrous Metals
5 NSW. Environmental benefits of recycling
6 Waste Trade. How Effective Recycling Conserves Water and Reduces Waste
7 International Aluminium. Aluminium Recycling
8 Avoided emissions are calculated based on the volume of steel processed by Sims

SUSTAINABILITY REPORT (continued)

Avoided emissions in SLS

SLS enables the reuse and responsible recycling of electronic equipment through IT asset disposition, data centre decommissioning and electronics recycling. By refurbishing and repurposing IT components SLS extends the life of electronic devices, reducing demand for new production and the associated greenhouse gas emissions. When equipment reaches the end of its useful life, high-quality recycling recovers valuable materials that are returned to manufacturing supply chains, advancing a more circular and low-carbon economy.

These outcomes are supported by advanced technologies, strategic collaborations and continuous innovation. Robotics and automation further enhance material recovery by improving accuracy and quality while reducing waste.

During FY26, SLS successfully repurposed 16.8 million units, resulting in the avoidance of approximately 479 kilotonnes of CO_2e emissions throughout the electronics lifecycle[3].

CARBON AVOIDANCE REPORT FOR SLS (FY26)

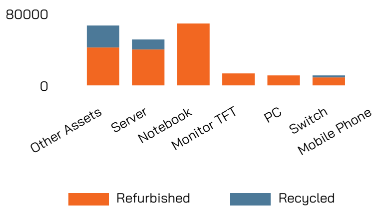
From 2025-07 to 2026-06 your ITAD program:

16.8M
assets refurbished for reuse

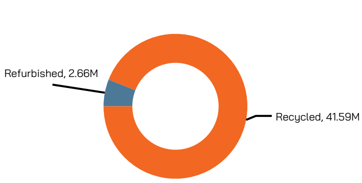
44.3M
total weight processed (kg)

479K
tonnes of CO_2 equivalent emissions avoided

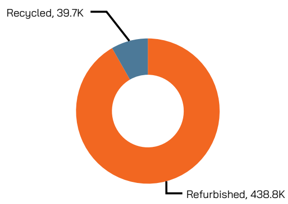
Total carbon avoidance by asset type (t CO2e)



Total weight of IT equipment processed (kg)



Total tonnes of CO2e emissions avoided



8.0M
tree seedlings grown for 10 years

104K
passenger vehicles driven for one year

64K
household's energy use for one year

Case Study

Remanufactured Hyperscale Infrastructure

As a Sims Lifecycle Services (SLS) brand, RackRenew is our solution to extending the useful life of OCP hardware[4]. Listed on the OCP Marketplace as a recognised partner since 2024, this solution provides our customers with access to:

- Industry-leading hardware at 40-70% lower cost[5]
- Data centre rack solutions at close to 0 tCO_2e embodied carbon
- Compute ready hardware delivered in weeks rather than months

Sims Lifecycle Services processes high-performance OCP hardware from hyperscale decommissioning projects. This hardware is then tested, remanufactured and validated for functionality and OCP compliance.

By establishing RackRenew, SLS is providing data centres and enterprises the opportunity to purchase near-zero embodied carbon, customisable, high-performing computer hardware at scale. Additionally, it is creating further pathways and demand to reuse steel racks and server chassis

1 This graphic refers to SLS' operations and clients where reuse of IT assets is the focus. Additional volumes have been processed in reverse logistics operations which are not reflected in this graphic. In total, 58.6 million kg of material were handled, of which approx. 1/3 has been transferred to Sims Metal and SA Recycling and is recognised in the avoided emissions number on page 35.

2 Derived by an internal calculation based on our DSV third-party validated LCA

3 It should be noted that the volume of avoided emissions fluctuates year to year, as it is influenced by the type of repurposed components and devices rather than solely by the overall quantity or weight of units processed.

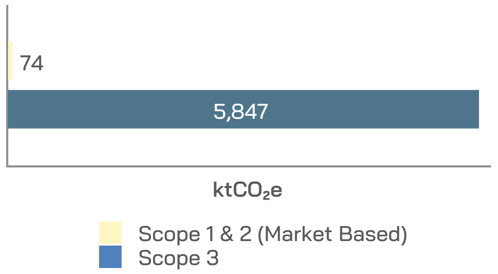
4 OCP: Open Compute Project

5 Cost savings depend on various factors, including location, rack configuration and customisation.

SUSTAINABILITY REPORT (continued)

Value chain emissions (Scope 3)

Scope 3 emissions represent the largest component of Sims' greenhouse gas footprint, accounting for approximately 5,846.6 ktCO_2e, accounting for approximately 99% of total emissions (market-based). These emissions occur across our value chain and reflect the broader climate impacts associated with our products, services and supply chain. Under the GHG Protocol, Scope 3 emissions are reported across relevant upstream and downstream categories. Despite representing the largest component, the GHG emissions avoided through the production of recycled metals were approximately 1.72 times greater than our Scope 3 emissions.



In FY26, four categories in turn accounted for more than 97% of our Scope 3 emissions: processing of sold products; use of sold products; transportation and distribution; and purchased goods and services. While these emissions occur largely outside our direct operational control, they reflect the broader climate impacts associated with our value chain and the sectors in which we operate.

Scope 1 and 2 emissions, together with our climate governance, strategy, risk management, transition planning, metrics and targets, are reported in Part B – Climate Mandatory Disclosures of this Sustainability Report. The summary below highlights the key sources of our Scope 3 emissions.

Processing of sold products

Processing of sold products is our largest Scope 3 category, accounting for 2606.1 ktCO_2e, 45% of Scope 3 emissions and 44% of Sims' total footprint. These emissions arise when customers process recycled metals into new products. While this increases our reported Scope 3 emissions, it also reflects the important role recycled materials play in displacing virgin production and supporting the transition to a more circular economy.

Use of sold products

The use of sold products contributed 2276.5 ktCO_2e, representing 39% of Scope 3 emissions and 38% of total emissions. Emissions from the use of sold products primarily relate to refurbished electronic equipment sold through Sims Lifecycle Services. Under the GHG Protocol, these emissions reflect the expected lifetime use of products sold during the reporting year. Although this is a material reporting category, extending the life of electronic equipment continues to deliver broader circular economy benefits by reducing demand for new production

Transportation and distribution

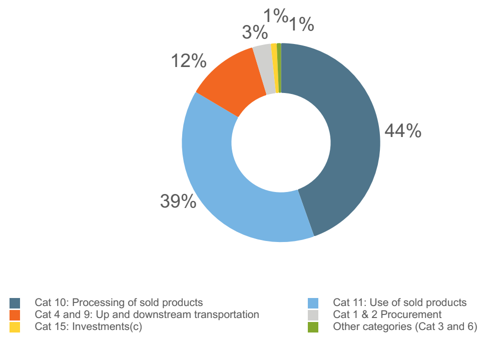
Transportation and distribution generated 689.8 ktCO_2e in FY26, equivalent to 12% of Scope 3 and 12% of total emissions. Transportation and distribution emissions primarily relate to the movement of materials and products throughout our global supply chain, with ocean freight representing the largest contributor. The increase in reported emissions in FY26 primarily reflects improvements in data quality and completeness following enhancements to data collection processes, resulting in a more comprehensive capture of transportation-related invoices and associated emissions. This category reflects the importance of efficient logistics in supporting our global operations.

Purchased goods and services

Purchased goods and services accounted for 127.8 ktCO_2e, or 2% of Scope 3 and 2% of total emissions. Purchased goods and services represent emissions associated with the goods and services procured to support our operations. While this is a smaller component of our Scope 3 inventory, it highlights the importance of improving supplier data and understanding the emissions associated with our supply chain.

As our understanding of value chain emissions continues to evolve, we remain focused on improving data quality, refining our methodologies and expanding the completeness of our Scope 3 inventory where appropriate. This includes assessing the future inclusion of additional categories, such as Category 5 (Waste generated in operations), which is currently reported within Category 1 (Purchased goods and services), as our reporting continues to mature.

Scope 3 Category	ktCO_2e
Cat 1: Purchased goods and services	128
Cat 2: Capital goods	49
Cat 3: Fuel and energy-related activities	37
Cat 4 and 9: Upstream and downstream transportation and distribution[1]	690
Cat 5: Waste generated in operations [2]	-
Cat 6: Business Travel	4
Cat 7: Employee commuting[2]	-
Cat 10: Processing of sold products	2606
Cat 11: Use of sold products	2277
Cat 15: Investments[3]	56
Total	**5,847**



1 From FY23 categories 4, Upstream Transportation and Distribution, and 9, Downstream Transportation and Distribution are presented together.

2 As these categories were less than 1% of scope 3 emissions in FY21, they were not remeasured subsequently. Sims Limited will continue to assess their inclusion for measurement.

3 Sims Limited accounts for non-operated joint ventures according to the equity share method. For FY26, emissions reported reflect Sims Adam Recycling and Tri Coastal Trading. Prior-year figures also include SMR, LMS Energy, and Planet Auto.

SUSTAINABILITY REPORT (continued)

Nature and resource stewardship

Sims is committed to minimising our environmental footprint while enabling a more sustainable economy. Our operations help conserve finite resources, but we also recognise the environmental impacts of our own activities. Through systematic assessments, technological innovation and strong environmental controls, we drive continual improvement across our operations. This approach helps embed environmental responsibility into day-to-day decision-making at all levels of the business.

Environmental Management

Our Environmental Management System (EMS) provides the framework for managing environmental risks, supporting regulatory compliance and driving continual improvement across our operations. During FY26, we strengthened our focus on proactive risk identification, targeted training and compliance monitoring, while continuing to build environmental awareness and embed environmental considerations into day-to-day decision-making.

In FY27, we will continue enhancing our EMS to support informed decision-making, strengthen environmental performance and drive continual improvement. Our focus will include expanding compliance monitoring, refining our approach to environmental incident management, improving environmental performance monitoring, and increasing environmental data collection to further strengthen our environmental management capabilities.

Energy

Energy is fundamental to Sims' operations, supporting our processing facilities, equipment and logistics. Improving energy efficiency is an important part of strengthening operational resilience, reducing our environmental footprint and progressing the decarbonisation of our operations. Our total energy consumption in FY26 was 1,819,600 GJ.

During FY26, we maintained our position of sourcing 100% renewable electricity where available. This was achieved through a combination of on-site photovoltaic generation at 4 sites, renewable electricity procurement through green power and bundled contracts, and the purchase of high-quality renewable energy certificates (RECs), where appropriate.

Our FY26 energy consumption profile is presented below.

Energy consumption by business unit

Energy consumption by business unit ('000 GJ)	FY26	FY25	FY24
North America Metal	1297	1193	1154
ANZ Metal	477	467	463
SLS	46	42	40
Total	**1,820**	**1,702**	**1,658**

Water

Water is a critical resource for dust suppression and firefighting across Sims' operations. While not an input to products, it is essential for safe and responsible operations. During FY26, Sims recorded water consumption of 0.96 GL of water across all sites. To improve water efficiency, we continued implementing measures including high-pressure atomisers, closed-loop water recycling systems and smart foam technologies.

During the year, we progressed initiatives across our operations to improve stormwater management and water quality, including upgrades to stormwater infrastructure, treatment systems and beneficial water reuse. Projects at various stages of implementation include improvements to stormwater capture and treatment, supporting better management of runoff and reducing potential impacts on the surrounding environment.

We also continued to invest in fire detection and suppression technologies across our operations, with a range of systems in place or being evaluated. These include water-efficient fire suppression technologies designed to strengthen fire prevention and response, reduce water requirements and minimise the risk of contaminated runoff.

Water consumption by business unit

Water consumption by business unit (GL)	FY26	FY25	FY24
North America Metal	0.78	0.56	0.45
ANZ Metal	0.18	0.19	0.17
SLS	0.01	0.01	0.01
Total	**0.96**	**0.76**	**0.63**

SUSTAINABILITY REPORT (continued)

Waste

Automotive shredder residue (ASR) remains the largest waste stream generated by Sims, arising from shredding end-of-life products to recover ferrous and non-ferrous metals. During FY26, Sims generated 1,086 kilotonnes of ASR, representing approximately 100% of all our waste and disposal costs of over $108 million for landfill.

To reduce ASR volumes, Sims continued to:

- Strengthen quality control of input materials;
- Invest in advanced separation technologies, including refurbishments of metal sorters, additional belt pickers, and new granulation capacity, all of which increase metal recovery rates and reduce disposal volumes; and
- Engage suppliers on sorting and collection to minimise non-metallic content.

Our aim is to maximise resource recovery from ASR and further reduce the volume sent to landfill. During FY26, we continued investing in research and trials to evaluate technologies and pathways that could recover additional value from ASR, including its potential use as an energy source or secondary raw material.

In addition to ASR, Sims continues to recycle smaller operational waste streams, including cardboard, pallets and timber reflecting our broader commitment to circularity across day-to-day operations.

Oils and fuels recovered during the depollution of end-of-life vehicles, is managed for recycling or appropriate treatment. Employees handling these materials receive ongoing training to ensure safe practices that protect both people and the environment.

Landfill waste generated by region

Landfill waste generated by region (kt)[1]	FY26	FY25	FY24
North America Metal	811	786	769
ANZ Metal	214	207	195
SLS	8	1	1
Total	**1,032**	**993**	**965**
Tonne waste per tonne of ferrous proprietary volume	0.16	0.16	0.12

1 This refers to waste generated from operations. It does not include end of life materials Sims processes and sells as part of its circular economy business portfolio

Air emissions

Air emissions associated with metal shredding can include fugitive emissions such as particulate matter and volatile organic compounds (VOCs). These VOC emissions are not generated by the shredding process itself but are associated with trace amounts of oils, fuels and other residual materials remaining in recyclable metals. Sims manages these potential emissions through supplier depollution requirements, in-house depollution processes where required, inbound material inspections and targeted emission control systems at selected sites.

At the end of FY25, Sims North America Metal commenced operation of a voluntary state-of-the-art emissions capture and control system at its Chicago metal shredder. The system demonstrated consistency with US EPA methods, documenting 100% capture of shredder emissions. The associated emission control system, comprising particulate matter, VOC and acid gas controls, also achieved the expected control efficiencies during required stack testing. Sims North America Metal will continue to evaluate the performance of this technology and the feasibility of deploying similar systems at other sites.

During FY26, dust control across NSW shredder operations in Australia was strengthened through targeted upgrades to shredder air management systems. These improvements are designed to better capture, manage and reduce dust generated during shredding activities, helping to minimise potential off-site impacts and improve environmental performance. In North America, fire suppression and fire detection systems are in place or under evaluation at a number of sites to further support operational and environmental risk management.

Emissions to air

Emissions to air, tonnes [1]	FY26	FY25	FY24
Nitric oxide (NOx)	1210	1134	1289
Sulfur oxide (SOx)	64	59	65
Volatile Oxide Compounds (VOCs)	39	40	57

1 Air emissions associated with the consumption of fuels by our on-road transport vehicles, off-road equipment, and natural gas consumption only. Rounded to nearest whole number.

SUSTAINABILITY REPORT (continued)

Nature and Resource Stewardship *continued*

Biodiversity and ecosystem health

By recycling metal, Sims reduces reliance on virgin mining and helps alleviate pressure on biodiversity and ecosystems. At the same time, we recognise that our operations both depend on and interact with healthy ecosystems, from the natural resources that underpin our operations to the land, water and air quality surrounding our sites. Protecting natural capital is therefore both an environmental responsibility and a business imperative.

We integrate biodiversity and ecosystem considerations into our environmental management and community engagement processes, ensuring that nature is embedded in day-to-day decision-making. In FY24 we completed an assessment of the nature-related impacts and dependencies of our operating sites. Building on this assessment, our next step is to identify practical actions to reduce impacts and strengthen local environmental stewardship.

Celebrating Earth Day

Across April, Sims Limited teams around the world marked Earth Month by taking practical action to support environmental stewardship in the communities where we operate. From tree planting and site clean-ups to educational events and community partnerships, our people demonstrated how local actions support responsible resource use and strengthen community awareness of the value of recycling.

A highlight was the continued growth of the RVA Earth Day Festival in Virginia, USA delivered in partnership with a local not-for-profit, which brought together community organisations, government agencies, and industry partners to promote recycling, environmental education, and outdoor engagement.

These activities reflect how Sims Limited creates value beyond our operations—strengthening communities, reinforcing responsible resource use, and advancing our purpose to create a world without waste to preserve our planet.

SUSTAINABILITY REPORT (continued)

Part 2. Climate Mandatory Disclosures

1. Basis of preparation

Corporate Structure

Sims Limited (Sims, the Group or the Company) is a for-profit company incorporated and domiciled in Australia.

Sims operates a global recycling business through its Metal and Sims Lifecycle Services (SLS) divisions:

- **Metal** - Scrap metal is sourced from industrial suppliers, manufacturers, demolition projects, consumers and end-of-life products. These materials are processed at recycling facilities and sold to steelmakers, copper and aluminium manufacturers and other manufacturing customers.

  Its operations are conducted primarily in two regions:

  - Australia, New Zealand and Papua New Guinea (referred to as ANZ or PANZ), and
  - North America (referred to as NAM), which includes operations in the United States of America and Canada.

- **SLS** - Provides circular IT asset management solutions, including the redeployment, resale and recycling of electronic equipment for data centres and enterprise customers.

  The SLS business predominantly operates across North America and Europe and has some (smaller) facilities in India and Australia.

Statement of compliance

The Sustainability Report (mandatory climate-related disclosures) for the year ended 30 June 2026 (FY26) covers the period from 1 July 2025 to 30 June 2026. It forms part of the Group's Annual Report and should be read in conjunction with the Group's consolidated financial statements.

The Group has prepared these climate-related financial disclosures in accordance with Australian Accounting Standards Board (AASB) S2 *Climate-related Disclosures* and the requirements of the *Corporations Act 2001*.

The Company is a Group 1 reporting entity, and this represents its first year of mandatory reporting under AASB S2.

For the purposes of this report, information is considered material if the Group reasonably expects that its omission, misstatement or obscuration could influence decisions made by users of the Group's general purpose financial reports.

This report was authorised for issue in accordance with a resolution of the Directors on 18 August 2026.

Transitional relief

As this is the first year of applying AASB S2, the Group has elected to apply available transitional reliefs, including those relating to the disclosure of Scope 3 greenhouse gas (GHG) emissions and the presentation of comparative information for Scope 1 and Scope 2 GHG emissions.

Critical estimates and judgements

The preparation of these climate-related disclosures requires management to make judgements, estimates and assumptions about future events. Information on material estimates and judgements can be found in the following sections:

- Identification of climate-related risks and opportunities (CRROs) reasonably expected to impact the Group's future prospects (refer to section Scenario analysis on page 96).
- Selection of climate pathways and external reference scenarios used in the Group's scenario analysis (refer to section Scenario analysis on page 96).
- Determination of short-, medium- and long-term time horizons applied across disclosures (refer to section Anticipated financial effects of CRROs on page 98).
- Assessment of the nature and magnitude of CRRO impacts across time horizons, including the use of both qualitative and quantitative information (refer to section Anticipated financial effects of CRROs on page 98).
- Estimation applied to address data gaps in measuring Scope 1 and Scope 2 GHG emissions for the reporting period (refer to section Emissions on page 110).

Currency

All monetary amounts are presented in Australian dollars, being the Group's presentation currency. Amounts are rounded to the nearest million unless otherwise stated; one decimal place represents hundreds of thousands.

SUSTAINABILITY REPORT (continued)

2. Climate Governance

2.1 Governance Structure

The roles and responsibilities of the Board, its Committees, management and supporting functions in relation to climate-related risks and opportunities (CRROs) are summarised below.

BOARD

The Board has ultimate responsibility for sustainability matters including oversight of the CRROs, with delegated oversight to the Safety, Risk and Sustainability (SRS) Committee and the Audit Committee.

The SRS Committee reports CRROs to the Board at least annually. The Board and its Committees also receive updates through scheduled meetings, held four times a year, covering climate strategy, progress against targets, risk management outcomes and regulatory developments. Additional updates and topic-specific deep dives are provided as required. These processes support effective oversight and informed decision-making.

CRROs are embedded in Board decision-making processes, including strategic planning, capital allocation and the evaluation of major transactions.

The Board reviews and approves climate-related targets and monitors progress against these through annual performance reporting. Further details on the target-setting process and the Group's existing targets are provided in the Metrics and Targets section.

SRS Committee

The SRS Committee supports the Board through oversight of climate strategy and CRROs, demonstrated by:

- Overseeing the development and implementation of the Group's climate strategy, including emissions reduction initiatives and climate resilience planning.
- Reviewing and endorsing the identified CRROs.
- Endorsing the climate-related disclosures included in the Annual Report.

Audit Committee

The Audit Committee oversees the integrity of climate-related disclosures, controls and assurance processes, demonstrated by:

- Reviewing the climate-related disclosures
- Reviewing the alignment between climate-related disclosures and financial reporting.

CEO

- Accountable for identifying, managing and monitoring CRROs within the enterprise risk management framework.
- Responsible for implementing the strategic direction approved by the Board, including climate-related targets and commitments.
- Ensures CRROs are embedded in business strategy and operations, and reported to the Board and relevant Committees.

CFO

- Oversees the Group's enterprise risk management framework, through which climate-related risks and opportunities are considered alongside other business, financial and operational risks.
- Oversees climate-related reporting and disclosures, including review of the Annual Report prior to Board approval.

ASSURANCE

Responsible for identifying CRROs and maintaining the ERM framework, including embedding climate-related risks into risk management processes and systems.

Provides controls assurance through Internal Audit reviews.

During the reporting period, the Head of Assurance provided formal updates three times, while the Group Director of Sustainability provided formal updates two times. These updates are supplemented by additional informal discussions and briefings as required.

SUSTAINABILITY

Supports development and execution of the Group's climate strategy, including emissions data capture, target setting and performance monitoring.

Coordinates the cross-functional integration of CRROs into business processes, including their identification, assessment, and management, in alignment with the ERM framework.

Facilitates consistent identification and assessment of CRROs across the business through engagement with functional teams and alignment of climate-related methodologies and practices.

FINANCE

Responsible for assessing the financial impacts of CRROs.

Supports integration of climate-related considerations into financial reporting.

STRATEGY

Responsible for incorporating climate-related considerations into overall business strategy.

ASRS STEER CO

Supports the Board and Board Committees in oversight of the effective implementation of the mandatory ASRS, also known as AASB S2.

SUBJECT MATTER EXPERTS

The ASRS Steer Co is supported by subject matter experts with expertise across key areas including: Environment, Operations, Sustainability, Strategy, Finance, Risk and Legal.

SUSTAINABILITY REPORT (continued)

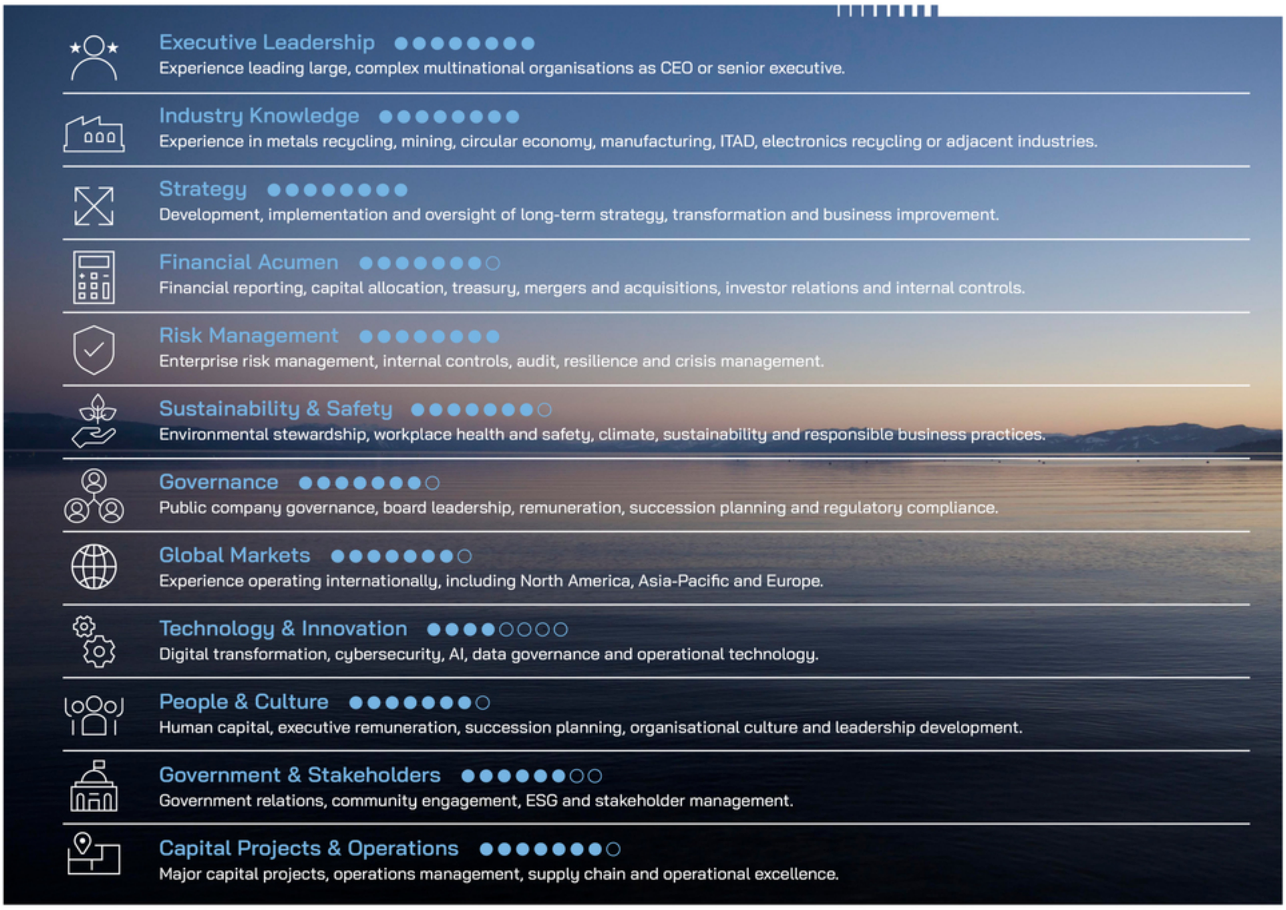
2.2 Relevant Skills and Experience

The Board assesses whether it has appropriate skills and competencies to oversee climate-related matters through annual Board and Committee assessments. These assessments consider the Board skills matrix, Board composition and overall Board effectiveness.

Every three years, the review is undertaken by an independent external third party. Refer to the Board skills matrix below for further details on Directors' skills and experience.

Sims Limited Board Matrix

Skills and experience of directors — Composition of skills and experience of the Board



2.3 Management Oversight and Controls

Management has established a structured framework of controls and procedures to support the identification, monitoring and management of CRROs. These processes are integrated into broader risk management and reporting systems to support consistent implementation across the business. Management has also developed and implemented procedures over emissions data collection and reporting to support compliance with applicable regulatory and reporting requirements. These processes are supported by relevant Company policies and other internal documentation, including the Energy & Climate Policy, the Risk Management Policy and Framework, and the FY26 GHG Inventory Management and Basis of Preparation, Scope 1 and Scope 2.

2.4 Remuneration

Sims incorporates climate-related considerations into its performance management processes. In FY26, metrics aligned with Sims' emissions reduction targets were included within performance objectives that inform executive remuneration outcomes, including a target to reduce Scope 1 and Scope 2 emissions by more than 30% from the FY20 baseline. Together with the pay equity measure, these metrics represent 15% of the strategic performance rights component of the Long Term Incentive (LTI) grant that vested in FY26.

Sustainability metrics are embedded within the current long-term incentive cycle. As part of its regular remuneration review process, Sims periodically assesses the role, weighting and composition of performance metrics in future incentive cycles to ensure they remain aligned with the Company's strategy, evolving market practice and shareholder expectations.

While the specific metrics and their weighting may evolve over time, Sims remains committed to sustainability as a core strategic priority. Given the inherent contribution of Sims' circular business model to decarbonisation, strong financial performance supports the growth and scale of activities that deliver climate benefits. Accordingly, while incentive measures may be refined over time, sustainability continues to be embedded across the Company's strategy, governance, operational processes and business initiatives.

SUSTAINABILITY REPORT (continued)

3. Climate Strategy

Sims operates a global recycling business through its Metal and Sims Lifecycle Services (SLS) divisions.

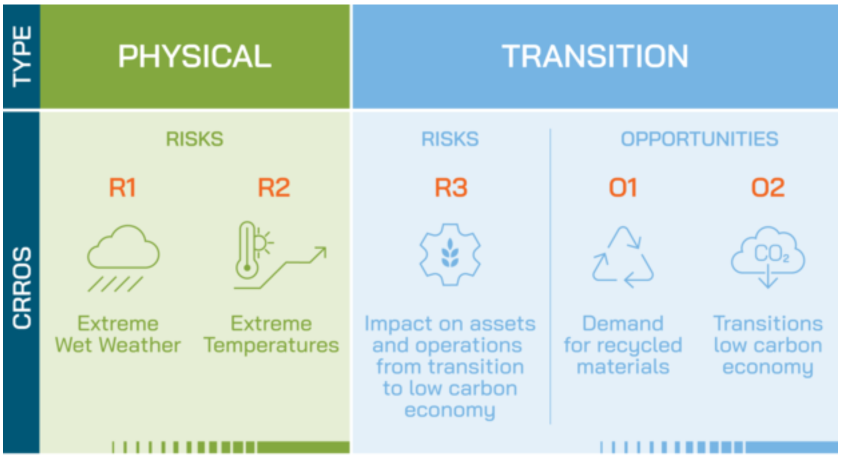
Within Metal, scrap metal is sourced from industrial suppliers, manufacturers, demolition projects, consumers and end-of-life products. These materials are processed at recycling facilities and sold to steelmakers, copper and aluminium manufacturers and other manufacturing customers.

SLS provides circular technology infrastructure lifecycle solutions, including the redeployment, resale and responsible recycling of electronic equipment for data centre operators and enterprise customers.

3.1 Value chain

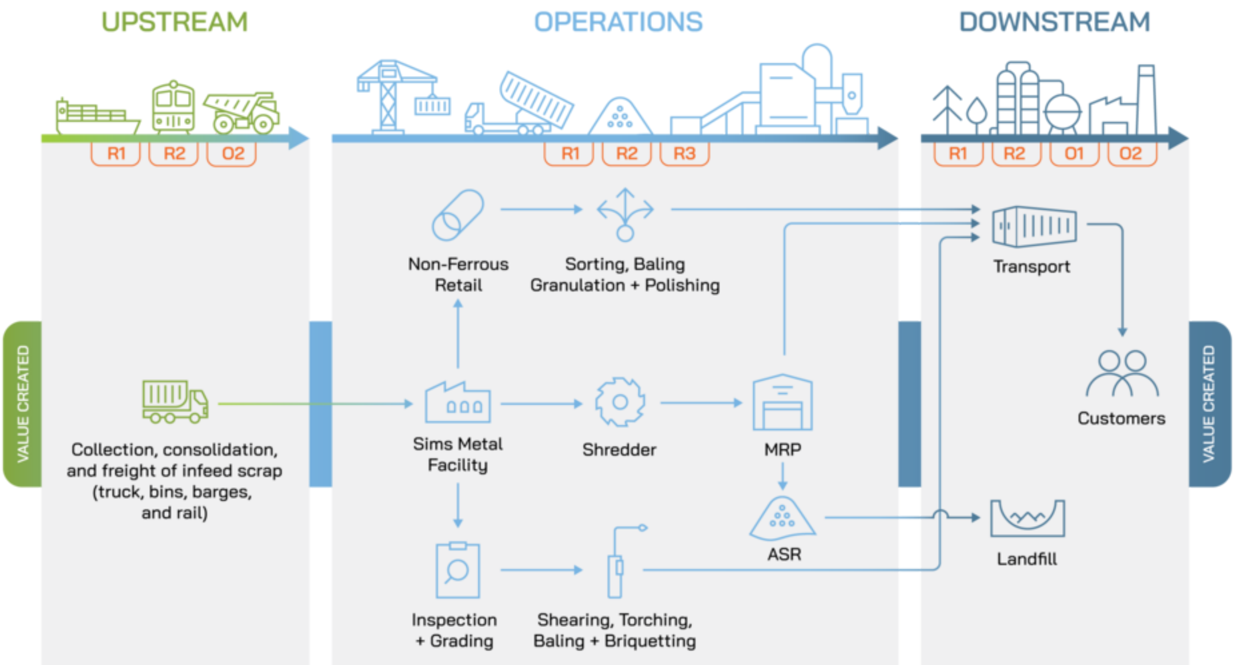
CRROs are expected to affect multiple points across this value chain, including the supply of pre-owned assets and scrap materials, transportation and logistics networks, energy use in refurbishment and recycling operations, and demand from customers.

The table below shows the CRROs that have the potential to affect the Group.



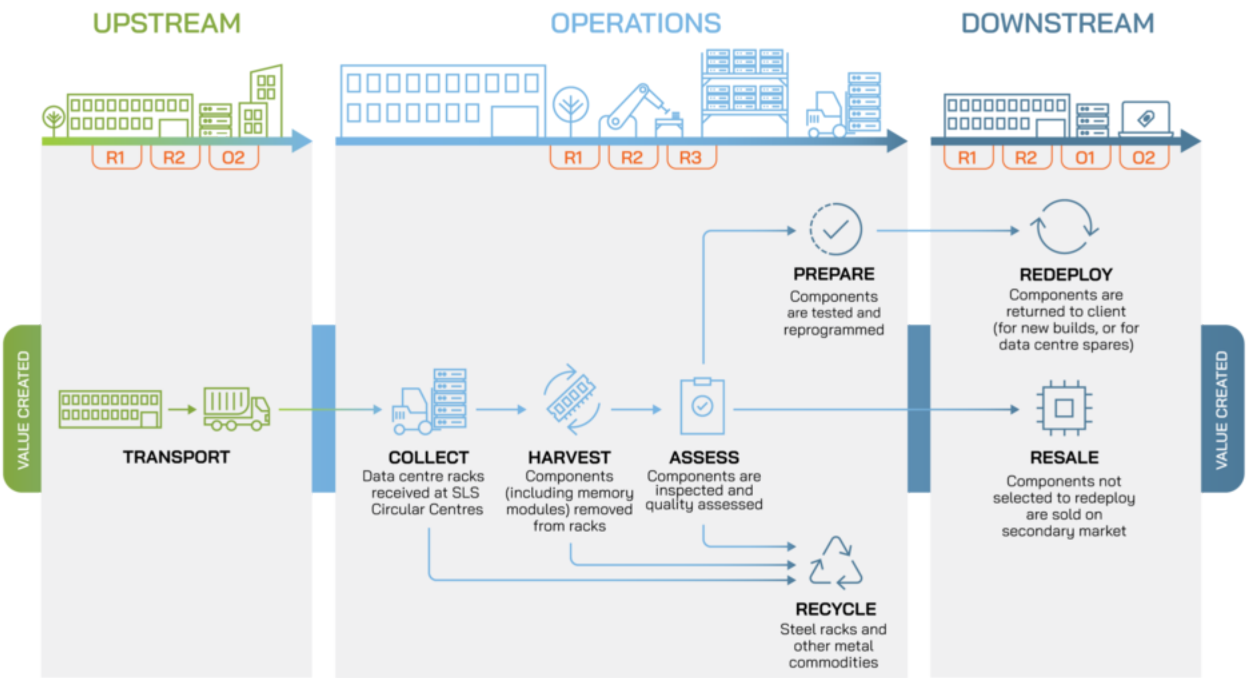
The diagrams below illustrate where the disclosed CRROs are expected to impact the Group's value chain.

CRROs impact on the Metal value chain



SUSTAINABILITY REPORT (continued)

CRROs impact on the SLS value chain



The Company's exposure to climate-related risks arises primarily from physical risks affecting operations and logistics infrastructure, and transition risks associated with regulation, energy markets and decarbonisation policies. At the same time, opportunities are expected to arise from increased demand for recycled materials in a low-carbon economy.

Sims responds to CRROs through a combination of operational initiatives and commercial responses, including emissions reduction initiatives, site-level management of physical risks, and positioning the business to capture shifting demand for recycled materials and circular solutions. Further detail on Board-approved targets is provided in section 5.3.

3.2 Scenario analysis

Sims has conducted climate scenario analysis across the Group's global operations (Metal and SLS) to assess how CRROs could affect the business under different future conditions.

The analysis considers both physical and transition-related impacts and supports the evaluation of potential impacts on the Company's operations and financial performance over time. The scenario analysis was undertaken during the reporting period as part of the Company's broader climate risk assessment and strategic planning processes.

The Company has applied climate scenarios published by the Intergovernmental Panel on Climate Change (IPCC), representing a range of emissions pathways and associated levels of warming. These include a lower emissions scenario reflecting strong global mitigation efforts and a higher emissions scenario reflecting more limited mitigation and more severe physical climate impacts.

These scenarios are used to assess the Group's resilience to climate-related risks, recognising that different emissions pathways are associated with varying levels of physical climate impacts and transition-related changes. A summary of the selected scenarios is presented below.

SUSTAINABILITY REPORT (continued)

Summary of the scenarios selected by the Group

Scenario	Low Emissions: SSP1-1.9	High Emissions: SSP5-8.5
Description and Assumptions	Represents a low-emissions pathway where global mitigation efforts limit warming to approximately 1.5°C by 2100. Assumes stronger policy coordination, accelerated transition to a low-carbon economy, increased customer demand for lower-emissions materials, and lower exposure to severe physical climate impacts over time.	Represents a high-emissions pathway with continued increases in greenhouse gas emissions, leading to warming of approximately 3.5°C to 4°C by 2100 and more severe physical climate impacts. Assumes more limited policy action, delayed or disorderly transition conditions, continued exposure to higher physical climate impacts, and increased uncertainty relating to energy costs, insurance availability and operational disruption.
Relevance to the Group	The selected scenarios are considered relevant to Sims as they reflect a range of future conditions aligned to the Group's geographic footprint, asset profile and exposure to both physical and transition climate-related risks. The lower-emissions scenario reflects accelerated transition conditions relevant to Sims' exposure to energy markets, regulation and customer demand for recycled materials, while the higher-emissions scenario reflects more severe physical climate impacts relevant to the Group's dispersed site footprint, reliance on logistics infrastructure and exposure to extreme weather events. Together, these scenarios support the assessment of the resilience of Sims' strategy and business model over time. The scenario analysis informs the identification, assessment and prioritisation of CRROs and supports the evaluation of potential financial impacts over defined time horizons. The analysis is integrated into the Company's ERM processes and considered as part of ongoing decarbonisation planning.	

3.3 Climate-Related Risks & Opportunities

The Group has identified the following CRROs for disclosure that are considered reasonably likely to affect its prospects, including its financial performance, financial position and cash flows. These CRROs have been derived from the Company's previous risk disclosures (inc. TCFD aligned reporting) and climate risk assessment processes and are consistent with those already identified and prioritised through the ERM framework and recorded in the enterprise risk register.

The selection of CRROs for disclosure is based on the potential for inherent risks to become material, as assessed through the Group's ERM framework, considering the likelihood and consequence of risks across short-, medium- and long-term time horizons.

In FY26, risks considered relevant for disclosure were those that, as a minimum, were assessed as potentially having a Moderate or Higher inherent consequence level in at least one time horizon. A Moderate rating in terms of financial impact is one that could result in financial impact that exceeds $2 million. A rating of Moderate impact may also be assigned to a risk based on the potential consequence in other areas such as operations, reputation, market/investors, environmental or community impacts.

A feature of the CRROs in the context of Sims operations is that transitional risks and opportunities are also deeply interconnected, as illustrated within the CRROs tables below in sections 3.5 and 3.6. If appropriately managed, these risks may also present an opportunity for Sims.

Time Horizons

Time horizons have been defined to support the assessment of how CRROs may evolve over time and to align scenario analysis with Sims' business planning and decision-making processes.

Consistent with this approach, Sims has defined short, medium and long-term horizons aligned with its budgeting, strategic planning and asset life cycles. This supports the integration of climate-related considerations into both near-term operational decision-making and longer-term strategic and capital planning.

These time horizons are applied consistently across the identification, assessment and analysis of CRROs, including scenario analysis and the evaluation of potential financial impacts.

Time horizons

Horizon	Timeframe	Rationale
Short term	0-2 years	Aligned with the Group's annual budgeting and operational planning cycle.
Medium term	3–5 years	Aligned with corporate planning horizon and capital allocation decisions.
Long term	5+ years	Aligned with asset life cycles and long-term infrastructure planning.

Judgement is required in determining the appropriate time horizons to assess the impact of the CRROs on the Group's future prospects. Time horizons have been defined to support the assessment of how CRROs may evolve over time and to align with Sims' business planning and decision-making processes.

SUSTAINABILITY REPORT (continued)

3.4 Anticipated financial effects of CRROs

The CRROs identified have the potential to affect Sims' financial performance, financial position and cash flows over time.

The potential financial impacts identified are assessed in relation to key financial statement line items, including revenue, operating expenses, capital expenditure and asset values.

To assess the anticipated potential financial effects of these CRROs, Sims has applied a structured approach using internal data, scenario analysis and cross-functional input from finance and operational teams.

The assessment has been undertaken as follows:

1. Scoping

The financial assessment focused on identifying the sites and regions most exposed to the relevant CRROs.

For the relevant physical risks identified, analysis was performed at a site level, reflecting the location-specific nature of climate hazards. Site-level exposure was assessed using an internal site's risk dashboard, considering exposure to extreme wet conditions and extreme temperatures, together with historical events. Sites meeting one or more of these criteria were shortlisted for further analysis, with regional teams refining the selection based on local knowledge and site-specific conditions.

For transition risks and opportunities, the assessment was undertaken at a regional level, reflecting the broader nature of regulatory, market and policy drivers.

Baseline and impact financial data was then obtained from the shortlisted sites and regions to support the financial assessment. Data availability varied across risk types and regions and was generally more limited for transition risks and opportunities. Where sufficient data was not available, the assessment was supported by qualitative inputs from regional teams.

2. Time horizon selection

Each CRRO was assessed across the time horizons selected (as described in Section 3.3). To determine when impacts are most likely to materialise, time horizons were linked to different scenario assumptions depending on the nature of the risk. Based on the risk assessment outcomes, it was then determined in which time horizon the CRROs would likely have a financial impact requiring quantification (i.e. medium risk or above).

3. Scenario analysis selection

For physical risks, a higher emissions scenario was used to identify the time horizons in which risks are expected to become more severe, reflecting increased frequency and intensity of climate hazards over time.

For transition risks and opportunities, a lower emissions scenario was used to identify the time horizons in which impacts are expected to arise, reflecting an orderly transition to a low-carbon economy and the timing of policy, market and technology changes.

Where a risk was assessed as at least medium in a given time horizon under these assumptions, that horizon was considered relevant for the financial assessment. This approach was used to determine whether impacts were assessed over the short, medium or long term, or across a combination of those time horizons, aligned with Sims' planning and investment cycles.

4. Translation to financial impacts

Each CRRO was translated into financial impacts through key business drivers, including revenue, operating costs, capital expenditure and asset values.

For physical risks, this included assessment of potential days lost, tonnes lost, revenue impacts, incremental operating costs, incremental capital expenditure required, asset values, percentage of assets exposed and assets impacted, where data was available.

For transition risks and opportunities, the financial assessment incorporates site-level data, historical experience, financial inputs from regional teams and relevant external information, including climate scenarios and regulatory developments.

The current assessment of R2 risk reflects heat-related exposure as captured in the internal site risk dashboard. Exposure to extreme cold conditions has not been fully incorporated except for historical events and may be considered in future assessments where relevant.

Given the inherent uncertainty associated with CRROs, including the magnitude and variability of potential impacts, the estimated financial effects are subject to a high degree of estimation uncertainty. These disclosures are intended to provide insight into potential financial exposure rather than precise forecasts.

In relation to the anticipated financial impacts of physical climate-related risks over the long-term time horizon, the Group has not disclosed quantitative information where the level of measurement uncertainty involved is so high that the resulting quantitative information would not be useful. This uncertainty reflects the difficulty in estimating the timing, frequency and severity of physical climate hazards over longer periods, the interaction of those hazards with specific site locations and infrastructure, and the extent to which future adaptation measures may mitigate impacts.

Given the range of plausible long-term outcomes and the dependence on future conditions and management responses, quantitative estimates would not provide decision-useful information. Accordingly, the Group has provided qualitative disclosures describing the nature of the potential long-term financial impacts.

For transition risks, the Group has not disclosed quantitative information where estimation uncertainty is so high that quantitative information would not be useful, due to dependence on future regulatory and policy developments, market and customer responses, technology availability and future management decisions.

For climate-related opportunities, the Group has also applied the commercial sensitivity relief permitted under the standard, as disclosure of quantitative information could reasonably be expected to prejudice the Group's competitive position. In these cases, qualitative disclosures have been provided.

No CRROs have been identified that are expected to result in a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, based on information available at the reporting date.

The Group expects its financial position, performance and cash flows to evolve as it implements its strategy to manage CRROs. This includes changes in the timing and prioritisation of capital expenditure, as well as potential impacts on operating costs and operational response. Investment decisions will be adjusted based on cost, feasibility and market conditions and are expected to be funded through operating cash flows and existing capital allocation processes. The extent and timing of these impacts remain uncertain.

SUSTAINABILITY REPORT (continued)

3.5 Climate-related Risks

R1: Physical – Extreme wet weather	**Relevant time horizons:** Medium to long term **Scenario:** High emissions

Description:

Many of Sims' sites are located in coastal areas and operations rely heavily on shipping logistics, making them vulnerable to extreme wet weather events, including flooding and rising sea levels, cyclones and hurricanes. Disruptions, damage and associated financial impacts in coastal regions are expected to increase over time due to more frequent and severe climatic events.

In some instances, extreme weather events may lead to a temporary increase in inbound and outbound volumes following the event, as damaged materials enter the recycling stream. This effect is linked to O1.

Potential impacts on the Group's business model, strategy and decision making:

- Disruption to operations is possible if flooding occurs, including the disruption to deliveries of scrap to feeder yards where weather events impact traffic flows and freight movements (e.g. road/highway closures; traffic jams/accidents).
- Exposure to logistics and supply chain constraints (port sites).
- Long term impacts to assets and infrastructure, rising maintenance costs, site adaptation required, remediation costs in case of a flooding event, potential environmental liabilities, or relocation.
- Increase in insurance premiums or unavailability of insurance coverage, remediation costs and environmental liabilities.

Mitigation measures:

- Business Continuity Plans developed, which include the requirement to identify alternative receiving and processing sites, including third-party managed sites.
- Insurance cover in place.
- Implementation of site level controls (including emergency personnel controls, which include evacuation procedures), flood protection measures (where appropriate) and contingency planning.

Adaptation measures

- Investment in logistics to introduce optionality to transport metals and reduce reliance on single ports or transport routes. In FY26, this included a $2.2 million cash outflow relating to leased rail cars, with the associated right-of-use asset and $22.1 million lease liability recognised in the balance sheet.
- Infrastructure upgrades at high-risk sites (refer to the identification of vulnerable sites below). The associated costs cannot currently be measured reliably.
- Active management of the Group's property portfolio including the strategic divestment and acquisition of sites. A key example is the acquisition of the Pinkenba facility located in Queensland, Australia in FY23, which, among other strategic objectives, aims to reduce the risk of operational disruption and financial losses associated with repeated flooding at the Rocklea site located in Queensland, Australia. The Group has invested $24.2 million to date in Pinkenba, with total development costs of up to $215 million over the next ten years, subject to investment approval. The Rocklea site experienced two flooding events over a 10-year period, largely due to its unique geographic location and topography. Most recently in 2022, a significant flood event resulted in operational disruption, increased costs and a prolonged recovery period. This weather event resulted in an adverse impact to the Group's earnings of approximately $17 million, which included asset write-offs, repair costs and replacement equipment, however this was not considered to be material to the group as whole.

SUSTAINABILITY REPORT (continued)

Current financial impacts:

There has been no material impact on the Group's financial position, financial performance or cash flows in the current reporting period.
No significant risk of material adjustment is expected in FY27.

Anticipated financial impacts:

Medium term
Over the medium term, extreme wet weather events are not expected to have a material impact on the Group's financial position, financial performance, or cash flows. This conclusion reflects consideration of recent significant weather events, including the Queensland flood event affecting the Rocklea site, which did not result in a material impact on the Group's operations or financial results, and relevant insurance cover is currently in place.

Long term
Over the long term, Sims expects some exposure to extreme wet conditions, particularly in coastal and low-lying areas. The extent of the impact will vary depending on site location, reliance on port infrastructure and historic exposure to flooding and other extreme wet weather events. Given the geographic dispersion of operations across regions and states, it is considered unlikely that multiple sites would be significantly impacted at the same time. As a result, any significant financial impacts are not expected to be concentrated within a single reporting period.

While the frequency and severity of extreme weather events may increase over the Group's long-term time horizon, management does not currently expect these events to have a material financial impact on the Group, reflecting the geographic diversification of its operations and the effectiveness of its existing risk management and adaptation measures.

Metal
15 sites within our Metal operations are located near waterways and ports, creating exposure to flooding and other extreme weather events. Under a high-emissions scenario, Sims estimates that approximately 27.3% of the Group's total property, plant and equipment located at Metal sites would have some exposure to extreme wet weather conditions. These sites are geographically dispersed and collectively represent approximately 0.1% and 4.1% of volume in NAM and in ANZ, respectively.

While the vast majority of our sites have not experienced major wet-weather events over their operating lifespan, there have been a small number of instances where our operations have been impacted, including the Queensland flood events highlighted above and sites located on the east coast of the United States of America which were impacted by superstorm Sandy in 2012. Whilst these events were significant to the impacted geographical regions, the impact on the Group was not significant.

Over the long term time horizon the potential financial impacts are:

- Decrease in sales revenue (volume loss, price or margin impact), noting insurance cover is in place for loss of revenue (the amount and extent of coverage being subject to the normal loss-adjudication process under insurance policies).
- Increase in property, plant and equipment due to additional capital expenditure (site adaptation, relocation) noting Property Damage and Industry Special Risks insurance cover is in place (the amount and extent of coverage being subject to the normal loss-adjudication process under insurance policies).
- Increases in other expenses (R&M, insurance premiums, logistics/freight, remediation costs, environmental costs or penalties).
- Increase in working capital, and raw materials used and changes in inventories.
- Increase in the risk of impairment recognised on the Group's fixed property, plant and equipment.
- Negative impact on operating cash flows if operations are disrupted for a long period of time.

The cost of insurance, specifically attributable to flooding or other wet weather events, cannot be separately identified. It is assumed that existing insurance coverage will be maintained in the short and medium term. Based on current information, there is no indication that insurance will become unavailable. The Group is not in a position to make assumptions about the cost of insurance premiums in the long term; however, it could be reasonably expected that insurance premiums could increase.

SLS
SLS exposure is predominantly concentrated across a small number of strategically important sites in North America, some of which are prone to a potential severe extreme weather event (e.g. a tornado). Exposure across other operations is either in relatively 'disaster-proof' regions or are not large enough to present a material earnings impact on our business. There have been no significant weather events that have had a material impact on business operations.

SUSTAINABILITY REPORT (continued)

R2: Physical – Extreme temperatures	**Relevant time horizons:** Medium to long term **Scenario:** High emissions

Description:
Under future climate scenarios, the number of days with temperature extremes is expected to increase across key sites, including a rise in the number of days exceeding the 'moderate' heat stress illness threshold, as specified by the Sims Environmental, Health & Safety (EHS) heat stress policy and the occurrence of extreme cold conditions, creating risks to workforce safety, operational productivity and continuity and accelerate infrastructure wear. These temperature changes may also affect supply chains such as shipping and logistics.

Potential impacts on the Group's business model, strategy and decision making:

- Operational disruption due to extreme heat or cold conditions impacting site availability and productivity.
- Workforce health, safety and availability impacts, particularly for outdoor and manual operations.
- Upstream and downstream supply chain restriction including restricted site access and delays in material intake due to snow, ice or frozen waterways, impacting scrap flows and shipments.
- Increased operating costs associated with disruption and environmental controls.
- Incremental capex required to maintain safe operating conditions (e.g. cooling, HVAC and equipment upgrades)
- Increased electricity costs or fuel costs driven by rising demand.

Mitigation measures:

- Implementation of site procedures to manage extreme heat and cold e.g. modified work schedules.

Adaptation measures:

- Investment to support workforce safety and ensure operational continuity e.g. HVAC, shaded areas.
- Investment in logistics to introduce optionality to transport metals and reduce reliance on single ports or transport routes. In FY26, this included a $2.2 million cash outflow relating to leased rail cars, with the associated right-of-use asset and $22.1 million lease liability recognised in the balance sheet.
- Ongoing maintenance of equipment to ensure reliability.

SUSTAINABILITY REPORT (continued)

Current financial impacts:
During the most recent extreme cold event in the North East of the United States of America (US) in FY26, the Group experienced:
- Temporary operational disruption impacting site availability and productivity.
- Supply chain constraints including restricted site access and delays in material intake due to snow, ice and frozen waterways impacting scrap flows and shipments.
- Increased operating costs due to disruption related inefficiencies, logistics constraints and costs spent on mitigation activities.

This ultimately resulted in delayed processing and shipments and consequently there has not been a material impact on the Group's financial position, financial performance or cashflows in the current reporting period.

No significant risk of material adjustment is expected in FY27.

Anticipated financial impacts:
Medium term
Over the medium term, extreme temperature events are not expected to have a material impact on the Group's financial position, financial performance or cashflows. This conclusion is based on recent historical instances of temperature-related disruptions. Given the relatively short duration of both time horizons, historical experience is considered a reliable basis for estimating the anticipated financial impacts.

Long term
The assessment has been undertaken over the Group's defined long-term time horizon. While the frequency and severity of extreme temperature events may increase over this period, management does not currently expect these events to result in material financial impacts, reflecting the Group's existing risk management and adaptation measures.

Metal
Historical temperature-related disruptions have been concentrated across sites in the northern and northeastern United States, where extreme cold events have demonstrated the potential for short-term shutdowns and restricted site access. The impacts experienced during the FY26 U.S. event may also extend to customers, whose cost structures could be adversely affected by increased operating costs, including higher energy prices, potentially reducing their competitiveness relative to global alternatives.

Unlike wet weather events, extreme temperature events are typically shorter in duration (assuming no flooding or extreme wind), and impacts are generally more temporary and operational, and are unlikely to result in sustained asset underperformance or impairment.

Under a high-emissions scenario, Sims estimates that approximately 22.5% of the Group's total property, plant and equipment is located at around 26 sites exposed to extreme temperature conditions, including periods of extreme heat or cold.

Over the long term, extreme temperature events could have a material impact on the business, however this would require significant and prolonged disruption. Given the variability in frequency and intensity of weather events, as well as uncertainty around the extent of damage and deferred production, it is not possible to reliably quantify the financial impact. As an indication, a two month production delay in the NE US in FY25, resulted in a revenue impact of $87.9 million based on ferrous prices at the time.

Over the long-term time horizon, the anticipated financial impacts are:
- Decrease in sales revenue (volume loss, price or margin impact).
- Increase in property, plant and equipment (capital expenditure on site adaptation, relocation).
- Increases in repairs and maintenance expenses, freight expenses and other expenses.
- Increase in raw materials used and changes in inventories and working capital balances.
- Prolonged exposure to extreme temperatures may also contribute to accelerated wear and maintenance requirements, although widespread asset impairment is not expected.
- Negative impact on operating cash flows if operations are disrupted for a long period of time.

SLS
While temperature-related disruptions have not historically resulted in a material impact to SLS sites, such events are expected to have financial implications where they occur. Exposure is primarily driven by workforce accessibility, with extreme temperature events potentially reducing workforce availability and productivity, disrupting service delivery and increasing operational risk, including from electrical grid instability. In regions prone to extreme heat, additional capital expenditure may be required to upgrade HVAC systems, environmental controls and supporting electrical infrastructure to manage higher energy demands. Further, as transportation is generally not climate-controlled, prolonged exposure to extreme temperatures may accelerate component degradation and reduce reusability, adversely affecting recovery rates and revenue.

SUSTAINABILITY REPORT (continued)

R3: Transition - Transition to a low-carbon economy and operational adaptation

Relevant time horizons: Short to long term
Scenario: Low emissions

Description:
The transition to a low-carbon economy may require significant capital investment and operational changes to decarbonise operations, adapt assets and respond to evolving technologies, market expectations and regulatory requirements. This includes increased exposure to operational and asset-related risks associated with electrification and changing material streams, including higher volumes of lithium-ion batteries entering recycling operations. In some cases, decarbonisation pathways or required operational changes may not be economically feasible, which could affect competitiveness, asset values and operating costs.
The transition to a low carbon economy also presents a structural opportunity, as further described in O2.

Potential impacts on the Group's business model, strategy and decision making:

- Potential requirement for significant capital investment to transition assets to lower-emissions operations (e.g. electrification, energy infrastructure upgrades).
- Risk of asset obsolescence or reduced competitiveness where assets cannot be economically decarbonised.
- Increased volumes of lithium-ion batteries entering scrap streams due to electrification of vehicles and equipment may result in elevated fire and safety risks and reputational risk arising from fire incidents at Sims or across the broader industry.
- Traceability mechanisms such as guarantee of origin could impose additional cost and complexity.

Mitigation measures:

- Enhanced operational procedures for identification, handling and segregation of lithium-ion batteries.
- Ongoing training and safety standards for employees.
- Monitoring of industry practices and regulatory developments.
- Maintenance and review of insurance coverage and risk controls.

Adaptation measures

- Phased investment approach aligned to technology maturity and regulatory developments.
- Exploration of opportunities to pursue electrification and lower-emissions technologies.
- Targeted investment in efficiency and lower-emissions technologies (e.g. fines recovery plants in ANZ).
- Implementation of battery detection and fire suppression systems across sites.

SUSTAINABILITY REPORT (continued)

Current financial impacts:
The Group has elected to purchase renewable energy credits and update electricity contracts to green power sources. The impact of these decisions is reflected in the Group's financial results. However, it is not material to the Group's financial position, financial performance or cashflows in the current reporting period.

During a previous reporting period, a fire incident at the Group's New Zealand operations resulted in a fine; however, this was not material and no other material lithium-ion battery related incidents were identified during this reporting period.

No significant risk of material adjustment is expected in FY27.

Anticipated financial impacts:
Short to medium term:
Over the short and medium term, financial impacts are expected to relate primarily to implementation of the Group's decarbonisation strategy. Based on preliminary projections on the Group's phased implementation approach, the investment required to support the Group's short and medium term emissions reduction targets are not expected to be material.

Financial impacts associated with lithium-ion battery fire risk are also not expected to be material over the short to medium term. This is evidenced by the effectiveness of operational controls focused on stockpiling practices, which are managed by existing personnel and do not require significant capital expenditure. More capital-intensive technologies have been trialled but have not demonstrated sufficient effectiveness to support broader implementation.

Long term:
Over the long term, the transition to a low-carbon economy is expected to require sustained investment in the Group's asset base, with impacts varying by asset type. Financial impacts are expected to reflect a shift in cost structure, with higher upfront investment costs offset over time by operating cost reductions. However, quantitative estimates have not been disclosed due to the high level of measurement uncertainty, relating to future technology pathways, regulatory settings, market conditions, energy costs and the timing and feasibility of required operational changes.

Metal
Within Metal operations, increasing electrification is expected to result in higher volumes of lithium-ion batteries entering feed stock, increasing operational and asset-related risks and requiring enhanced detection, suppression and handling processes.

Transitioning to lower-emissions operations and managing increasing lithium-ion battery volumes is expected to require ongoing investment and operational adaptation across metal recycling operations.

Over the long term time horizons the anticipated financial impacts are:

- Increased property, plant and equipment due to capital expenditure to upgrade or replace plant and equipment, including electrification of equipment, expansion of electrical capacity and investment in detection, suppression and handling systems.
- Potential changes to depreciation expense and asset values, including risk of impairment for assets that cannot be economically transitioned.
- Higher repairs and maintenance expenses, freight expenses and other expenses(including repairs and maintenance, insurance premiums, compliance costs and, in some cases, higher energy costs where low-emissions energy carries a cost premium).
- Potential operational disruption and asset damage in the event of fire incidents.
- Potential for insurance price increases and reduced availability if risks are not adequately managed, resulting in an increase in other expenses.

SLS
Transition is expected to be supported by increased automation and technology adoption, resulting in:

- Increased capital expenditure for robotics and automation systems.
- Reduced operating costs over time through efficiency gains.

SUSTAINABILITY REPORT (continued)

3.6 Climate-related Opportunities

O1: Demand for recycled materials

Relevant time horizons: Medium to long term
Scenario: Low emissions

Description:
Stronger climate action, driven by policy, regulation and customer expectations, is expected to increase demand for recycled materials over time, creating opportunities for Sims to expand its role in supporting a lower-carbon economy.

Potential impacts on the Group's business model, strategy and decision making:

- From a sustainability perspective, scrap metal recycling is seen as a positive substitute for virgin material mining. Additionally, repurposed assets and components are seen as valuable substitutes and spares for many electronics assets. As such, there is a potential revenue uplift from increased volumes and improved positioning in low-carbon markets.
- Commercially, ongoing global shift to electrification of steel and other metals manufacturing is expected to increase demand for scrap as an input.
- Aluminium producers are exploring utilising greater scrap metal in production processes to lower emissions.
- Given expectation of an increase in demand, there may be a future requirement to invest in capacity upgrades, technology and processing capability.
- Policy and regulation may also result in increased compliance costs, albeit these would be largely absorbed in normal business operations.

Implementation strategies:

- Investment in processing capability and technology to support higher recovery and product quality.
- Expansion of capacity and automation to meet increasing demand.
- Leveraging Sims' positioning as an asset recovery and recycling services provider to support customer decarbonisation goals.
- Ongoing engagement with customers to understand evolving regulatory requirements and demand trends.
- Monitoring regulatory developments across key markets and integrating into strategic planning.
- Investment in emissions reduction initiatives and operational efficiency improvements. The updated decarbonisation plan has identified these initiatives as key opportunities to reduce emissions. Further technical assessment and implementation planning are underway, with quantification of costs required to be completed in FY27.
- Maintaining flexibility in sourcing and sales channels to respond to shifts in demand.

SUSTAINABILITY REPORT (continued)

Current financial impacts:
Strong demand for non-ferrous metals, in part because of investment in technologies and assets associated with the energy transition such as batteries, have led to elevated prices (particularly copper and aluminium). This is reflected in the strong performance of the Group's revenues during FY26. Demand for steel scrap from Electric Arc Furnaces (EAF) also underpins Sims core business revenues.

Anticipated financial impacts:
Medium term:
The medium-term fundamentals for non-ferrous markets remain favourable and are expected to support growth. However, the timing and magnitude of this opportunity remain uncertain and will depend on market conditions and broader industry developments.

Long term
Over the long term, the Group expects to benefit from the increased demand for recycled materials.

Metal
In ANZ, coordinated climate policy and customer expectations are expected to increase demand for scrap, as steel and aluminium producers shift toward lower-emissions production pathways. The currently proposed EAF pipeline comprises projects being pursued by New Zealand Steel in New Zealand and in Australia from proponents such as, Alter Steel, GSWA, Future Forgeworks and GM Holdings.

In NAM, a high proportion of EAF steelmaking (~70%) already supports strong underlying demand for recycled inputs, with further growth expected from electrification and decarbonisation trends.

Over the long term time horizons the anticipated financial impacts are:
- Increased sales revenue and potential margin upside from increased volumes of scrap demand.
- Increased raw materials and changes in inventories.
- Increased investment in capital expenditure to support capacity expansion, automation and processing technologies resulting in an increase to property, plant and equipment and depreciation expense.
- Increased operating cash flows as a result of the increased demand and margin upside.

Quantification is not considered reliable due to uncertainty in the timing and magnitude of demand growth, including variability in pricing, volumes, trade flows and competitive dynamics. The increased demand for recycled materials is being reflected in elevated metal prices.

SLS
Due to the significant impact on local energy systems and local resources (e.g. water), data centre developers and AI companies face significant pressure to manage environmental impacts of their operations. This in turn will help support ongoing demand for specialist recycling services such as those provided by SLS. This is expected to support higher volumes of material processing and recovery and provide opportunities for growth.
Growth is expected to require investment in capacity expansion and automation to support increased processing volumes.

SUSTAINABILITY REPORT (continued)

02: Transition to a low-carbon economy

Relevant time horizons: Short to long term
Scenario: Low emissions

Description:
The transition to a low-carbon economy presents opportunities for Sims, supported by technological developments in renewable energy, energy storage and electrification. The pace and cost of these developments may influence Sims' decarbonisation pathway and operational profile, while also enabling access to new markets.
The transition to a low-carbon economy also presents a transitional risk, as further described in Risk 3 on page 103.

Potential impacts on the Group's business model, strategy and decision making:
- Increased demand for lower-emissions products and materials (e.g. cleaner scrap, recycled inputs).
- Growth in demand for recycled scrap metals such as copper and aluminium from industries linked to decarbonisation (e.g. green steel, battery manufacturers, other electrification and energy transition infrastructure).
- Expansion of opportunities across metals recycling and technology recovery.
- Potential for revenue growth from new products, services and customer segments.
- Requirement for investment in new technologies, processes and capabilities.

Implementation strategies:
- Investment in technology and capability to support low-emissions products and processing. The associated capital investment is expected to be quantified during FY27 as further technical, operational and financial analysis is undertaken to support implementation of the updated decarbonisation plan.
- Engagement with customers to support transition to lower-emissions supply chains.
- Evaluation of logistics and operational pathways to optimise emissions outcomes.

Current financial impacts:
Strong demand for non-ferrous metals, in part as a result of investment in technologies and assets associated with the energy transition such as batteries, have led to elevated prices (particularly copper and aluminium). This is reflected in the strong performance of the Group's revenues during FY26.

Anticipated financial impacts:
Short to medium term:
Given the relatively short duration of the short- and medium-term time horizons, material financial impacts are not expected to arise until the long term. However, some increase in capital expenditure is anticipated to support investment in new technologies, capacity expansion and process improvements across the Group.

Long term:
Over the long term, the transition to a low-carbon economy is expected to create growth opportunities for the Group, driven by increasing demand for lower-emissions materials, technologies and services.

Metal
Increasing adoption of low-emissions steelmaking technologies is expected to support structural demand for recycled materials and cleaner scrap. In NAM, a high existing proportion of EAF-based production provides a strong platform for participation in these trends, with further growth expected as decarbonisation accelerates. Realisation of these opportunities may require incremental capital investment.

Over the long-term time horizon, the anticipated financial impacts are:
- Increased sales revenue due to volume growth and potential margin upside from new markets and products.
- Increased raw materials and changes in inventories due to volume growth and compliance costs.
- Increased capital expenditure to support investment in new technologies, capacity and process improvements resulting in increases to property, plant and equipment and depreciation expense.
- Increased operating cash flows due to volume growth and potential margin upside.

SLS
Growth in demand for repurposed IT equipment and memory, driven by digitalisation and sustainability trends, is expected to support ongoing demand growth for SLS services. Financial impacts include higher volume and revenue for SLS services alongside associated higher operating costs to manage throughput.

Quantitative estimates have not been disclosed as they are subject to a high degree of measurement uncertainty and may be influenced by the timing, scale and commercial viability of emerging technologies and markets, as well as the associated investment requirements and returns.

SUSTAINABILITY REPORT (continued)

3.7 Climate Resilience

The analyses presented in the Strategy section, including the identification and assessment of CRROs, scenario analysis and evaluation of potential financial impacts, provide the basis to consider the implications of climate change for Sims' strategy and business model under a range of future conditions.

These analyses indicate that CRROs are expected to affect Sims' operations and financial performance to varying degrees depending on the scenario considered. Under higher emissions scenarios, physical risks, including extreme weather events, are expected to have a greater impact on operations, particularly at sites exposed to flooding and other climate hazards. Under lower emissions scenarios, transition risks and opportunities, including changes in regulation, energy markets and customer demand, are expected to have a greater influence on financial performance.

The analyses do not identify any single CRRO that is expected to fundamentally compromise the viability of the Company's strategy and business model under the scenarios assessed. However, the extent and timing of impacts remain uncertain and will continue to be assessed on an ongoing basis.

The results of the scenario analysis indicate that, while Sims' strategy and business model remain resilient under the scenarios assessed, climate-related risks may influence capital allocation and operational decisions under different scenarios. The Group retains the ability to adjust its strategy and business model in response to CRROs, including through the timing and prioritisation of investments. Planned investments in mitigation and adaptation are expected to support long-term asset resilience, including, where relevant, investments in operational adjustments, asset upgrades and decarbonisation initiatives.

Sims' ability to respond to CRROs is supported by the flexibility of its capital allocation processes and the geographically diversified nature of its operations. The Group may redeploy, repurpose, upgrade or decommission assets (including mobile and fixed equipment) over time in response to changing conditions.

Inherent limitations and uncertainty

Scenario analysis is subject to inherent limitations and uncertainties and is not intended to predict outcomes or represent probabilities of future conditions. The scenarios used are based on assumptions regarding climate pathways, policy responses, market developments and technological change.

Key areas of uncertainty in assessing climate resilience include:

- The frequency and severity of extreme weather events and their impact on specific site locations
- The timing and extent of regulatory and policy changes affecting the transition to a low-carbon economy
- Market responses, including changes in demand for recycled materials
- The pace of technological developments supporting decarbonisation

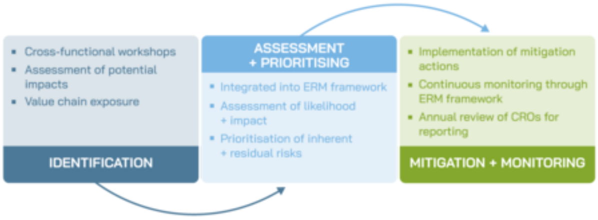
These uncertainties may influence the extent and timing of future impacts. As a result, the outcomes of the scenario analysis should be considered indicative only.

SUSTAINABILITY REPORT (continued)

4. Risk Management

Sims integrates CRROs into its ERM framework, using the same processes applied to other business risks. CRROs disclosed in this report have been identified, assessed and prioritised in line with the Company's ERM Policy and Framework. Material CRROs are determined based on the Company's risk assessment criteria, which are linked to materiality thresholds.

The process for identification, assessment and monitoring is outlined below.



4.1 Identification

The Company's identification and assessment of CRROs was originally developed in alignment with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

An initial, comprehensive assessment of Sims' position was prepared by a third-party consulting firm, with input from Sims' senior leadership and Board, and has formed the basis of Sims' TCFD disclosures to date. This assessment included extensive external data sources, such as data from the World Steel Association, NGFS Scenario Modeller, Australian Water Availability Project, and Allied Market Research.

During the reporting period, and to align to the requirements of AASB S2, the Company completed the following process:

- An initial, internal review by the Risk and Sustainability functions, assisted by a third-party specialist consultant, of the TCFD disclosures to assess currency and validity of the risks identified, as well as a completeness assessment of the Group's CRROs.
- A workshop to review and shortlist 'first pass' CRROs, discuss appropriate time horizons and climate scenarios. This workshop, facilitated by an external specialist, involved senior representation from the Operations, Sustainability, Finance, Corporate Affairs, Commercial, Engineering, EHS and Risk Management teams, across the Group's functions and regions (i.e. NAM and ANZ).
- Once the CRROs were confirmed, further workshops were conducted with a sub-set of relevant stakeholders to further analyse the risks, identify potential impacts to the business under a range of climate scenarios.
- The outputs of these workshops were documented in a Register, which details physical climate hazards, regulatory and policy developments, market and technology changes, and supply chain impacts across the Group and include differentiation between acute and chronic physical risks and distinct transition risk drivers.
- The CRROs Register was then reviewed by the ASRS Steer Co, as well as workshop participants to further refine content and accuracy.
- The ASRS Steer Co performed industry benchmarking to other ASRS reports issued by comparable entities, to validate the approach and assess the completeness of the CRROs.

4.2 Assessment and prioritisation

CRROs are assessed for inherent and residual risk across defined time horizons and climate scenarios and prioritised using the Company's ERM framework.

Risks are qualitatively evaluated based on their likelihood and potential impact, including financial, reputational and operational consequences, and are assessed in the same manner as other business risks to ensure consistency in methodology and comparability across the overall risk profile.

The assessment and prioritisation process is iterative. As risks are assessed, the Company's understanding of their potential impacts evolves, informing further analysis, refinement of risk definitions and identification of additional risks and opportunities.

4.3 Mitigation and monitoring

Once identified and assessed, CRROs are managed through the Company's ERM framework, with defined processes for escalation, oversight and reporting.

Management and the Board have developed a series of Key Risk Indicators (KRIs) to track the company's performance relative to the Board's stated Risk Appetite in relation to a number of key risk categories, including Environmental and Sustainability performance. This enables the Board to monitor exposure to these risks through defined tolerance and target levels.

Management is responsible for implementing risk mitigation strategies and controls designed to address CRROs. These include actions such as operational adjustments, strategic planning responses, engagement with suppliers and customers, and investment decisions. Mitigation actions are designed to reduce risk exposure or maximise capitalising on opportunities (as the case may be), improve resilience and support alignment with the Company's strategic objectives.

CRROs are subject to ongoing monitoring, including regular reporting to management and the Board to support oversight of risk exposures and mitigation activities. Risks are reviewed through quarterly management risk reviews, ensuring that material risks and changes in risk profile are escalated appropriately.

The Company's approach to climate-related risk management continues to evolve in response to changes in data availability, methodologies, regulatory expectations and the external risk environment. During the reporting period, no fundamental changes were made to the Group's overall risk management framework.

SUSTAINABILITY REPORT (continued)

5. Metrics and Targets

5.1 Emissions

Reducing operational GHG emissions remains a key strategic priority for Sims. Scope 1 and Scope 2 emissions are measured and reported in accordance with Sims' greenhouse gas inventory methodology, as set out below.

- Greenhouse gas (GHG) emissions have been prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard using an operational control approach. Under this approach, Sims accounts for emissions from operations where it has the authority to implement operating policies and procedures, while emissions from associates, joint ventures and other unconsolidated investees are excluded from the reported inventory.
- Scope 1 emissions represent direct emissions from owned or controlled sources, primarily from fuel combustion.
- Scope 2 emissions represent indirect emissions from purchased electricity and are reported using both location-based and market-based methods.
- GHG emissions are calculated using activity data and emission factors applied through Sims' centralised emissions management system and are reported in tonnes of carbon dioxide equivalent (CO_2e), reflecting the combined impact of the seven Kyoto Protocol gases.
- Activity data is sourced from utility invoices, supplier data, enterprise systems and internal records, and is consolidated and processed through a structured data management process prior to calculation.
- Emission factors are sourced from recognised regulatory and international datasets selected based on geographic relevance and alignment with applicable standards. These include national greenhouse reporting frameworks and internationally recognised datasets, with factors applied consistently across the reporting period.

FY26 emissions

In FY26, Sims reported total Scope 1 and Scope 2 emissions of 138,632 tCO_2e, comprising 73,529 tCO_2e of Scope 1 emissions and 65,103 tCO_2e of Scope 2 emissions on a location-based basis.

The Company discloses the following emissions metrics:

- Scope 1 emissions
- Scope 2 emissions (location-based)
- Scope 2 emissions (market-based)
- Emissions intensity

Emissions calculations are based on activity data and emission factors. Where data gaps exist, estimates may be applied using historical trends or other reasonable approaches.

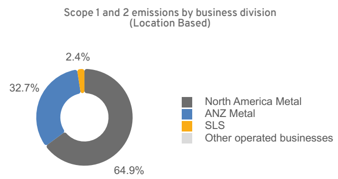
Market-based Scope 2 emissions reflect renewable electricity procurement and contractual instruments, including the use of recognised certification schemes. These are applied in accordance with the GHG Scope 2 Guidance.

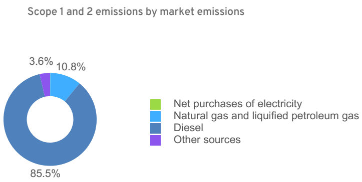
Emissions data is presented in the tables below. Further details, including prior five years of data, are available in the FY26 Databook.

GHG emissions (tCO_2e)	FY26
Scope 1 emissions	73,529
Scope 2 emissions (location based)	65,103
Total emissions (Scope 1 and Scope 2 location)	138,632
Scope 2 emissions (market based)	41
Greenhouse gas emissions intensity ($kgCO_2e$ per tonne of proprietary sales volume)	11.6

Total emissions per business unit[1]

GHG emissions (tCO_2e)	Scope 1	Scope 2 (location)	Total Scope 1 and Scope 2 (location)	Scope 2 (market)	Total Scope 1 and Scope 2 (market)
North America Metal	50,678	39,263	89,942	17	50,696
ANZ Metal	21,487	23,822	45,309	22	21,509
SLS	1,356	2,009	3,365	2	1,357
Other operated businesses	8	8	16	0	8
Total	**73,529**	**65,103**	**138,632**	**41**	**73,570**

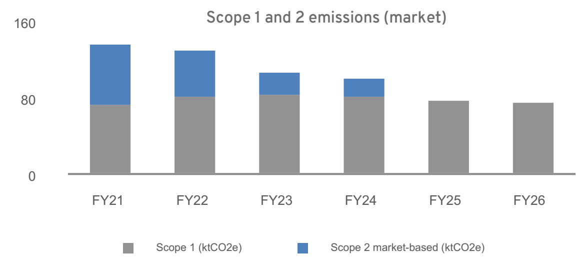




GHG emissions may also be presented relative to business activity through the use of intensity metrics. Sims reports emissions intensity as kg of CO_2e from Scope 1 and Scope 2 (market-based) emissions per tonne of proprietary sales volume. Brokered volumes are excluded, as they do not materially contribute to Scope 1 and Scope 2 emissions. This is an internal metric and has not been validated by a third party. The limitations of this metric are consistent with those described for Scope 1 and Scope 2 emissions in the Basis of Preparation (page 92).

1 Totals may not sum due to rounding of individual figures.

SUSTAINABILITY REPORT (continued)



5.2 Cross-industry metrics and vulnerability disclosures

Information relating to the Group's exposure to CRROs, including impacts on operations, assets, business activities and anticipated financial impacts across different time horizons, is disclosed within the section 3.5 and 3.6 of this report where reliable information is available.

5.3 Performance and targets

FY20 has been used as the base year for comparison of FY26 emissions performance. FY26 will become the baseline year for the revised emissions reduction target framework from FY27 onwards.

Performance

In FY25, Sims achieved its interim climate targets, including 100% renewable electricity and a 49% reduction in Scope 1 and Scope 2 emissions on a market-based basis from the FY20 baseline. In FY26, Sims maintained 100% renewable electricity and continued progress on emissions reductions, achieving a total reduction of 50% compared to our FY20 baseline.

This reduction was primarily driven by the reduction in Scope 2 emissions.

GHG emissions ($ktCO_2e$)	FY26	FY20	Reduction from baseline %
Scope 1 emissions	73.53	76.10	3 %
Scope 2 emissions (market-based)	0.04	71.80	100 %
Total scope 1 + 2 (market-based)	**73.57**	**147.90**	**50 %**

Targets

Moving forward, Sims has established updated emissions reduction target ranges based on Scope 1 emissions and Scope 2 emissions on a market-based basis. These target ranges apply to the Group's operations under its operational control boundary and cover the full consolidated business.

The target ranges reflect the outcomes of the decarbonisation assessment described in the Target Setting Approach section and represent a range of achievable emissions reduction outcomes based on different implementation assumptions. As outlined in the same section, Sims expects to undertake a second phase of work in FY27 to further validate the pathway, refine key assumptions and determine final emissions reduction targets from within the approved target ranges.

The target ranges are:

- 7% to 10% absolute reduction by 2030 from an FY26 baseline
- 13% to 16% absolute reduction by 2035 from an FY26 baseline

These interim target ranges support Sims's long-term aspiration of achieving net zero emissions by 2050

The 2030 and 2035 target ranges are expressed as gross emissions reduction targets and do not assume the use of carbon offsets. The 2050 target is a net greenhouse gas emissions target and is expected to be achieved through a combination of direct emissions reductions and, where required, the use of offsets or carbon removal solutions for residual emissions that are not technically or economically feasible to eliminate.

Target setting approach

Sims' emissions reduction targets were updated during the current reporting period following completion of a comprehensive decarbonisation assessment across the Group's operations. The assessment provided a more detailed understanding of the initiatives, investment requirements, technology availability and operational conditions required to reduce Scope 1 and Scope 2 emissions.

The previous targets established an important strategic direction for emissions reduction and supported significant progress across the business, including the achievement of 100% renewable electricity and a 49% reduction in Scope 1 and Scope 2 emissions from the FY20 baseline by FY25. Building on this progress, the updated targets reflect a more detailed evaluation of emissions reduction opportunities across the Group and are supported by a comprehensive assessment of feasibility, technology readiness, cost, abatement potential and implementation requirements.

The assessment also considered the pathways available to achieve the Group's previous carbon neutrality ambition. As Sims' understanding of decarbonisation opportunities has matured, the assessment highlighted the importance of aligning emissions reduction targets with technology readiness, infrastructure requirements, operational realities and disciplined capital allocation. The assessment indicated that achieving carbon neutrality by 2030 would require the successful deployment of emerging technologies at scale, significant supporting infrastructure investment and a greater reliance on carbon offsets to address residual emissions than reflected in the updated target framework.

As a result, the updated target framework places greater emphasis on direct operational emissions reductions supported by practical and achievable implementation pathways. The revised targets are expressed as gross emissions reduction targets and do not assume the use of carbon offsets. Compared with the Group's previous carbon neutrality ambition, the updated framework reduces the expected reliance on carbon offsets and places greater emphasis on emissions reductions achieved through operational initiatives. Carbon offsets and other carbon removal solutions may be used over time to address residual emissions that are not technically or economically feasible to eliminate. SLS will continue to maintain its carbon neutral commitment through the use of verified carbon credits to address residual emissions.

SUSTAINABILITY REPORT (continued)

In developing these targets, Sims considered relevant international climate agreements, including the Paris Agreement, as well as jurisdictional policy settings in key markets in which it operates. The updated targets are intended to be consistent with SBTi requirements for Scope 1 and Scope 2 targets.

The updated targets were developed through a structured assessment of emissions reduction opportunities across the business.

This included broad stakeholder engagement with representatives from operations, management and procurement through workshops, meetings, surveys and feedback sessions. The assessment also included analysis of more than 2,000 assets, engagement with equipment manufacturers and consideration of lessons learned from previous decarbonisation and electrification initiatives. The review was undertaken from the ground up to ensure the pathway reflects operational realities rather than theoretical emissions reduction opportunities.

This analysis informed the development of a marginal abatement cost (MAC) curve and three potential decarbonisation pathways based on defined assumptions. One pathway was selected following engagement with operations and procurement representatives, after which a sensitivity analysis was undertaken to assess the impact of varying assumptions, including technology availability, asset and infrastructure costs, site requirements and implementation timing.

As these assumptions resulted in a range of achievable emissions reduction outcomes, target ranges were adopted rather than fixed targets. These targets were subsequently endorsed by the Executive Leadership Team before review and approval by the Board.

During FY27, Sims expects to undertake the second phase of the decarbonisation project, which will further validate the pathway, refine key assumptions and determine final emissions reduction targets from within the approved target ranges. The outcomes of this phase are expected to be disclosed in the FY27 report, together with the implementation roadmap.

Targets will be periodically reviewed to reflect changes in technology availability, cost and operational conditions, and to ensure alignment with the Group's strategic objectives. The timing of formal reviews will be aligned with key planning cycles, including prior to 2030.

Additionally, Sims is planning to develop a rebaselining policy to support the ongoing integrity and comparability of its emissions reduction targets. The policy will define the circumstances under which baseline emissions and associated targets may be recalculated, including material acquisitions, divestments, structural changes to the business, significant methodological changes or the identification of material errors.

This process strengthens the link between Sims' targets, operational planning and capital allocation, supporting a more practical and deliverable pathway to emissions reduction. Further detail on the decarbonisation plan and associated initiatives is provided in the next section.

5.4 Decarbonisation strategy

Sims' decarbonisation strategy is focused on reducing Scope 1 and Scope 2 emissions, with a particular focus on Scope 1 emissions, through a structured set of initiatives aligned with the Group's emissions reduction targets.

The strategy prioritises direct operational emissions reductions and minimises reliance on carbon offsets. It reflects current assessments of technology readiness, operational feasibility and capital allocation priorities, while recognising that additional decarbonisation opportunities may emerge as technologies mature and market conditions evolve.

The strategy reflects the outcomes of the target-setting process and assessment of emissions reduction opportunities across the business, with an initial focus on achieving the Group's short- and medium-term emissions reduction targets. Over the longer term, Sims expects to continue reducing emissions as technologies mature and become commercially viable, while recognising that carbon removal solutions may play a role in addressing residual emissions.

Sims applies a hierarchy of decarbonisation actions, prioritising:

- Avoid: through energy efficiency, operational improvements and reducing fuel consumption.
- Reduce: through electrification of operations and ongoing procurement of renewable electricity where required.
- Substitute: through hybrid equipment and transition fuels where electrification is not currently practical.
- Offset: residual emissions only where direct operational emissions reductions are not currently feasible.

Initiatives included in the selected decarbonisation pathway were identified through the assessment process described in the Target Setting Approach section as feasible and cost-effective and fall at or below the proxy carbon price used in the MAC curve analysis. This proxy price was based on forecast offset prices for the type and quality of carbon credits Sims would consider purchasing.

The strategy is subject to key assumptions and dependencies, including the availability and maturity of low-emissions technologies, access to renewable electricity, and the evolution of energy markets and regulatory settings. These factors may influence the timing, cost and feasibility of initiatives.

As part of the second phase of the decarbonisation plan, Sims will establish a Decarbonisation Steering Committee and develop an implementation roadmap to further assess costs, capital requirements, technology availability and feasibility, confirm viable initiatives and support budget allocation from FY28.

While the implementation roadmap and final portfolio of initiatives will be refined during FY27, a number of key decarbonisation initiatives have already been identified, including adoption of fuel management systems, idle reduction kits and electric forklifts.

SUSTAINABILITY REPORT (continued)

The Group expects to resource its decarbonisation strategy through existing capital allocation and operational budgeting processes. Certain climate-related costs, including renewable electricity procurement, are already reflected in operating expenditure. As the implementation roadmap is developed, initiatives will be assessed for cost, feasibility and timing, with outcomes used to inform prioritisation and budget allocation.

5.5 Internal carbon prices

Sims has previously developed an internal shadow carbon price, which was incorporated into the business plan assessment of major acquisition decisions to support consideration of potential future carbon-related costs and emissions exposure. However, its application across sustaining capital projects has been limited. The effectiveness and broader integration of shadow carbon pricing within capital allocation frameworks is currently under review.

As part of the development of the decarbonisation pathway, a proxy carbon price assumption of \$98/tCO_2e, based on forecast offset prices for 2030 was applied to assess the viability of emissions reduction initiatives. This approach was used to prioritise initiatives that deliver emissions reductions within the defined cost threshold.

5.6 Use of carbon credits

Sims prioritises direct emissions reduction initiatives, with the use of carbon credits limited to specific parts of the business. In FY26, carbon credits were used only within SLS to address residual Scope 1 emissions, through the retirement of verified carbon credits as part of SLS carbon neutral commitment.

The number of carbon credits retired by SLS in FY26 was 1,550 tCO_2e and primarily related to nature-based and technological projects representing emissions reductions and carbon removals, depending on the underlying project type. All projects selected underwent a third-party due diligence process and have received ratings from independent carbon credit rating agencies. Carbon credits procured are supported by contractual assurances relating to project validity and are retired in recognised registries to prevent double counting. Carbon credits used by SLS in FY26 were sourced from projects certified under recognised third-party standards, including BeZero, Calyx Global, CCP, Renoster and Sylvera.

Across the wider business, no additional carbon credits were used in FY26, and emissions reduction targets for Scope 1 and Scope 2 are not dependent on the use of carbon credits.

Any future use of carbon credits is expected to involve projects certified under recognised third-party standards; specific certification schemes will be determined at the time of procurement and will be disclosed transparently, including the type and volume retired. The extent of reliance on carbon credits will depend on the progress of emissions reduction initiatives and external factors such as the cost, availability and effectiveness of abatement technologies.

Where carbon credits are used, Sims applies the following principles:

- Preference for high-integrity carbon credits certified under recognised standards
- Consideration of environmental and social co-benefits, where relevant
- Transparent disclosure of carbon credits retired

SUSTAINABILITY REPORT (continued)

The directors declare that, in the directors' opinion, the entity has taken reasonable steps to ensure the substantive provisions of the attached climate statements and notes are in accordance with the Corporations Act 2001, including:

- Complying with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*
- Making the climate statement disclosures required by s.296D of the Corporations Act 2001 (including information derived from or about a scenario analysis required by s.296D(2B)).

Signed in accordance with a resolution of the directors made pursuant to s.296A(7) of the Corporations Act 2001.

P Bainbridge

Chairperson

New South Wales

18 August 2026

S Mikkelsen

Managing Director and Group CEO

New South Wales

18 August 2026

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000
Australia

Tel: +61 (0) 2 9322 7000
Fax: +61 (0) 2 9322 7001
www.deloitte.com.au

Independent Auditor's Review Report to the Members of Sims Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report (Part 2. Climate Mandatory Disclosures) of Sims Limited (the "Company") and its subsidiaries (the "Group") for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* ("ASSA 5010") issued by the Auditing and Assurance Standards Board ("AUASB"):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* ("AASB S2") (including related general disclosures required by Appendix D)	Location in the Sustainability Report (Part 2. Climate Mandatory Disclosures)
Governance	Paragraph 6	Section 2 *Climate Governance* on pages 93 to 94
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Section 3.5 *Climate-related Risks* and Section 3.6 *Climate-related Opportunities* on pages 99 to 107
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Section 5.1 *Emissions* on page 110

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the "Act").

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* ("ASSA 5000") issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

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Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the '*Summary of the Work Performed'* section of our report below.

Our responsibilities under ASSA 5000 are further described in the '*Auditor's Responsibilities'* section of this report.

We are independent of the Group in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024 (the "Code"), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.
Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

The directors of the Group are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2026 but does not include the specified Sustainability Disclosures and our auditor's report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. The other information includes the Financial Report and Remuneration Report upon which we have performed an audit and issued a separate auditor's report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the Specified Sustainability Disclosures

The Directors of the Group are responsible for:

a) The preparation of the specified Sustainability Disclosures in accordance with the Act; and

b) Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

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Inherent Limitations in Preparing the Specified Sustainability Disclosures

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

The specified Sustainability Disclosures include judgements and assumptions about future events and circumstances. Actual outcomes may differ from those described and, accordingly, the disclosures are subject to a higher level of inherent uncertainty.

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.

- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Performed inquiries, walkthroughs, and inspection of documentation to understand the processes, systems, methodologies and personnel involved in preparing the specified Sustainability Disclosures.

- Inspected internal information (e.g. Board meeting minutes, terms of reference, committee charters and internal policies) supporting the Governance disclosures.

- Assessed the appropriateness of management's determined reporting boundary.

- Assessed the completeness and accuracy of disclosed climate-related risks and opportunities based on management's process and judgements to identify material information for disclosure.

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- Performed analytical procedures and tested on a sample basis Scope 1 and 2 emissions data and emission factors and assessed management's estimation methods against the relevant requirements of AASB S2 and the GHG Protocol.
- Reconciled the specified Sustainability disclosures in the Sustainability Report (Part 2. Climate Mandatory Disclosures) to the underlying outcome of procedures performed.
- Evaluated the disclosure and overall presentation of the specified Sustainability Disclosures against the relevant requirements of AASB S2.

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DELOITTE TOUCHE TOHMATSU

Samuel Vorwerg
Partner
Chartered Accountants
Sydney, 18 August 2026

Glossary

Australian Sustainability Reporting Standards (ASRS): Standards issued by the Australian Accounting Standards Board for climate and sustainability disclosures, based on ISSB/IFRS standards.

Australian Accounting Standards Board (AASB): The body responsible for developing and issuing accounting and sustainability reporting standards in Australia.

AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information: a voluntary standard covering disclosure of all sustainability-related risks and opportunities

AASB S2 Climate-related Disclosures: a mandatory standard covering disclosure of CRROs.

Basis of preparation: A statement describing the scope, boundaries, assumptions and methodologies applied in preparing reported data.

Carbon neutrality: A state where net greenhouse gas emissions are zero for a defined scope, achieved by reducing emissions and using carbon offsets for any remaining emissions.

Carbon offsets (credits): Units representing one tonne of CO_2e avoided or removed from the atmosphere, used to compensate for residual emissions.

Circular economy: An economic model focused on keeping resources in use for as long as possible through reuse, repair, remanufacturing and recycling.

Climate resilience: The ability of an organisation or system to anticipate, withstand, adapt to and recover from climate-related risks and impacts.

Databook: An annual Sims publication providing the same sustainability data as in 'Metrics and Targets' in this report, presented in Excel format for usability and year-on-year comparison.

Decarbonisation strategy: A plan outlining actions and milestones to reduce greenhouse gas emissions in line with climate targets.

EHS Lagging Indicator:

- **TRIFR (Total Recordable Injury Frequency Rate):** Measures the number of recordable workplace injuries per 200,000 hours worked, used to assess overall safety performance.

EHS Leading Indicators:

- **Critical Control Verification (CCV):** Measures the completion of field-based verifications to confirm critical risk controls are in place and functioning as intended.
- **EHS Inspections:** Measures the completion of planned workplace inspections to identify hazards, verify compliance, and drive continuous improvement in health, safety, and environmental performance.
- **EHS Quality Reviews:** Measures the quality and effectiveness of Critical Control Verifications, ensuring actions are evidence-based and completed to standard.
- **Critical Risk Action Closure:** Measures the timely completion of corrective actions associated with critical risks to reduce the likelihood of serious injuries or fatalities.
- **Critical Risk Incident Learning:** Measures the completion of incident learning reviews of potential or actual critical risk events, ensuring lessons learned are globally shared and controls are strengthened.
- **EHS Training:** Measures completion of assigned EHS training designed to build workforce competency, strengthen risk awareness, and support safe work practices, this metric includes completion of the Commit to Care safety culture modules.

Greenhouse Gas Protocol: The widely used global standard for measuring and managing greenhouse gas emissions.

Global Reporting Initiative (GRI): An international sustainability reporting framework that provides disclosure standards across environmental, social and governance topics.

Materiality: The principle of reporting on topics that reflect an organisation's most significant impacts or influence stakeholder decisions.

Net zero: A state where all greenhouse gas emissions are balanced by removals from the atmosphere, consistent with limiting global warming to 1.5°C.

Physical risks: Climate-related risks arising from physical effects of climate change, such as extreme weather events, flooding or chronic heat.

Scenario analysis: A tool for exploring and testing strategies under different possible climate futures, such as low-emissions or high-emissions pathways.

Scope 1 emissions: Direct greenhouse gas emissions from owned or controlled sources.

Scope 2 emissions: Indirect greenhouse gas emissions from the generation of purchased electricity, heat or steam.

Scope 3 emissions: Indirect greenhouse gas emissions occurring in the value chain, both upstream and downstream.

Science Based Targets initiative (SBTi): A global body validating corporate emissions targets in line with climate science.

Transition risks: Risks related to the shift to a low-carbon economy, including regulatory, technological, market and reputational changes.

Financial Report

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2026

	NOTE	2026 A$M	2025 A$M
Continuing operations			
Revenue	3	**8,031.9**	7,524.5
Other income	3	**29.0**	23.6
Raw materials used and changes in inventories		**(5,481.0)**	(5,345.3)
Freight expense		**(530.0)**	(495.2)
Employee benefits expense		**(777.2)**	(766.1)
Depreciation and amortisation expense	5	**(259.8)**	(255.1)
Repairs and maintenance expense[1]		**(123.6)**	(110.3)
Other expenses[1]	5	**(655.2)**	(536.0)
Impairment expense		**(58.6)**	(68.1)
Finance costs	2	**(56.4)**	(55.1)
Share of results of joint ventures	26	**243.9**	118.0
Profit before income tax		**363.0**	34.9
Income tax expense	13	**(117.7)**	(32.5)
Profit for the year from continuing operations		**245.3**	2.4
Discontinued operations			
Loss for the year from discontinued operations		**–**	(21.4)
Profit / (loss) for the year		**245.3**	(19.0)
Attributable to:			
Owners of the Company		**245.3**	(19.0)
		A¢	A¢
Earnings/(loss) per share			
From continuing operations			
Basic	7	**127.2**	1.2
Diluted	7	**125.3**	1.2
From discontinued operations			
Basic	7	**–**	(11.1)
Diluted	7	**–**	(11.1)
From continuing and discontinued operations			
Basic	7	**127.2**	(9.9)
Diluted	7	**125.3**	(9.9)

[1] Comparatives have been revised to align to the current year's presentation resulting in a $20.6 million decrease in Other expenses and a corresponding increase in Repairs and maintenance expense.

The consolidated income statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2026

	NOTE	2026 A$M	2025 A$M
Profit/(loss) for the year from continuing and discontinued operations		**245.3**	(19.0)
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Foreign exchange translation differences arising during the period, net of tax	22	**(121.5)**	39.1
Reclassified to income statement on disposal of foreign operations, net of tax	22	**–**	39.7
Share of other comprehensive income of investments accounted for using the equity method		**(2.5)**	4.1
Item that will not be reclassified to profit or loss:			
Re-measurements of defined benefit plans, net of tax	16	**0.7**	0.3
Other comprehensive (loss)/income for the year, net of tax		**(123.3)**	83.2
Total comprehensive income for the year from continuing operations		**122.0**	85.6
Total comprehensive loss for the year from discontinued operations		**–**	(21.4)
Total comprehensive income for the year		**122.0**	64.2

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	NOTE	2026 A$M	2025 A$M
Current assets			
Cash and cash equivalents	19	**177.5**	181.1
Trade and other receivables	8	**815.5**	773.1
Inventories	9	**614.1**	506.3
Tax receivable		**45.5**	65.6
Prepayments		**35.3**	31.1
Other financial assets	17	**38.0**	34.5
Assets classified as held for sale	18	**41.0**	–
Total current assets		**1,766.9**	1,591.7
Non-current assets			
Investments in joint ventures	26	**765.5**	657.5
Other financial assets	17	**73.8**	81.3
Right of use assets	11	**246.9**	230.9
Property, plant and equipment	10	**1,416.6**	1,445.4
Retirement benefit assets	16	**4.3**	1.1
Deferred tax assets	13	**137.8**	171.6
Intangible assets	12	**330.7**	266.6
Total non-current assets		**2,975.6**	2,854.4
Total assets		**4,742.5**	4,446.1
Current liabilities			
Trade and other payables	14	**812.5**	602.7
Deferred income	3	**81.4**	77.5
Lease liabilities	11	**73.3**	75.9
Other financial liabilities	17	**2.2**	23.8
Current tax liabilities		**12.0**	24.9
Provisions	15	**177.1**	151.6
Total current liabilities		**1,158.5**	956.4
Non-current liabilities			
Trade and other payables	14	**5.3**	7.8
Borrowings	20	**535.8**	513.4
Lease liabilities	11	**217.6**	198.4
Deferred tax liabilities	13	**146.8**	154.5
Provisions	15	**21.9**	27.4
Retirement benefit obligations	16	**0.9**	1.4
Total non-current liabilities		**928.3**	902.9
Total liabilities		**2,086.8**	1,859.3
Net assets		**2,655.7**	2,586.8
Equity			
Contributed equity	21	**2,575.1**	2,585.7
Reserves	22	**443.1**	547.4
Accumulated deficit	22	**(362.5)**	(546.3)
Total equity		**2,655.7**	2,586.8

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	NOTE	CONTRIBUTED EQUITY A$M	RESERVES A$M	ACCUMULATED DEFICIT A$M	TOTAL EQUITY A$M
Balance at 1 July 2024		2,593.3	448.0	(478.6)	2,562.7
Loss for the year		–	–	(19.0)	(19.0)
Other comprehensive income		–	82.9	0.3	83.2
Total comprehensive income for the year		–	82.9	(18.7)	64.2
Transactions with owners in their capacity as					
Movement in treasury shares held by trust	21, 22	(7.6)	–	(10.4)	(18.0)
Dividends paid	6, 22	–	–	(38.6)	(38.6)
Share-based payments expense, net of tax		–	16.5	–	16.5
		(7.6)	16.5	(49.0)	(40.1)
Balance at 30 June 2025		2,585.7	547.4	(546.3)	2,586.8
Income for the year		**–**	**–**	**245.3**	**245.3**
Other comprehensive loss		**–**	**(124.0)**	**0.7**	**(123.3)**
Total comprehensive income for the year		**–**	**(124.0)**	**246.0**	**122.0**
Transactions with owners in their capacity as owners:					
Movement in treasury shares held by trust	21, 22	**(10.6)**	**–**	**(10.0)**	**(20.6)**
Dividends paid	6, 22	**–**	**–**	**(52.2)**	**(52.2)**
Share-based payments expense, net of tax		**–**	**19.1**	**–**	**19.1**
Other movements	22	**–**	**0.6**	**–**	**0.6**
		(10.6)	**19.7**	**(62.2)**	**(53.1)**
Balance at 30 June 2026		**2,575.1**	**443.1**	**(362.5)**	**2,655.7**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	NOTE	2026 A$M	2025 A$M
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		7,829.0	7,528.9
Payments to suppliers and employees (inclusive of goods and services tax)		(7,393.2)	(7,143.6)
		435.8	385.3
Interest received		12.0	21.4
Interest paid		(55.0)	(62.2)
Dividends received from joint ventures		97.9	56.7
Grant income received		1.1	0.5
Insurance recoveries		0.6	1.0
Income taxes received		–	0.6
Income taxes paid		(68.8)	(106.2)
Net cash inflows from operating activities	19	423.6	297.1
Cash flows from investing activities			
Payments for property, plant and equipment		(203.4)	(194.1)
Payments for businesses, net of cash acquired		(97.5)	–
Payments for other financial assets		(2.2)	(1.7)
Proceeds from sale of assets held for sale		–	49.4
Proceeds from sale of business	24	–	64.6
Proceeds from sale of property, plant and equipment		1.1	12.2
Proceeds from sale of other financial assets		4.4	5.1
Repayment of loan by related party		(0.1)	–
Net cash outflows from investing activities		(297.7)	(64.5)
Cash flows from financing activities			
Proceeds from borrowings		2,668.7	2,180.6
Repayment of borrowings		(2,634.4)	(2,176.9)
Repayment of leases		(81.5)	(89.6)
Payments for shares under employee share plan	21	(20.6)	(17.9)
Dividends paid		(52.2)	(38.6)
Net cash outflows from financing activities		(120.0)	(142.4)
Net increase in cash and cash equivalents		5.9	90.2
Cash and cash equivalents at the beginning of the financial year		181.1	93.1
Effects of exchange rate changes on cash and cash equivalents		(9.5)	(2.2)
Cash and cash equivalents at the end of the financial year	19	177.5	181.1

The consolidated statements of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Notes to the Consolidated Financial Statements

OVERVIEW

1 – BASIS OF PREPARATION

Sims Limited (the "Company") is a for-profit company incorporated and domiciled in Australia. The consolidated financial statements for the year ended 30 June 2026 ("FY26") comprise the financial results of the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in joint ventures.

Basis of preparation

This general-purpose financial report:

- has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*;
- complies with International Financial Reporting Standards as issued by the International Accounting Standards Board;
- adopts all new and amended Australian Accounting Standards and Interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or after 1 July 2025, all of which did not have a material impact on the financial statements, except as outlined below;
- does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective.
- has been prepared on the basis of historical cost, except for certain derivative financial assets and liabilities which have been measured at fair value (note 17);
- is presented in Australian Dollars, unless otherwise stated; and
- presents all values as rounded to the nearest tenth of a million dollars, unless otherwise stated under *ASIC Corporations (rounding in Financials/Directors' Reports) Instrument 2026/183*, dated 27 March 2026.

Going concern

The financial report has been prepared on a going concern basis of accounting with no material uncertainties as to the Company's ability to continue to operate.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

In preparing the consolidated financial statements, all intercompany balances and transactions are eliminated.

The financial statements of controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions about future events. Information on material estimates and judgements can be found in the following notes:

- Trade and other receivables (note 8)
- Inventory (note 9)
- Impairment (note 10, note 11 and note 12)
- Deferred tax positions (note 13)
- Business acquisitions and disposals (note 24)

Currency

Each entity in the Group determines its own functional currency, reflecting the currency of the primary economic environment in which it operates.

Transactions

Transactions in foreign currencies are recorded at the rate of exchange ruling on the date of each transaction. For the year ended 30 June 2026, amounts payable and receivable in foreign currencies are converted at the rates of exchange ruling at that date with any resultant gain or loss recognised in the consolidated income statement.

Notes to the Consolidated Financial Statements

1 – BASIS OF PREPARATION (continued)

Translation

The financial statements of overseas subsidiaries are maintained in their functional currencies and are converted to the Group's presentation currency as follows:

- assets and liabilities are translated at the rate of exchange as at 30 June 2026;
- income statements are translated at average exchange rates for the reporting period which approximate the rates ruling at the dates of the transactions; and
- all resultant exchange differences are recorded in the foreign currency translation reserve.

On consolidation, exchange differences arising from borrowings and any other currency instruments designated as hedges of investments in overseas subsidiaries are transferred to the foreign currency translation reserve on a net of tax basis where applicable. When an overseas subsidiary is sold, the cumulative amount recognised in the foreign currency translation reserve relating to the subsidiary is recognised in the income statement as part of the gain or loss on sale.

New and amended accounting standards and interpretations

The Group has adopted all new and amended Australian Accounting Standards issued by the AASB that are mandatory for the current reporting period beginning 1 July 2025.

These include amendments that are consistent with equivalent International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The adoption of these amendments have not resulted in any material impact on the Group's financial position, financial performance or cash flows.

During the period, the Group adopted AASB 2026-1 *Disclosures about Uncertainties in the Financial Statements*.

AASB 2026-1 enhances disclosure requirements relating to sources of estimation uncertainty, including the need to provide more entity-specific information about key assumptions, judgements and the sensitivity of reported amounts to reasonably possible changes in those assumptions. The adoption of this amendment has not impacted the recognition or measurement of assets and liabilities but has resulted in enhanced disclosures across the financial statements in areas where estimation uncertainty is significant, including in relation to impairment, inventory valuation, expected credit losses, deferred tax assets, provisions and lease-related balances.

Sustainability reporting standards

The Group has prepared its sustainability disclosures in accordance with AASB S2 *Climate-related Disclosures* and with reference to AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information.*

AASB S2 is a mandatory standard under the Australian sustainability reporting regime and requires disclosures relating to climate-related risks and opportunities, including governance, strategy, risk management, and metrics and targets.

AASB S1 is a voluntary standard that provides a general framework for the disclosure of sustainability-related risks and opportunities. The Group has applied the principles of AASB S1 to the extent relevant in preparing its sustainability disclosures.

The Group has prepared a Sustainability Report for the year ended 30 June 2026, which is included within the Annual Report. The Sustainability Report forms part of the Group's broader corporate reporting but does not form part of the financial statements.

The application of these standards has not impacted the recognition or measurement of amounts in the financial statements.

Future developments in accounting standards and interpretations

The Australian Accounting Standards Board (AASB) has issued a number of new and amended Accounting Standards which are not yet mandatory for the current reporting period. The Group has not early adopted these standards**.**

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 will replace AASB 101 *Presentation of Financial Statements,* introducing revised requirements for the structure and presentation of the financial statements. AASB 18 will not affect the recognition or measurement of items in the financial statements, however AASB 18 will require changes to the presentation of the income statement, the introduction of defined subtotals, and enhanced principles for aggregation and disaggregation of information as well as requiring disclosure of management-defined performance measures within the financial statements.

AASB 18 is effective for annual reporting periods beginning on or after 1 January 2027 and will be applied by the Group from 1 July 2027. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2027 will be restated in accordance with AASB 18.

Notes to the Consolidated Financial Statements

1 – BASIS OF PREPARATION (continued)

The Group is currently assessing the impact of the new presentation and disclosure requirements. Based on the assessment to date, the standard is expected to result in the following:

- While the adoption of AASB 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported.
- There will be significant new disclosures required for management-defined performance measures including a reconciliation to operating profit.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

AASB 2025-2 Amendments to AASB 9 Financial Instruments and AASB 7 Financial Instruments: Disclosures

The AASB has issued amendments to AASB 9 *Financial Instruments* and AASB 7 *Financial Instruments*: Disclosures, which introduce clarifications to classification and measurement requirements, and additional disclosure requirements relating to financial instruments with contingent features and contractual cash flow characteristics.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026 and will be applied by the Group from 1 July 2026.

The Group is currently assessing the impact of these amendments. Based on the assessment performed to date, the amendments are not expected to have a material impact on the Group's financial position or financial performance. The amendments are expected to result in additional disclosure requirements in relation to financial instruments.

Other pronouncements

A number of other new and amended Accounting Standards and Interpretations have been issued but are not yet effective. The Group has not early adopted these pronouncements and is currently assessing their impact. Based on the Group's assessment to date, none of these pronouncements are expected to have a material impact on the Group's financial statements.

Notes to the Consolidated Financial Statements

FINANCIAL PERFORMANCE

2 – SEGMENT INFORMATION

Description of segments

Operating segments are identified on the basis of internal financial information that is regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") in order to allocate resources to the segments and assess their performance. The Group's Chief Executive Officer has been identified as the CODM.

The Group's reportable operating segments are determined in accordance with AASB 8 *Operating Segments* and comprise five principal operating segments: North America Metal ("NAM"), Australia/New Zealand Metal ("ANZ"), Investment in SA Recycling ("SAR"), Sims Lifecycle Services ("SLS") and Global Trading Operations ("GTO"). The segments are based on a combination of factors including geography in which the Group operates, the nature of products and services provided, and the structure of internal management reporting.

All other activities that do not meet the quantitative thresholds for a separate disclosure and are not separately reviewed by the CODM are included within "Unallocated".

Details of the segments are as follows:

- **NAM** – comprises subsidiaries and joint ventures (excluding SAR) in the United States of America and Canada which perform ferrous and non-ferrous metal secondary recycling functions.
- **ANZ** – comprises subsidiaries in Australia, New Zealand and Papua New Guinea which perform ferrous and non-ferrous metal secondary recycling functions.
- **SAR** – comprises the Group's share of results from its investment in the SA Recycling joint venture, in the United States of America.
- **SLS –** comprises subsidiaries which provide IT asset and cloud infrastructure reuse, redeployment and recycling in the following countries: Australia, Brazil, Germany, India, Ireland, Mexico, Netherlands, Poland, Singapore, the United Kingdom and the United States of America.
- **GTO** – comprises the Group's ferrous and non-ferrous marketing subsidiaries, which coordinate the sale of ferrous bulk cargo shipments and non-ferrous sales primarily into China, Turkey and Southeast Asia, and brokerage sales on behalf of third and related parties.
- **Unallocated –** comprises unallocated corporate costs and Global Sustainability Insurance Corporation, a captive insurance company.

Discontinued operations are not presented as a separate segment as they are not regularly reviewed by the CODM in assessing the performance of operating segments or in making decisions about the allocation of resources. As such, information relating to discontinued operations has been excluded from the segment disclosures.

Reconciliation of segment EBIT to the Group's statutory profit before income tax

	2026 A$M	2025 A$M
Underlying EBIT	**468.0**	174.9
Significant items[1]	**(60.6)**	(106.3)
Statutory EBIT from continuing operations	**407.4**	68.6
Finance costs	**(56.4)**	(55.1)
Interest income	**12.0**	21.4
Profit before income tax from continuing operations	**363.0**	34.9

[1]Refer to Note 4 for details on significant items.

Notes to the Consolidated Financial Statements

2 – SEGMENT INFORMATION (continued)

Information about reportable segments

2026	NAM A$M	ANZ A$M	SLS A$M	SAR A$M	GTO A$M	UNALLO-CATED A$M	TOTAL CONTINUING OPERATIONS A$M
Sales Revenue	**4,841.3**	**1,776.0**	**757.0**	**–**	**633.1**	**0.1**	**8,007.5**
Trading margin[1]	**1,029.7**	**370.7**	**406.3**	**–**	**4.3**	**0.5**	**1,811.5**
Operating costs (excluding D&A)	**(717.7)**	**(254.9)**	**(216.0)**	**–**	**(19.8)**	**(114.4)**	**(1,322.8)**
Share of results of JV (underlying)	**1.9**	**1.7**	**–**	**235.5**	**–**	**–**	**239.1**
Underlying EBITDA	**313.9**	**117.5**	**190.3**	**235.5**	**(15.5)**	**(113.9)**	**727.8**
Depreciation and amortisation	**(178.0)**	**(61.7)**	**(17.6)**	**–**	**(1.0)**	**(1.5)**	**(259.8)**
Underlying EBIT	**135.9**	**55.8**	**172.7**	**235.5**	**(16.5)**	**(115.4)**	**468.0**
Proprietary Sales tonnes (thousands)	**4,802**	**1,532**	**N/A**	**N/A**	**N/A**	**N/A**	**6,334**
Repurposed units (million)	**N/A**	**N/A**	**16.8**	**N/A**	**N/A**	**N/A**	**N/A**
Trading margin (%)	**21.3**	**20.9**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Underlying EBIT margin (%)	**2.8**	**3.1**	**22.8**	**N/A**	**(2.6)**	**N/A**	**5.8**
Investments in joint ventures	**18.5**	**3.0**	**–**	**744.0**	**–**	**–**	**765.5**
Property, plant and equipment additions	**98.0**	**101.1**	**18.2**	**–**	**0.1**	**0.5**	**217.9**
Asset impairments	**0.1**	**–**	**–**	**–**	**0.5**	**58.0**	**58.6**
Assets	**2,292.7**	**1,025.8**	**213.0**	**784.4**	**176.9**	**249.7**	**4,742.5**
Liabilities	**575.0**	**604.3**	**233.0**	**0.3**	**230.1**	**444.1**	**2,086.8**
Net assets	**1,717.7**	**421.5**	**(20.0)**	**784.1**	**(53.2)**	**(194.4)**	**2,655.7**

[1] Trading margin includes the impact of realised commodity hedges amounting to $110.9 million as disclosed in Note 5.

2025	NAM A$M	ANZ A$M	SLS A$M	SAR A$M	GTO A$M	UNALLO-CATED A$M	TOTAL CONTINUING OPERATIONS A$M
Sales revenue	4,503.6	1,575.5	426.6	–	987.2	1.1	7,494.0
Trading margin	942.8	375.5	240.5	–	16.9	0.4	1,576.1
Operating costs (excluding D&A)	(686.9)	(242.4)	(194.6)	–	(19.3)	(122.4)	(1,265.6)
Share of results of JV (underlying)	(1.6)	1.1	–	120.0	–	–	119.5
Underlying EBITDA	254.3	134.2	45.9	120.0	(2.4)	(122.0)	430.0
Depreciation and amortisation	(174.2)	(62.0)	(13.3)	–	(1.1)	(4.5)	(255.1)
Underlying EBIT	80.1	72.2	32.6	120.0	(3.5)	(126.5)	174.9
Proprietary Sales tonnes (thousands)	4,751	1,590	N/A	N/A	N/A	N/A	6,341
Repurposed units (million)	N/A	N/A	8.8	N/A	N/A	N/A	N/A
Trading margin (%)	20.9	23.8	N/A	N/A	N/A	N/A	N/A
Underlying EBIT margin (%)	1.8	4.6	7.6	N/A	(0.4)	N/A	2.3
Investments in joint ventures	18.2	1.3	–	638.0	–	–	657.5
Property, plant and equipment additions	139.1	47.6	12.4	–	0.2	–	199.3
Asset impairments	4.7	–	–	–	–	63.4	68.1
Assets	2,052.7	943.7	163.4	680.4	203.9	402.0	4,446.1
Liabilities	510.4	519.4	144.8	0.3	181.2	503.2	1,859.3
Net assets	1,542.3	424.3	18.6	680.1	22.7	(101.2)	2,586.8

Notes to the Consolidated Financial Statements

3 – REVENUE AND OTHER INCOME

	2026 A$M	2025 A$M
Sales revenue from continuing operations		
Ferrous secondary recycling	**4,239.5**	4,483.2
Non-ferrous secondary recycling	**2,939.6**	2,519.6
IT recycling, repurposing and resale services	**757.0**	426.7
Secondary processing and other services	**71.4**	64.5
Total sales revenue from continuing operations	**8,007.5**	7,494.0
Other revenue		
Interest income	**12.0**	21.4
Rental income	**10.9**	8.2
Dividend income	**1.5**	0.9
Total other revenue from continuing operations	**24.4**	30.5
Total revenue from continuing operations	**8,031.9**	7,524.5

Geographical sales to external customers[1]

	2026 A$M	2025 A$M
Australia	**405.0**	450.9
India	**463.8**	774.6
Thailand	**414.4**	446.8
China	**732.5**	407.5
Turkey	**1,259.8**	951.9
United States	**2,880.0**	2,488.6
Other	**1,852.0**	1,973.7
Total sales revenue from continuing operations	**8,007.5**	7,494.0

1 Amounts reflect the customer's geographic location.

No single customer contributed 10% or more to the Group revenue for all the periods presented.

Notes to the Consolidated Financial Statements

3 – REVENUE AND OTHER INCOME (continued)

Other income

	2026 A$M	2025 A$M
Net gain on commodity derivatives	**16.1**	–
Net gain on currency derivatives	**0.7**	3.3
Net gain on disposal of property, plant and equipment	**–**	3.0
Other	**12.2**	17.3
Total other income from continuing operations	**29.0**	23.6

Deferred income

Movements in deferred income during the year ended 30 June 2026 relate to revenue recognised upon the satisfaction of performance obligations. Deferred income of $77.5 million at 30 June 2025 was earned during FY26. $81.4 million at 30 June 2026 relates to performance obligations outstanding at the end of the year.

Recognition and measurement

Ferrous secondary recycling

Ferrous secondary recycling comprises the collection, processing and trading of secondary raw material derived from iron and steel. The Group sells a significant portion of its secondary raw material on cost and freight or cost, insurance and freight Incoterms. Under these arrangements, revenue from the sale of material is recognised prior to the vessel arriving at the destination port as control of the material has transferred and performance obligations fulfilled (dependent on the Incoterm outlined in each contract). A material portion of the Group's ferrous bulk cargo sales arrangements specify that title of the material transfers upon loading onto the vessel, that is, once the material has passed the ship's rail. These transactions are predominantly conducted on a letter of credit basis.

Non-ferrous secondary recycling

Non-ferrous secondary recycling comprises the collection, processing and trading of other metal alloys and residues, principally aluminium, lead, copper, zinc and nickel bearing materials. Revenue from non-ferrous secondary recycling is recognised when control of the goods passes to the customer and performance obligations are satisfied. The point of transfer is determined based on the specific contractual terms, including applicable Incoterms, and typically occurs when the goods are loaded into a container, delivered to the customer, or payment is received, whichever coincides with the transfer of the original bills of lading and legal title. Incoterms are used to establish the point at which control, risk, and ownership pass to the customer, and vary depending on the customer, product, and/or destination. Sales are conducted under varying payment terms including cash in advance, deposit, letter of credit, or open credit arrangements.

IT recycling, repurposing and resale services

The Group receives decommissioned data centre infrastructure equipment from customers for refurbishment, remarketing and resale to third-party purchasers.

- Refurbishment – Revenue is recognised over time as refurbishment services are performed and the related performance obligations are satisfied. These services may include hard disk cleansing, data capture, and reporting. The transaction price is determined based on the agreed fee schedule and/or time-based rates specified in the customer contract, together with other applicable contractual terms.
- Resale – Prior to a customer's approval of equipment for resale, the customer retains the ability to direct the use of, and obtain substantially all of the remaining benefits from, the equipment. During this period, the Group acts in a custodial capacity and does not recognise the equipment as inventory. Upon approval for resale by the customer, the Group directs the marketing, auction and sale of the equipment through its own sales channels and contracts directly with third-party purchasers.

  The Group assesses whether it controls the specified good before transfer to the third-party purchaser in accordance with AASB 15 *Revenue from Contracts with Customers*. The Group has concluded that it acts as principal in these arrangements because, upon approval for resale, the Group obtains control of the specified good, is primarily responsible for fulfilling the promise to the end purchaser, directs the marketing and sales process, contracts directly with the customer, bears the customer-facing obligations and commercial risks arising from the sale transaction, and has discretion in determining how the equipment is marketed and sold through its auction and direct sales channels. Accordingly, revenue is recognised on a gross basis at a point in time when control of the equipment transfers to the third-party purchaser. Amounts payable to the originating customer under revenue-sharing arrangements are recognised within cost of sales.
- Recycle services – Revenue is recognised upon destruction of the equipment based on an agreed contractual fee for the services performed.
- Precious metals reclaimed – Revenue is recognised upon completion and agreement of an assay, when price and quantity can be determined, and customer acceptance is finalised. Contractual terms can involve a deposit received in advance for which revenue is deferred until performance obligations are satisfied.

Notes to the Consolidated Financial Statements

3 – REVENUE AND OTHER INCOME (continued)

Secondary processing and other services

Secondary processing and other services comprise stevedoring and other sources of service-based revenue. Other service revenue is recognised based upon completion of the performance obligations over time.

Interest income

Interest income is recognised as it is earned, using the effective interest method.

Rental income

Rental income consists of rentals from sub-lease arrangements associated with owned properties. Rental payments received under operating leases, along with any initial direct costs incurred, are recognised on a straight-line basis over the term of the lease.

Dividend income

Dividend income is recognised when the Group's right to receive the payment is established.

4 – SIGNIFICANT ITEMS

Significant items comprise income and expenses that, due to their size or nature, are considered relevant in explaining the Group's financial performance and as such are disclosed separately.

	2026 A$M	2025 A$M
Asset write downs	**(58.0)**	(45.1)
Gain on business transactions (net of transaction costs and impact of discontinued operations)	**–**	1.7
Restructuring and redundancies	**(11.7)**	(23.5)
Gain on sale of business	**4.7**	–
Non-qualifying hedges	**5.8**	(14.3)
Closure of Sims Resource Renewal	**–**	(25.1)
Other non-recurring items	**(1.4)**	–
Total significant items	**(60.6)**	(106.3)

Significant item amounts in FY26 include the following:

- Asset write downs reflect a loss allowance of $58 million, primarily relating to the company's UK Metal receivable. Refer to Note 8 for further commentary.
- Restructuring and redundancies primarily relate to ongoing measures to simplify the organisational structure.
- Gain on sale of business relates to the Group's share of the profit made by its joint venture partner SA Recycling on the sale of certain business units.
- Non-qualifying hedges primarily reflect the mark-to-market adjustment on commodity hedges held at 30 June 2026. These hedges reflect the impact of financial hedges that do not qualify for hedge accounting.

Notes to the Consolidated Financial Statements

5 – EXPENSES

From continuing operations	2026 A$M	2025 A$M
Depreciation expense, excluding right of use asset depreciation	**157.7**	152.9
Right of use asset depreciation expense	**88.3**	85.3
Amortisation expense	**13.8**	16.9
Total depreciation and amortisation expense	**259.8**	255.1
Yard expenses	**220.0**	202.8
Selling and administration costs	**90.3**	90.1
Net loss on commodity derivatives	**110.9**	4.8
Net foreign exchange loss	**7.3**	5.2
Other[1,2]	**226.7**	233.1
Total other expenses	**655.2**	536.0

[1] Includes expenses relating to power, fuel and spare parts.

[2] Comparatives have been revised to align to the current year's presentation resulting in a $20.6 million decrease in Other expenses and a corresponding increase in Repairs and maintenance expense.

6 – DIVIDENDS

	CENTS PER SHARE	AMOUNT A$M
2026:		
Interim 2026 (100% franked)	**14**	**27.1**
Final 2025 (100% franked)	**13**	**25.1**
2025:		
Interim 2025 (100% franked)	10	19.3
Final 2024 (100% franked)	10	19.3

Since the year ended 30 June 2026, the Directors have determined the payment of a final dividend of 20 cents per share (100% franked). The dividend will be payable on 15 October 2026 to shareholders on the Company's register at the record date of 1 October 2026. The estimated dividends to be paid but not recognised as a liability at the end of the reporting period, is approximately $38.6 million.

Dividend franking account

The franked components of all dividends paid or declared were franked based on an Australian corporate tax rate of 30%.

As at 30 June 2026, there was a $36.8 million surplus (2025: $62.5 million surplus) of estimated franking credits. The company expects to have sufficient franking credits available within the FY27 financial year to enable the final dividend for FY26 to be fully franked however it anticipates that an increased proportion of future earnings will be sourced from its non-Australian operations and that, as a result, the availability of franking credits on future dividends will likely reduce to below 50%.

Notes to the Consolidated Financial Statements

7 – EARNINGS/(LOSS) PER SHARE

Basic earnings per share is calculated by dividing net profit/ (loss) by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing net profit by the weighted average number of ordinary shares outstanding, adjusted for the effect of all potentially dilutive ordinary shares.

The weighted average number of shares used for the purpose of calculating basic earnings per share is calculated after deduction of the shares held by the Group's trusts.

	2026	2025
From continuing operations:		
Basic earnings per share (in A¢)	**127.2**	1.2
Diluted earnings per share (in A¢)	**125.3**	1.2
From discontinued operations:		
Basic (loss) per share (in A¢)	**–**	(11.1)
Diluted (loss) per share (in A¢)	**–**	(11.1)
From continuing and discontinued operations:		
Basic (loss) per share (in A¢)	**127.2**	(9.9)
Diluted (loss) per share (in A¢)	**125.3**	(9.9)
Weighted average number of shares used in the denominator ('000)		
Basic shares	**192,778**	192,873
Dilutive effect of share-based awards	**2,959**	2,452
Diluted shares	**195,737**	195,325

Notes to the Consolidated Financial Statements

ASSETS AND LIABILITIES

8 – TRADE AND OTHER RECEIVABLES

	2026 A$M	2025 A$M
Trade receivables	**743.3**	605.1
Loss allowance - Trade receivables	**(2.1)**	(8.2)
Net trade receivables	**741.2**	596.9
Other receivables	**165.7**	212.3
Loss allowance - Other receivables	**(91.4)**	(36.1)
Net other receivables	**74.3**	176.2
Total current receivables	**815.5**	773.1
Movement in loss allowance - Trade receivables		
Balance at 1 July	**8.2**	3.4
Provision recognised/ (written back) during the year	**(6.0)**	4.4
Foreign exchange differences	**(0.1)**	0.4
Balance at 30 June	**2.1**	8.2
Movement in loss allowance - Other receivables		
Balance at 1 July	**36.1**	–
Provision recognised/ (written back) during the year	**55.4**	36.1
Foreign exchange differences	**(0.1)**	–
Balance at 30 June	**91.4**	36.1
Trade receivables overdue		
Days overdue		
1–30 days	**28.1**	25.8
31–60 days	**2.4**	5.8
Over 60 days	**6.3**	9.7
	36.8	41.3

Recognition and measurement

Trade and other receivables are initially recognised at fair value, and subsequently measured at amortised cost, net of loss allowance. Trade receivables are generally due for settlement within 30 to 60 days following shipment, except in the case of certain ferrous shipments made to export destinations, which are generally secured by letters of credit that are collected on negotiated terms but generally within 10 days of shipment.

The collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written-off by reducing the carrying amount directly. A loss allowance account is used based upon the lifetime expected credit loss model as required by AASB 9 *Financial Instruments*. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument or asset. Refer to the processes described in the credit risk section of note 23 for further information regarding the Group's approach to ongoing credit monitoring. Expected credit losses on other receivables are not considered material.

When a trade receivable for which a loss allowance provision had been recognised becomes uncollectible in a subsequent period, it is written-off against the provision for impairment account. Subsequent recoveries of amounts previously written-off are credited against other expenses in the consolidated income statement.

Critical accounting estimates and judgement

The measurement of expected credit losses on receivables involves estimation uncertainty and judgement, particularly in determining the probability of default, timing and amount of expected cash flows, and the incorporation of forward-looking information.

Notes to the Consolidated Financial Statements

8 – TRADE AND OTHER RECEIVABLES (continued)

Judgement is required in assessing the recoverability of other receivables, which may not exhibit predictable historical payment behaviour due to the bespoke nature of underlying transactions. In these cases, credit risk is assessed individually, taking into account counterparty financial position, contractual terms, available security, and any relevant post-reporting date information.

For such individually assessed exposures, standardised collective provisioning models may not provide a reliable estimate of expected credit losses. Accordingly, a tailored assessment is performed within the AASB 9 expected credit loss framework, incorporating both current conditions and forward-looking information where relevant.

The estimation of expected credit losses is sensitive to changes in assumptions, including macroeconomic conditions, industry demand cycles, and counterparty-specific financial performance. Changes in these assumptions may result in material adjustments to the carrying amount of receivables and associated impairment charges in future reporting periods.

Receivable on sale of UK Metal

As at 30 June 2025, the Group had recognised an Other Receivable from Unimetals (UK) Limited totalling $109.2 million in connection with the Group's sale of the UK Metal business in September 2024. A loss allowance of $36.1 million was recognised in relation to this Other Receivable (net receivable of $73.1 million) reflecting the Group's best estimate of recoverability at that time.

Subsequent to 30 June 2025, Unimetals failed to meet its revised payment obligations and was subsequently placed into liquidation by its board on 13 October 2025. Following this, the Group pursued recovery actions through the realisation of secured fixed assets and has received recovery proceeds of $17 million. As a result, the estimated recoverable amount of the Other Receivable has been further reduced, with an incremental impairment of approximately $58 million recognised in FY26.

Notes to the Consolidated Financial Statements

9 – INVENTORIES

	2026 A$M	2025 A$M
Raw materials	**58.8**	40.2
Finished goods	**508.4**	414.4
Stores and spare parts	**46.9**	51.7
	614.1	506.3

As at 30 June 2026, the value of ferrous inventory held by the Group was $177.8 million (2025: $138.8 million) and the value of non-ferrous inventory was $362.3 million (2025: $277.7 million).

The cost of inventories recognised as an expense during FY26 amounted to $5,348.0 million (2025: $5,390.7 million).

Lower of cost and net realisable value adjustments during the year ended 30 June 2026 and 30 June 2025 were not material.

Recognition and measurement

Inventories (including ferrous and non-ferrous metals) are measured at the lower of cost and net realisable value. Cost is based on either first-in, first-out method or weighted average method and includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditures, the latter being allocated on the basis of normal operating capacity.

Stores and spare parts consist of consumable and maintenance items and are recognised as inventory when they do not meet the definition of property, plant and equipment.

Critical accounting estimates and judgement

Existence of inventories

The Group determines quantities of ferrous inventory using a combination of estimation techniques, including physical measurement, volumetric assessment, and other industry-standard methodologies.

These quantities are subject to inherent estimation uncertainty due to the nature and scale of stockpiles and operational processes. The Group performs periodic physical verification procedures, including stockpile surveys, reconciliation processes, zero pile-out testing, and peer review stocktakes to validate inventory quantities.

Differences arising between estimated and physically verified quantities are recognised in the period identified and may result in adjustments to inventory carrying values.

Valuation of inventories

Inventories are assessed at each reporting date to ensure they are carried at the lower of cost and net realisable value.

NRV is based on estimated future selling prices, less estimated costs of completion and costs necessary to make the sale. These estimates are inherently judgemental and reflect management's assessment of prevailing and expected future market conditions, including commodity price movements, demand levels, and margin expectations.

Given the volatility of ferrous and non-ferrous commodity markets, changes in assumptions regarding future selling prices or costs may result in material changes to NRV and consequently to inventory carrying values.

Estimation uncertainty – sensitivity of NRV

The determination of NRV is sensitive to changes in underlying assumptions, particularly forecast selling prices and market spreads. A decline in expected selling prices or adverse movements in input costs may result in write-downs of inventory to NRV in future periods.

Conversely, improvements in market conditions may result in reversals of previously recognised inventory write-downs where permitted under accounting standards.

Stores and spare parts valuation

Stores and spare parts are reviewed for obsolescence and usage patterns at each reporting date. Items identified as slow-moving or obsolete are written down to recoverable value. This assessment involves judgement regarding expected future usage, maintenance schedules, and asset replacement strategies.

Notes to the Consolidated Financial Statements

10 – PROPERTY, PLANT AND EQUIPMENT

	LAND A$M	BUILDINGS A$M	LEASEHOLD IMPROVEMENTS A$M	PLANT & EQUIPMENT A$M	CAPITAL WORK IN PROGRESS A$M	TOTAL A$M
At 30 June 2026						
Cost	**436.3**	**526.7**	**84.6**	**1,399.5**	**198.0**	**2,645.1**
Accumulated depreciation and impairment	**–**	**(258.3)**	**(49.3)**	**(920.9)**	**–**	**(1,228.5)**
Net book amount	**436.3**	**268.4**	**35.3**	**478.6**	**198.0**	**1,416.6**
Movement						
Balance at 1 July 2025	**493.7**	**257.3**	**32.3**	**532.7**	**129.4**	**1,445.4**
Additions	**–**	**0.1**	**1.0**	**9.8**	**207.0**	**217.9**
Disposals	**–**	**(0.1)**	**(0.2)**	**(1.5)**	**(0.1)**	**(1.9)**
Acquisitions (note 24)	**–**	**0.3**	**0.1**	**9.1**	**–**	**9.5**
Transfer	**–**	**52.7**	**8.4**	**71.5**	**(132.6)**	**–**
Impairment charges	**–**	**–**	**–**	**–**	**(0.1)**	**(0.1)**
Depreciation expense	**–**	**(31.2)**	**(5.4)**	**(121.1)**	**–**	**(157.7)**
Reclassification to asset held for sale	**(41.0)**	**–**	**–**	**–**	**–**	**(41.0)**
Foreign exchange differences	**(16.4)**	**(10.7)**	**(0.9)**	**(21.9)**	**(5.6)**	**(55.5)**
Balance at 30 June 2026	**436.3**	**268.4**	**35.3**	**478.6**	**198.0**	**1,416.6**

	LAND A$M	BUILDINGS A$M	LEASEHOLD IMPROVEMENTS A$M	PLANT & EQUIPMENT A$M	CAPITAL WORK IN PROGRESS A$M	TOTAL A$M
At 30 June 2025						
Cost	493.7	500.0	83.0	1,422.2	129.4	2,628.3
Accumulated depreciation and	–	(242.7)	(50.7)	(889.5)	–	(1,182.9)
Net book amount	493.7	257.3	32.3	532.7	129.4	1,445.4
Movement						
Balance at 1 July 2024	490.9	251.5	49.0	463.0	145.1	1,399.5
Additions - continuing operations	–	–	0.3	2.6	196.4	199.3
Disposals	(8.0)	–	–	(1.7)	(0.1)	(9.8)
Transfer	6.2	30.7	(10.0)	182.2	(209.1)	–
Impairment charges	–	–	–	–	(1.9)	(1.9)
Depreciation expense	–	(27.9)	(6.8)	(118.2)	–	(152.9)
Reclassification to Right-of-Use Assets	–	–	(0.4)	–	(2.6)	(3.0)
Foreign exchange differences	4.6	3.0	0.2	4.8	1.6	14.2
Balance at 30 June 2025	493.7	257.3	32.3	532.7	129.4	1,445.4

Notes to the Consolidated Financial Statements

10 – PROPERTY, PLANT AND EQUIPMENT (continued)

Recognition and measurement

Carrying value

Property, plant and equipment is recorded at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition, construction, and installation of the assets, including costs necessary to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation

Assets are depreciated on a straight-line basis over their estimated useful lives. Useful lives are reassessed at the end of each reporting period and are subject to management judgement. The Group's decarbonisation strategy has been considered and included within the assessment of useful lives of assets.

Changes in expected useful lives or residual values may result in changes to depreciation expense in future reporting periods.

The expected useful lives are as follows:

- Buildings – 5 to 40 years
- Plant and equipment – 1 to 25 years
- Leasehold improvements – lesser of life of asset or term of the lease

Proceeds from sale of assets

The gross proceeds from sale of assets are recognised at the date an unconditional contract of sale is exchanged with the purchaser and control of the asset is transferred. Gains and losses on disposals are determined by comparing proceeds with the asset's carrying amounts and recognised in the consolidated income statement.

Critical accounting estimates and judgement

Impairment

At each reporting date, the Group assesses whether there are indicators that property, plant and equipment may be impaired. Where such indicators exist, the Group estimates the recoverable amount of the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount is determined as the higher of value in use and fair value less costs of disposal.

The estimation of recoverable amount requires the use of significant judgement and assumptions that are inherently uncertain. Key assumptions used in determining value in use may include forecast cash flows, production volumes, operating margins, commodity price assumptions, and discount rates.

These assumptions reflect management's best estimate of future market and operating conditions at the reporting date. Actual outcomes may differ from these estimates and could result in material adjustments to the carrying amount of property, plant and equipment in future reporting periods.

Sensitivity of estimates

Changes in key assumptions used in impairment assessments, particularly forecast cash flows, discount rates, or underlying market price assumptions, may result in material changes to recoverable amounts. Where headroom is limited, reasonably possible changes in assumptions could result in impairment charges in future periods.

Estimation uncertainty – useful lives and residual values

The determination of useful lives and residual values of property, plant and equipment involves judgement. These estimates are reviewed regularly and reflect expected physical wear and tear, technical obsolescence, maintenance strategies, and changes in operational requirements.

Notes to the Consolidated Financial Statements

11 – LEASES

Right-of-Use Assets

The Group leases office buildings, yards and plant and equipment including motor vehicles. Certain leases include extension and termination options that the Group is reasonably certain to exercise based on assessment of economic incentives and operational requirements.

	REAL ESTATE A$M	PLANT & EQUIPMENT A$M	TOTAL A$M
At 30 June 2026			
Cost	**286.6**	**264.8**	**551.4**
Accumulated depreciation and impairment	**(146.8)**	**(157.7)**	**(304.5)**
Net book amount	**139.8**	**107.1**	**246.9**
Movement			
Balance at 1 July 2025	**115.0**	**115.9**	**230.9**
Additions	**68.3**	**47.8**	**116.1**
Impairment expense	**(0.6)**	**–**	**(0.6)**
Disposals and terminations	**(0.1)**	**(0.2)**	**(0.3)**
Depreciation expense	**(36.8)**	**(51.5)**	**(88.3)**
Foreign exchange differences	**(6.0)**	**(4.9)**	**(10.9)**
Balance at 30 June 2026	**139.8**	**107.1**	**246.9**
At 30 June 2025			
Cost	253.2	273.1	526.3
Accumulated depreciation and impairment	(138.2)	(157.2)	(295.4)
Net book amount	115.0	115.9	230.9
Movement			
Balance at 1 July 2024	127.3	102.8	230.1
Additions - continuing operations	21.7	59.4	81.1
Impairment reversal	0.1	0.2	0.3
Disposals and terminations	(1.2)	(0.3)	(1.5)
Depreciation expense	(35.4)	(49.9)	(85.3)
Reclassified from property, plant and equipment	0.4	2.6	3.0
Foreign exchange differences	2.1	1.1	3.2
Balance at 30 June 2025	115.0	115.9	230.9

Notes to the Consolidated Financial Statements

11 – LEASES (continued)

Amounts recognised in consolidated income statement

	2026 A$M	2025 A$M
Right-of-use asset depreciation	**88.3**	85.3
Interest expense (included in finance costs)	**14.3**	12.7
Expense related to short-term and low-value leases	**8.6**	5.9

Amounts recognised in consolidated statement of cash flows

	2026 A$M	2025 A$M
Repayment of lease liabilities within 'financing activities'	**81.5**	89.6
Interest related to lease liabilities within 'operating activities'	**14.3**	12.7
Total lease cash outflows	**95.8**	102.3

Maturity analysis of lease liabilities (undiscounted)

Lease liabilities are monitored within the Group's treasury function. The contractual cash flows of the Group's lease liabilities at the reporting date are shown in the table below. The contractual amounts represent the future undiscounted cash flows.

	2026 A$M	2025 A$M
Not later than one year	**96.7**	90.6
Later than one year, but not later than five years	**214.1**	155.8
Later than five years	**72.8**	38.9
	383.6	285.3
Less: future finance costs	**92.7**	11.0
	290.9	274.3

Recognition and measurement

The Group recognises a Right-of-Use (ROU) asset and a corresponding lease liability at the commencement date of a lease, which is the date when the leased asset is available for use by the Group.

Right-of-Use Assets

The Group recognises ROU assets at the commencement date of the lease, being the date the underlying asset is available for use.

ROU assets are initially measured at cost, comprising:

- the initial measurement of the lease liability;
- any lease payments made at or before commencement date, less lease incentives received; and
- initial direct costs incurred.

ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the related lease liability. ROU assets are subject to impairment testing in accordance with AASB 136 Impairment of Assets where indicators of impairment exist.

Lease Liabilities

At the commencement of a lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term, discounted using the Group's incremental borrowing rate unless the interest rate implicit in the lease is readily determinable.

Notes to the Consolidated Financial Statements

11 – LEASES (continued)

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option;
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate.

The Group does not separate lease and non-lease components for real estate leases and accounts for them as a single lease component.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low value assets

The Group has elected not to recognise ROU assets and lease liabilities for:

- Short-term leases (lease term of 12 months or less), and
- Leases of low-value assets.

Lease payments on such leases are recognised as an expense on a straight-line basis over the lease term.

Critical accounting estimates and judgements

Lease term – extension and termination options

The determination of the lease term requires judgement in assessing whether extension and termination options are reasonably certain to be exercised.

In determining the lease term, the Group considers economic incentives, strategic importance of leased assets, operational requirements, historical lease renewal patterns, and market conditions.

The lease term is reassessed only when a significant event or change in circumstances occurs. Changes in the assessment of lease term may result in material adjustments to the carrying amounts of right-of-use assets and lease liabilities.

Incremental borrowing rate (IBR)

Where the interest rate implicit in a lease is not readily determinable, lease liabilities are discounted using the Group's incremental borrowing rate.

The IBR is determined using observable market interest rates, adjusted for lease-specific factors including lease term, currency, credit profile, and security characteristics.

The determination of the IBR involves judgement and is sensitive to changes in market interest rates and credit spreads. Changes in the IBR may have a material impact on the carrying amount of lease liabilities and corresponding right-of-use assets.

Impairment of right-of-use assets

Right-of-use assets are assessed for impairment when indicators of impairment exist.

The assessment requires judgement in estimating future economic benefits, including expected utilisation of leased assets, cash flow generation, and alignment with operational requirements.

Changes in assumptions relating to asset utilisation, market conditions, or business performance may result in impairment charges in future reporting periods.

Estimation uncertainty – measurement sensitivity

The measurement of lease liabilities and right-of-use assets is subject to estimation uncertainty arising from judgements relating to lease term determination, discount rates, and expected lease-related cash flows.

Changes in these assumptions, particularly lease term assessments and incremental borrowing rates, may result in material adjustments to the carrying amounts of lease liabilities and right-of-use assets in future reporting periods.

Notes to the Consolidated Financial Statements

12 – INTANGIBLE ASSETS

	GOODWILL A$M	SUPPLIER RELATIONSHIPS A$M	LICENSES/ CONTRACTS A$M	SOFTWARE, R&D & OTHER A$M	TOTAL A$M
At 30 June 2026					
Cost	**1,576.5**	**358.2**	**116.4**	**53.2**	**2,104.3**
Accumulated impairment	**(1,364.2)**	**(24.8)**	**(0.8)**	**(17.1)**	**(1,406.9)**
Accumulated amortisation	**–**	**(280.8)**	**(50.5)**	**(35.4)**	**(366.7)**
Net book amount	**212.3**	**52.6**	**65.1**	**0.7**	**330.7**
Movement					
Balance at 1 July 2025	**199.8**	**64.7**	**0.2**	**1.9**	**266.6**
Acquisitions (note 24)	**20.7**	**2.0**	**65.5**	**–**	**88.2**
Additions	**–**	**–**	**–**	**–**	**–**
Amortisation expense	**–**	**(11.1)**	**(1.6)**	**(1.1)**	**(13.8)**
Foreign exchange differences	**(8.2)**	**(3.0)**	**1.0**	**(0.1)**	**(10.3)**
Balance at 30 June 2026	**212.3**	**52.6**	**65.1**	**0.7**	**330.7**

	GOODWILL A$M	SUPPLIER RELATIONSHIPS A$M	LICENSES/ CONTRACTS A$M	SOFTWARE, R&D & OTHER A$M	TOTAL A$M
At 30 June 2025					
Cost	1,634.8	375.2	52.4	56.0	2,118.4
Accumulated impairment	(1,435.0)	(26.1)	(0.9)	(18.0)	(1,480.0)
Accumulated amortisation	–	(284.4)	(51.3)	(36.1)	(371.8)
Net book amount	199.8	64.7	0.2	1.9	266.6
Movement					
Balance at 1 July 2024	197.8	75.2	0.2	28.1	301.3
Additions	–	–	–	0.1	0.1
Impairment	–	–	–	(21.2)	(21.2)
Amortisation expense	–	(11.6)	–	(5.3)	(16.9)
Foreign exchange differences	2.0	1.1	–	0.2	3.3
Balance at 30 June 2025	199.8	64.7	0.2	1.9	266.6

Recognition and measurement

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the identifiable net assets acquired at the acquisition date. Following initial recognition, goodwill is carried at cost less any accumulated impairment losses. Goodwill is not amortised but is tested annually for impairment, or more frequently if indicators of impairment exist.

Other intangible assets

Other intangible assets comprise supplier relationships, licenses and contracts, software and other acquired intangible assets. These assets are acquired either individually or through business combinations and are measured at cost less accumulated amortisation and impairment losses.

Notes to the Consolidated Financial Statements

12 – INTANGIBLE ASSETS (continued)

Amortisation

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The expected amortisation period are as follows:

- Supplier relationships - 1 to 10 years,
- Contracts - 1 to 18 years, and
- R&D costs - 5 years.

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period and adjusted if appropriate.

Impairment analysis

Goodwill and intangible assets that have an indefinite useful life are tested annually for impairment, or more frequently where indicators of impairment exist. Finite life intangible assets are assessed for indicators of impairment where such indicators are identified.

An impairment loss is recognised when the carrying amount of an asset or cash generating unit ("CGU") exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

Assets are grouped at the CGU level, which represent the smallest identifiable group of assets that generate largely independent cash inflows. Goodwill is allocated to CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.

Non-financial assets, other than goodwill, that have previously been impaired are reviewed at each reporting date to assess whether any impairment loss recognised in prior periods should be reversed.

Goodwill has been allocated to the CGUs as follows.

		2026 A$M	2025 A$M
CGU	**Segment**		
Australia and New Zealand Metal	ANZ	**61.8**	61.9
North America Metal	North America	**150.5**	137.9
Total		**212.3**	199.8

There were no impairment charges recognised in relation to goodwill in either FY26 or FY25.

Critical accounting estimates and judgement

Judgement is applied in:

- Determining CGUs, based on internal management reporting and monitoring
- Allocating goodwill to CGUs
- Assessing indicators of impairment, including changes in commodity prices, operating performance and macroeconomic conditions

These judgements determine the level at which impairment testing is performed and whether impairment testing is triggered outside the annual cycle.

Key sources of estimation uncertainty

The determination of recoverable amounts for CGUs involves significant estimation uncertainty. The Group's value-in-use models are sensitive to changes in the following assumptions:

- Discount rates
- Terminal growth rates
- Price and volume growth assumptions
- Operating margins, cost escalations and inflation rates
- Capital expenditure requirements

These assumptions are inherently uncertain due to the cyclical and globally traded nature of the Group's commodities, as well as broader macroeconomic conditions.

Notes to the Consolidated Financial Statements

12 – INTANGIBLE ASSETS (continued)

Key assumptions used for goodwill and intangible asset impairment tests

The recoverable amount of CGUs is primarily determined using value-in-use models based on five-year cash flow projections:

- Year 1 is based on Board-approved budgets
- Years 2–5 are based on management forecasts
- A terminal value is determined using a long-term growth rate consistent with expected industry and geographic conditions

Discount rates applied reflect current market assessments of the time value of money and risks specific to each CGU.

Assumptions are developed using a combination of:

- Historical performance
- External market data (including commodity price outlooks)
- Internal forecasts approved by management and the Board

For CGUs utilising the value in use calculation to determine the recoverable amount, the key quantitative assumptions used for the value in use calculations were as follows:

	DISCOUNT RATE (POST-TAX)		TERMINAL VALUE GROWTH RATE	
	2026	2025	2026	2025
CGU	%	%	%	%
North America Metal	**9.8%**	9.8%	**2.5%**	2.0%
ANZ Metal	**9.3%**	9.6%	**2.5%**	2.5%

At 30 June 2026, the recoverable amounts of each of the Group's CGUs exceeded their carrying values. Sensitivity analyses were performed over the key assumptions used in the value in use models, including discount rates, terminal growth rates, forecast commodity prices, sales volumes and operating margins. The analyses indicated that no reasonably possible adverse change in any individual assumption would reduce the recoverable amount of the CGUs below their carrying values.

Notwithstanding this, the recoverable amount remains sensitive to changes in commodity prices, sales volumes and operating margins, which are subject to market conditions and other external factors outside management's control. While no reasonably possible change in any individual assumption would result in impairment, concurrent adverse movements across multiple assumptions could reduce available headroom and result in future impairment charges.

Forward-looking uncertainty

Future changes in market conditions, including sustained declines in commodity prices, reduced demand, or increases in discount rates, may materially impact recoverable amounts. The Group monitors these factors on an ongoing basis and will update assumptions as required.

Disclosure of commercially sensitive information

Certain detailed assumptions underpinning the impairment models relate to pricing strategies, sourcing and operational efficiencies. Disclosure of these specific inputs could prejudice the Group’s competitive position. Accordingly, the Group has disclosed the nature of the key assumptions used in determining recoverable amounts and the judgements applied in the impairment assessment, while omitting commercially sensitive information. Management considers these disclosures provide users with sufficient information to understand the basis of the impairment assessment and the key sources of estimation uncertainty.

Notes to the Consolidated Financial Statements

13 – INCOME TAXES

	2026 A$M	2025 A$M
Income tax expense from continuing operations		
Current income tax charge	**85.0**	39.1
Adjustment for prior years	**2.5**	(5.7)
Deferred income tax	**30.2**	(0.9)
Income tax expense recognised in profit or loss	**117.7**	32.5
Reconciliation of income tax expense to prima facie income tax expense		
Profit before income tax from continuing operations	**363.0**	34.9
Tax at the standard Australian rate of 30%	**108.9**	10.5
Effect of tax rates in other jurisdictions	**(44.8)**	(11.1)
Deferred tax assets not recognised	**2.4**	27.3
Non-deductible expenses	**23.0**	6.4
Utilisation of unrecognised deferred tax assets	**(3.1)**	(1.5)
Share-based payments	**1.1**	2.1
State and local taxes	**22.0**	5.5
Adjustments for prior years	**2.5**	(5.7)
Assessable gain – foreign exchange gain	**6.0**	–
Other	**(0.3)**	(1.0)
Income tax expense recognised in profit or loss	**117.7**	32.5
Income tax (benefit)/charge directly to equity		
Share-based payments	**(4.1)**	(0.1)
Exchange (loss)/gain on foreign denominated intercompany loans	**(9.1)**	2.7
Total income tax (benefit)/charge directly to equity	**(13.2)**	2.6
Tax expense relating to items of other comprehensive income		
Defined benefit plans	**0.1**	0.1
Total tax expense relating to items of other comprehensive income	**0.1**	0.1

Notes to the Consolidated Financial Statements

13 – INCOME TAXES (continued)

	2026 A$M	2025 A$M
Deferred tax assets and liabilities		
Deferred tax assets		
The balance comprises temporary difference attributable to:		
(amounts recognised in profit or loss)		
Provisions and other accruals	**18.3**	56.0
Employee benefits	**37.4**	19.2
Property, plant and equipment	**6.4**	2.1
Intangible assets	**0.7**	8.2
Joint ventures	**12.3**	21.6
Tax loss carryforwards and tax credits	**19.0**	21.4
Leases	**68.2**	62.4
Share-based payments	**3.9**	3.6
ERP software-other	**22.2**	24.9
Total recognised in profit or loss	**188.4**	219.4
(amounts recognised directly in equity)		
Defined benefit plans	**–**	0.1
Share-based payments	**5.3**	1.5
Total recognised directly in equity	**5.3**	1.6
Total deferred tax assets	**193.7**	221.0
Movements		
Balance at 1 July	**221.0**	230.1
Charged to income statement	**(31.0)**	(10.2)
Charged directly to equity and other comprehensive income	**3.7**	–
Foreign exchange differences	**–**	1.1
Balance at 30 June	**193.7**	221.0

Notes to the Consolidated Financial Statements

13 – INCOME TAXES (continued)

Deferred tax assets and liabilities (continued)

	2026 A$M	2025 A$M
Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
(amounts recognised in profit or loss)		
Intangible assets	**0.3**	–
Leases	**66.2**	56.4
Property, plant and equipment	**107.6**	108.3
Inventory and consumables	**4.8**	4.3
Employee benefits	**–**	0.1
Other	**3.1**	0.2
Total recognised in profit or loss	**182.0**	169.3
(amounts recognised directly in equity)		
Defined benefit plans	**0.4**	–
Exchange gain on foreign denominated intercompany loans	**20.3**	34.6
Total recognised directly in equity	**20.7**	34.6
Total deferred tax liabilities	**202.7**	203.9
Movements		
Balance at 1 July	**203.9**	215.4
Charged to income statement	**12.8**	(13.4)
Charged directly to equity and other comprehensive income	**(13.9)**	2.7
Foreign exchange differences	**(0.1)**	(0.8)
Balance at 30 June	**202.7**	203.9
Deferred tax balances recognised in the Consolidated Statement of Financial Position		
Deferred tax asset	**137.8**	171.6
Deferred tax liability	**146.8**	154.5
	(9.0)	17.1

Recognition and measurement

Current tax

The income tax expense or benefit for the period is the tax payable on the current period taxable income using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect to prior years.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the carrying amounts of assets and liabilities and the corresponding tax base. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Consolidated Financial Statements

13 – INCOME TAXES (continued)

As of each reporting date, management considers new evidence, both positive and negative, that could affect its view of the future realisation of deferred tax assets. The net deferred tax assets are all reviewed for realisability each reporting period. In preparing the analysis to determine if there is certainty in future profitability to utilise the deferred assets, in order to be consistent and conservative, the future profitability projected in the goodwill impairment models has been used to determine the recognition of the net deferred tax assets. At 30 June 2026, certain entities utilised deferred tax assets that were not recognised during the year resulting in a tax benefit for the period of $3.1 million. There were also deferred tax balances not recognised during the year due to uncertainty of future realisability resulting in tax expense of $2.4 million.

At 30 June 2026, the Group has not recognised deferred tax assets totalling $45.6 million (2025: $62.0 million) as it is not probable that they will be realised. A portion of the unrecognised deferred tax asset relates to unused tax losses of $44.1 million (2025: $59.7 million) due to either a history of tax losses or it is not considered probable that there will be sufficient future taxable profits to realise the benefit of deferred tax assets within certain subsidiary entities. Unrecognised tax losses include $7.0 million (2025: $7.9 million) of tax losses that will expire in five to 20 years. Other unused tax losses may be carried forward indefinitely.

The Company is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted in Australia (effective 1 January 2024) and many other countries have enacted legislation in a similar form effective for accounting periods after 31 December 2023 and 31 December 2024. The Pillar Two framework aims to establish a global minimum tax rate of 15% for large multinational enterprises. The Australian Treasury released Pillar Two rules, including the Income Inclusion Rule and Domestic Minimum Tax, effective for income years starting on or after 1 January 2024. The Undertaxed Profits Rule is effective for income years on or after 1 January 2025. The first GloBE tax return is due in Australia on or before 31 December 2026. The Company has performed an initial calculation for FY2026, and three countries did not meet any of the safe harbour tests. Only one country had a top-up tax imputed of $0.1 million for the period. The Company is currently engaged with specialists to assist with establishing all of the data collection, processes for implementation, and lodging the required filings by 31 December 2026.

Australia passed legislation to implement public country-by-country ("CBC") reporting for companies with annual global consolidated income of $1.0 billion or more. The first public CBC report was lodged by 30 June 2026 for the financial period ending 30 June 2025. The information will be published on an Australian government website, with publication facilitated by the Commissioner. The global parent is responsible for filing the CBC report disclosing tax and other information on a jurisdiction-by-jurisdiction basis together with a statement on the company's approach to taxation, with the Australian Tax Office. In addition, certain information for specified countries will have to be reported separately on CBC basis, including Singapore and Hong Kong.

Tax consolidation legislation

The Company and its wholly owned Australian controlled entities have implemented the tax consolidation legislation as of 31 October 2005. The Company is the head entity of the tax consolidated group. Members of the tax consolidated group have entered into a tax sharing and funding agreement that provides for the allocation of income tax liabilities between entities should the head entity default on its tax payment obligations. No amounts have been recognised in the consolidated financial statements in respect of this agreement on the basis that the probability of default is remote.

Critical accounting estimate and judgement

Deferred tax

The recognition of deferred tax assets requires judgement regarding the probability and timing of future taxable profits against which deductible temporary differences and unused tax losses can be utilised.

At each reporting date, the Group assesses the recoverability of deferred tax assets based on available evidence, including:

- historical taxable profit performance;
- forecast taxable income and business plans;
- timing of reversal of temporary differences; and
- tax planning strategies where applicable.

Forecast taxable profits used in assessing recoverability are based on approved internal forecasts and are inherently uncertain. These forecasts incorporate assumptions regarding future market conditions, operating performance, and economic factors. As a result, actual outcomes may differ from those assumptions, which could result in material adjustments to the carrying amount of deferred tax assets in future reporting periods.

Where evidence of sufficient future taxable profits is not available, deferred tax assets are not recognised.

Estimation uncertainty – sensitivity of deferred tax assets

The recoverability of deferred tax assets is sensitive to changes in forecast taxable profits. A reduction in forecast profitability, delays in expected recovery of temporary differences, or adverse changes in market conditions may result in deferred tax assets not being realised and therefore not recognised in future periods.

Notes to the Consolidated Financial Statements

14 – TRADE AND OTHER PAYABLES

	2026 A$M	2025 A$M
Current:		
Trade payables	**410.0**	308.9
Other payables	**402.5**	293.8
	812.5	602.7
Non-current:		
Other payables	**5.3**	7.8

Recognition and measurement

Trade and other payable amounts represent liabilities for goods and services provided to the Group prior to the end of a financial year, which are unpaid.

15 – PROVISIONS

	2026 A$M			2025 A$M		
	Current	Non-current	Total	Current	Non-current	Total
Employee benefits	**125.2**	**21.3**	**146.5**	104.6	21.6	126.2
Self-insured risks	**22.6**	**–**	**22.6**	25.7	–	25.7
Legal provisions	**1.8**	**–**	**1.8**	2.0	–	2.0
Make good provisions	**12.2**	**0.6**	**12.8**	10.6	5.8	16.4
Other provisions	**15.3**	**–**	**15.3**	8.7	–	8.7
	177.1	**21.9**	**199.0**	151.6	27.4	179.0

Movements in each class of provision during the year ended 30 June 2026, other than employee benefits, are set out below:

	SELF INSURANCE RISKS A$M	LEGAL A$M	PROPERTY MAKE-GOOD A$M	OTHER PROVISIONS A$M
Balance at 1 July 2025	**25.7**	**2.0**	**16.4**	**8.7**
Provisions recognised/(derecognised)	**(1.9)**	**(0.1)**	**(3.1)**	**7.4**
Payments	**–**	**–**	**–**	**(0.2)**
Foreign exchange differences	**(1.2)**	**(0.1)**	**(0.5)**	**(0.6)**
Balance at 30 June 2026	**22.6**	**1.8**	**12.8**	**15.3**

Notes to the Consolidated Financial Statements

15 – PROVISIONS (continued)

Recognition and measurement

Provisions are recognised when the Group has a present legal or constructive obligation arising from past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The assessment of probability and estimation of the obligation requires management judgement and is inherently uncertain, particularly in relation to timing, expected settlement amounts, and the interpretation of underlying facts and circumstances.

Provisions are not recognised for future operating losses, except where the Group has a present obligation arising from an onerous contract.

Employee benefits

Employee benefit provisions are recognised for obligations arising from services rendered by employees, including wages and salaries, annual leave, bonuses, long service leave and other short-term and long-term employee entitlements.

Short-term employee benefits expected to be settled within 12 months are measured at nominal amounts based on remuneration rates expected to apply at the time of settlement.

Long-term employee benefits are measured at present value using expected future wage and salary rates and actuarial assumptions, including expected staff turnover, discount rates, and future increases in remuneration. These estimates are subject to uncertainty and changes in assumptions may result in material adjustments to the carrying amount of employee benefit obligations.

Self-insurance

Certain subsidiaries of the Group are self-insured for property damage, health, workers' compensation, and general liability exposures.

Self-insurance provisions are estimated based on reported claims and an actuarial assessment of claims incurred but not reported (IBNR). These estimates incorporate historical claims experience, claim development patterns, and forward-looking assumptions regarding claim frequency and severity.

The estimation of self-insurance liabilities is inherently uncertain and is sensitive to changes in claims experience, legal environment, inflationary trends in claim costs, and actuarial assumptions. Actual claim outcomes may differ from estimated provisions and result in adjustments in future reporting periods.

Make-good provisions

A provision is recognised for the present value of estimated future costs associated with the restoration of leased premises and environmental rehabilitation obligations.

These costs include dismantling and removal of leasehold improvements, site remediation, and restoration activities required under lease agreements or environmental regulations.

The estimation of these obligations requires judgement in relation to timing, scope of work, remediation standards, and cost estimates. These assumptions are inherently uncertain and may change due to regulatory developments, changes in site conditions, or updated remediation requirements.

The provision is capitalised as part of the cost of the related asset and amortised over the shorter of the lease term or the useful life of the asset.

Legal claims

The Group is involved in various legal proceedings and claims arising in the ordinary course of business. These matters are subject to inherent uncertainty, and outcomes cannot be reliably predicted.

Where a present obligation exists and an outflow of resources is considered probable and reliably measurable, a provision is recognised. Where the existence of an obligation is uncertain or the amount cannot be reliably estimated, a contingent liability is disclosed rather than recognised.

The assessment of legal provisions involves judgement in relation to legal interpretation, probability of outcome, settlement scenarios, and estimated costs. These estimates may change as matters progress and may result in material adjustments in future reporting periods.

Other provisions

Other provisions include contingent and contractual obligations arising from acquisition-related arrangements.

These provisions are recognised where the Group has a present obligation and an outflow of resources is probable and can be reliably estimated based on contractual terms.

Notes to the Consolidated Financial Statements

15 – PROVISIONS (continued)

The measurement of these obligations requires judgement in relation to expected settlement amounts, timing of payments, and interpretation of contractual provisions. Where applicable, provisions are remeasured at each reporting date, with changes recognised in the consolidated income statement.

Estimation uncertainty – measurement sensitivity of provisions

The measurement of provisions is subject to estimation uncertainty due to the need to forecast future outcomes, including settlement timing, costs, legal outcomes, and actuarial assumptions.

Changes in key assumptions may result in material adjustments to the carrying amount of provisions in future reporting periods.

16 – RETIREMENT BENEFIT OBLIGATIONS

The Group operates a number of pension plans for the benefit of its employees throughout the world. The Group's pension plans are provided through either defined contribution or defined benefit plans.

Defined contribution plans

Defined contribution plans offer employees individual funds that are converted into benefits at the time of retirement. The defined contribution plans receive fixed contributions from Group companies with the Group's legal obligation limited to these contributions. The Group made contributions of $17.3 million in the year ended 30 June 2026 (2025: $14.9 million).

Defined benefit plans

The Group operates different defined benefit plans in the UK, Australia and US. The specific characteristics (benefit formulas, funding policies and types of assets held) of the defined benefit plans vary according to the regulations and laws in the country where the defined benefit plans are offered.

The amounts recognised in the consolidated statement of financial position are determined as follows:

	2026 A$M	2025 A$M
Fair value of defined benefit plan assets	**62.1**	65.1
Present value of accumulated defined benefit obligations	**(58.7)**	(65.4)
Net amount	**3.4**	(0.3)
Net amount comprised of:		
Retirement benefit assets	**4.3**	1.1
Retirement benefit obligations	**(0.9)**	(1.4)
Net defined benefit assets/ (liabilities)	**3.4**	(0.3)

The movements in the net defined benefit balance during the year ended 30 June are outlined below:

	2026			2025		
	FAIR VALUE OF PLAN ASSETS A$M	PRESENT VALUE OF OBLIGATION A$M	NET PLAN ASSET A$M	FAIR VALUE OF PLAN ASSETS A$M	PRESENT VALUE OF OBLIGATION A$M	NET PLAN ASSET A$M
Balance at 1 July	**65.1**	**(65.4)**	**(0.3)**	63.0	(63.7)	(0.7)
Actuarial gains/ (losses) recorded in comprehensive income	**–**	**0.7**	**0.7**	(2.1)	2.4	0.3
Current service cost	**–**	**(0.5)**	**(0.5)**	(0.1)	(1.1)	(1.2)
Net interest income/ (expense)	**3.4**	**(3.3)**	**0.1**	3.3	(3.4)	(0.1)
Employer and participant	**3.3**	**–**	**3.3**	1.6	(0.1)	1.5
Benefit payments	**(5.7)**	**5.7**	**–**	(4.2)	4.2	–
Foreign exchange differences	**(4.0)**	**4.1**	**0.1**	3.6	(3.7)	(0.1)
Balance at 30 June	**62.1**	**(58.7)**	**3.4**	65.1	(65.4)	(0.3)

Notes to the Consolidated Financial Statements

16 – RETIREMENT BENEFIT OBLIGATIONS (continued)

The principal actuarial assumptions, which require estimations and judgement, used to calculate the net defined benefit balance were as follows. These are expressed as a weighted average.

	2026	2025
Discount rate	**5.7%**	5.3%
Rate of increase in salaries	**4.0%**	3.5%
Rate of increase in Retail Price Index (UK defined benefit plan only)	**2.9%**	2.9%
Inflation rate (UK and Australia defined benefit plan only)	**2.5%**	2.2%

The Group expects to make contributions of $2.6 million (2025: $3.5 million) to the defined benefit plans during the next financial year.

The major categories of plan assets are as follows:

	2026 A$M	2025 A$M
Cash	**2.1**	1.3
Equity investments	**5.1**	5.0
Debt instruments	**20.4**	22.0
Property and other assets	**34.5**	36.8
Total plan assets	**62.1**	65.1

Recognition and measurement

The defined benefit obligations are calculated annually, at a minimum, by independent actuaries using the projected unit credit method. Remeasurements of the net defined benefit balance, excluding interest, are recognised immediately in other comprehensive income.

The Group determined the net interest income on the net defined benefit balance for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the opening net defined benefit balance, adjusted for any changes in the net defined benefit balance during the period resulting from contributions and benefit payments. Net interest income related to the defined benefit plans is recognised in the income statement.

Notes to the Consolidated Financial Statements

17 – OTHER FINANCIAL ASSETS AND LIABILITIES

	2026 A$M	2025 A$M
Other financial assets – Current:		
Investments in marketable securities[2]	**19.6**	19.8
Trust assets	**0.1**	(0.1)
Lease receivable	**2.4**	2.5
Derivative financial instruments:		
Forward commodity contracts[3]	**15.9**	12.3
	38.0	34.5
Other financial assets – Non-current:		
Loans to related parties[1]	**40.7**	42.9
Long term lease receivable	**22.7**	26.4
Other receivables	**10.4**	12.0
	73.8	81.3
Other financial liabilities – Current:		
Derivative financial instruments:		
Forward foreign exchange contracts	**2.2**	11.3
Forward commodity contracts	**–**	12.5
	2.2	23.8

1 In FY20, the Group provided a US$40.0 million loan to Adams Steel of Nevada LLC, an entity held by George Adams who is a member in the Group's joint venture, SA Recycling. The loan accrues interest at 4% per annum for an eight year term. At 30 June 2026, the balance of the loan was $40.7 million.

2 Marketable securities represent an investment in a mutual fund relating to retirement obligations for employees in the US. There is a corresponding liability recognised in the Employee Benefits provision in Note 15.

3 Comparatives have been revised to align to the current year's presentation resulting in a $12.3 million decrease in Other financial assets and a corresponding increase in Forward commodity contracts in current assets.

Recognition and measurement

Derivative financial instruments

Refer to note 23.

Investments in marketable securities

Investments in marketable securities are designated as a financial asset at fair value through profit or loss. Investments in marketable securities are initially recognised at fair value and are subsequently carried at fair value. The fair value of the investment is based on the last quoted price. Unrealised gains and losses arising from changes in the fair value are recognised in profit or loss.

Notes to the Consolidated Financial Statements

18 – ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended 30 June 2026, the Group committed to dispose of certain assets as part of its ongoing portfolio optimisation strategy.

At 30 June 2026, these assets met the criteria for classification as held for sale in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. Management considers the disposals to be highly probable and expects them to be completed within twelve months of the reporting date.

Accordingly, $41 million of assets are classified as held for sale at 30 June 2026.

Notes to the Consolidated Financial Statements

CAPITAL STRUCTURE AND RISK MANAGEMENT

19 – CASH AND CASH EQUIVALENTS

	2026 A$M	2025 A$M
Cash at bank and on hand	**163.9**	151.5
Restricted cash[1]	**13.6**	29.6
Cash and cash equivalents	**177.5**	181.1

[1] Restricted cash includes an amount of cash related to captive insurance.

Reconciliation of profit/(loss) for the year ended 30 June to net cash inflows from operating activities

	2026 A$M	2025 A$M
Profit/ (loss) for the year ended 30 June	**245.3**	(19.0)
Adjustments for non-cash items:		
Depreciation and amortisation	**259.8**	255.1
Equity accounted results net of dividends received	**(141.2)**	(61.3)
Non-cash share-based payments expense	**15.4**	15.9
Unrealised (gain)/ loss on held for trading derivatives	**(16.6)**	6.5
Non-cash retirement benefit expense/ (benefit)	**–**	(0.1)
Loss on sale of assets held for sale	**–**	2.0
Loss/ (gain) on disposal of property, plant and equipment	**0.2**	(1.7)
Non-cash grant income	**(0.3)**	(0.3)
Impairment of financial assets	**58.0**	46.9
Impairment of property, plant and equipment	**0.1**	1.9
Impairment of leases	**0.6**	(0.3)
Impairment of intangible assets	**–**	21.3
Non cash items related to discontinued operations	**–**	11.3
Other	**(1.4)**	–
Change in operating assets and liabilities:		
(Increase) in trade and other receivables	**(126.3)**	(125.5)
(Increase)/ decrease in inventories	**(130.2)**	104.2
(Increase)/ decrease in prepayments	**(3.8)**	8.2
Increase in provisions	**11.8**	29.0
Increase/ (decrease) in income taxes	**55.0**	(78.5)
Increase/ (decrease) in deferred taxes	**24.8**	(1.6)
Increase/ (decrease) in trade and other payables	**172.4**	(64.9)
Cash generated from discontinued operations	**–**	148.0
Net cash inflows from operating activities	**423.6**	297.1

Notes to the Consolidated Financial Statements

19 – CASH AND CASH EQUIVALENTS (continued)

Reconciliation of liabilities arising from financing activities

	BORROWINGS A$M	LEASE LIABILITIES A$M
Balance at 30 June 2024	505.0	278.8
Financing cash flows	3.7	(86.7)
Lease additions	–	80.4
Non-cash lease transactions	–	(2.1)
Non-cash foreign exchange movement	4.7	3.9
Balance at 30 June 2025	513.4	274.3
Financing cash flows	**34.3**	**(81.5)**
Lease additions	**–**	**114.5**
Non-cash lease transactions	**–**	**(4.9)**
Non-cash foreign exchange movement	**(11.9)**	**(11.5)**
Balance at 30 June 2026	**535.8**	**290.9**

Recognition and measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

20 – BORROWINGS

	2026 A$M	2025 A$M
Non-current borrowings	**535.8**	513.4

The Group has access to unsecured global multi-currency/multi-option loan facilities, which are governed by common terms and conditions.

During the year, the Group extended and partially restructured its syndicated loan facilities with its banking partners in preparation for a more complete facility review. Following this extension, the facilities now mature on 31 December 2027.

As at 30 June 2026, the Group had total loan facilities of $985.9 million (2025: $1,037.0 million), of which $412.4 million (2025: $485.5 million) was undrawn. The facilities include amounts available for financial guarantees and are subject to financial covenants and other conditions specified in the loan documentation. The availability of undrawn facilities is subject to the Group's continued compliance with these covenants.

The Group’s loan agreements include undertakings to comply with financial covenants relating to Net Debt to EBITDA, EBITDA to Net Interest Expense and Tangible Net Worth. In addition, the Group is required to ensure that the combined Total Tangible Assets and EBITDA of the guarantors meet minimum threshold levels. These covenants are tested semi-annually, within 90 days of the relevant reporting period.

As at 30 June 2026, $535.8 million of the Group's borrowings were subject to these financial covenants. The Group complied with all covenant requirements during the year ended 30 June 2026 and based on current forecasts, expects to remain in compliance with the applicable covenant requirements. A breach of covenant may result in the lenders exercising their right to demand immediate repayment, unless a waiver is obtained.

The Group incurred finance costs of $42.1 million during the year ended 30 June 2026, (2025: $48.0 million), primarily comprising interest on external borrowings and commitment fees on undrawn facilities. This excludes interest expense relating to lease liabilities of $14.3 million (2025: $12.7 million).

There were no other significant changes to the Group’s borrowings during the year.

Notes to the Consolidated Financial Statements

20 – BORROWINGS (continued)

Recognition and measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds, net of transaction costs, and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has the unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

21 – CONTRIBUTED EQUITY

Movements in the ordinary share balances are as follows:

	2026		2025	
	NUMBER OF SHARES	A$M	NUMBER OF SHARES	A$M
On issue per share register at the beginning of the period	**193,223,486**	**2,597.1**	193,209,667	2,597.1
Issued under long-term incentive plans	**9,505**	**–**	13,819	–
On issue per share register at the end of the period	**193,232,991**	**2,597.1**	193,223,486	2,597.1
Treasury Shares				
Balance held at the beginning of the period	**(799,752)**	**(11.4)**	(251,100)	(3.8)
Shares purchased from the market	**(900,000)**	**(19.4)**	(1,360,832)	(17.5)
Issued under long term incentive plans	**631,266**	**8.8**	812,180	9.9
Treasury shares held at the end of the period	**(1,068,486)**	**(22.0)**	(799,752)	(11.4)
Total contributed equity	**192,164,505**	**2,575.1**	192,423,734	2,585.7

Holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at shareholders' meetings. With effect from 1 January 2020, the Company has allowed participants of its long-term incentive plan ("LTIP") to withhold shares to satisfy applicable tax withholding and exercise costs under the LTIP.

Employee share ownership programme trusts ("treasury shares")

In August 2019, the Company established two separate employee share ownership programme trusts for the benefit of all long-term incentive plan eligible employees of the Company. The trust uses funds provided by Sims Limited and/or its subsidiaries to acquire shares on market to satisfy expected exercises and vestings under the Group's long-term incentive plans. The trusts held 1,068,486 shares at 30 June 2026 (2025: 799,752 shares).

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction, net of tax, from the proceeds. When the Company purchases any of its own equity instruments, for example, as a result of a share buy-back, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from contributed equity.

Notes to the Consolidated Financial Statements

22 – RESERVES AND ACCUMULATED DEFICIT

Reserves

	SHARE BASED PAYMENTS A$M	CASH FLOW HEDGING A$M	FOREIGN CURRENCY TRANSLATION A$M	TOTAL A$M
Balance at 1 July 2024	319.5	–	128.5	448.0
Equity-settled share-based payment expense	15.2	–	–	15.2
Share of joint venture's other comprehensive income	–	4.1	–	4.1
Reclassification to income statement on disposal of foreign	–	–	39.7	39.7
Foreign currency translation differences	–	–	41.9	41.9
Deferred tax	1.2	–	(2.7)	(1.5)
Balance at 30 June 2025	335.9	4.1	207.4	547.4
Equity-settled share-based payment expense	**15.0**	**–**	**–**	**15.0**
Share of joint venture's other comprehensive income	**–**	**(2.5)**	**–**	**(2.5)**
Foreign currency translation differences	**–**	**–**	**(130.6)**	**(130.6)**
Deferred tax	**4.1**	**–**	**9.1**	**13.2**
Other movements	**0.6**	**–**	**–**	**0.6**
Balance at 30 June 2026	**355.6**	**1.6**	**85.9**	**443.1**

Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of share-based awards issued to employees.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group disposes of the foreign operation.

Accumulated deficit

	2026 A$M	2025 A$M
Balance at 1 July	**(546.3)**	(478.6)
Profit/ (loss) after tax	**245.3**	(19.0)
Dividends paid	**(52.2)**	(38.6)
Movement in treasury shares held by trust	**(10.0)**	(10.4)
Actuarial gain on defined benefit plans, net of tax	**0.7**	0.3
Balance at 30 June	**(362.5)**	(546.3)

Notes to the Consolidated Financial Statements

23 – FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, foreign exchange risk, commodity price risk and equity securities price risk), credit risk and liquidity risk. The Group's overall financial risk management strategy seeks to mitigate these risks to minimise potential adverse effects on the financial performance of the Group.

The Group manages these risk exposures using various financial instruments and are governed by a set of policies approved by the Board. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

The Audit Committee of the Board oversees the monitoring of compliance by management with the Group's risk management framework. The Audit Committee is assisted in its oversight role by Internal Audit which undertakes reviews of key management controls and procedures.

The Group uses derivative financial instruments in certain circumstances in accordance with Board approved policies to hedge exposure to fluctuations in foreign exchange rates and commodity prices. Derivative financial instruments are used for hedging purposes and not as trading or other speculative instruments.

Capital risk management

The primary objective of managing the Group's capital is to ensure that there is sufficient capital available to support the funding requirements of the Group, including capital expenditure, in a way that optimises the cost of capital, maximises shareholders' returns and ensures that the Group remains in a sound financial position. In order to manage its capital structure, the Group may periodically adjust the dividend policy, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors its capital structure primarily by measuring its gearing ratio and operating leverage as well as its return on invested capital.

The gearing ratio is calculated as net debt plus lease liabilities, divided by total capital. Total capital is calculated as total equity as shown in the statement of financial position plus net debt and lease liabilities. The Group targets a gearing ratio of 15% or lower as a broader operating guide. As at 30 June 2026, the gearing ratio was 19.6%.

Operating leverage is calculated as net debt divided by underlying EBITDA. The Group targets operating leverage of 0.5x or lower. As at 30 June 2026, the Group's operating leverage was 0.49x.

The Group's gearing ratio or operating leverage may exceed or drop below target levels for periods of time. When this happens, the Group will seek to return these metrics over time to their target levels through its capital allocation processes.

As at 30 June 2026, the Group had a net debt position of $358.3 million (2025: $332.3 million) as well as lease liabilities of $290.9 million (2025: $274.3million).

Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates and interest rates, will affect the Group's net profit or the value of its holdings of financial instruments.

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk, primarily with respect to transactions settled in US dollars and Euros. The exposure of an entity to transaction risk is minimised by matching local currency income with local currency costs.

The Group enters into forward foreign exchange contracts to hedge sales or purchase commitments denominated in currencies that are not the functional currency of the relevant entity. These contracts are typically entered for a period of three to six months based on when the transaction is expected to settle.

The Group's net financial assets/(liabilities) exposure to foreign exchange risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	2026 A$M	2025 A$M
Currency		
US dollar	**167.9**	(76.0)
Euro	**85.1**	38.8

Notes to the Consolidated Financial Statements

23 – FINANCIAL RISK MANAGEMENT (continued)

The table below shows the net impact of a 10% appreciation of the relevant currency against the Australian dollar with all other variables held constant and the corresponding effect on the Group's forward foreign exchange contracts with all other variables held constant.

Impact on post tax profit – (lower)

	2026 A$M	2025 A$M
Currency		
US dollar	**6.7**	(10.8)
Euro	**6.9**	3.2

Impact on equity – higher

	2026 A$M	2025 A$M
Currency		
US dollar	**41.7**	43.3

The impact on equity includes the effect from intragroup long-term borrowings which, in substance, form part of the Group's investment in an entity. Exchange gains and losses on these balances are recorded in the foreign currency translation reserve.

A 10% depreciation of the relevant currency against the Australian dollar would have an equal and opposite effect.

(ii) Commodity price risk

The Group is exposed to risks associated with fluctuations in the market price for ferrous and non-ferrous metals and precious metals, which are at times volatile. The Group seeks to mitigate commodity price risk by seeking to turn over its inventories quickly, instead of holding inventories in anticipation of higher commodity prices.

The Group uses forward commodity contracts matched to purchases or sales of non-ferrous metals (primarily copper, nickel and aluminium) and certain precious metals (primarily gold, silver and palladium) at the time of shipment where viable forward commodity contracts are available to minimise price risk exposure. The hedges undertaken aim to protect margins and provide downside protection of the underlying value of on-site finished goods inventories and unpriced in-transit sales.

At the end of the reporting period, none of the Group's forward commodity contracts qualified for hedge accounting, despite being valid economic hedges of the relevant risk. Accordingly, any movement in commodity rates that impact the fair value of these forward commodity contracts are recorded in the consolidated income statement. Note 17 shows the carrying amount of the Group's forward commodity contracts at the end of the reporting period.

A 10% appreciation in commodity prices on outstanding forward commodity contracts, with all other variables held constant, would reduce net profit by $40.1 million in FY26 (2025: $14.3 million). Conversely, a 10% depreciation of the stated commodity prices would have an equal and opposite effect.

(iii) Interest rate risk

The Group is exposed to interest rate risk as entities borrow funds at variable interest rates. The Group does not use any derivative financial instruments to manage its exposure to interest rate risk. Cash deposits, loans to third parties and borrowings issued at fixed rates expose the Group to fair value interest rate risk. The interest rate risk for interest-bearing liabilities is immaterial in terms of possible impact on profit or loss.

Notes to the Consolidated Financial Statements

23 – FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

The Group establishes credit limits for its customers. Trade and other receivables consist of a large number of customers, spread across various metal producing sectors in international markets. Ongoing credit evaluation is performed on the financial condition of the Group's customers and, where appropriate, a loss allowance is raised. For certain customers, the Group purchases credit insurance to protect itself against collection risks. Refer to Note 8 for further information on the Group's processes to assessing recoverability of trade and other receivables.

The Group is also exposed to credit risk arising from the Group's transactions in derivative contracts. For credit purposes, there is only a credit risk where the counterparty is liable to pay the Group in the event of a closeout.

The Group has policies that limit the amount of credit exposure to any financial institution. Derivative counterparties and cash transactions are limited to financial institutions that typically have a minimum credit rating of "A" by either Standard & Poor's or Moody's, unless otherwise approved by the Board. Management also monitors the current credit exposure with each counterparty. Any changes to counterparties or their credit limits must be approved by the Group Chief Financial Officer.

Liquidity risk

Liquidity risk is associated with ensuring that there is sufficient cash and cash equivalents on hand and the availability of funding through an adequate amount of committed credit facilities to meet the Group's obligations as they mature and the ability to close out market positions.

The Group manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic and volatile nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties. Included in note 20 is a summary of undrawn facilities that the Group can draw upon if required.

The contractual cash flows of the Group's financial liabilities are shown in the table below. The contractual amounts represent the future undiscounted cash flows. The amounts for interest bearing liabilities also include interest cash flows and therefore, do not equate to the carrying amount. The expected timing of cash outflows are set out below:

	LESS THAN 1 YEAR A$M	BETWEEN 1 AND 5 YEARS A$M	OVER 5 YEARS A$M	TOTAL A$M
2026				
Non-derivatives:				
Trade and other payables	**812.5**	**1.8**	**3.5**	**817.8**
Borrowings	**–**	**535.8**	**–**	**535.8**
Derivatives:				
Net settled (forward foreign exchange contracts)	**2.2**	**–**	**–**	**2.2**
	814.7	**537.6**	**3.5**	**1,355.8**
Interest on financial commitments	**15.0**	**22.8**	**–**	**37.8**
Financial guarantees[1]	**40.2**	**–**	**–**	**40.2**
	869.9	**560.4**	**3.5**	**1,433.8**

Notes to the Consolidated Financial Statements

23 – FINANCIAL RISK MANAGEMENT (continued)

	LESS THAN 1 YEAR A$M	BETWEEN 1 AND 5 YEARS A$M	OVER 5 YEARS A$M	TOTAL A$M
2025				
Non-derivatives:				
Trade and other payables	602.7	6.3	1.5	610.5
Borrowings	–	513.4	–	513.4
Derivatives:				
Net settled (forward commodity contracts)	12.5	–	–	12.5
Net settled (forward foreign exchange contracts)	11.3	–	–	11.3
	626.5	519.7	1.5	1,147.7
Interest on financial commitments	26.5	9.0	–	35.5
Financial guarantees	40.6	–	–	40.6
	693.6	528.7	1.5	1,223.8

1 Refer to note 30 for details on financial guarantees. The amounts disclosed above are the maximum amounts allocated to the earliest period in which the guarantee could be called. However, the Group considers that it is more likely than not that such an amount will not be payable under the arrangement.

Put option

A subsidiary of the Group holds a 50% share in the SA Recycling, LLC Joint Venture ("SAR"). The remaining 50% of SAR is owned by the Adams family through Adams Steel LLC ("Adams Steel"). Under the terms of the SAR Operating Agreement dated 1 September 2007, as subsequently amended, Adams Steel holds an option which gives Adams Steel the right to compel the Group's subsidiary to purchase some or all of its interest on a cash free/debt free basis, using a 4.5 multiple of the average annual EBITDA for the prior three fiscal years. Sims' assessment is that this formula would result in an exercise price that would be considered equal to the fair value of 50% of SAR. As such, the derivative does not have a material value to be accounted for. The purchase of some or all of the interest under the option is to be settled in cash within twelve months of the option being exercised. The option has no expiry date and has no impact on the current control of SAR. The Group considers that sufficient financing options are available should the put option be exercised.

Fair value

The carrying amounts and estimated fair values of the Group's financial assets and liabilities are materially the same.

The fair value of financial instruments traded on active markets (such as publicly traded derivatives and investments in marketable securities) is based on quoted market prices at the reporting date. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (such as forward foreign exchange contracts) is determined using readily observable broker quotes. These instruments are included in level 2.

There were no transfers between levels during the year.

Valuation of financial assets and liabilities

Financial instruments carried at fair value are classified by valuation method using the following hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Consolidated Financial Statements

23 – FINANCIAL RISK MANAGEMENT (continued)

Recognition and measurement

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Certain derivative instruments do not qualify for hedge accounting, despite being valid economic hedges of the relevant risks. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses. Refer to note 4 for the impact of hedge gains or losses for non-qualified hedges.

Notes to the Consolidated Financial Statements

GROUP STRUCTURE

24 – BUSINESS ACQUISITIONS AND DISPOSALS

Acquisitions

(a) Tri Coastal Trading

On 9 February 2026, the Group entered into a binding agreement to purchase TCT Trading, LLC d/b/a Tri Coastal Trading (TCT), within the NAM segment for a total consideration of $94.8 million (US$66.5 million).

Management concluded the transaction met the definition of a business under AASB 3 *Business Combinations*. Accordingly, the transaction has been accounted for using the acquisition method.

The acquisition expands Sims' North America Metals operations by strengthening its scrap procurement, trading and export capabilities within the Gulf Coast region and provides long-term strategic access to export infrastructure through an agreement with Enstructure LLC.

Details of the purchase consideration, assets and liabilities arising from the acquisition and goodwill recognised from the acquisition are as follows:

Identifiable assets acquired	A$M
Property, plant and equipment	**8.1**
Intangible assets	**67.5**
Right of use asset	**0.6**
Lease liabilities	**(0.5)**
Net identifiable assets acquired	**75.7**
Goodwill on acquisition	**19.1**
Total consideration	**94.8**

The recognised goodwill primarily represents expected operating synergies, integration benefits, future growth opportunities, assembled workforce, expected operational efficiencies and other economic benefits that do not qualify for separate recognition.

Acquisition-related costs were not material.

The accounting for the acquisition remains provisional at the reporting date in accordance with AASB 3 *Business Combinations,* and the recognised amounts may be adjusted during the measurement period, not exceeding 12 months from the acquisition date, as additional information about facts and circumstances existing at that date becomes available.

Estimation uncertainty – fair value measurement

The allocation of purchase consideration to identifiable assets requires judgement in estimating fair values at the acquisition date. These estimates are based on the best available information at the time but are inherently uncertain and sensitive to changes in key assumptions, including asset replacement cost, condition assessments, and market comparables.

Notes to the Consolidated Financial Statements

25 – SUBSIDIARIES

(a) List of subsidiaries

NAME OF ENTITY	COUNTRY OF INCORPORATION	EQUITY HOLDING % 2026	EQUITY HOLDING % 2025
SimsLimited[1]	Australia		
Electronic Product Stewardship Australasia Pty Limited	Australia	**100%**	100%
Australian Metal Recycling Network Pty Limited - Formerly known as Sims Aluminium Pty Limited[1, 2]	Australia	**100%**	100%
Sims Corporate Pty Limited	Australia	**100%**	100%
Sims E-Recycling Pty Limited	Australia	**100%**	100%
Sims Energy Pty Limited	Australia	**100%**	100%
Sims Group Australia Holdings Limited [1]	Australia	**100%**	100%
Sims Group Holdings 1 Pty Limited	Australia	**100%**	100%
Sims Group Holdings 2 Pty Limited	Australia	**100%**	100%
Sims Group Holdings 3 Pty Limited	Australia	**100%**	100%
Sims Industrial Pty Limited	Australia	**100%**	100%
Simsmetal Holdings Pty Limited	Australia	**100%**	100%
Simsmetal Properties NSW Pty Limited	Australia	**100%**	100%
Simsmetal Properties Qld Pty Limited	Australia	**100%**	100%
Simsmetal Services Pty Limited[1]	Australia	**100%**	100%
Sims Resource Renewal Pty Limited	Australia	**100%**	100%
Sims Group Canada Holdings Limited	Canada	**100%**	100%
Sims Group Recycling Solutions Canada Limited	Canada	**100%**	100%
Sims Group German Holdings GmbH	Germany	**100%**	100%
Sims Lifecycle Services GmbH	Germany	**100%**	100%
Sims Metal Management Asia Limited	Hong Kong	**100%**	100%
Sims Lifecycle Services India Private Limited	India	**100%**	100%
Trishyiraya Recycling India Private Limited	India	**100%**	100%
Sims Recycling Solutions Ireland Limited	Ireland	**100%**	100%
Sims Lifecycle Services BV	Netherlands	**100%**	100%
Sims E - Recycling (NZ) Limited	New Zealand	**100%**	100%
Sims Pacific Metals Limited	New Zealand	**100%**	100%
Simsmetal Industries Limited	New Zealand	**100%**	100%
PNG Recycling Limited	Papua New Guinea	**100%**	100%
Sims Global Commodities Pte. Limited	Singapore	**100%**	100%
Sims Recycling Solutions Pte. Limited	Singapore	**100%**	100%
Kaystan Holdings Limited	United Kingdom	**100%**	100%
Lord & Midgley Limited	United Kingdom	**100%**	100%
Morley Waste Traders Limited	United Kingdom	**100%**	100%
Sims Renewable Energy Limited	United Kingdom	**100%**	100%
Sims Group UK Holdings Limited	United Kingdom	**100%**	100%
Sims Group UK Intermediate Holdings Limited	United Kingdom	**100%**	100%
Sims Group UK Pension Trustees Limited	United Kingdom	**100%**	100%
Sims Metal Management Finance Limited	United Kingdom	**100%**	100%
CIM Trucking, Inc.	USA	**100%**	100%

Notes to the Consolidated Financial Statements

25 – SUBSIDIARIES (continued)

NAME OF ENTITY	COUNTRY OF INCORPORATION	EQUITY HOLDING % 2026	EQUITY HOLDING % 2025
Dover Barge Company	USA	**100%**	100%
Global Sustainability Insurance Corporation	USA	**100%**	100%
Metal Management Indiana, Inc.	USA	**100%**	100%
Metal Management Midwest, Inc.	USA	**100%**	100%
Metal Management Northeast, Inc.	USA	**100%**	100%
Metal Management Ohio, Inc.	USA	**100%**	100%
Metal Management, Inc.	USA	**100%**	100%
Sims ARG, Inc	USA	**100%**	100%
Export Enterprises, LLC	USA	**100%**	100%
Key Export, LLC	USA	**100%**	100%
New York Recycling Ventures, Inc.	USA	**100%**	100%
Sims Aluminum Inc.	USA	**100%**	100%
Sims Southwest Corporation	USA	**100%**	100%
Schiabo Larovo Corporation[3]	USA	**0%**	100%
Sims Energy USA Holdings Corporation[3]	USA	**0%**	100%
Sims Group Global Trade Corporation	USA	**100%**	100%
Sims Group USA Corporation	USA	**100%**	100%
Sims Group USA Holdings Corporation	USA	**100%**	100%
Sims Metal Management USA GP	USA	**100%**	100%
Sims Recycling Solutions Holdings Inc.	USA	**100%**	100%
Sims Recycling Solutions Inc.	USA	**100%**	100%
Simsmetal East LLC	USA	**100%**	100%
Simsmetal West LLC	USA	**100%**	100%
SMM – North America Trade Corporation	USA	**100%**	100%
SMM Gulf Coast LLC	USA	**100%**	100%
SMM New England Corporation	USA	**100%**	100%
SMM South Corporation	USA	**100%**	100%
SMM Southeast LLC	USA	**100%**	100%
Elizabeth River Export, LLC	USA	**75%**	75%
Metal Management Inc. Grantor Trust	USA	**100%**	100%
Sims Lifecycle Services S.A. de C.V.	Mexico	**100%**	100%
Sims Lifecycle Reciclagem de Eletrônicos Ltda.	Brazil	**100%**	100%
Sims Lifecycle Services Limited	United Kingdom	**100%**	100%
Sims Metal Limited	United Kingdom	**100%**	100%
Sims Lifecycle Services AB	Sweden	**100%**	100%
Sims Lifecycle Services sp z.o.o.	Poland	**100%**	100%
Sims Lifecycle Services Japan KK	Japan	**100%**	100%

1 These subsidiaries and the Company are parties to a Deed of Cross Guarantee under which each entity guarantees the debts of the others. The above entities represent a Closed Group and an Extended Closed Group for the purposes of the relevant Australian Securities and Investments Commission Class Order.

2 During the year ended 30 June 2026, the dormant entity was repurposed through a change in name to align with potential growth opportunities and the future expansion of the business.

3 During the year ended 30 June 2026, the dormant entities within the Group were dissolved.

Notes to the Consolidated Financial Statements

25 – SUBSIDIARIES (continued)

(b) Deed of Cross Guarantee

Sims Limited, Sims Group Australia Holdings Limited, Australian Metal Recycling Network Pty Limited and Simsmetal Services Pty Limited are parties to a Deed of Cross Guarantee ("DCG") under which each company guarantees the debts of the others. By entering into the DCG, the wholly owned entities have been relieved from the requirement to prepare a financial report and directors' report under ASIC Corporations (Wholly owned Companies) Instrument 2016/785, as in force on 28 April 2021.

The above companies represent a "Closed Group" for the purposes of the Class Order. As there are no other parties to the DCG that are controlled by Sims Limited, they also represent the "Extended Closed Group". Set out below are the condensed consolidated income statement, a consolidated statement of comprehensive income, a summary of movements in consolidated accumulated deficit and a consolidated statement of financial position for the Closed Group.

	2026 A$M	2025 A$M
(i) Consolidated income statement		
Loss before income tax	**(72.3)**	(76.8)
Income tax benefit/ (expense)	**4.3**	(9.7)
Loss after tax	**(68.0)**	(86.5)
(ii) Consolidated statement of comprehensive income		
Profit after tax	**(68.0)**	(86.5)
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations, net of tax	**(0.2)**	(0.1)
Other comprehensive loss for the year, net of tax	**(0.2)**	(0.1)
Total comprehensive loss for the year	**(68.2)**	(86.6)
(iii) Summary of movements in consolidated accumulated deficit		
Balance at 1 July	**(1,168.6)**	(1,033.0)
Loss for the year	**(68.0)**	(86.6)
Trust reserves	**(20.4)**	(10.4)
Dividends provided for or paid	**(52.2)**	(38.6)
Balance at 30 June	**(1,309.2)**	(1,168.6)

Notes to the Consolidated Financial Statements

25 – SUBSIDIARIES (continued)

	2026 A$M	2025 A$M
(iv) Consolidated statement of financial position		
Current assets		
Cash and cash equivalents	**49.0**	49.6
Trade and other receivables	**188.4**	256.9
Current tax receivables	**11.2**	8.1
Inventories	**174.9**	121.2
Prepayments	**7.3**	6.1
Other financial assets	**0.3**	2.4
Total current assets	**431.1**	444.3
Non-current assets		
Other financial assets	**1,547.6**	1,614.9
Right of use assets	**58.6**	56.8
Property, plant and equipment	**398.3**	347.3
Deferred tax assets	**38.5**	–
Other intangible assets	**49.3**	48.1
Total non-current assets	**2,092.3**	2,067.1
Total assets	**2,523.4**	2,511.4
Current liabilities		
Trade and other payables	**446.2**	336.3
Deferred income	**25.0**	14.8
Lease liabilities	**20.6**	21.0
Current tax liabilities	**11.8**	10.7
Provisions	**46.8**	41.9
Total current liabilities	**550.4**	424.7
Non-current liabilities		
Payables	**0.8**	1.0
Lease liabilities	**66.6**	67.4
Borrowings	**332.1**	255.0
Deferred tax liabilities	**–**	3.6
Provisions	**1.6**	6.8
Total non-current liabilities	**401.1**	333.8
Total liabilities	**951.5**	758.5
Net assets	**1,571.9**	1,752.9
Equity		
Contributed equity	**2,525.7**	2,585.7
Reserves	**355.4**	335.8
Accumulated deficit	**(1,309.2)**	(1,168.6)
Total equity	**1,571.9**	1,752.9

Notes to the Consolidated Financial Statements

26 – INTERESTS IN OTHER ENTITIES

Joint ventures

NAME	PRINCIPAL ACTIVITY	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST % 2026	2025
SA Recycling, LLC ("SAR")	Recycling	USA	**50.0**	50.0
Richmond Steel Recycling Limited	Recycling	Canada	**50.0**	50.0
Rondout Iron & Metal Company LLC	Recycling	USA	**50.0**	50.0
KDCGlobal, Inc.	Recycling	USA	**49.0**	49.0
Kariyarra Sims Recycling Pty Ltd	Recycling	Australia	**50.0**	50.0
Ngardimu Pty Ltd	Recycling	Australia	**50.0**	50.0

Movements in carrying amounts of joint ventures

	SAR A$M	OTHER A$M	TOTAL A$M
Balance at 1 July 2025	**638.0**	**19.5**	**657.5**
Share of results	**240.3**	**3.6**	**243.9**
Dividends received	**(97.9)**	**–**	**(97.9)**
Share of other comprehensive income	**(2.5)**	**–**	**(2.5)**
Foreign exchange and other differences	**(33.9)**	**(1.6)**	**(35.5)**
Balance at 30 June 2026	**744.0**	**21.5**	**765.5**
2025			
Balance at 1 July 2024	564.1	20.8	584.9
Share of results	120.0	(2.0)	118.0
Dividends received	(56.7)	–	(56.7)
Share of other comprehensive income	4.2	–	4.2
Acquisitions	–	0.4	0.4
Foreign exchange differences	6.4	0.3	6.7
Balance at 30 June 2025	**638.0**	**19.5**	**657.5**

Summarised financial information of joint ventures

2026	SAR	OTHER	TOTAL
Statement of financial position			
Current assets	**1,215.2**	**32.6**	**1,247.8**
Non-current assets	**1,878.6**	**76.0**	**1,954.6**
Current liabilities	**480.2**	**20.7**	**500.9**
Non-current liabilities	**1,287.5**	**6.8**	**1,294.3**
Income statement			
Revenue	**6,197.4**	**188.1**	**6,385.5**
Net profit for the year [1]	**438.5**	**6.3**	**444.8**

[1]SAR's net profit for the year represents amounts reported before accounting adjustments from US GAAP to IFRS.

Notes to the Consolidated Financial Statements

26 – INTERESTS IN OTHER ENTITIES (continued)

2025	SAR A$M	OTHER A$M	TOTAL A$M
Statement of financial position			
Current assets	871.5	39.4	910.9
Non-current assets	1,768.0	90.6	1,858.6
Current liabilities	373.7	14.3	388.0
Non-current liabilities	1,117.8	35.1	1,152.9
Income statement			
Revenue	5,438.4	175.4	5,613.8
Net profit for the year	202.4	(3.2)	199.2

Balances and transactions with joint ventures

2026	SAR A$M	OTHER A$M	TOTAL A$M
Purchases of goods and services	**324.8**	**27.1**	**351.9**
Management and other fees and commissions	**4.1**	**1.0**	**5.1**
Current receivables	**3.1**	**3.7**	**6.8**
Current payables	**19.8**	**0.5**	**20.3**

2025	SAR A$M	OTHER A$M	TOTAL A$M
Purchases of goods and services	606.0	34.5	640.5
Management and other fees and commissions	9.9	1.2	11.1
Current receivables	4.9	0.5	5.4
Current payables	20.4	0.4	20.8

Recognition and measurement

Investments in joint ventures have been accounted for under the equity method of accounting. The Group's share of net profit of joint ventures is recorded in the income statement.

Investments in joint ventures are annually tested for impairment and whenever the Group believes events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the investment exceeds its recoverable amount. The recoverable amount is the higher of an investment's fair value less costs to sell and value in use.

Notes to the Consolidated Financial Statements

27 – PARENT ENTITY INFORMATION

The Company was incorporated on 20 June 2005. Under the terms of a scheme of arrangement entered into between Sims Limited (formerly known as Sims Metal Management Limited from 22 November 2008 to 24 November 2019 and Sims Group Limited from 20 June 2005 to 21 November 2008) and Sims Group Australia Holdings Limited ("SGAHL") (formerly known as Sims Group Limited prior to 20 June 2005) on 31 October 2005, the shareholders in SGAHL exchanged their shares in that entity for the shares in Sims Limited.

SGAHL was deemed to be the acquirer in this business combination. This transaction has therefore been accounted for as a reverse acquisition. Accordingly, the consolidated financial statements of Sims Limited have been prepared as a continuation of the consolidated financial statements of SGAHL. Summary financial information is below:

	2026 A$M	2025 A$M
Statement of financial position:		
Current assets	**163.5**	158.2
Total assets	**2,388.5**	2,386.9
Current liabilities	**70.6**	74.5
Total liabilities	**289.4**	284.6
Shareholders' equity:		
Contributed equity	**3,895.8**	3,906.3
Reserves	**355.6**	336.0
Profits reserve	**41.4**	41.4
Accumulated deficit	**(2,193.7)**	(2,181.4)
Total equity	**2,099.1**	2,102.3
Statement of comprehensive income:		
Profit for the year	**49.9**	78.3
Total comprehensive income	**49.9**	78.3

Guarantees entered into by the parent entity

The Company has not provided any financial guarantees that require a liability to be recognised in the Company's statement of financial position. The Company has, however, given guarantees for the performance of contracts entered into in the ordinary course of business. The amount of these guarantees provided by the Company as at 30 June 2026 was $40.2 million (2025: $40.6 million).

The Company is party to a number of financing facilities and a Deed of Cross Guarantee under which it guarantees the debts of a number of its subsidiaries.

Notes to the Consolidated Financial Statements

OTHER DISCLOSURES

28 – SHARE-BASED PAYMENTS

The Company's LTIP is designed as a reward and retention tool for eligible employees. Grants under the share ownership plans can be in the form of options or share rights. Certain share ownership plans also provide for cash-settlement, which are determined by the Board.

Share-based payment expense

	2026 A$M	2025 A$M
Equity-settled share-based payments expense	**15.0**	15.2
	15.0	15.2

The Company has issued three types of instruments under its LTIP:

- Equity settled options (No issuances since FY19)
- Performance rights
- Restricted share units

Equity-settled options

Historically, options were issued to reward executives for absolute share price performance because the options only have value if the Company's share price exceeds the exercise price at the end of the vesting period. Since FY19, there has been no further issuance of share options by the Group and all outstanding options have fully vested in FY22.

FY26

Grant Date	Balance 1 July	Granted during year	Fair value at Grant Date	Exercised	Forfeited / Cancelled	Balance 30 June
9-Nov-18	172,134	–	A$3.47	(122,460)	(49,674)	–
4-Feb-19	4,933	–	A$10.19	(4,933)	–	–
Total	**177,067**	**–**		**(127,393)**	**(49,674)**	**–**

FY25

Grant Date	Balance 1 July	Granted during year	Fair value at Grant Date	Exercised	Forfeited / Cancelled	Balance 30 June
9-Nov-17	638,062	–	A$4.33	(366,859)	(271,203)	–
5-Feb-18	55,168	–	A$4.89	–	(55,168)	–
9-Nov-18	915,478	–	A$3.47	(743,344)	–	172,134
4-Feb-19	4,933	–	A$10.19	–	–	4,933
Total	**1,613,641**	**–**		**(1,110,203)**	**(326,371)**	**177,067**

For equity-settled options exercised during the year ended 30 June 2026, the weighted average share price at the date of exercise was A$14.87 for ordinary shares (2025: A$14.39 for ordinary shares).

The weighted average remaining contractual life of outstanding options at the end of the financial year was nil (2025: 0.37 years) and the weighted average exercise price was not applicable (2025: A$12.28), reflecting that no options remained outstanding at 30 June 2026.

Notes to the Consolidated Financial Statements

28 – SHARE-BASED PAYMENTS (continued)

Performance rights

A performance right is a contractual right to acquire one ordinary share for nil consideration, subject to the satisfaction of specified performance and service conditions. Performance rights granted by the Company comprise Total Shareholder Return ("TSR") Rights, Productivity Rights, Return on Invested Capital ("ROIC") Rights, Strategic Rights and Return on Productive Assets ("ROPA") Rights. Details of each performance right are listed below:

- **TSR Rights**: reward achievement of higher shareholder returns relative to peer group of companies within the ASX 200 Materials and Energy sectors. Performance is measured over a three-year period from 1 July to 30 June, with vesting at the end of the performance period based on the level of TSR achieved.
- **Productivity Rights**: incentivise the delivery of productivity improvements, including initiatives that enhance margins and earnings. Performance is measured over the three-year period from 1 July to 30 June, with vesting at the end of the performance period, subject to the achievement against defined productivity metrics.
- **ROIC Rights**: incentivise the achievement of targeted returns on invested capital. ROIC is defined as Net Operating Profit After Tax divided by average invested capital. Performance is measured over the three-year period from 1 July to 30 June, with vesting at the end of the performance period subject to achievement against the ROIC hurdle
- **Strategic Rights**: incentivise the achievement of specific strategic objectives aligned to the Company's long-term priorities. Performance is measured over the three-year period from 1 July to 30 June, with vesting at the end of the performance period dependent on the extent to which these objectives are achieved.
- **ROPA Rights:** incentivise the efficient utilisation of productive assets and apply to performance periods commencing from FY23. ROPA is defined as underlying EBIT divided by average non-current assets. Performance is measured over the three-year period from 1 July to 30 June, with vesting at the end of the performance period and is subject to achievement of performance conditions.

All performance rights are subject to a three-year performance period, with vesting outcomes dependent on the achievement of applicable performance hurdles and continued service. Performance hurdles are based on relative TSR, ROIC (applicable to grants from FY25), ROPA (applicable to grants awarded for FY23), and strategic and productivity measures. Further details of the performance and service conditions are disclosed in the Remuneration Report.

Notes to the Consolidated Financial Statements

28 – SHARE-BASED PAYMENTS (continued)

How are the TSR Rights measured?

TSR measures the growth over a particular period in the Company's share price plus the value of reinvested dividends. The TSR performance hurdle was chosen as it directly aligns with shareholders' interest as executives are rewarded only when the Company's TSR equals or exceeds the median of the comparator companies.

Comparator Group

The comparator group used to measure TSR performance is the constituent companies as of 1 July 2025 in the ASX 200 materials and energy sectors. This comparator group is made up of companies in related sectors and of similar size to Sims, that are subject to many of the same economic trends as Sims.

Vesting schedule

TSR-based grants vest according to relative positioning of the Company's TSR at the end of a three-year performance period.

Sims' TSR Relative to the TSR of Comparator Group	Proportion of TSR Rights Vesting
Below 50th Percentile	0%
At 50th Percentile	50%
Between 50th and 75th Percentile	Straight line between 50% and 100%
At or Above 75th Percentile	100%

How are the Productivity Rights measured?

Productivity Rights are measured over a three-year performance period.

Productivity Rights vest based on achievement of defined goals over the Performance Period.

Sims' Board has full discretion to make adjustments on either the calculation or testing results of the Productivity Rights performance measures.

Productivity Goals / Weighting	Measure at Test Date (30 June 2028)
Margin Optimisation / 50%	Advancement of sustainable strategic improvements to metal margins through initiatives such as improved shredder capacity utilisation, increased unprocessed intake tonnages, optimising home market and export sales channels, and production of tailored products to key home or international customers.
Innovation / 50%	Drive innovation for operational and overhead improvements to reduce labour and production costs, reducing metal in waste through improved metal capturing processes and maximising scale and automation, resulting in lower costs, higher revenues, or both.

How are the ROIC Rights measured?

ROIC Rights are measured over a three-year performance period. ROIC Rights vest based on the Company's Return on Invested Capital over the Performance Period. WACC is Weighted Average Cost of Capital.

FY2028 ROIC	Proportion of Earned ROIC Rights Vesting
Below WACC	0%
Achieved WACC or Higher	100%

How are the Strategic Rights measured?

Strategic Rights are measured over a three-year performance period.

Strategic Rights vest based on achievement of defined goals over the Performance Period.

Sims' Board has full discretion to make adjustments on either the calculation or testing results of the Strategic Rights performance measures.

How are the ROPA Rights measured?

ROPA Rights are measured over a three-year performance period.

ROPA Rights vest based on the Company's Return on Productive Assets over the Performance Period.

FY24-26 Average ROPA	Proportion of ROPA Rights Vesting
Below 12%	0%
12%	50%
12% - 20%	Straight line between 50% and 100%
Above 20%	100%

Notes to the Consolidated Financial Statements

28 – SHARE-BASED PAYMENTS (continued)

The following table summarises the outstanding performance rights granted to employees.

FY26

Grant Date	Award Type	Balance 1 July	Granted during year	Fair value at Grant Date	Exercised/ Vested	Forfeited/ Cancelled	Balance 30 June
9-Nov-22	Performance Rights - ROPA	205,384	–	A$11.23	–	(205,384)	–
9-Nov-22	Performance Rights - Strategic	280,070	–	A$11.23	(224,056)	(56,014)	–
9-Nov-22	Performance Rights TSR	365,098	–	A$5.13	–	(365,098)	–
2-Nov-23	Performance Rights EBIT	160,900	–	A$11.03	–	–	160,900
2-Nov-23	Performance Rights GM	160,900	–	A$11.03	–	–	160,900
2-Nov-23	Performance Rights - ROPA	448,662	–	A$11.66	–	(15,969)	432,693
2-Nov-23	Performance Rights - Strategic	301,568	–	A$11.66	–	(8,186)	293,382
2-Nov-23	Performance Rights TSR	103,724	–	A$6.87	–	–	103,724
1-Jan-24	Performance Rights - ROPA	2,589	–	A$14.07	–	–	2,589
14-Nov-24	Performance Rights EBIT	65,161	–	A$12.29	–	–	65,161
14-Nov-24	Performance Rights GM	65,161	–	A$12.29	–	–	65,161
14-Nov-24	Performance Rights - PROD	282,353	–	A$12.29	–	(14,672)	267,681
14-Nov-24	Performance Rights - ROIC	527,458	–	A$12.29	–	(14,672)	512,786
14-Nov-24	Performance Rights TSR	196,508	–	A$9.60	–	–	196,508
21-Nov-25	Performance Rights - PROD	–	247,278	A$14.47	–	–	247,278
21-Nov-25	Performance Rights - ROIC	–	420,161	A$14.47	–	–	420,161
21-Nov-25	Performance Rights TSR	–	191,207	A$7.01	–	–	191,207
Total		**3,165,536**	**858,646**		**(224,056)**	**(679,995)**	**3,120,131**

FY25

Grant Date	Award Type	Balance 1 July	Granted during year	Fair value at Grant Date	Exercised/ Vested	Forfeited/ Cancelled	Balance 30 June
11-Nov-21	Performance Rights - Strategic	272,607	–	A$13.68	(163,564)	(109,043)	–
11-Nov-21	Performance Rights TSR	643,145	–	A$8.18	–	(643,145)	–
9-Nov-22	Performance Rights - ROPA	205,384	–	A$11.23	–	–	205,384
9-Nov-22	Performance Rights - Strategic	280,070	–	A$11.23	–	–	280,070
9-Nov-22	Performance Rights TSR	374,302	–	A$5.13	–	(9,204)	365,098
2-Nov-23	Performance Rights EBIT	160,900	–	A$11.03	–	–	160,900
2-Nov-23	Performance Rights GM	160,900	–	A$11.03	–	–	160,900
2-Nov-23	Performance Rights - ROPA	464,055	–	A$11.66	–	(15,393)	448,662
2-Nov-23	Performance Rights - Strategic	301,568	–	A$11.66	–	–	301,568
2-Nov-23	Performance Rights TSR	103,724	–	A$6.87	–	–	103,724
1-Jan-24	Performance Rights - ROPA	2,589	–	A$14.07	–	–	2,589
14-Nov-24	Performance Rights EBIT	–	65,161	A$12.29	–	–	65,161
14-Nov-24	Performance Rights GM	–	65,161	A$12.29	–	–	65,161
14-Nov-24	Performance Rights - PROD	–	282,353	A$12.29	–	–	282,353
14-Nov-24	Performance Rights - ROIC	–	527,458	A$12.29	–	–	527,458
14-Nov-24	Performance Rights TSR	–	196,508	A$9.60	–	–	196,508
Total		2,969,244	1,136,641		(163,564)	(776,785)	3,165,536

Notes to the Consolidated Financial Statements

28 – SHARE-BASED PAYMENTS (continued)

Restricted share units

Restricted share units granted to employees typically vest over a period of three to four years.

Restricted Share Units (RSUs) provide direct share ownership of the company once the restriction period lapses based on continuous employment service. At the end of the first three-year period, the RSUs will vest at 50%. The remaining 50% will vest at the end of the four-year period. Vesting is contingent upon continued employment with the company on the vest dates noted above. Once the units have vested and converted to Ordinary Shares, they become fully owned shares in Sims Limited.

During FY26, five grants of RSUs were made. Refer to the section below for valuation assumptions.

FY26

Grant Date	Award Type	Balance 1 July	Granted during year	Fair value at Grant Date	Exercised/ Vested	Forfeited/ Cancelled	Balance 30 June
13-Jul-21	Restricted Share Units	16,252	–	A$14.41	(16,252)	–	–
11-Nov-21	Restricted Share Units	223,560	–	A$13.65	(223,560)	–	–
9-Nov-22	Restricted Share Units	496,546	–	A$11.08	(248,480)	(10,873)	237,193
27-Oct-23	Restricted Share Units	12,874	–	A$11.50	(6,437)	–	6,437
2-Nov-23	Restricted Share Units	331,520	–	A$11.50	–	(12,298)	319,222
4-Dec-23	Restricted Share Units	36,928	–	A$12.56	–	–	36,928
1-Jan-24	Restricted Share Units	2,589	–	A$14.72	–	–	2,589
8-Jan-24	Restricted Share Units	4,166	–	A$12.77	–	–	4,166
25-Mar-24	Restricted Share Units	11,799	–	A$12.97	(5,899)	–	5,900
14-Nov-24	Restricted Share Units	407,289	–	A$12.29	–	(15,879)	391,410
1-Dec-24	Restricted Share Units	23,060	–	A$12.68	–	(6,778)	16,282
3-Mar-25	Restricted Share Units	13,937	–	A$14.06	–	–	13,937
1-July-25	Restricted Share Units	–	107,024	A$14.67	–	–	107,024
11-Aug-25	Restricted Share Units	–	6,258	A$14.02	–	–	6,258
21-Nov-25	Restricted Share Units	–	313,964	A$14.26	–	(1,740)	312,224
2-Feb-26	Restricted Share Units	–	3,508	A$19.55	–	–	3,508
30-Apr-26	Restricted Share Units	–	27,242	A$19.93	–	–	27,242
Total		**1,580,520**	**457,996**		**(500,628)**	**(47,568)**	**1,490,320**

Notes to the Consolidated Financial Statements

28 – SHARE-BASED PAYMENTS (continued)

FY25

Grant Date	Award Type	Balance 1 July	Granted during year	Fair value at Grant Date	Exercised/ Vested	Forfeited/ Cancelled	Balance 30 June
11-Nov-20	Restricted Share Units	419,640	–	A$9.99	(419,640)	–	–
7-Dec-20	Restricted Share Units	2,121	–	A$9.99	(2,121)	–	–
22-Jan-21	Restricted Share Units	4,485	–	A$12.90	(4,485)	–	–
13-Jul-21	Restricted Share Units	32,503	–	A$14.41	(16,251)	–	16,252
11-Nov-21	Restricted Share Units	508,112	–	A$13.65	(275,852)	(8,700)	223,560
11-Jul-22	Restricted Share Units	18,588	–	A$13.27	(18,588)	–	–
9-Nov-22	Restricted Share Units	562,537	–	A$11.08	(47,582)	(18,409)	496,546
27-Oct-23	Restricted Share Units	12,874	–	A$11.50	–	–	12,874
2-Nov-23	Restricted Share Units	371,797	–	A$11.50	(22,905)	(17,372)	331,520
4-Dec-23	Restricted Share Units	36,928	–	A$12.56	–	–	36,928
1-Jan-24	Restricted Share Units	2,589	–	A$14.72	–	–	2,589
8-Jan-24	Restricted Share Units	4,166	–	A$12.97	–	–	4,166
25-Mar-24	Restricted Share Units	17,698	–	A$12.77	(5,899)	–	11,799
14-Nov-24	Restricted Share Units	–	407,289	A$12.29	–	–	407,289
1-Dec-24	Restricted Share Units	–	23,060	A$12.68	–	–	23,060
3-Mar-25	Restricted Share Units	–	13,937	A$14.06	–	–	13,937
Total		1,994,038	444,286		(813,323)	(44,481)	1,580,520

Fair value

The significant weighted assumptions used to determine the fair value were as follows. Management consults with a third party firm to perform fair value assessments and assess assumptions, which involve a degree of judgement.

	PERFORMANCE RIGHTS	
	2026	2025
Risk-free interest rate	**3.7%**	4.2%
Dividend yield	**1.5%**	0.8%
Volatility	**29.9%**	34.4%
Share price at grant date	**A$15.08**	A$9.60 - A$12.29

	RESTRICTED SHARE UNITS	
	2026	2025
Risk-free interest rate	**3.7%-4.7%**	3.8%-4.2%
Dividend yield	**1.5%**	0.8%
Volatility	**29.9%**	34.4%
Share price at grant date	**A$14.57 - A$20.68**	A$12.29 - A$14.06

Recognition and measurement

The grant date fair value is recognised as an employee benefit expense with a corresponding increase in equity over the vesting period. At the end of each reporting period, the Group revises its estimate of the number of shares that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in profit or loss with a corresponding adjustment to equity.

For cash-settled share-based arrangements, the fair value of the amount payable is recognised as an employee benefit expense with a corresponding increase to a liability. The liability is re-measured each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as an employee benefit expense in the consolidated income statement.

Notes to the Consolidated Financial Statements

28 – SHARE-BASED PAYMENTS (continued)

The fair value of options and performance rights at grant date is independently determined using either a binomial model or a Monte-Carlo simulation model which takes into account any market related performance conditions. Non-market vesting conditions are not considered when determining fair value but rather are included in the assumptions about the number of rights that are expected to vest. The fair value of restricted share units is determined based on the market price of the Company's shares on the date of grant and the Company's dividend yield.

29 – KEY MANAGEMENT PERSONNEL

Total remuneration paid or payable to Directors and key management personnel ("KMP") is set out below:

	2026 A$	2025 A$
Short-term benefits	**14,696,447**	11,723,778
Long-term benefits	**58,237**	78,233
Post-employment benefits	**568,887**	585,881
Share-based payments	**3,866,297**	3,628,203
	19,189,868	16,016,095

Other than the disclosures in notes 17, 25, 26 and 29, there were no other transactions with related parties for the year ended 30 June 2026 and 2025.

30 – COMMITMENTS AND CONTINGENCIES

COMMITMENTS	2026 A$M	2025 A$M
Lease Commitments		
Not later than one year	**0.7**	0.6
Later than one year, but not later than five years	**0.9**	–
Later than five years	**–**	–
Total lease commitments not recognised as liabilities	**1.6**	0.6

	2026 A$M	2025 A$M
Capital expenditures		
Payable within one year	**11.7**	22.6
Later than one year, but not later than five years	**–**	–
Later than five years	**–**	–
Total capital expenditure commitments not recognised as liabilities	**11.7**	22.6

The commitments included above also include the Group's share relating to joint ventures.

Guarantees

The Group has given guarantees in respect of the performance of contracts entered into in the ordinary course of business. The amounts of these guarantees provided by the Group, for which no amounts are recognised in the consolidated financial statements, as at 30 June 2026 was $40.2 million (2025: $40.6 million).

Notes to the Consolidated Financial Statements

31 – REMUNERATION OF AUDITORS

AUDITOR OF THE PARENT ENTITY	2026 A$'000	2025 A$'000
Audit or review of financial statements		
Group	**1,506**	1,557
Subsidiaries and joint operations	**2,071**	1,929
Total statutory assurance services	**3,577**	3,486
Other assurance services		
Other assurance and agreed-upon procedures under other legislation or contractual arrangements	**110**	–
Total other assurance services	**110**	–
Non-assurance services		
Taxation services	**179**	133
Climate and sustainability services	**–**	105
Total non-assurance services	**179**	238
Total auditor's remuneration	**3,866**	3,724

The auditor of Sims Limited is Deloitte Touche Tohmatsu.

32 – SUBSEQUENT EVENTS

There has not been any matter or circumstances, other than that referred to in the financial reports or notes thereto, that has arisen since the end of the financial period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

CONSOLIDATED ENTITIES DISCLOSURE STATEMENT

At 30 June 2026 NAME OF ENTITY	COUNTRY OF INCORPORATION	BODY CORPORATE, PARTNERSHIP OR TRUST	EQUITY HOLDING %	AUSTRALIAN OR FOREIGN RESIDENT	JURISDICTION FOR FOREIGN RESIDENT
Sims Limited - of Sims Metal Management Limited Long Term Incentive Plan	Australia	Body Corporate		Australian	N/A
Electronic Product Stewardship Australasia Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Australian Metal Recycling Network Pty Limited - Formerly known as Sims Aluminium Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Sims Corporate Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Sims E-Recycling Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Sims Energy Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Sims Metal Management Limited Long Term Incentive Plan	Australia	Trust	**N/A**	Australian	N/A
Sims Group Australia Holdings Limited - partner in the Kariyarra Sims Recycling Pty Ltd and Ngardimu Pty Ltd joint ventures	Australia	Body Corporate	**100%**	Australian	N/A
Sims Group Holdings 1 Pty Limited[1]	Australia	Body Corporate	**100%**	Australian	N/A
Sims Group Holdings 2 Pty Limited[1]	Australia	Body Corporate	**100%**	Australian	N/A
Sims Industrial Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Simsmetal Holdings Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Simsmetal Properties NSW Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Simsmetal Properties Qld Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Simsmetal Services Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Sims Resource Renewal Pty Limited	Australia	Body Corporate	**100%**	Australian	N/A
Sims Group Canada Holdings Limited - partner in the Richmond Steel Recycling Limited joint venture	Canada	Body Corporate	**100%**	Foreign	Canada
Sims Group Recycling Solutions Canada Limited	Canada	Body Corporate	**100%**	Foreign	Canada
Sims Group German Holdings GmbH	Germany	Body Corporate	**100%**	Foreign	Germany
Sims Lifecycle Services GmbH	Germany	Body Corporate	**100%**	Foreign	Germany
Sims Metal Management Asia Limited	Hong Kong	Body Corporate	**100%**	Foreign	Hong Kong
Sims Lifecycle Services India Pvt. Limited	India	Body Corporate	**100%**	Foreign	India

CONSOLIDATED ENTITIES DISCLOSURE STATEMENT

At 30 June 2026 NAME OF ENTITY	COUNTRY OF INCORPORATION	BODY CORPORATE, PARTNERSHIP OR TRUST	EQUITY HOLDING %	AUSTRALIAN OR FOREIGN RESIDENT	JURISDICTION FOR FOREIGN RESIDENT
Trishyiraya Recycling India Private Limited	India	Body Corporate	**100%**	Foreign	India
Sims Recycling Solutions Ireland Limited	Ireland	Body Corporate	**100%**	Foreign	Ireland
Sims Lifecycle Services BV	Netherlands	Body Corporate	**100%**	Foreign	Netherlands
Sims E - Recycling (NZ) Limited	New Zealand	Body Corporate	**100%**	Foreign	New Zealand
Sims Pacific Metals Limited	New Zealand	Body Corporate	**100%**	Foreign	New Zealand
Simsmetal Industries Limited	New Zealand	Body Corporate	**100%**	Foreign	New Zealand
PNG Recycling Limited	Papua New Guinea	Body Corporate	**100%**	Foreign	Papua New Guinea
Sims Global Commodities Pte. Limited	Singapore	Body Corporate	**100%**	Foreign	Singapore
Sims Recycling Solutions Pte. Limited	Singapore	Body Corporate	**100%**	Foreign	Singapore
Kaystan Holdings Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Lord & Midgley Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Morley Waste Traders Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Sims Renewable Energy Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Sims Group UK Holdings Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Sims Group UK Intermediate Holdings Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Sims Group UK Pension Trustees Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Sims Metal Management Finance Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
CIM Trucking, Inc.	USA	Body Corporate	**100%**	Foreign	USA
Dover Barge Company	USA	Body Corporate	**100%**	Foreign	USA
Global Sustainability Insurance Corporation	USA	Body Corporate	**100%**	Foreign	USA
Metal Management Indiana, Inc.	USA	Body Corporate	**100%**	Foreign	USA
Metal Management Midwest, Inc. - partner in the Rondout Iron & Metal Company LLC partnership	USA	Body Corporate	**100%**	Foreign	USA
Metal Management Northeast, Inc.	USA	Body Corporate	**100%**	Foreign	USA
Metal Management Ohio, Inc.	USA	Body Corporate	**100%**	Foreign	USA
Metal Management, Inc. - trustee of Metal Management Inc Grantor Trust	USA	Body Corporate	**100%**	Foreign	USA
Sims ARG, Inc	USA	Body Corporate	**100%**	Foreign	USA

CONSOLIDATED ENTITIES DISCLOSURE STATEMENT

At 30 June 2026 NAME OF ENTITY	COUNTRY OF INCORPORATION	BODY CORPORATE, PARTNERSHIP OR TRUST	EQUITY HOLDING %	AUSTRALIAN OR FOREIGN RESIDENT	JURISDICTION FOR FOREIGN RESIDENT
Export Enterprises, LLC	USA	Body Corporate	**100%**	Foreign	USA
Key Export, LLC	USA	Body Corporate	**100%**	Foreign	USA
New York Recycling Ventures, Inc.	USA	Body Corporate	**100%**	Foreign	USA
Sims Aluminum Inc.	USA	Body Corporate	**100%**	Foreign	USA
Sims Southwest Corporation	USA	Body Corporate	**100%**	Foreign	USA
Sims Group Global Trade Corporation	USA	Body Corporate	**100%**	Foreign	USA
Sims Group USA Corporation - partner in the KDCGlobal Inc partnership	USA	Body Corporate	**100%**	Foreign	USA
Sims Group USA Holdings Corporation	USA	Body Corporate	**100%**	Foreign	USA
Sims Metal Management USA GP[1]	USA	Partnership	**100%**	Foreign	USA
Sims Recycling Solutions Holdings Inc.	USA	Body Corporate	**100%**	Foreign	USA
Sims Recycling Solutions Inc.	USA	Body Corporate	**100%**	Foreign	USA
Simsmetal East LLC	USA	Body Corporate	**100%**	Foreign	USA
Simsmetal West LLC - partner in the SA Recycling LLC partnership	USA	Body Corporate	**100%**	Foreign	USA
SMM – North America Trade Corporation	USA	Body Corporate	**100%**	Foreign	USA
SMM Gulf Coast LLC	USA	Body Corporate	**100%**	Foreign	USA
SMM New England Corporation	USA	Body Corporate	**100%**	Foreign	USA
SMM South Corporation	USA	Body Corporate	**100%**	Foreign	USA
SMM Southeast LLC - partner in the Elizabeth River Export, LLC partnership	USA	Body Corporate	**100%**	Foreign	USA
Elizabeth River Export, LLC	USA	Partnership	**N/A**	N/A	N/A
Metal Management Inc. Grantor Trust	USA	Trust	**N/A**	N/A	N/A
Sims Lifecycle Services S.A. de C.V.	Mexico	Body Corporate	**100%**	Foreign	Mexico
Sims Lifecycle Reciclagem de Eletrônicos Ltda	Brazil	Body Corporate	**100%**	Foreign	Brazil
Sims Lifecycle Services Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Sims Metal Limited	United Kingdom	Body Corporate	**100%**	Foreign	United Kingdom
Sims Lifecycle Services AB	Sweden	Body Corporate	**100%**	Foreign	Sweden

CONSOLIDATED ENTITIES DISCLOSURE STATEMENT

At 30 June 2026 NAME OF ENTITY	COUNTRY OF INCORPORATION	BODY CORPORATE, PARTNERSHIP OR TRUST	EQUITY HOLDING %	AUSTRALIAN OR FOREIGN RESIDENT	JURISDICTION FOR FOREIGN RESIDENT
Sims Lifecycle Services Sp z.o.o.	Poland	Body Corporate	**100%**	Foreign	Poland
Sims Lifecycle Services Japan KK	Japan	Body Corporate	**100%**	Foreign	Japan

1 Sims Group Holdings 1 Pty Limited and Sims Group Holdings 2 Pty Limited own the Sims Metal Management USA GP.

Basis of preparation

This Consolidated Entity Disclosure Statement has been prepared in accordance with the *Corporations Act 2001* and presents details of each entity that formed part of the Group as at 30 June 2026, in line with the requirements of AASB 10 *Consolidated Financial Statements*.

Key assumptions and judgements

Determination of tax residency

Section 295 (3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident' has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian Tax residency:** the consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioners of Taxation's public guidance in Tax Ruling TR 2018/5.
- **Foreign tax residency:** The consolidated entity has applied current legislation and where available judicial precedent in the determination of the foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Partnerships and Trusts

Australian tax law does not contain specific residency tests for partnerships and trusts. Generally, these entities are taxed on a flow through basis so there is no need for a general residency test. There are some provisions which treat trusts as residents for certain purposes, but this does not mean the trust itself is an entity that is subject to tax.

DIRECTORS' DECLARATION

In the Directors' opinion:

(i) The financial statements and notes set out on pages 121 to 182 are in accordance with the *Corporations Act 2001*, including:

- complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
- giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date, and

(ii) there are reasonable grounds to believe that Sims Limited will be able to pay its debts as and when they become due and payable,

(iii) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 25 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee described in note 25, and

(iv) the Consolidated entity disclosure statement set out on pages 183 to 186 required by subsection (3A) is true and correct.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Group Chief Executive Officer and the Group Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

The declaration is made in accordance with a resolution of the directors.

P Bainbridge
Chairperson
New South Wales
18 August 2026

S Mikkelsen
Managing Director and Group CEO
New South Wales
18 August 2026

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000
Australia

Tel: +61 (0) 2 9322 7000
Fax: +61 (0) 2 9322 7001
www.deloitte.com.au

Independent Auditor's Report to the Members of Sims Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sims Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration .

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

Existence of Ferrous Inventories
 	
At 30 June 2026, the Group's consolidated statement of financial position includes inventories of $614.1 million (30 June 2025: $506.3 million), which include ferrous scrap metals inventories of $177.8 million (30 June 2025: $138.8 million), as disclosed in Note 9 'Inventories'.
 	
The nature of ferrous inventories means significant judgement is required to estimate the physical quantity of ferrous metals on hand due to the various estimation techniques used.
	Our procedures included, but were not limited to:
	
	• Evaluating management's processes and controls in respect of estimating the quantity of ferrous inventories on hand at 30 June 2026.
	
	• Testing the existence of ferrous inventories by:
	  ○ Attending a selection of counts conducted by management at locations at or around year end; and
	  ○ Observing and challenging management's process to estimate the quantities on hand at 30 June 2026.
	
	• Assessing the adequacy of disclosures in the financial report.

Revenue recognition of non-ferrous secondary recycling The consolidated income statement includes non-ferrous secondary recycling revenue of $2,939.6 million (FY25: $2,519.6 million), as disclosed in Note 3 'Revenue and other income'. Revenue recognition for the sale of non-ferrous secondary recycling inventory is determined with reference to the International Commercial Terms ("Incoterms") of the contract. Judgment is required to determine when control is transferred and performance obligations are satisfied under these contractual arrangements, with specific focus on transactions occurring near 30 June 2026. Additional complexity arises from the consolidation of the Global Trading Operations segment and related manual revenue adjustments throughout the year.	Our procedures included, but were not limited to: • Evaluating management's processes and controls in respect of the recognition of non-ferrous secondary recycling revenue. • Testing, on a sample basis, shipments occurring near to and after 30 June 2026 to assess whether revenue was recognised at the appropriate point in time based on contractual shipping terms and the requirements of AASB 15 *Revenue from Contracts with Customers*. • Testing, on a sample basis, manual revenue adjustments recorded near year-end by assessing the supporting documentation and evaluating whether the adjustments were appropriately recognised. • Assessing the methodology and testing, on a sample basis, the elimination of intercompany transactions relating to the Global Trading Operations segment. • Assessing the appropriateness of disclosures in the financial statements.

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<table>
<tr><th>Key Audit Matter</th><th>How the scope of our audit responded to the Key Audit Matter</th></tr>
<tr><td>

Revenue Recognition of Resale IT Equipment

The consolidated income statement includes IT recycling, repurposing and resale services revenue of $757.0 million (FY25: $426.7 million), as disclosed in Note 3 'Revenue and other income', which included resale services revenue of $492.1 million (FY25: $155.0 million).

Resale revenue is recognised on a gross basis where the Group has concluded that it acts as principal in the transaction in accordance with AASB 15 *Revenue from Contracts with Customers*.

Judgment is required in assessing whether the Group obtains control of the equipment prior to sale to the end customer, and when that control is obtained.

The assessment of whether the Group acts as principal or agent directly impacts whether revenue is recognised on a gross or net basis and was therefore an area of focus in our audit.

</td><td>

Our procedures included, but were not limited to:

- Evaluating management's processes and controls in respect of the recognition of resale revenue.
- Assessing management's conclusion that the Group acts as principal in resale transactions with reference to the requirements of AASB 15 *Revenue from Contracts with* Customers ("AASB 15").
- Testing, on a sample basis, resale transactions during the year to supporting documentation.
- Assessing whether revenue was appropriately recognised on a gross basis with reference to:
  - The contractual terms governing the resale arrangement;
  - The point at which the Group obtained control of the equipment and control was subsequently transferred to the end customer; and
  - Evaluating whether the recognition of revenue was in accordance with Group policy and AASB 15.
- Assessing the appropriateness of disclosures in the financial statements.

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</table>

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this auditor's report, and also includes the following information which will be included in the Group's Annual Report (but does not include the financial report and our auditor's report thereon): 2026 Financial Highlights, Operational Highlights, Chairman and CEO's Review, the Sustainability Report, Other Information and Shareholder Information, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the

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work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

Responsibilities of the Directors for the Financial Report

The directors are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and

- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our

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conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 42 to 70 of the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Sims Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

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DELOITTE TOUCHE TOHMATSU

Samuel Vorwerg
Partner
Chartered Accountants
Sydney, 18 August 2026

Additional Information

SHAREHOLDER INFORMATION

As at 30 June 2026

Substantial Shareholders

	%
Mitsui & Co., Ltd.	17.3%
Yarra Funds Management Limited	5.2%

Ordinary Shares

Distribution of ordinary share holdings

Range	Securities	%	No. of holders	%
1 to 1,000	2,331,186	1.21	6,141	64.70
1,001 to 5,000	6,283,913	3.25	2,837	29.89
5,001 to 10,000	2,351,904	1.22	330	3.48
10,001 to 100,000	3,956,749	2.05	156	1.65
100,001 and over	178,309,239	92.27	27	0.28
Total	**193,232,991**	**100.00**	**9,491**	**100.00**
Unmarketable parcels	1,869	–	583	6.40

Performance rights/restricted share unit holdings

Distribution of performance rights/restricted share units holdings

Range	Holders
1 to 1,000	8
1,001 to 5,000	59
5,001 to 10,000	23
10,001 to 100,000	77
100,001 and over	8
Total	**175**

A total of 4,610,451 performance rights and restricted share units to take up ordinary shares are issued under the Sims Limited Long Term Incentive Plan and individual contracts, held by 175 holders.

SHAREHOLDER INFORMATION (continued)

As at 30 June 2026

Twenty Largest Shareholders

Rank	Name	30 June 2026	IC%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	58,717,523	30.39
2	CITICORP NOMINEES PTY LIMITED	33,861,336	17.52
3	MITSUI & CO LTD	33,450,338	17.31
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	33,085,513	17.12
5	BNP PARIBAS NOMS PTY LTD	7,470,340	3.87
6	BNP PARIBAS NOMINEES PTY LTD	2,463,927	1.28
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,781,647	0.92
8	SOLIUM NOMINEES (AUSTRALIA) PTY LTD	1,314,348	0.68
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,017,434	0.53
10	UBS NOMINEES PTY LTD	612,865	0.32
11	BNP PARIBAS NOMINEES PTY LTD	520,834	0.27
12	PACIFIC CUSTODIANS PTY LIMITED	498,600	0.26
13	BNP PARIBAS NOMINEES PTY LTD	436,483	0.23
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	380,528	0.20
15	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	332,238	0.17
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	278,153	0.14
17	BNP PARIBAS NOMS (NZ) LTD	276,864	0.14
18	BNP PARIBAS NOMS PTY LTD	237,510	0.12
19	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	227,517	0.12
20	NETWEALTH INVESTMENTS LIMITED	206,364	0.11
	Total	**177,170,362**	**91.70**

5-Year Trend Summary

(A$M UNLESS OTHERWISE DEFINED)	2026	2025	2024[1]	2023	2022
Revenue	8,031.9	7,524.5	7,224.0	8,082.1	9,275.6
Underlying EBITDA	727.8	430.0	290.3	474.9	958.9
Statutory EBIT	407.4	68.6	130.1	293.0	773.6
Underlying EBIT	468.0	174.9	58.7	252.2	756.1
Net interest expense	(44.4)	(33.7)	(52.3)	(28.1)	(16.0)
Statutory income tax expense	(117.7)	(32.5)	(76.0)	(83.8)	(158.3)
Statutory net profit for the year	245.3	2.4	1.8	181.1	599.3
Underlying net profit for the year	289.1	83.1	(23.4)	156.9	578.9
Net cash inflows from operations	423.6	297.1	202.5	449.5	547.8
Statutory earnings per share - diluted (cents)	125.3	1.2	90.0	91.7	295.6
Underlying earnings per share - diluted (cents)	147.7	42.5	(11.9)	79.4	285.5
Dividends per share (cents)	34.0	23.0	10.0	35.0	91.0
Return on invested capital (%)	11.7	4.5	1.8	n/a	n/a
Current ratio (:1)	1.53	1.66	1.48	1.79	1.73
Gearing ratio (%)	19.6	18.8	21.2	15.7	15.0
Net tangible asset backing per share ($)	12.03	12.01	11.70	12.99	12.39

1 Continuing operations

SHAREHOLDER INFORMATION (continued)

Company Directory

Securities Exchange Listing

The Company's ordinary shares are quoted on the Australian Securities Exchange under the ASX Code 'SGM'.

The Company's American Depositary Shares (ADSs) are quoted on the Over the Counter market under the symbol 'SMSMY'. The Company has a Level I ADS program, and the depositary bank is The Bank of New York Corporation. ADSs trade under CUSIP number 829160100, with each ADS representing one (1) ordinary share. Further information and investor enquiries on ADSs may be directed to:

THE BANK OF NEW YORK

Regular mail

BNY Shareowner Services
P.O. Box 43006
Providence, RI 02940-3078

Overnight/certified/registered delivery

BNY Shareowner Services
150 Royall Street, Suite 101
Canton, MA 02021

Telephone

Domestic: 888 269 2377
Foreign: +1 (201) 680 6825

Email

shrrelations@cpushareownerservices.com

Website

www.computershare.com/investor

Registered Office

Suite 2, Level 9
189 O'Riordan Street, Mascot 2020
Telephone: +61 2 8113 1600

Mailing Address

Locked Bag 5016
Alexandria, NSW 2015

Shareholder Enquiries

MUFG CORPORATE MARKETS (AU) LIMITED

Street Address

Liberty Place
Level 41, 161 Castlereagh St
Sydney, NSW 2000

Postal Address

Locked Bag A14
Sydney South, NSW 1235, Australia

Telephone: 1300 554 474
Outside Australia: +61 1300 554 474 Facsimile: +61 2 9287 0303
Website: https://www.mpms.mufg.com/
Email: support@cm.mpms.mufg.com

Company Secretaries

Gretchen Johanns
Michelle Pole

Auditor

DELOITTE TOUCHE TOHMATSU

Level 46, Quay Quarter Tower
50 Bridge Street, Sydney, NSW 2000

Telephone: +61 2 9322 7000
Website: www.deloitte.com.au

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www.simsltd.com