

Schnitzer Steel Industries, Inc. Corporate Governance Guidelines

The Board of Directors (the “Board”) of Schnitzer Steel Industries, Inc. (the “Company”) has adopted these guidelines to assist the Board in the exercise of its responsibilities and to serve the best interests of the Company and its shareholders. These guidelines should be interpreted in the context of all applicable laws and the Company’s articles of incorporation, bylaws and other corporate governance documents. The Board intends for the guidelines to serve as a flexible framework within which the Board will conduct its business and not as a set of legally binding obligations. The Board may modify these guidelines from time to time as the Board deems appropriate and in the best interests of the Company and its shareholders or as required by applicable laws and regulations.

I. Role of the Board of Directors

The Board is elected by the shareholders to oversee the management of the Company and its business. Each director has a fiduciary relationship to the Company’s shareholders and must at all times exercise prudent, independent and objective judgment. Both the Board and management recognize that the long-term interests of shareholders are also advanced by responsibly addressing the concerns of other stakeholders and interested parties, including employees, customers, suppliers, creditors, the communities in which the Company operates, government officials, and the public at large.

II. Director Qualifications

General Criteria for Nomination to the Board of Directors

The Nominating and Corporate Governance Committee, together with the Chair of the Board and the Chief Executive Officer, is responsible for reviewing the qualifications of potential director candidates and recommending to the Board those candidates to be nominated for election or appointed to the Board. The Nominating and Corporate Governance Committee will consider the individual’s background, skills and abilities, and whether such characteristics qualify the individual to fulfill the needs of the Board at that time. The Board should monitor the mix of skills and diversity of experience and background of its directors in order to assure that the Board has the necessary tools to perform its oversight function effectively. Shareholders also may nominate directors for election at the Company’s annual meeting of shareholders by following the provisions set forth in the Company’s bylaws. The invitation to join the Board should be extended on behalf of the Board by the Chair of the Board.

General criteria include:

1. Directors should be of the highest ethical character, exhibiting integrity, honesty and accountability, with a willingness to express independent thought;
2. Directors should have successful leadership experience and stature in an individual's primary field, with a background that demonstrates an understanding of business affairs and the complexities of a large, publicly-held company, with particular emphasis on capital-intensive, global businesses;
3. Directors should have demonstrated ability to think strategically and make decisions with a forward-looking focus, with the ability to assimilate relevant information on a broad range of complex topics;
4. Directors should have independence and absence of conflicts of interest;
5. Directors should have demonstrated ability to work together and with management collaboratively and constructively;
6. Directors should have the time available and willingness to devote the time necessary to effectively fulfill their duties as directors;
7. Directors should have an awareness of the social, political, and economic environment in which the Company operates; and
8. Directors should have diversity of experience and background.

III. Board Composition

Majority of Independent Directors

It is the policy of the Company that the Board consist of at least a majority of independent directors who meet or exceed the independence requirements of the Nasdaq Stock Market ("Nasdaq"). The Board will consider all relevant facts and circumstances in making a determination of independence for each director and may consider, as appropriate, imposing independence requirements more stringent than those required by Nasdaq. No director will be deemed independent unless the Board affirmatively determines that the director has no material relationship, either directly or as an officer, shareholder or partner, of an organization that has a material relationship with the Company. Directors are expected to promptly report any facts or circumstances which could impair their independence to the Chair of the Board and the General Counsel. The Board shall annually review the relationship each director has with the Company and determine independence based on standards adopted by the Board from time to time.

Size of the Board

The Company's Bylaws provide that the Board shall consist of not less than three or more than thirteen directors. It is the sense of the Board that a size of seven to nine Directors is currently suitable. The Board will periodically review the optimal Board size and may from time to time increase or decrease the size of the Board based on its current composition and requirements.

Term of Office

Approximately one-third of the total number of directors are elected each year at the Company's annual meeting of shareholders to serve a term of three years. To ensure the continued appropriateness and refreshment of Board membership, the Nominating and Corporate Governance will evaluate the qualifications and performance of each incumbent director before recommending the nomination of that director for an additional term. A director (other than the Chief Executive Officer) is not expected to stand for re-election after he or she has served as a director for fifteen years although the Nominating and Corporate Governance Committee may recommend to the Board that, based on specific circumstances, the director's tenure should be extended beyond the expiration of the term during which he or she reached his or her fifteenth year of service.

Retirement Age

The Company does not have a mandatory retirement age for directors. The Board may from time to time establish a mandatory retirement policy.

Change in Job Responsibilities

Directors who have a change or termination in their principal employment (including as a result of retirement) or who have a substantial change in job responsibilities, in each case other than as a result of a promotion by the director's employer, shall promptly tender their resignation for consideration by the Nominating and Governance Committee. The Committee shall evaluate the director's tendered resignation to determine whether it is appropriate for such director to continue on the Board in light of the changed circumstances and shall recommend to the Board whether to accept or reject such resignation. Upon resignation, retirement or other separation from the Company (or material change in employment position other than as a result of promotion), all employee directors, including the Chief Executive Officer, shall tender their resignation from the Board and from all boards of directors (or other governing bodies) of the Company's subsidiaries and affiliates. The Board may accept or reject the tendered resignation.

Limitation of Membership on Other Boards

Directors should advise the Chair of the Board and the Chair of the Nominating and Governance Committee in advance of accepting an invitation to serve on another public company board. A director who also serves as the Chief Executive Officer of the Company should not serve on more than two boards of other public companies in addition to the Company's Board. Directors (other than the Chief Executive Officer) of the Company

should not serve on the boards of more than five public companies, and members of the Audit Committee should not serve on the audit committees of more than three public company boards. In addition, a director shall notify the Chair of the Board and General Counsel if he or she wishes to join a governmental commission, a private company board of directors, a company advisory board or similar body, or the governing board of a non-profit entity or otherwise to establish a material personal or fiduciary relationship with another entity if the activities of any such commission, company, or entity are competitive with the Company's current or currently contemplated future business or operations. If a director is unsure of whether the notice requirement is triggered by such an invitation, he or she is encouraged to notify and consult with the General Counsel.

IV. Director Responsibilities

General Responsibilities

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its shareholders. As members of the Board, directors are responsible for overseeing the purposes, objectives, policies, and plans of the Company that are formulated and carried out by the officers; for electing the Board's Chair, the President, and other corporate officers and for fixing their responsibilities; for designating the Chief Executive Officer; for authorizing the Chief Executive Officer and other officers to act for or on behalf of the Company in performing delegated responsibilities; and for oversight of the management and control of the Company's businesses, finances, properties and risks. Directors are also responsible for determining whether to approve changes in the articles of incorporation and bylaws and submittals to shareholders for their approval or ratification, declare dividends, approve annual capital expenditure budgets, approve business combinations and subsidiary acquisitions that exceed certain size levels, and approve changes in capital structure, including the issuance of stock and incurring long-term debt.

In discharging their obligations, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and outside advisors and auditors. Directors shall also be entitled to (i) have the Company purchase or provide reasonable directors' and officers' liability insurance or other protection on their behalf, (ii) the benefits of indemnification to the fullest extent permitted by law and the Company's articles, bylaws and any indemnification agreements, and (iii) exculpation as provided by state law and the Company's articles.

Code of Conduct

The Company has adopted and posted on its website a code of business conduct and ethics for directors, officers, and employees which addresses conflicts of interest, confidentiality, fair dealing, protection and proper use of company assets, compliance with laws, rules and regulations, and encouraging the reporting of any illegal or unethical behavior. The Board or the Audit Committee of the Board shall approve all waivers of the code for executive

officers and directors, and any waivers shall be promptly disclosed to shareholders. The Audit Committee shall periodically review the code and recommend changes to the Board.

Confidential Information

Directors will use Confidential Information solely for the benefit of the Company and will use reasonable care to preserve the confidentiality of Confidential Information. Unless otherwise authorized by the Board, directors will not disclose Confidential Information to any person who is not a director, officer, employee, representative, or agent of the Company. As used in this section, “Confidential Information” means any and all information regarding the Company or its businesses, operations, employees, Board, customers, suppliers, properties, assets, liabilities, strategies, projections, or plans. Confidential Information does not include any information that at or subsequent to the time it is communicated to the director (i) is in the public domain through no fault of the director or (ii) is rightfully in the director’s possession free of any obligation or confidence.

Conflicts of Interest

If an actual or potential conflict of interest develops because of a change in the business of the Company or a subsidiary or affiliate of the Company, or in a director’s circumstances, the director shall disclose the matter immediately to the Chair of the Board, the Lead Director, if applicable, and the General Counsel for evaluation and appropriate resolution.

If a director has a personal interest in any matter before the Board, the director shall disclose the interest to the full Board, shall recuse himself or herself from participation in the discussion, and shall not vote on the matter.

Attendance at Board and Annual Shareholder Meetings; Materials

Directors are expected to regularly attend annual shareholders meetings, Board meetings and meetings of committees on which they serve and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Written materials, information and data that are important to the Board’s understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting. Directors may ask for additional materials or information.

Board Chair and Chief Executive Officer

The Board has no policy with respect to the separation of the offices of Chair of the Board and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to make a determination whether to combine or separate these offices upon the resignation, retirement or removal or the appointment or election of a new Chair of the Board or Chief Executive Officer and at such other times as the Board may deem appropriate.

Lead Director

The Board may, and if the Chair of the Board is not an independent director shall, designate one independent director to serve as Lead Director. The duties, responsibilities and authority of the Lead Director shall be as specified by the Board from time to time. It is the Board's policy to periodically rotate the Lead Director position.

Agenda for Board Meetings

The Chief Executive Officer, in consultation with the Chair of the Board and, if applicable, the Lead Director, will establish the agenda for each Board meeting. Prior to the beginning of each fiscal year the Chair, in consultation with the Lead Director, if applicable, will establish, or cause to be established, a schedule for meetings of the Board and of agenda subjects to be discussed during the year (to the degree foreseeable). Each director is free to suggest the inclusion of items on the agenda and to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company's long-term strategic plans and principal issues that the Company will face in the future during at least one Board meeting each year.

Executive Sessions

The non-management directors will meet on a regularly scheduled basis in executive session without the Chief Executive Officer and other management present. The Company will disclose that the Board holds executive sessions in the annual proxy statement. The Chair of the Board or, if the Chair is not independent, the Lead Director will preside at these meetings.

Board Communications

The Board believes that the Chief Executive Officer and executive management speak for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies which are involved with the Company, but it is expected that Board members would do this only with the prior knowledge of management and, absent unusual circumstances or as contemplated by the committee charters, only following consultation with management. In all instances, the Board's external communications shall be subject to compliance with applicable Company policies. In situations where public comments from the Board may be appropriate, they shall come only from the Chair, unless the Chair, in consultation with the General Counsel and, if applicable, the Lead Director, determines otherwise.

How to Contact the Board

Shareholders may contact any director by writing to them c/o Corporate Secretary at Schnitzer Steel Industries, Inc., 299 SW Clay Street, Suite 350, Portland, Oregon 97201. Shareholders and others who wish to contact the Board or any member of the Audit Committee to report any complaint or concern with respect to accounting, internal accounting controls or auditing matters may do so by utilizing the link to the third-party hosted reporting hotline under "Ethics & Code of Conduct" tab on the Company's website

(www.schnitzersteel.com) or submitting their complaint or concern in writing c/o the Corporate Secretary or Chief Ethics and Compliance Officer at the above address.

V. Board Committees

Committees; Qualifications

The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The Board may, from time to time, establish or maintain additional committees as the Board deems necessary or appropriate.

Committee Member Qualifications

All of the members of the Audit, Compensation and Nominating and Corporate Governance Committees will be independent under the criteria established by Nasdaq and all other applicable rules, regulations, and statutes, as determined by the Board in the exercise of its business judgment.

Charters

Each Board committee will have a charter which will (i) set forth its purposes, duties and responsibilities as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations, and committee reporting to the Board, (ii) provide for committee meetings and reports, and (iii) provide that it will annually evaluate its performance and report the results of its self-evaluation to the full Board.

Meetings; Agenda

The Chair of each committee, in consultation with the committee members, the Chair of the Board, the Lead Director, if applicable, and the Chief Executive Officer or appropriate members of management, will determine the frequency of committee meetings consistent with any requirements set forth in the committee charters. The Chair of each committee, in consultation with committee members, the Chair of the Board or the Lead Director, if applicable, and the Chief Executive Officer or appropriate members of management, will develop the agenda for committee meetings. The schedule for each committee will be furnished to all directors.

Assignment of Committee Members and Terms of Committee Chairs

Committee members will be appointed on an annual basis (normally immediately following the Company's annual meeting of shareholders) by the Board upon the recommendation of the Nominating and Corporate Governance Committee in consultation with the Chair of the Board and the Lead Director, if applicable, with consideration given to the desires and skills of individual directors and to rotating committee members periodically. Committee chairs will be appointed by the Chair of the Board after

consultation with the Lead Director, if applicable, and the Chair of the Nominating and Corporate Governance Committee. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that a fixed rotation schedule should be mandated as a policy.

Advisors

The Board and each committee have the power to hire and compensate at the Company's expense independent legal, financial or other advisors as the Board or Committee may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

Director Access to Officers and Employees

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate should be arranged directly by the director or through the Chief Executive Officer, the General Counsel or their designees. Directors are expected to use their judgment to ensure that any contacts are not disruptive to the business operations of the Company and will, to the extent appropriate, advise the Chief Executive Officer of and copy the Chief Executive Officer on any written communications between a director and an officer or employee of the Company.

Officer Attendance at Board Meetings

The Chief Executive Officer will invite executives and employees of the Company to Board and committee meetings to provide (a) additional insight on items or issues to be discussed by the Board or specific committees; and/or (b) Board exposure to individuals with outstanding management potential.

Director Compensation

The Compensation Committee of the Board will recommend to the Board the form and amount of director compensation, including for the Chair of the Board and the Lead Director, if applicable, and the retainers for committee chairs. It is the Board's policy that non-employee director compensation should fairly compensate directors for the work required as a director of a corporation of the Company's size and complexity, align directors' interests with the long-term interests of shareholders, and be a mix of cash and equity-based compensation, with equity-based compensation comprising a substantial portion of total non-employee director compensation. In setting compensation, the Board recognizes that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with or provides other indirect forms of compensation to a director or an organization with which the director is affiliated.

Director Stock Ownership

Each director is expected to own a number of common shares, valued at the time of acquisition of the stock, at least five times the annual cash retainer. Each director is expected to achieve this stock ownership level within a period of five years. The five-year period commences on the first day of the fiscal quarter immediately following the date on which the director joins the Board.

Director Orientation and Continuing Education

All new directors will participate in an orientation program to familiarize them with the Company's strategic plans, significant facilities, significant financial, accounting and risk management issues, compliance programs, Code of Conduct, principal officers, and internal and independent auditors. Directors are expected to keep current with corporate governance issues through continuing education and memberships or subscriptions provided by the Company. Reasonable travel expenses incurred by directors will be reimbursed.

Chief Executive Officer Evaluation

The Chief Executive Officer reports annually to the Compensation Committee regarding achievement of the preceding year's goals and objectives and the performance of the Chief Executive Officer and the named executive officers. All Board members are invited to the Compensation Committee meeting when these reports occur and have the opportunity to participate in any appropriate follow-up meetings or discussions.

The review of the performance of the Chief Executive Officer is led by the Chair of the Compensation Committee together with the Chair of the Board or the Lead Director, if applicable. The full Board participates in the evaluation of the Chief Executive Officer since the Board believes this to be one of the Board's most significant oversight functions. Both objective and subjective criteria are used, including but not limited to (1) the Company's financial performance; (2) progress against the Company's long-term strategic objectives; and (3) the development of the Company's senior leadership team. The Chief Executive Officer may not attend Board meetings discussing his or her evaluation.

Board and Management Succession

The Nominating and Corporate Governance Committee will periodically report to the Board on Board succession planning.

The Chief Executive Officer will annually review with the Board succession planning for his or her direct reports and other selected leaders, including recommendations and evaluations of his or her potential successors, along with a review of any development plans for such individuals. The Board will also annually review the Company's leadership development programs.

Annual Performance Evaluation of the Board

In addition to the annual self-evaluations to be performed by each of the Audit, Compensation, and Nominating and Corporate Governance Committees (and the discussions of these self-evaluations with the full Board), the Nominating and Corporate Governance Committee will annually oversee a review of the Chair of the Board, the Lead Director, if applicable, and the Board's performance, which shall include a self-evaluation by the Board, and will discuss the results of this review with the full Board.

Appointment of Independent Auditors

The Company's independent auditors are appointed by the Audit Committee as provided in the Audit Committee charter.

Review of These Guidelines

The Nominating and Corporate Governance Committee will periodically review these guidelines and recommend to the Board amendments as it deems appropriate. These guidelines shall be made available to shareholders by posting on the Company's website at www.schnitzersteel.com.

Approved by the Board July 31, 2019