



Sims Group Limited Disclosure against NYSE Corporate Governance Standards

Under the New York Stock Exchange's (**NYSE**) corporate governance standards as codified under Section 303A of the NYSE Listed Company Manual (**Listing Rules**), foreign private issuers, such as Sims Group Limited, are permitted to follow home country practice in lieu of the Listing Rules, except for the rule regarding compliance with Rule 10A-3 of the U.S. Securities Exchange Act of 1934 and certain notification provisions contained in the Listing Rules.

However, the Listing Rules require that foreign private issuers disclose any significant ways in which their corporate governance practices differ from those followed by US listed companies under the NYSE Listing Rules. The NYSE states that this requirement is not intended to suggest that one country's corporate governance practices are better or more effective than another.

Following a comparison of our corporate governance practices with the requirements of the NYSE Listing Rules, the following significant differences were identified:

- we do not schedule regular sessions where non-executive directors meet without management participation, however, the non-executive directors are free to meet amongst themselves and we facilitate this as and when required;
- the Remuneration Committee (**Committee**) charter does not include a mandate to review and approve the corporate goals and objectives relevant to CEO compensation (this responsibility rests with the Board), to specify the qualifications of its members or its reporting obligations to the Board. It also does not include a mandate to report on executive officer compensation (such disclosure is made in the remuneration report in our annual reports), to give the Committee sole authority to retain and terminate a search firm or to approve a consultant's fees and other retention terms (although the Committee is authorised to obtain professional advice on any matters within its charter); and
- we do not have corporate governance guidelines with respect to the procedure for how a director may access management, director compensation information (however such disclosure is made in the remuneration report in our annual reports) or director orientation and continuing education.