



PERFORMANCE EVALUATION PROCESS FOR THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS AND KEY EXECUTIVES

Board and committee performance assessment

The board of directors ('Board') of Sims Metal Management Limited ('Sims MM') undertakes an annual self assessment of its collective performance and seeks specific feedback from the senior management team on particular aspects of its performance. The Nomination/Governance Committee of Sims MM establishes procedures and oversees this annual performance assessment program. The process may be facilitated by an independent third party. The results and any action plans flowing from this annual assessment are documented, together with specific performance goals that are agreed for the coming year.

The performance of the Group Chief Executive Officer and other executive directors is appraised at least annually, through a formal performance appraisal process conducted by the Board.

The Chairperson's performance is reviewed by the Board.

In addition, each Board committee undertakes an annual self assessment on the performance of the committee and achievement of committee objectives.

Performance assessments of key executives

The performance of each key executive is appraised at least annually, through a formal performance appraisal process conducted by his or her manager. Incentive awards paid by Sims MM to executives, including the executive directors, are aligned to the relative performance of Sims Group as a whole, or of the region or division for which the executive has responsibility, as well as with the achievement by the executive of specific performance objectives.