



Notice of 2023 Annual General Meeting



Notice is hereby given that Sims Limited will hold its Annual General Meeting (**Meeting**) of the shareholders at 9.00am (AEDT) on Wednesday, 1 November 2023 as a hybrid meeting for the purpose of transacting the business set out in this Notice. Shareholders are invited to attend the Meeting at the Calile Hotel, 48 James Street, Fortitude Valley QLD 4006 Australia or online at <https://meetings.linkgroup.com/SGM2023>.

SIMS LIMITED ACN: 114 838 630

28 September 2023

DEAR SHAREHOLDER

I have the pleasure of inviting you to the 2023 Annual General Meeting of Sims Limited. The Annual General Meeting (**Meeting** or **AGM**) of the shareholders (**Shareholders**) of Sims Limited (**Company** or **Sims**) will be held at the Calile Hotel, 48 James Street, Fortitude Valley QLD 4006 Australia on Wednesday, 1 November 2023 at 9.00am (AEDT).

We are also offering shareholders the ability to attend online at <https://meetings.linkgroup.com/SGM2023>. Shareholders and proxyholders who attend online will be able to follow the proceedings, cast a live vote, and ask questions in real-time using the online platform. Instructions on how to do so are included in the Notice of Meeting and further details are published on Sims' website.

Even if you plan to attend in person or participate online, you are encouraged to submit a directed proxy before the Meeting so that your vote can be counted if the physical meeting arrangements change and you cannot attend or if there is a technical difficulty.

Your directors and the management of the Company look forward to providing an update on Sims' activities at the AGM.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Gretchen Johanns', written in a cursive style.

Gretchen Johanns
Company Secretary

AGENDA ITEMS

ACCOUNTS AND REPORTS

To receive and consider the financial statements of the Company and its controlled entities for the year ended 30 June 2023 and the related Directors' Report and Auditor's Report.

RE-ELECTION OF DIRECTORS

Mr Thomas Gorman

RESOLUTION 1

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mr Thomas Gorman, who retires by rotation at the Annual General Meeting in accordance with the Company's Constitution and the ASX Listing Rules and having offered himself for re-election and being eligible, be re-elected as a Director of the Company."

Ms Katherine Anne Hirschfeld AM

RESOLUTION 2

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Ms Katherine Anne Hirschfeld AM, who having been appointed as an additional Director since the last Annual General Meeting retires at the Annual General Meeting in accordance with the Company's Constitution and the ASX Listing Rules and having offered herself for re-election and being eligible, be re-elected as a Director of the Company."

REMUNERATION REPORT

RESOLUTION 3

To consider and, if thought fit, pass the following resolution as a non-binding ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2023 (as set out in the Directors' Report) is adopted."

Note: The vote on this resolution is advisory only and does not bind the directors or the Company.

A voting exclusion applies to this resolution.

PARTICIPATION IN THE COMPANY'S LONG TERM INCENTIVE PLAN BY MR MIKKELSEN

RESOLUTION 4

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That approval is given for the Company to issue Mr Stephen Mikkelsen, the Chief Executive Officer and Managing Director of the Company, 140,996 Performance Rights under the terms of the Company's Long Term Incentive Plan, as described in the Explanatory Memorandum accompanying the Notice of Meeting."

A voting exclusion applies to this resolution.

Further information in relation to the Meeting and the business to be considered is set out in the Explanatory Memorandum, which forms part of this Notice of Meeting.

By order of the Board



Gretchen Johanns
Company Secretary

28 September 2023

INFORMATION FOR SHAREHOLDERS

ELIGIBILITY TO VOTE

For the Meeting, shares will be taken to be held by persons who are registered as Shareholders as at 7.00pm (AEDT) on Monday, 30 October 2023. Accordingly, transactions registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the Meeting.

ATTENDING THE MEETING AT THE PHYSICAL VENUE

Registration will open at 8.00am (AEDT) on Wednesday, 1 November 2023. Please monitor the Company's website and ASX announcements where updates will be provided if it becomes necessary or appropriate to make alternative arrangements for the holding or conduct of the Meeting.

REGISTRATION TO ATTEND THE MEETING ONLINE

Shareholders may register to attend the Meeting virtually and can vote and ask written questions via the online platform at <https://meetings.linkgroup.com/SGM2023>.

Online registration for the AGM will commence from 8.00am (AEDT) on Wednesday, 1 November 2023. The Company recommends logging in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting (9.00am (AEDT)) using the instructions below.

- Enter the Company voting link <https://meetings.linkgroup.com/SGM2023> into the web browser on a mobile or online device;
- Shareholders will need their Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**); and
- Proxyholders will need their proxy code, which Link Market Services will provide via email no later than 24 hours prior to the Meeting.

Shareholders can find their SRN / HIN on any Statement received by post, or from their Stockbroker. If you are unable to locate your SRN/HIN, please contact Link Market Services at +61 1800 990 363 well in advance of the Meeting. For security reasons, your SRN/HIN can only be sent by post to your registered postal address.

More information about online participation in the Meeting is available in the AGM Online Guide at www.simsltd.com/agm.

WEBCAST

Shareholders may also view a live webcast of the Meeting at <https://meetings.linkgroup.com/SGM2023>. Note that if you login as a guest, you will not be able to vote or ask questions at the Meeting.

VOTING ON RESOLUTIONS

Each of the resolutions set out in this Notice of Meeting will be decided by poll.

SHAREHOLDER VOTING & PROXIES

Each Shareholder who is entitled to vote at the Meeting has the right to appoint a proxy to attend the Meeting and vote on the Shareholder's behalf. The proxy need not be a Shareholder of the Company and may be an individual or a body corporate. If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the proxy appointments do not specify a proportion or number, each proxy may exercise half of the Shareholder's votes.

Even if you plan to attend the Meeting, you are still encouraged to submit a directed proxy in advance of the Meeting so that your vote can be counted if for any reason you cannot attend (for example, if you are attending online and there is an issue with your internet connection on the day of the Meeting).

LODGING YOUR PROXY FORM PRIOR TO THE MEETING

A Proxy Form (and any power of attorney or other authority under which it is signed (if any), or a certified copy of the power of attorney or authority), must be received by the Company by **9.00am (AEDT) on Monday, 30 October 2023**. Proxy Forms received after this time will not be effective for the Meeting.

PROXY FORMS MAY BE LODGED WITH THE COMPANY:



online at the Company Share Registry's website: investorcentre.linkmarketservices.com.au



by mail to Locked Bag A14,
Sydney South NSW 1235; or



by sending by facsimile to the Company Share Registry on
+612 9287 0309.

CORPORATE REPRESENTATIVES

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. Forms to appoint a representative are available at www.linkmarketservices.com.au, or can be requested by either phone or email via the contact details on the Proxy Form. Completed forms should be submitted at vote@linkmarketservices.com.au, or by any other contact as per the Proxy Form prior to the start of the Meeting.

DIRECTING YOUR PROXY HOW TO VOTE

If you want to direct your proxy how to vote on a particular Item of Business, please mark the appropriate box on the Proxy Form.

If you mark the abstain box for a particular Item of Business, you are directing your proxy not to vote on that item.

If you do not mark any particular Item of Business, you are directing your proxy to vote as he or she decides, subject to any voting exclusions that may apply to the proxy.

KEY MANAGEMENT PERSONNEL (KMP) APPOINTED PROXY

If a Shareholder appoints a member of the Company's KMP (which includes Directors) as proxy, they will not be able to cast the Shareholder's vote on items 3 and 4, unless the Shareholder directs them how to vote or the Chairman of the Meeting is or becomes the proxy (see below).

CHAIRMAN OF THE MEETING APPOINTED PROXY

A Shareholder may appoint the Chairman of the Meeting as proxy. The Chairman of the Meeting will be deemed to be a Shareholder's proxy if the Shareholder submits the Proxy Form, but does not name a proxy or if the person appointed as proxy does not attend the Meeting online or does not vote on a poll in accordance with the Shareholder's directions.

If the Shareholder provides a voting direction on a particular item of Business, the Chairman of the Meeting must vote in accordance with the direction on a poll.

Where the Chairman of the Meeting is appointed as, or becomes, a Shareholder's proxy and that Shareholder has not specified the way in which he or she is to vote for items 3 and 4, then by submitting the Proxy Form, the Shareholder is expressly authorising the Chairman of the Meeting to exercise the proxy as they decide even though these items are connected with the remuneration of the Company's KMP.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items on the agenda.

INFORMATION FOR SHAREHOLDERS

SHAREHOLDER QUESTIONS

If you would like to submit a question to the Company in advance of the Meeting, please submit your question online at www.linkmarketservices.com.au. You may also submit questions to the Auditor on the content of the Auditor's Report or the conduct of the audit. Questions should be submitted no later than 5.00pm (AEDT) on Wednesday, 25 October 2023.

The Chairman of the Meeting will endeavour to address as many of the most frequently raised topics as possible during the Meeting but there may not be time to address all questions. Please note that individual responses will not be sent to Shareholders.

Shareholders and proxyholders who participate virtually will be given an opportunity to ask questions in real-time in writing via the online platform or verbally by telephone. A personalised PIN is needed to ask questions by telephone. To receive a personalised PIN, please contact Link Market Services before the AGM. Dial-in details for the AGM and contact details for Link Market Services are included in the Online Guide. If you plan to ask questions by telephone, you will still need to log into the online platform if you wish to vote during the Meeting.

TECHNICAL DIFFICULTIES

It is possible that technical difficulties may arise during the course of the Meeting. The Chairman of the Meeting has discretion as to whether and how the Meeting should proceed if a technical difficulty arises. In exercising this discretion, the Chairman of the Meeting will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where the Chairman of the Meeting considers it appropriate, he or she may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid instructions. For this reason, Shareholders are encouraged to lodge a Proxy Form in advance of the Meeting even if they plan to attend the Meeting online.

EXPLANATORY MEMORANDUM FOR THE 2023 ANNUAL GENERAL MEETING (MEETING)

BUSINESS OF THE MEETING

ACCOUNTS AND REPORTS

The Financial Report, Directors' Report and the Auditor's Report for the financial year ended 30 June 2023 (**FY2023**) will be laid before the Meeting.

Together, the Financial Report, Directors' Report and the Auditor's Report constitute the Company's FY2023 Annual Report. Unless a Shareholder has requested to receive a hard copy of the Annual Report, Shareholders will not be sent a hard copy of the Annual Report. All Shareholders can view the FY2023 Annual Report on the Company's website at www.simsltd.com/investors/reports.

During the consideration of the Reports, the Chairman of the Meeting will give Shareholders as a whole a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman of the Meeting will also give Shareholders as a whole a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

RESOLUTION 1

Re-election of Director – Mr Thomas Gorman



INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr Gorman retires by rotation and, being eligible, offers himself for re-election as a Director.

Mr Gorman was appointed as a Director in June 2020. He was appointed Chairperson of the Safety, Health, Environment, Community & Sustainability (SHECS) Committee in November 2021.

Mr Gorman has broad experience in leading global businesses. He served as the Global Chief Executive Officer of Brambles Ltd for seven years, retiring in February 2017. Prior to Brambles, Mr Gorman held a number of senior executive positions over a 21-year career at Ford Motor Company, culminating in President and Chief Executive Officer of Ford Australia from 2004 to 2008.

Mr Gorman is an experienced company director. He is a non-executive director of two other ASX-listed companies, Worley Ltd, a global provider of professional project and asset services, and Orora Ltd, a packaging solutions specialist, and a NYSE-listed company, Alcoa Corporation, a global leader in the production of bauxite, alumina and aluminium products. Mr Gorman holds a Bachelor of Arts in Economics from Tufts University, a Master of Business Administration from Harvard Business School, and a Global Master of Arts in International Relations and Affairs from Tufts University.

The Board considers Mr Gorman to be an Independent Director.

Prior to submitting himself for re-election, Mr Gorman acknowledged to the Company that he would have sufficient time to properly fulfil his duties to the Company.

Board's recommendation

The Board, with Mr Gorman abstaining, unanimously recommends that Shareholders vote in favour of the re-election of Mr Gorman for the reasons summarised above.

EXPLANATORY MEMORANDUM FOR THE 2023 ANNUAL GENERAL MEETING (MEETING)

RESOLUTION 2

Re-election of Director – Ms Katherine Anne Hirschfeld AM



INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms Hirschfeld was appointed as a Director effective 1 September 2023. She is a member of the Audit, People & Culture, and Safety, Health, Environment, Community & Sustainability (SHECS) Committees.

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 is currently the Chair of Powerlink Queensland, an independent non-executive director of Central Petroleum, and a board member of Spark Infrastructure RE Limited, its subsidiaries and related entities (which includes the Boards of SA Power Networks and Victoria Power Networks (Powercor and CityPower)). 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, Snowy Hydro and Queensland Urban Utilities. Additionally, she was a member of the Senate of the University of Queensland for 10 years. Ms Hirschfeld is a Fellow of the Australian Institute of Company Directors and the Academy of Engineering and Technology. In 2019, she was appointed a Member of the Order of Australia (AM) for significant service to engineering, women, and business.

Prior to submitting herself for election, Ms Hirschfeld acknowledged to the Company that she would have sufficient time to properly fulfil her duties to the Company.

Appropriate background checks were completed before Ms Hirschfeld was appointed to the Board.

Board's recommendation

The Board, with Ms Hirschfeld abstaining, unanimously recommends that Shareholders vote in favour of the re-election of Ms Hirschfeld for the reasons summarised above.

RESOLUTION 3

Remuneration Report

The Remuneration Report is contained in the Directors' Report of the Company's FY2023 Annual Report.

The Remuneration Report:

- explains the policies behind, and structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance; and
- sets out the remuneration details for the non-executive Directors, the Group Chief Executive Officer (**CEO**) and the group of executives of the Company who together have the authority and responsibility for planning, directing and controlling the activities of the Company.

The Corporations Act requires listed companies to put the Remuneration Report for each financial year to a resolution of members at their Annual General Meeting. Under section 250R(3) of the *Corporations Act 2001* (Cth), the vote is advisory only and does not bind the Directors or the Company.

The Chairman of the Meeting will give Shareholders as a whole a reasonable opportunity at the Meeting to ask questions about or make comments on the Remuneration Report.

Voting on Advisory Resolution 3

The Company will disregard any votes cast on this resolution:

- by or on behalf of a person who is a member of the Company's key management personnel (**KMP**) whose details are included in the Remuneration Report for the year ended 30 June 2023 or their closely related parties (regardless of the capacity in which the vote is cast); or
- as proxy by a person who is a member of the KMP on the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote:

- in accordance with the directions on the Proxy Form; or
- by the Chairman of the Meeting, in accordance with an express authorisation in the Proxy Form to exercise the proxy even though the resolution is connected with the remuneration of the Company's KMP.

Board's recommendation

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

EXPLANATORY MEMORANDUM FOR THE 2023 ANNUAL GENERAL MEETING (MEETING)

RESOLUTION 4

Participation in the Company's Long Term Incentive Plan (LTIP) By Mr Mikkelsen

The Company is seeking Shareholder approval for the proposed grant of performance rights to the CEO and Managing Director, Mr Stephen Mikkelsen, under the Company's Long Term Incentive Plan (**LTIP**).

The Board considers it appropriate for shareholders to vote on the grant of Performance Rights under the LTIP to Mr Mikkelsen, even though shareholder approval for the grant is not required under the Listing Rules because the terms of the LTIP award require any shares to be purchased on-market.

The Board believes that the grant of the Performance Rights, pursuant to the LTIP introduced in 2007, is an important element of the Company's remuneration strategy for the Group CEO. For FY2024, the Group CEO's current total remuneration package is as follows:

- cash remuneration of A\$1,425,000 per annum (**Base**) and other benefits;
- a short-term incentive opportunity of 100% of Base (target) and 184% of Base (maximum); and
- an annual performance-based long-term incentive (**LTI**) award equal to 150% of Base at maximum vesting. Consequently, Mr Mikkelsen's LTI award for FY2024 (**FY2024 LTI Award**) has a value of A\$2,137,500.

Shareholders are referred to the Remuneration Report for full details of Mr Mikkelsen's remuneration.

Subject to Shareholders passing this Resolution 4, Mr Mikkelsen will be granted 140,996 Performance Rights, comprising three parts:

1. **TSR Performance Rights.** A grant of 31,019 Performance Rights with a nil issue and exercise price, with vesting based on the total shareholder return (**TSR**) of the Company relative to the performance of a comparator group of companies comprising the ASX200 Materials and Energy Sectors as of 1 July 2023 (subject to a continued employment vesting condition described in more detail below) (**TSR Performance Rights**). The list of these comparators is in Annexure 1 to this Explanatory Memorandum. This grant would constitute approximately 22% of Mr Mikkelsen's FY2024 LTI Award and is based on the average closing price of ordinary shares traded on the ASX in the five trading days up to and including 31 August 2023.
2. **Strategic Performance Rights.** A grant of 63,448 Performance Rights with a nil issue and exercise price, with vesting based on the achievement against a scorecard of three-year goals tied to the Company's strategic plan (subject to a continued employment vesting condition described in more detail below) (**Strategic Performance Rights**). This grant would constitute approximately 45% of Mr Mikkelsen's FY2024 LTI Award and is based on the average closing price of ordinary shares traded on the ASX in the five trading days up to and including 31 August 2023.
3. **Return on Productive Asset Performance Rights.** A grant of 46,529 Performance Rights with nil issue and exercise price, with vesting based on the Company's performance against a Return on Productive Assets metric (subject to a continued employment vesting condition described in more detail below) (**ROPA Performance Rights**). Return on Productive Assets is defined as Average Non-Current Assets (less Right of Use and Deferred Tax Assets) divided by Underlying Earnings Before Interest and Tax. This grant would constitute approximately 33% of Mr Mikkelsen's FY2024 LTI Award and is based on the average closing price of ordinary shares traded on the ASX in the five trading days up to and including 31 August 2023.

The Board believes that the proposed grant of the FY2024 LTI Award to Mr Mikkelsen is an approach that will support both the Company's strategic growth and Shareholder expectations.

The performance period in which the FY2024 Performance Rights will be tested is the three-year period commencing on 1 July 2023 (**Start Date**) and ending on 30 June 2026 (**Test Date**) (**Performance Period**).

Key terms of the FY2024 LTI Award

TSR Performance Rights

The TSR Performance Rights are subject to a vesting condition based on a TSR performance hurdle. TSR measures the change over a particular period in the price of shares plus dividends notionally re-invested in shares.

The Company's TSR for the Performance Period will be compared against the constituent companies of the ASX200 Materials and Energy Sectors as of 1 July 2023 (**Comparators**). The list of the Comparators is in Annexure 1 to this Explanatory Memorandum (**Comparator Group**). The Comparator Group may be adjusted from time to time by the Board in its discretion (for example, if a company is delisted in the future or its TSR is no longer ascertainable).

In order for any of Mr Mikkelsen's TSR Performance Rights granted to him under the FY2024 LTI Award to vest, the Company's TSR for the relevant Performance Period must place the Company at, or above, the 50th percentile relative to the TSRs of the Comparator Group.

Based on the Company's relative TSR performance over the Performance Period, Mr Mikkelsen's TSR Performance Rights will vest in accordance with the following table:

THE COMPANY'S TSR RELATIVE TO TSRs OF COMPARATOR GROUP	PROPORTION OF TSR PERFORMANCE RIGHTS VESTING	NUMBER OF TSR PERFORMANCE RIGHTS VESTING
Below 50 th Percentile	0%	0
At 50 th Percentile	50%	15,510
Between 50 th and 75 th Percentile	Straight-line vesting between 50% and 100%	Straight-line vesting
At or Above 75 th Percentile	100%	31,019

TSR is calculated in each case on the following basis:

- dividends are re-invested on the ex-dividend date;
- share prices are calculated as a volume weighted average sale price of Shares on the ASX for the three months preceding the Start Date and the three-month period up to and including the Test Date; and
- tax and any franking credits (or similar) will be ignored.

Strategic Performance Rights

The Strategic Performance Rights are subject to a vesting condition based on achievement of goals over the performance period.

The goals for the Strategic Performance Rights are tied to the Company's growth strategy and are set out in the table below:

STRATEGIC GOALS	MEASURE AT TEST DATE (30 JUNE 2026)
Sales and Operations Planning Improvements (45% of opportunity) ¹	Assessed against margin improvement realised from various initiatives such as: • increasing shredder capacity utilisation • improving supply quality of ferrous intake • optimising sales mix by products and markets
Growth of ferrous metal business (20% of opportunity)	Global ferrous volume, including joint venture equity tonnes, of 10.84 MT.
Growth of non-ferrous metal business (20% of opportunity)	Global non-ferrous (retail plus non-ferrous shred residue) volume, including joint venture equity tonnes, of 1.19 MT.
Sustainability (15% of opportunity)	Reduce Scope 1 and 2 emissions from FY20 baseline by >30%. Pay Equity – close and maintain gender pay equity gap to target range of +/- 2% and expand to race and ethnicity, where permitted by data availability.

The Board will assess each goal and determine an overall achievement level having regard to both the specific objectives underpinning the strategy and the extent to which the measures in the table above are achieved. While this introduces an element of subjectivity to the assessment, substantial achievement against the measures will be required for a partial achievement percentage to be awarded. The measures above will be transparently reported as will the progress against the strategic objectives.

The Board has discretion in relation to the calculation and testing of the Strategic Performance Rights. The decision to vest the Strategic Performance Rights is subject to the overriding discretion of the Board, which may adjust outcomes to reflect shareholder expectations or management performance.

¹ Specific targets are not disclosed for commercial reasons.

EXPLANATORY MEMORANDUM FOR THE 2023 ANNUAL GENERAL MEETING (MEETING)

ROPA Performance Rights

The ROPA Performance Rights are subject to a vesting condition based on the Company's performance against a Return on Productive Assets metric over the Performance Period. Return on Productive Assets is defined as Average Non-Current Assets (less Right of Use and Deferred Tax Assets) divided by Underlying Earnings Before Interest and Tax, which measures the return on assets used in the production of EBIT, including Goodwill.

The three-year targets for the ROPA Performance Rights are set out below:

FY2024-2026 AVERAGE ROPA	PROPORTION OF ROPA PERFORMANCE RIGHTS VESTING	NUMBER OF ROPA PERFORMANCE RIGHTS VESTING
Below 12%	0%	0
12%	50%	23,265
12%–20%	Straight-line vesting between 50% and 100%	Straight-line vesting
20% or Higher	100%	46,529

Vesting

The Performance Rights will be tested for satisfaction of the Performance Conditions at the Test Date. Any FY2024 Performance Rights that have not met the Performance Conditions as at the Test Date will immediately lapse and be forfeited.

If the Performance Rights vest, they will be automatically exercised (with no further action required on the part of Mr Mikkelsen) into one Share for each vested Performance Right, as applicable, on the last business day in August 2026 (**Rights Vesting Date**).

Terms applying to the FY2024 Performance Rights

(a) Continued employment vesting condition:

In addition to the Company meeting the applicable performance hurdles specified above, subject to the terms of his Executive Employment Agreement, Mr Mikkelsen must also continue to be a full-time employee of the Company (or its subsidiary) at the Rights Vesting Date for the FY2024 Performance Rights to vest.

Under the terms of his Executive Employment Agreement, Mr Mikkelsen's unvested FY2024 Performance Rights continue on foot and will be tested in the ordinary course in the following circumstances:

- (i) If Mr Mikkelsen's employment is terminated by the Company for convenience, unless the Board determines otherwise acting reasonably having regard to the performance of Mr Mikkelsen.
- (ii) If Mr Mikkelsen terminates his employment for good reason.
- (iii) If Mr Mikkelsen's employment is terminated on his death or permanent disablement.

If the above circumstances do not apply, or the Board does not otherwise exercise its discretion under the terms of the LTIP, unvested FY2024 Performance Rights will lapse upon Mr Mikkelsen's employment ceasing.

All FY2024 Performance Rights will lapse and be immediately forfeited in cases of fraud, gross dishonesty or termination of Mr Mikkelsen's employment for cause and the Board may exercise clawback provisions related to LTI payments and future vesting in the event of fraud or serious misconduct.

(b) Change of control:

The Board has the discretion to immediately vest Mr Mikkelsen's unvested FY2024 Performance Rights if:

- (i) a person who did not control the Company at the date of grant of the FY2024 Performance Rights gains control of the Company; or
- (ii) a takeover bid is recommended by the Board, or a scheme of arrangement which would have a similar effect to a full takeover bid is approved by the Company's Shareholders.

Performance Rights generally

In relation to Performance Rights, the LTIP Rules:

- (a) prohibit the executive from hedging unvested awards;
- (b) allow the Company to settle awards in cash upon vesting at the Board's discretion;
- (c) state that if, prior to their exercise, the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash), the terms of the Performance Rights will be changed to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time to a reorganisation of capital; and
- (d) state that the holder is not entitled to participate in a new issue of shares or other securities made by the Company to holders of its shares unless the Performance Rights are vested and exercised before the record date for the relevant issue.

The LTIP may be amended by the Board, subject to ASX Listing Rules.

Other information

The following is provided for the information of shareholders:

- (a) If Shareholder approval is not obtained for the grant of Performance Rights to Mr Mikkelsen, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr Mikkelsen.
- (b) Under Mr Mikkelsen's FY2024 LTI Award, the maximum number of TSR Performance Rights that will be granted to him is 31,019, the maximum number of Strategic Performance Rights that will be granted to him is 63,448, and the maximum number of ROPA Performance Rights that will be granted to him is 46,529. On vesting, each Performance Right entitles Mr Mikkelsen to the allocation of one Share.
- (c) No issue price is payable by Mr Mikkelsen for the grant of the FY2024 Performance Rights. No exercise price is payable to exercise the FY2024 Performance Rights (subject to the vesting conditions being satisfied). The Company uses Performance Rights because they create share price alignment between executives and ordinary shareholders.
- (d) A total of 628,608 awards have previously been granted to Mr Mikkelsen for nil consideration under the LTIP since he commenced employment with Sims, of which 139,396 are unvested and remain subject to meeting performance conditions and 161,750 have been forfeited.
- (e) All Directors are eligible under the terms of the LTIP to participate in the LTIP, although there is no intention to make awards to Non-Executive Directors.
- (f) A voting exclusion statement for Resolution 4 is set out below.
- (g) No loan is advanced to Mr Mikkelsen in relation to the proposed grant of the FY2024 Performance Rights.
- (h) If Resolution 4 is passed, the Company intends that the FY2024 Performance Rights will be granted to Mr Mikkelsen on 1 November 2023. In any event, the Performance Rights will be granted no later than 12 months after the Meeting.

Voting exclusion statement

The Company will disregard any votes on this resolution:

- cast in favour of the resolution by or on behalf of any Director of the Company who is eligible to participate in the employee incentive scheme in respect of which the approval is sought or any of their associates (regardless of the capacity in which the vote is cast); and
- cast as proxy by a person who is a member of the Company's KMP on the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast:

- as proxy or attorney for a person entitled to vote in accordance with a direction given to the proxy or attorney to vote in that way; or
- by the Chairman of the Meeting as proxy for a person entitled to vote, in accordance with an express authorisation to vote as the proxy decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - › the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - › the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Board's recommendation

The Board, with Mr Mikkelsen abstaining, unanimously recommends that Shareholders vote in favour of Resolution 4.

ANNEXURE 1

FY24 TSR LTI grant companies

COMPANY NAME	TICKER
Allkem Limited	AKE
Alumina Limited	AWC
Amcor PLC	AMC
Ampol Limited	ALD
Beach Energy Limited	BPT
Bellevue Gold Ltd	BGL
BHP Group Limited	BHP
BlueScope Steel Ltd	BSL
Boral Limited	BLD
Brickworks Limited	BKW
Capricorn Metals	CMM
Chalice Mining Ltd	CHN
Champion Iron Ltd	CIA
Core Lithium	CXO
Coronado Global Res	CRN
CSR Limited	CSR
De Grey Mining	DEG
Deterra	DRR
Evolution Mining Ltd	EVN
Fortescue Metals Grp	FMG
Gold Road Res Ltd	GOR
IGO Limited	IGO
Iluka Resources	ILU
Incitec Pivot	IPL
James Hardie Industries plc	JHX
Karoon Energy Ltd	KAR
Lake Resources	LKE
Liontown Resources	LTR
Lynas Rare Earths	LYC
Mineral Resources	MIN
New Hope Corporation	NHC

COMPANY NAME	TICKER
Newcrest Mining	NCM
Nickel Industries	NIC
Northern Star	NST
Nufarm Limited	NUF
Orica Limited	ORI
Orora Limited	ORA
Paladin Energy Ltd	PDN
Perseus Mining Ltd	PRU
Pilbara Min Ltd	PLS
Regis Resources	RRL
Rio Tinto Limited	RIO
Sandfire Resources	SFR
Santos Ltd	STO
Sayona Mining Ltd	SYA
Silver Lake Resource	SLR
Sims Limited	SGM
South32 Limited	S32
Syrah Resources	SYR
Viva Energy Group	VEA
West African Res Ltd	WAF
Whitehaven Coal	WHC
Woodside Energy	WDS



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**SIMS
LIMITED**

Sims Limited
ABN 69 114 838 630

LODGE YOUR VOTE



ONLINE

<https://investorcentre.linkgroup.com>



BY MAIL

Sims Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Sims Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **9:00am on Wednesday, 1 November 2023 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a hybrid event. You can participate by attending in person at Meeting at **the Calile Hotel, 48 James Street, Fortitude Valley QLD 4006 Australia** or logging in online at <https://meetings.linkgroup.com/SGM2023> (refer to details in the Virtual Annual General Meeting Online Guide). To access the **Notice of Annual General Meeting** this can be viewed and downloaded at the Company's website at <https://www.simsltd.com/>.

Important for Resolutions 3 & 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 3 & 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

For Against Abstain*

- 1 RE-ELECTION OF DIRECTOR
– THOMAS GORMAN
- 2 RE-ELECTION OF DIRECTOR
– KATHERINE ANNE HIRSCHFELD AM
- 3 APPROVAL OF REMUNERATION
REPORT
- 4 PARTICIPATION IN THE COMPANY'S
LONG TERM INCENTIVE PLAN BY
MR MIKKELSEN

☐	☐	☐
☐	☐	☐
☐	☐	☐
☐	☐	☐



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

SGM PRX2301N



YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am on Monday, 30 October 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Sims Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)