



## **NOMINATION/GOVERNANCE COMMITTEE CHARTER**

### **Composition of the Committee**

- The Nomination/Governance Committee ('Committee') of the board of directors ('Board') of Sims Metal Management Limited ('Sims MM' or the 'Company') shall comprise at least three directors of the Company, with a majority being independent.
- Appointments, rotations and resignations of Committee members will be recommended to the Board by the Chairperson of the Committee ('Committee Chairperson').
- The Committee Chairperson shall be appointed by the Board and shall be an independent director, other than the Chairperson of the Board.
- Committee members shall be considered independent if they do not have any of the relationships identified in Box 2.1 of the Australian Securities Exchange ('ASX') Corporate Governance Council Corporate Governance Principles and Recommendations 2nd edition (August 2007) and have been determined by the Board to be independent, as defined in and to the extent required by the applicable rules of the United States Securities and Exchange Commission ('SEC'), the listing standards of the New York Stock Exchange, Inc. ('NYSE') and other applicable law and regulations, as they may be amended from time to time.
- The Group Company Secretary of Sims MM, or his nominee, will act as Secretary of the Committee.

### **Role of the Committee**

The primary role of the Committee is to support and advise the Board in fulfilling its responsibilities to the shareholders of the Company in having a Board comprising individuals who are best able to discharge the responsibilities of directors.

## **Functions of the Committee**

- Having regard to the strategic direction of Sims MM, periodically assessing the skills, experience and expertise (“skills”) required to competently discharge the Board’s duties and reporting the outcome of that assessment to the Board.
- Having regard to the skills required, assessing whether the skills represented by the Board are adequate.
- When the need for a new director is identified or an existing non-executive director retires, making recommendations to the Board on candidates it considers appropriate for appointment as directors, having regard to the candidate’s skills and other commitments and following receipt of the advice, where necessary, of independent search consultants.
- Making recommendations to the Board on the removal of directors.
- Periodically conducting a review of the independence of directors.
- Developing and implementing a plan for identifying, assessing and enhancing director competencies and ensuring non-executive directors are regularly updated in their knowledge of issues, trends and challenges relevant to Sims MM and its industry.
- Establishing procedures and overseeing the performance assessment program of non-executive directors, the Board as a whole and its various committees.
- Ensuring that a member of the Committee not participate in the review of his or her own performance.
- Periodically reviewing the time and commitment required of a non-executive director, and whether non-executive directors are meeting this.
- Developing a plan for Board succession, including the succession of the Chairperson of the Board.
- Overseeing the effectiveness of the induction process for new directors, and periodically reviewing it.
- Reviewing and recommending any update to this Charter as deemed necessary.
- Performing an evaluation of the Committee’s performance at least annually to determine whether it is functioning effectively by reference to current best practice.

## **Operations of the Committee**

- The Committee shall meet at least once each year and as required.
- A meeting of the Committee shall be taken to be convened if all Committee members are present.
- An Agenda for a Committee meeting shall, where practicable, be prepared and circulated to Committee members and other relevant individuals at least 48 hours prior to the time of the meeting.
- A Committee meeting may be held by Committee members communicating with each other by any technological means by which they are able to simultaneously hear each other and participate in discussion. The minutes of the meeting shall record the method of communication by which the meeting was conducted.
- Minutes of a Committee meeting shall be taken and tabled at the next convenient Board meeting. The Committee Chairperson shall report to the Board on any matters of significance recorded in the minutes.
- The Committee, through the Committee Chairperson, may request the attendance at Committee meetings of management and/or staff of Sims MM on a regular or irregular basis, as it deems necessary, to provide appropriate information or explanations.

## **Authority of the Committee**

- In order to perform its duties, the Committee is authorised, via the Group Chief Executive Officer, to seek any information it requires from any employee of Sims MM.
- The Committee is authorised to obtain, at Sims MM's expense:
  - legal advice; and
  - advice from senior management of Sims MM, on Committee issues; and
  - other professional advice on any matters within its Charter.