Agenda

- **Group Strategy Update**
  - Internal Initiatives Update
    - Logistics
    - Operational Excellence
    - Product Quality
  - Summary & Outlook

- **North America Metals**
  - Business & Market Review
  - East Region
  - Central Region

- **Appendix**
Nearing final year of initial strategic plan

Five-year strategic target: *lift return on capital* from 2.3% in FY13 to ≥10% by FY18

Next five-year strategic target: *transformative business growth*
Significant accomplishments have been achieved

**Safety**
TRIFR down by 58% since FY13

**Sustainability**
CO₂ emissions 26% lower since FY13

**Controllable Costs**
Reduced by $212 million since FY13

**Volume Break-Even**
Improved by 41% since FY13

**Return on Capital**
3x higher since FY13

**Net Cash**
Increased by $464 million since FY13

*As of 1H FY17 results*
Creating a best in class culture of safety

Recordable Injury Frequency Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual TRIFR</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>3.3</td>
</tr>
<tr>
<td>FY14</td>
<td>2.8</td>
</tr>
<tr>
<td>FY15</td>
<td>2.2</td>
</tr>
<tr>
<td>FY16</td>
<td>1.5</td>
</tr>
<tr>
<td>3Q17</td>
<td>1.4</td>
</tr>
<tr>
<td>FY18</td>
<td>1.3</td>
</tr>
<tr>
<td>FY19</td>
<td>1.2</td>
</tr>
<tr>
<td>FY20</td>
<td>1.0</td>
</tr>
</tbody>
</table>

58% reduction in TRIFR
421 injuries prevented
Ongoing internal initiatives driving the Company to reach five year strategic goal in FY18

Internal initiatives expected to deliver additional $70 to $95 million in EBIT¹

¹) Estimated annual EBIT benefit once initiatives are complete. EBIT benefits are incremental to 1H FY17 underlying EBIT.
Next five-year plan will focus on business growth

- Market Share Gain
- Market Positioning
- Market Adjacencies
- New Lines of Business
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
  - Operational Excellence
  - Product Quality
- Summary & Outlook

- North America Metals
  - Business & Market Review
  - East Region
  - Central Region
- Appendix
Central oversight and regional execution

**Group Project Management Office (PMO)**
- Responsible for oversight and reporting of key internal initiatives
- Facilitate replication of initiatives
- Reporting directly into Group CFO

**Business Units**
- Responsible for project generation and delivery

**Cross Functional Expertise Board (CFEB)**
- Provide expert knowledge and skills for implementation of key projects
- Project management support
- Drive R&D and innovation processes
Standardising and replicating the highest value initiatives across the Company

Continuous improvement as an ongoing process for standardisation, replication, and institutionalisation of the highest value internal initiatives

Prioritise & Approve
- Financial impact
- Ability to replicate
- Business implications

Standardise
- Standardise operating best practices
- Training & audit material
- Roll-out plan

Training
- Train best practice policies
- ‘Sims University’

Monitor & Audit
- Monitor the implementation of best practices
- Formal regular audit process
## Implementation delivery on track

<table>
<thead>
<tr>
<th>Selected Key Initiatives¹</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Complete</strong></td>
<td>✓ New non-ferrous Metals Recovery Plant (MRP) at Kwinana, Australia</td>
<td>✓ Dredging channel for Claremont</td>
<td>✓ Rail connection in Chicago</td>
</tr>
<tr>
<td></td>
<td>✓ Non-ferrous MRP upgrade at Claremont (NA Metals)</td>
<td>✓ Non-ferrous MRP upgrade at Chicago (NA Metals)</td>
<td>✓ Zorba separation &amp; upgrading (NA Metals)</td>
</tr>
<tr>
<td></td>
<td>✓ Copper granularisation (NA Metals)</td>
<td>✓ NYC Municipal Recycling expansion (NA Metals)</td>
<td></td>
</tr>
<tr>
<td><strong>In progress</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total initiatives in progress to deliver additional $70 to $95 million in EBIT²**

1) Additional projects exist which are not listed here
2) Estimated annual EBIT benefit once initiatives are complete. EBIT benefits are incremental to 1H FY17 underlying EBIT.
Significant gains from initiatives since FY13

- Delivery of major capital projects including:
  - Greenfield shredder and full-service metals recycling facility in Kwinana, Australia
  - Greenfield shredder, non-ferrous yard, and port facility in Providence, Rhode Island
  - Greenfield WEEE electronics recycling facility in Norway
- Sale or idling of 44 underperforming facilities, with limited impact on total processing capacity
- Controllable costs reduced by $212 million
- Underlying return on capital nearly tripled since start of five-year plan in FY13
- EBIT break-even volumes point lowered by 41%
- Improved cost structure to deliver an additional $40-$50 million of EBIT for every 500kt of additional sales volumes

1) HY17 figures based on annualised results
Capital allocation towards highest returning initiatives

- **Strong net cash balance of $311 million** as of 31 Dec 2016 to support strong pipeline of internal initiatives
- Majority of initiatives are lower-risk projects with well established returns and implementation frameworks
- Forecast capex of $120 to $150 million in FY17, and $160 to $190 million in FY18
- Growth capex to be focused on internal PMO projects
- Growth capex expected to be between 30% to 50% of total capex in FY17 and FY18
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
    - Operational Excellence
    - Product Quality
  - Summary & Outlook
- North America Metals
  - Business & Market Review
  - East Region
  - Central Region
- Appendix
Logistics is a significant cost driver

- Freight expenses are a meaningful component of overall costs totaling $379 million in FY16
- In total, freight expenses were 8% of Group costs and 24% of costs excluding raw materials
- Logistics costs include inbound and outbound trucking, barge transport, rail shipments, domestic and export containers, bulk ship exports, as well as waste removal
- Logistics is a critical success factor in metals, electronics, and municipal recycling due to weight of raw materials, complexity of sourcing, and geographic customer distribution

### Key expenses by type

<table>
<thead>
<tr>
<th>Expense</th>
<th>A$ million (FY16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials used and changes in inventories</td>
<td>3,014</td>
</tr>
<tr>
<td><strong>Freight expense</strong></td>
<td><strong>379</strong></td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>567</td>
</tr>
<tr>
<td>Repairs and maintenance expense</td>
<td>86</td>
</tr>
<tr>
<td>Other expenses</td>
<td>557</td>
</tr>
</tbody>
</table>
Meaningful reduction in freight expenses

- Freight expenses per tonne have declined by 20%, roughly $10 per tonne, since FY13\(^1\)
- Decline in freight expenses driven by numerous factors including:
  - Lowering trucking fleet downtime
  - More efficient trucking routing and increased backhaul route optimisation
  - Freight tracking software
  - Lower fuel costs
  - Increased use of water and rail based transport
  - Improved third party freight tendering

\(^1\) HY17 freight costs annualised
\(^1\) Adjusted for constant exchange rates
Attractive access to rail and barge transport

Freight costs by mode

- Rail and barge transport can be 10% to 20% of the cost of trucking per ton-mile
- Majority of North America Metals facilities have either rail connections or barge loading docks
  - 20 with rail connections
  - 15 with barge loading docks
  - 7 with deep water export docks
- Attractive low-cost transport capabilities provide significant competitive advantages
  - Lower intake and inter-facilities freight costs
  - Provides flexibility to supply to both domestic and export customers

Source: DOT, CBO

1) Across 46 North America Metals 100% owned facilities
Logistics Initiative 1) Dredging of Claremont Channel

- Dredging of Claremont channel, allowing more tonnes to be loading into bulk ships docked at Claremont terminal
- Prior to the dredging, draft constraints required bulk ships loaded at Claremont, to be topped-up at nearby Port Newark
- In addition, this required material processed at Claremont to be barged to Port Newark, for bulk loading under deeper draft conditions
- Sequent to the dredging, bulk ships loaded at Claremont can be filled with more material, leading to quicker loading times, less material handling and fewer barge transfers
The Paulina St facility in Chicago is a major producer of HMS, shredded, and prompt scrap in the Midwest region.

However, transport to domestic steel mills can incur significant transport costs, while some mills only accept material by rail.

The recently completed rail line connection will complement existing barge loading capacity and allow the business to supply a wider range of domestic customers.

Additional benefits include:
- Significant freight cost reduction
- Elimination of double handling
- Ability to move increased volumes
- Diversification of customer base
- Lower waste removal costs
Further logistics initiatives underway

| Global Ocean Containers | - More than **50,000 ocean containers used annually** shipping non-ferrous, ferrous, zorba, recycled e-waste, and other commodities  
|                        | - Initiative to **consolidate global ocean container contracts**  
|                        | - Maximise ability to leverage global spend with international carriers |
| IT Systems             | - Global **alignment of IT logistics tools**  
|                        | - Creating greater data transparency for analytics and planning  
|                        | - Ensure accurate pricing and charge back recoveries |
| Standardise Processes  | - Standardise global logistics practices creating greater process efficiency  
|                        | - Formalisation of freight rate sourcing across all transport modes  
|                        | - **Consolidate and improve RFP processes** and contract negotiations |
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
- Operational Excellence
  - Product Quality
- Summary & Outlook
- North America Metals
  - Business & Market Review
  - East Region
  - Central Region
- Appendix
An MRP is a downstream process that separates non-ferrous shredder residue (NFSR) into saleable commodities including zorba (primarily aluminium), zurik (primarily stainless steel), and insulated copper wire (ICW).
MRP four key technology areas:

1. **Screening**: Downstream separation equipment, optimised through consistent inbound particle size screening

2. **Air Classification**: Downstream separation equipment process inbound material

3. **Eddy Current Separators (ECS)**: This is the primary point of extraction for zorba, which is predominantly aluminium. The ECS account for the vast majority of non ferrous recoveries by weight

4. **Sensor/Sorters**: This technology comprises the largest jump between older MRP and the update MRP scheduled for installation. Advances in sensor technology have increased resolution and particle identification to better separate insulated copper wire (ICW) from stainless steel, down to very small size fractions
Operational Excellence: New ‘state of the art’ MRP at Claremont, NJ

- Claremont has one of the highest performing shredders in the metal recycling industry
- However the current MRP can no longer efficiently manage the downstream non-ferrous recovery process due to aging technology
- The new MRP will provide a **step-change in throughput, cost efficiency, and recovery rates**
- Additional benefits include:
  - **Enhanced safety**
  - Enclosed building for dryer material
  - More efficient material flow
  - Higher recovery rates
  - **50% higher throughput** capacity
The Paulina street facility is one of only two major shredding operations in the Chicago area.

The MRP that currently exists resides 15 miles away from Paulina street due to a legacy operational footprint.

Existing MRP is in various stages of degradation due to aging equipment, infrastructure, and technology (some components over 20yrs old).

Installation of the new MRP to the same location as the shredder will **dramatically reduce material handling and freight costs**.

Additional benefits include:

- **Enhanced safety**
- **More efficient material flow**
- **Higher recovery rates**
- **40% higher throughput capacity**
- **Reduced material handling & freight costs**
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
  - Operational Excellence
- Product Quality
- Summary & Outlook

- North America Metals
  - Business & Market Review
  - East Region
  - Central Region
- Appendix
Zorba is a primarily aluminium mixed metal and the main non-ferrous product recovered from non-ferrous shredder residue (NFSR).

- Zorba is typically sold at purities of 85-96% metal (65-80% Al, and 10-25% mix of Cu, Zn, Pb).
- Zorba is primarily sold to processors in China, at a 15-25% discount to the aluminium LME price, which then hand sort component metals.
- Discount to aluminium LME price has been widening over time due to higher labour costs in China and other factors.
- In addition, initiatives in China such as the 'Green Fence' and regulation over importing of mixed metal waste pose increased challenges.
- The US domestic market has few customers for Zorba which instead require a higher grade 98-99% aluminum product called Twitch, used as feedstock for secondary smelting.
**Product Quality: Zorba de-commodisation initiative**

<table>
<thead>
<tr>
<th>Project Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Installation of a <strong>zorba separation plant at Claremont Terminal</strong> metals recycling facility in Jersey City, NJ</td>
</tr>
<tr>
<td>▪ Facility will process Claremont’s zorba into twitch (98-99% aluminium) and ‘heavy metals’ (copper, brass, lead, zinc)</td>
</tr>
<tr>
<td>▪ Expected <strong>completion in 1H FY18</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Diversification of product portfolio by further separation and de-commodisation</td>
</tr>
<tr>
<td>▪ <strong>Capture more of the margin</strong> in the downstream value chain</td>
</tr>
<tr>
<td>▪ <strong>Expand customer base</strong> in both domestic and export markets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Future Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ <strong>Potential to roll-out process</strong> to other key operating regions</td>
</tr>
<tr>
<td>▪ Future opportunities to further process twitch and heavy metals into further distinct products (ie cast &amp; sheet aluminium, brass, copper, lead, and zinc)</td>
</tr>
<tr>
<td>▪ Opportunity to provide the service to 3rd parties as an attractive alternative to traditional zorba sales channels</td>
</tr>
</tbody>
</table>
Product Quality:
Claremont Zorba Separation integrated with new MRP

New Claremont MRP & Zorba Plant

MRP

Zorba Separation Plant

MRP

Zorba

Mixed Copper Bearing Shred

Density Separation & Upgrading

Heavy Metals Separation

Heavy Metals Shred

Zorba Separation

Twitch
Wider potential in domestic & export non-ferrous markets

Key Markets
- Twitch Consumers
- Secondary Copper Smelters
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
  - Operational Excellence
  - Product Quality
- Summary & Outlook

- North America Metals
  - Business & Market Review
  - East Region
  - Central Region
- Appendix
Summary & outlook

**Significant internal initiatives to support reaching FY18 ROC target of ≥ 10%**

- Extensive portfolio of internal initiatives driven by a strong central PMO structure
- Initiatives expected to deliver additional $70 to $95 million in EBIT per annum once complete\(^1\)
- Business remains well positioned with at least 12 million tonnes of sales volume capacity

**Next five year plan will focus on transformative business growth**

- Growth strategy centered on four pillars 1) market share gain, 2) market positioning, 3) market adjacencies, and 4) new lines of business
- Further details on the next five-year plan to be presented during 1H FY18

**Current market conditions continue to be steady and supportive**

- Steel exports from China continue to decline, leading to stronger ferrous demand outside China
- Stable or improving pricing and demand for ferrous and non-ferrous secondary metal
- 2H FY17 underlying EBIT expected to be higher than 1H FY17 and a meaningful step towards reaching the target ROC of ≥ 10% for FY18

---

1) EBIT from initiatives is incremental to 1H FY17 EBIT
Sims Metal Management
North America Metals
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
  - Operational Excellence
  - Product Quality
- Summary & Outlook

North America Metals

- Business & Market Review
- East Region
- Central Region
- Appendix
North America Metals overview

1988: Entered the US metals recycling market with the acquisition of LMC in California

1996: Acquired 50% stake in Richmond Steel Recycling in British Columbia, Canada

1988: 

FY01: Merged US operations with Hugo Neu, creating a significant presence in NJ, NY, and CA

Oct-05: Merged US operations with Hugo Neu, creating a significant presence in NJ, NY, and CA

FY07: Formed 50% JV with Adams Steel creating SA Recycling

Jun-07: Formed 50% JV with Adams Steel creating SA Recycling

FY08: Acquired Metal Management, one of the largest metal recyclers in the US

Mar-08: Acquired Metal Management, one of the largest metal recyclers in the US

FY09: 

Dec-12: Divested minor non-core assets in CO, UT, and Nashville, TN

Dec-12: Divested minor non-core assets in CO, UT, and Nashville, TN

Aug-16: Completed sale and closure of non-core assets in Central Region

Aug-16: Completed sale and closure of non-core assets in Central Region

Feb-16: Acquired, via SA Recycling, a 50% stake in Newell Recycling based in Atlanta, GA

Feb-16: Acquired, via SA Recycling, a 50% stake in Newell Recycling based in Atlanta, GA
North America Metals business structure

- 110 metals recycling facilities across US states
- 20 high power metal shredders
- 9 deep water export docks
- 1,683 employees

---

1) Including JV operations
Strong presence on the East and West coasts
Leading market share in exports and total volumes

US Total Market Share

- Sims Metal Management: 11%
- OmniSource: 8%
- Schnitzer: 7%
- SMS: 6%
- DJJ: 6%
- FPT: 5%
- Alter Trading: 4%
- CMC: 4%
- Gerdau: 4%
- EMR: 2%
- SA Recycling: 3%
- Other: 40%

Source: USGS, 2015 Recycling Today

US Export Market Share

- Sims Metal Management: 26%
- Other: 74%

Source: 2016 USGS
Improving business performance with significantly more earnings potential

North America Metals
Underlying EBIT

North America Metals
Underlying EBIT

North America Metals
Sales Volumes
Material collection rates below long-term levels

US ferrous scrap metal collection

Long-term average collection rate is 30% above current levels

Source: USGS, US Census
Metal recycling industry capacity has declined

Active US Shredders

Active US shredders down 13% since 2012

Source: AMM, Company Reports
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
  - Operational Excellence
  - Product Quality
- Summary & Outlook

- North America Metals
  - Business & Market Review
    - East Region
    - Central Region
- Appendix
North America Metals – East Region
Operations

- Operations spanning major urban areas including New York/Newark, Philadelphia/Trenton, Boston/Providence and Chesapeake/Norfolk, VA
- Total catchment area of over 30 million people, with a GDP of over US$2.2 trillion
- The East Region represents the largest operating division in North America Metals:
  - 28 collection & recycling facilities
  - 6 facilities with metal shredders
- Extensive transport capabilities across water, rail, and trucking:
  - 10 facilities with rail access
  - 10 facilities with barge loading docks
  - 5 deep water docks
### Flexibility to supply both export and domestic customers

<table>
<thead>
<tr>
<th>Domestic</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Barge</strong></td>
<td><strong>Bulk Ship</strong></td>
</tr>
<tr>
<td><img src="image" alt="Barge icon" /></td>
<td><img src="image" alt="Bulk Ship icon" /></td>
</tr>
<tr>
<td>10 facilities with barge loading capabilities utilising rivers and intracoastal waterways for low-cost water based transport</td>
<td>5 exclusive use deep water export docks capable of loading 50 thousand tonne handymax vessels</td>
</tr>
<tr>
<td><strong>Rail</strong></td>
<td><strong>Container Ship</strong></td>
</tr>
<tr>
<td><img src="image" alt="Rail icon" /></td>
<td><img src="image" alt="Container Ship icon" /></td>
</tr>
<tr>
<td>10 facilities with rail access providing low-cost transport over long distances to domestic steel mills</td>
<td>Flexible use of container shipping for non-ferrous and ferrous export</td>
</tr>
<tr>
<td><strong>Truck</strong></td>
<td></td>
</tr>
<tr>
<td><img src="image" alt="Truck icon" /></td>
<td></td>
</tr>
<tr>
<td>Efficient use of both internal and 3rd party trucking fleets</td>
<td></td>
</tr>
</tbody>
</table>
North America Metals – New York City Metro

- Shredder & key facility
- Processing facility
- Barge dock capacity
- Deep water export dock

- Port Newark
  Newark, New Jersey

- Claremont Terminal
  Jersey City, New Jersey
**Claremont Terminal & Port Newark**

**Claremont Terminal, New Jersey**
- Largest full service metals recycling facility in North America Metals portfolio
  - Large scale shredder
  - Downstream MRP
  - Baler, shears, torch cutters
  - Wet car detox station
  - Municipal recycling
- Strategically positioned near main transport arteries, with rail connection, barge loading, and deep water export dock facilities onsite
- Catchment area of over 20 million people across New York-Newark-Jersey City, with total market opportunity of circa 3-5Mtpa

**Port Newark, New Jersey**
- Deep water export dock and stevedoring operation
  - Bulk ship loading & receiving
  - Barge loading & receiving
  - Rail connection
  - Mobile shears
- Large scale dock equipped to receive third party and internal material
- Additional capacity leveraged to manage stevedoring for salt and coal
Claremont Terminal - Jersey City, New Jersey

1) Main Office
2) Peddler Yard
3) Truck Scale
4) Stationary Shear
5) Metal Shredder
6) Rail line
7) MRP Plant (Current)
8) MRP Plant (Future)
9) Deep water dock
10) Barges
11) Municipal Recycling Plant
Claremont Terminal - Jersey City, New Jersey
1) Main Office
2) Truck Scale
3) Rail line
4) HMS Inventory
5) Shredded Inventory
6) Loading Cranes
7) Deep water dock
8) Barge dock
9) Salt Stevedoring
Port Newark - Newark, New Jersey
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
  - Operational Excellence
  - Product Quality
- Summary & Outlook

- North America Metals
  - Business & Market Review
  - East Region
  - Central Region
- Appendix
North America Metals – Central Region Operations

- Operations spanning major urban areas including Chicago, Houston, and Tulsa, OK
- Total catchment area of over 17 million people, with a GDP of over US$1.2 trillion
- The Central Region is comprised of two parts, the Midwest and Southwest, which combined host:
  - 10 collection & recycling facilities
  - Chicago based metal shredder
  - Houston based large-scale operations
- Majority of operations have either or rail or barge transport capabilities supporting lower cost transport over longer distances:
  - 6 facilities with rail access
  - 4 facilities with barge loading docks
Well positioned to supply domestic steel mills

Source: EPA
Paulina Street - Chicago, Illinios

1) Main Office
2) Non-Ferrous Building
3) Mobile Shear
4) Metal Shredder
5) Rail line
6) Barge dock
Agenda

- Group Strategy Update
- Internal Initiatives Update
  - Logistics
  - Operational Excellence
  - Product Quality
- Summary & Outlook

- North America Metals
  - Business & Market Review
  - East Region
  - Central Region

- Appendix
### Post Industrial

<table>
<thead>
<tr>
<th>Material</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stampings &amp; clippings</td>
<td>12-14%</td>
</tr>
<tr>
<td>Borings &amp; turnings</td>
<td>3-5%</td>
</tr>
<tr>
<td>Other</td>
<td>1-3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>~20%</td>
</tr>
</tbody>
</table>

### Obsolete Material

<table>
<thead>
<tr>
<th>Material</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction &amp; demolition</td>
<td>20-30%</td>
</tr>
<tr>
<td>Passenger vehicles</td>
<td>15-25%</td>
</tr>
<tr>
<td>Major appliances</td>
<td>5-10%</td>
</tr>
<tr>
<td>Other light iron</td>
<td>5-10%</td>
</tr>
<tr>
<td>Stainless steel</td>
<td>3-5%</td>
</tr>
<tr>
<td>Other</td>
<td>15-20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>~80%</td>
</tr>
</tbody>
</table>

### North America Metals Supplier Groups

- Dealers (material aggregators): 45%
- Industrial manufacturing: 21%
- Auto wreckers: 12%
- Peddlers: 6%
- C&D contractors: 6%
- Other: 10%
- Source: USGS, EPA, Polk, Sims Metal Management
Balanced commodities sales mix

<table>
<thead>
<tr>
<th>Ferrous Metals</th>
<th>Sales Revenue by Product¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy Melt Steel</td>
<td>Ferrous metals recycling</td>
</tr>
<tr>
<td>Shredded Steel</td>
<td>Non-ferrous shred recovery</td>
</tr>
<tr>
<td><strong>Non-Ferrous Shred Recovery</strong></td>
<td></td>
</tr>
<tr>
<td>Zorba (aluminium based)</td>
<td>Non-ferrous metals recycling</td>
</tr>
<tr>
<td>Zurik (stainless steel based)</td>
<td>Electronics recycling</td>
</tr>
<tr>
<td><strong>Non-Ferrous Metals</strong></td>
<td>Secondary processing and other services</td>
</tr>
<tr>
<td>Aluminium</td>
<td>Copper</td>
</tr>
<tr>
<td>Lead</td>
<td>Nickel</td>
</tr>
<tr>
<td>Zinc</td>
<td>Used Beverage Cans</td>
</tr>
<tr>
<td><strong>Electronics Recycling</strong></td>
<td></td>
</tr>
<tr>
<td>Precious Metals</td>
<td>Copper</td>
</tr>
<tr>
<td>Shredded Circuit Boards</td>
<td>IT Asset Management</td>
</tr>
<tr>
<td><strong>Municipal Recycling</strong></td>
<td></td>
</tr>
<tr>
<td>Plastics</td>
<td>Paper</td>
</tr>
<tr>
<td>Metals</td>
<td>Glass</td>
</tr>
</tbody>
</table>

1) Based on FY16 sales revenue
US ferrous market prices and mix

US Ferrous Scrap Market by Price

US Ferrous Scrap Market by Volume

Source: AMM
Source: USGS 2016
<table>
<thead>
<tr>
<th>A$m</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>1H FY16</th>
<th>1H FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group Results</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Revenue</td>
<td>7,453</td>
<td>8,847</td>
<td>9,036</td>
<td>7,193</td>
<td>7,129</td>
<td>6,311</td>
<td>4,652</td>
<td>2,412</td>
<td>2,385</td>
</tr>
<tr>
<td>Underlying EBITDA</td>
<td>379</td>
<td>414</td>
<td>253</td>
<td>190</td>
<td>242</td>
<td>263</td>
<td>184</td>
<td>61</td>
<td>133</td>
</tr>
<tr>
<td>Underlying EBIT</td>
<td>235</td>
<td>283</td>
<td>123</td>
<td>67</td>
<td>119</td>
<td>142</td>
<td>58</td>
<td>-5</td>
<td>77</td>
</tr>
<tr>
<td>Underlying NPAT</td>
<td>127</td>
<td>182</td>
<td>74</td>
<td>17</td>
<td>69</td>
<td>102</td>
<td>38</td>
<td>-18</td>
<td>60</td>
</tr>
<tr>
<td>Underlying EPS (cents)</td>
<td>65</td>
<td>88</td>
<td>36</td>
<td>8</td>
<td>34</td>
<td>49</td>
<td>19</td>
<td>-9</td>
<td>30</td>
</tr>
<tr>
<td>Dividend (cents)</td>
<td>33</td>
<td>47</td>
<td>20</td>
<td>0</td>
<td>10</td>
<td>29</td>
<td>22</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td><strong>Balance Sheet</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>4,233</td>
<td>4,167</td>
<td>3,509</td>
<td>2,917</td>
<td>2,649</td>
<td>2,882</td>
<td>2,571</td>
<td>2,567</td>
<td>2,656</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>959</td>
<td>1,256</td>
<td>1,225</td>
<td>988</td>
<td>816</td>
<td>769</td>
<td>738</td>
<td>672</td>
<td>762</td>
</tr>
<tr>
<td>Total Equity</td>
<td>3,274</td>
<td>2,912</td>
<td>2,284</td>
<td>1,929</td>
<td>1,834</td>
<td>2,113</td>
<td>1,833</td>
<td>1,895</td>
<td>1,894</td>
</tr>
<tr>
<td>Net Cash (Net Debt)</td>
<td>15</td>
<td>-126</td>
<td>-292</td>
<td>-154</td>
<td>42</td>
<td>314</td>
<td>242</td>
<td>373</td>
<td>311</td>
</tr>
<tr>
<td><strong>Cash Flows</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>-48</td>
<td>159</td>
<td>290</td>
<td>297</td>
<td>210</td>
<td>298</td>
<td>131</td>
<td>139</td>
<td>114</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>-121</td>
<td>-143</td>
<td>-161</td>
<td>-149</td>
<td>-64</td>
<td>-95</td>
<td>-109</td>
<td>-44</td>
<td>-68</td>
</tr>
<tr>
<td>Free Cash Flow¹</td>
<td>-168</td>
<td>16</td>
<td>129</td>
<td>148</td>
<td>146</td>
<td>203</td>
<td>22</td>
<td>95</td>
<td>46</td>
</tr>
<tr>
<td>NOPAT</td>
<td>165</td>
<td>198</td>
<td>86</td>
<td>47</td>
<td>83</td>
<td>99</td>
<td>41</td>
<td>-3</td>
<td>54</td>
</tr>
<tr>
<td>Total Capital</td>
<td>3,259</td>
<td>3,038</td>
<td>2,576</td>
<td>2,083</td>
<td>1,792</td>
<td>1,799</td>
<td>1,590</td>
<td>1,523</td>
<td>1,583</td>
</tr>
<tr>
<td>ROC² (%)</td>
<td>5.0%</td>
<td>6.5%</td>
<td>3.3%</td>
<td>2.3%</td>
<td>4.6%</td>
<td>5.5%</td>
<td>2.6%</td>
<td>-0.4%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

1) Free Cash Flow = Operating Cash Flow - Capex  
2) Return on Capital = Underlying NOPAT / (BV of Equity + Net Debt)
## Financial summary – business segment

<table>
<thead>
<tr>
<th>A$m</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>1H FY16</th>
<th>1H FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America Metals</td>
<td>4,834</td>
<td>5,782</td>
<td>5,773</td>
<td>4,256</td>
<td>3,996</td>
<td>3,417</td>
<td>2,353</td>
<td>1,236</td>
<td>1,111</td>
</tr>
<tr>
<td>ANZ Metals</td>
<td>1,126</td>
<td>1,300</td>
<td>1,190</td>
<td>1,047</td>
<td>1,188</td>
<td>1,053</td>
<td>744</td>
<td>377</td>
<td>492</td>
</tr>
<tr>
<td>Europe Metals</td>
<td>783</td>
<td>954</td>
<td>1,056</td>
<td>935</td>
<td>1,063</td>
<td>1,037</td>
<td>759</td>
<td>372</td>
<td>415</td>
</tr>
<tr>
<td>Global E-Recycling</td>
<td>622</td>
<td>750</td>
<td>982</td>
<td>937</td>
<td>868</td>
<td>795</td>
<td>793</td>
<td>427</td>
<td>354</td>
</tr>
<tr>
<td>Unallocated</td>
<td>88</td>
<td>61</td>
<td>35</td>
<td>18</td>
<td>14</td>
<td>9</td>
<td>3</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,453</strong></td>
<td><strong>8,847</strong></td>
<td><strong>9,036</strong></td>
<td><strong>7,193</strong></td>
<td><strong>7,129</strong></td>
<td><strong>6,311</strong></td>
<td><strong>4,652</strong></td>
<td><strong>2,412</strong></td>
<td><strong>2,385</strong></td>
</tr>
<tr>
<td><strong>Underlying EBITDA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America Metals</td>
<td>182</td>
<td>175</td>
<td>51</td>
<td>94</td>
<td>75</td>
<td>81</td>
<td>76</td>
<td>16</td>
<td>62</td>
</tr>
<tr>
<td>ANZ Metals</td>
<td>83</td>
<td>107</td>
<td>80</td>
<td>72</td>
<td>107</td>
<td>87</td>
<td>67</td>
<td>28</td>
<td>40</td>
</tr>
<tr>
<td>Europe Metals</td>
<td>25</td>
<td>28</td>
<td>15</td>
<td>-2</td>
<td>29</td>
<td>37</td>
<td>32</td>
<td>9</td>
<td>22</td>
</tr>
<tr>
<td>Global E-Recycling</td>
<td>87</td>
<td>112</td>
<td>92</td>
<td>24</td>
<td>20</td>
<td>55</td>
<td>19</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Unallocated</td>
<td>2</td>
<td>-8</td>
<td>15</td>
<td>2</td>
<td>11</td>
<td>3</td>
<td>-10</td>
<td>2</td>
<td>-6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>379</strong></td>
<td><strong>414</strong></td>
<td><strong>253</strong></td>
<td><strong>190</strong></td>
<td><strong>242</strong></td>
<td><strong>263</strong></td>
<td><strong>184</strong></td>
<td><strong>61</strong></td>
<td><strong>133</strong></td>
</tr>
<tr>
<td><strong>Underlying EBITDA Margin (%)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America Metals</td>
<td>3.8%</td>
<td>3.0%</td>
<td>0.9%</td>
<td>2.2%</td>
<td>1.9%</td>
<td>2.4%</td>
<td>3.2%</td>
<td>1.3%</td>
<td>5.6%</td>
</tr>
<tr>
<td>ANZ Metals</td>
<td>7.4%</td>
<td>8.2%</td>
<td>6.7%</td>
<td>6.9%</td>
<td>9.0%</td>
<td>8.3%</td>
<td>9.0%</td>
<td>7.4%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Europe Metals</td>
<td>3.2%</td>
<td>2.9%</td>
<td>1.4%</td>
<td>-0.2%</td>
<td>2.7%</td>
<td>3.6%</td>
<td>4.3%</td>
<td>2.4%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Global E-Recycling</td>
<td>14.0%</td>
<td>14.9%</td>
<td>9.4%</td>
<td>2.6%</td>
<td>2.3%</td>
<td>6.9%</td>
<td>2.4%</td>
<td>1.4%</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5.1%</strong></td>
<td><strong>4.7%</strong></td>
<td><strong>2.8%</strong></td>
<td><strong>2.7%</strong></td>
<td><strong>3.4%</strong></td>
<td><strong>4.2%</strong></td>
<td><strong>4.2%</strong></td>
<td><strong>2.5%</strong></td>
<td><strong>5.6%</strong></td>
</tr>
</tbody>
</table>

1) Underlying earnings from continuing operations; excludes significant non-recurring items and earnings from discontinued businesses
## Financial summary – business segment

<table>
<thead>
<tr>
<th>A$m</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>1H FY16</th>
<th>1H FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales tonnes (’000)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America Metals</td>
<td>9,906</td>
<td>10,964</td>
<td>11,080</td>
<td>9,377</td>
<td>8,152</td>
<td>7,018</td>
<td>5,772</td>
<td>2,990</td>
<td>2,735</td>
</tr>
<tr>
<td>ANZ Metals</td>
<td>1,578</td>
<td>1,764</td>
<td>1,765</td>
<td>1,764</td>
<td>2,054</td>
<td>1,874</td>
<td>1,418</td>
<td>700</td>
<td>862</td>
</tr>
<tr>
<td>Europe Metals</td>
<td>1,394</td>
<td>1,466</td>
<td>1,651</td>
<td>1,645</td>
<td>1,609</td>
<td>1,589</td>
<td>1,361</td>
<td>609</td>
<td>763</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,878</td>
<td>14,194</td>
<td>14,496</td>
<td>12,786</td>
<td>11,815</td>
<td>10,481</td>
<td>8,551</td>
<td>4,299</td>
<td>4,360</td>
</tr>
<tr>
<td><strong>Underlying EBIT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America Metals</td>
<td>92.7</td>
<td>99.6</td>
<td>-18.7</td>
<td>32.8</td>
<td>11.7</td>
<td>11.8</td>
<td>2.3</td>
<td>-23.1</td>
<td>30.7</td>
</tr>
<tr>
<td>ANZ Metals</td>
<td>62.4</td>
<td>86.1</td>
<td>56.3</td>
<td>46.9</td>
<td>79.2</td>
<td>59.2</td>
<td>39.7</td>
<td>14.0</td>
<td>25.9</td>
</tr>
<tr>
<td>Europe Metals</td>
<td>15.8</td>
<td>18.8</td>
<td>4.1</td>
<td>-14.0</td>
<td>16.5</td>
<td>24.6</td>
<td>18.6</td>
<td>2.1</td>
<td>15.8</td>
</tr>
<tr>
<td>Global E-Recycling</td>
<td>62.9</td>
<td>87.7</td>
<td>67.8</td>
<td>-1.0</td>
<td>17.1</td>
<td>44.0</td>
<td>7.7</td>
<td>-0.3</td>
<td>11.1</td>
</tr>
<tr>
<td>Unallocated</td>
<td>1.2</td>
<td>-8.8</td>
<td>13.3</td>
<td>2.2</td>
<td>11.1</td>
<td>2.1</td>
<td>-10.2</td>
<td>2.6</td>
<td>-6.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>235.0</td>
<td>283.4</td>
<td>122.8</td>
<td>66.9</td>
<td>118.5</td>
<td>141.7</td>
<td>58.0</td>
<td>4.8</td>
<td>77</td>
</tr>
<tr>
<td><strong>Underlying EBIT / tonne</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America Metals</td>
<td>9.36</td>
<td>9.08</td>
<td>-1.69</td>
<td>3.50</td>
<td>1.44</td>
<td>1.68</td>
<td>0.40</td>
<td>-7.73</td>
<td>11.22</td>
</tr>
<tr>
<td>ANZ Metals</td>
<td>39.54</td>
<td>48.81</td>
<td>31.90</td>
<td>26.59</td>
<td>38.56</td>
<td>31.59</td>
<td>27.93</td>
<td>20.00</td>
<td>30.05</td>
</tr>
<tr>
<td>Europe Metals</td>
<td>11.33</td>
<td>12.82</td>
<td>2.48</td>
<td>-8.51</td>
<td>10.25</td>
<td>15.48</td>
<td>13.74</td>
<td>3.45</td>
<td>20.71</td>
</tr>
</tbody>
</table>

1) Underlying earnings from continuing operations; excludes significant non-recurring items and earnings from discontinued businesses
# Financial summary – product segment

<table>
<thead>
<tr>
<th>A$m</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>1H FY16</th>
<th>1H FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales tonnes (‘000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ferrous Trading</td>
<td>9,068</td>
<td>10,115</td>
<td>10,320</td>
<td>9,396</td>
<td>9,331</td>
<td>8,325</td>
<td>6,768</td>
<td>3,361</td>
<td>3,505</td>
</tr>
<tr>
<td>Ferrous Brokerage</td>
<td>3,264</td>
<td>3,518</td>
<td>3,597</td>
<td>2,840</td>
<td>1,918</td>
<td>1,617</td>
<td>1,307</td>
<td>688</td>
<td>628</td>
</tr>
<tr>
<td>Non Ferrous</td>
<td>565</td>
<td>571</td>
<td>586</td>
<td>550</td>
<td>566</td>
<td>539</td>
<td>476</td>
<td>250</td>
<td>227</td>
</tr>
<tr>
<td>Total</td>
<td>12,897</td>
<td>14,204</td>
<td>14,503</td>
<td>12,786</td>
<td>11,815</td>
<td>10,481</td>
<td>8,551</td>
<td>4,299</td>
<td>4,360</td>
</tr>
</tbody>
</table>

| Sales Revenue | | | | | | | | | |
| Ferrous Metals | 5,071 | 6,144 | 6,259 | 4,817 | 4,801 | 4,068 | 2,703 | 1,354 | 1,462 |
| Non Ferrous Metals | 1,526 | 1,724 | 1,657 | 1,353 | 1,361 | 1,342 | 1,055 | 577 | 525 |
| Global E-Recycling | 622 | 750 | 982 | 937 | 868 | 795 | 793 | 427 | 354 |
| Secondary processing & other | 234 | 229 | 138 | 86 | 99 | 106 | 101 | 54 | 44 |
| Total | 7,453 | 8,847 | 9,036 | 7,193 | 7,129 | 6,311 | 4,652 | 2,412 | 2,385 |
Metals Recycling global footprint

North America Metals
United States & Canada

Europe Metals
UK

Australia & New Zealand Metals
Australia
New Zealand

Metal Shredder / Key Metals Recycling facility
Metal Shredder (50% JV owned)
Electronics Recycling global footprint

North America
United States

Europe, Africa, and Middle East
UAE
Europe
South Africa

Asia Pacific
India
Singapore
Australia
New Zealand

Electronics Recycling facility
The material contained in this document is a presentation of information about the Group’s activities current at the date of the presentation, 5 June 2017. It is provided in summary form and does not purport to be complete. It should be read in conjunction with the Group’s periodic reporting and other announcements lodged with the Australian Securities Exchange (ASX).

To the extent that this document may contain forward-looking statements, such statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release.

This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.