

BINGO Industries Limited 2020 Annual General Meeting

Chairman's Address

Good morning fellow shareholders of BINGO Industries. My name is Michael Coleman. I am BINGO's Chair, and it is my pleasure to welcome you to BINGO Industries' virtual Annual General Meeting for financial year 2020. Thank you for connecting in with us today.

For the safety of our people and our shareholders, we are following Government advice in holding our AGM virtually this year. While we are disappointed that we will be unable to meet with you in person, we hope that this virtual format will maximise attendance for all Shareholders no matter where you may be located.

Before we begin the formal procedures, on behalf of the Board, I would like to acknowledge and pay our respect to the Traditional Owners of the many lands on which we meet today. I encourage you all to also take a second to think about on whose ancestral lands you may be located while you listen in, today. Today, the Board and I meet on the lands of the Gadigal people of the Eora Nation and *we pay our respects to their Elders past, present and emerging*. I also acknowledge any Aboriginal and Torres Strait Islander Peoples who may be listening in with us today.

I am informed by our Company Secretary that, in accordance with the Company's constitution, a quorum is present, and I now declare this meeting formally open.

While this virtual format will be a new experience for us and our shareholders, I assure you that you will have the same opportunity to ask questions, and to vote as you would if you were here in the room with us.

On your screen you will see an image of our Notice of Meeting, Annual Report and the Virtual Meeting Guide. These are also available on our website. This guide explains how to vote and ask questions. I encourage you to review the guide if you haven't already done so.

If, for some reason we have technical difficulties today, I will make an announcement and we will take a brief recess to address the issue.

Today's meeting will start with a few introductory remarks from me. I will then ask BINGO's Managing Director and Chief Executive Officer, Daniel Tartak, for an update on the performance and outlook for the Company. We'll then move onto the Formal Business. As this is a new experience for all of us, I will take some time to explain how to vote and ask questions, before we commence the Formal Business. After each item of business, eligible shareholders and proxies will be provided with an opportunity to ask questions specific to that item of business. Following the conclusion of Formal Business, there will be an opportunity to ask general questions of the Board, and I do encourage you to ask questions. We will then close the meeting.

Please note that shareholders who have already voted online prior to this meeting, do not need to vote today. However, if you wish to change your vote, you should do so now by calling the HELP NUMBER displayed at the top of your screen.

Today, here in the room with me, I am joined by my fellow Board members:

- Maria Atkinson, Chair of the People and Culture Committee;
- Daniel Girgis;
- Elizabeth Crouch, Chair of the Audit and Risk Committee;
- Ian Malouf;
- Barry Buffier, Chair of the Zero Harm Committee; and
- Daniel Tartak, BINGO's Managing Director and Chief Executive Officer.

I am also joined by BINGO's Chief Financial Officer, Chris Jeffrey, and our Company Secretary and General Counsel, Stephen Schmidhofer. Also here in the room with us is Tara Hill from our external auditors Deloitte Touche Tohmatsu.

At the risk of stating the obvious, the COVID-19 pandemic has made this a difficult year for everyone. The loss of life, the impact on health, on the way we spend time with our families and friends and the way we operate our businesses has taken a toll on all of us. I would like to take a moment to thank all our stakeholders, including our shareholders for your continued support throughout this period. And, I would like to acknowledge the hard work of my fellow Directors, BINGO's Executive Leadership Team and our employees for their continued contribution in delivering to our customers and shareholders.

Since the onset of the COVID-19 crisis BINGO's primary focus has been on: protecting the health and safety of our employees; ensuring continuity of service to our customers; and managing our business performance.

By leaning in on our existing robust systems, our crisis and business continuity processes, and drawing on the resilience and dedication of the BINGO team, we feel we have put BINGO in the best possible position to weather the COVID-19 storm.

At the onset of the crisis in March, we withdrew our financial guidance, which we were well on the way to delivering. Pleasingly, we have delivered a solid financial result for financial year 2020, achieving underlying revenue growth of 21% to \$486.7 million up from \$402.2 million in the prior year. Underlying Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) was up 40.8% to \$152.1 million, reflecting a full year contribution from the Dial-a-Dump Industries business. We grew statutory Net Profit After Tax (NPAT) by 196% to \$66 million and generated strong operating free cash flow of \$160.1 million, up 37.4% on the prior corresponding period.

I am encouraged to report an improvement in BINGO's safety performance. In financial year 2020 the business has continued the focus on delivering our ultimate goal of Zero Harm. The focused approach we have taken over the last year on Zero Harm, has resulted in a material improvement in our safety performance. Under the guidance of our Zero Harm Committee, BINGO achieved all our safety targets for financial year 2020, recording a lost-time injury frequency rate of 0.4 – a 50% improvement on the previous year and well below our target.

The Zero Harm Committee, chaired by Barry Buffier has been especially active in driving BINGO's sustainability program and Zero Harm initiatives to address our safety and environmental performance. This year the committee oversaw the implementation of a new control-focused approach to safety management. This new approach was the result of an independent review the Committee commissioned last year to identify ways to further improve our robust safety procedures and culture. Improving our environmental compliance performance will be a focus of the Committee and the BINGO team over financial year 2021.

During the year we continued to deliver on our sustainability targets. A highlight of the year was the launch of our Responsible Sourcing Program. The program sets out BINGO's expectations for our supply chain and includes a Supplier Code of Conduct. It incorporates our approach to managing risks associated with modern slavery in our supply chain. Also, during the year, we undertook an audit of our high-risk suppliers, and I am happy to announce that this week we will submit our first Modern Slavery Statement, in compliance with the Federal Government's Modern Slavery legislation. This statement will be available on our website.

We have also improved our supplier diversity, working with underrepresented groups including, Aboriginal and Torres Strait Islander-owned businesses and social enterprises working with ex-offenders, refugees and those with disabilities.

We have made great progress against the actions of our Reconciliation Action Plan and we are on-track to deliver all actions by the end of 2021, with plans to implement a higher level Reconciliation Action Plan, also known as a "STRETCH" RAP in 2022.

We have continued our work to reduce our carbon footprint during the year, including joining RE100 and committing to achieve 100% renewable electricity across our sites. We have also committed to developing a science-based target to assist us in setting targets and a road map to reduce BINGO's carbon footprint. We will continue our work to maximise recovery rates to assist in abating emissions generated by our operations.

Dan will provide some more detail about the outlook for the company in his presentation, but I wanted to highlight some of the headwinds and tailwinds for our business.

Like most businesses, we've have been impacted by COVID-19 and we expect to be further impacted in the second half of FY21. We've seen a decline in residential activity and we also anticipate increased pricing pressure in B&D collections and post-collections if volumes are impacted by COVID.

We're also seeing increased regulation in our industry and this is resulting in increased compliance costs. The ACCC market investigation is ongoing and the outcome is yet to be determined.

However, we believe the tailwinds far outweigh these headwinds. The Australian economy is well-placed to recover from the economic impact from COVID as we continue to manage the pandemic better than most. Governments at all levels are committing to strong investment in infrastructure to stimulate the economy and we stand to benefit. We're already seeing increased activity in the market and Dan will speak in some more detail on this shortly.

Importantly, government policy related to the waste and recycling industry continues to pivot towards BINGO's business model. The Federal Government has recently introduced the Recycling Modernisation Fund and the Modern Manufacturing Strategy to encourage recycling and support Australia's transition to a circular economy. We are ideally positioned to contribute to this transition.

I am delighted to advise that our 2019 Sustainability Report achieved a Gold Award in the 2020 Australasian Reporting Awards, making BINGO one of only four companies to achieve this distinction during the year. The quality of our sustainability reporting reflects the continued importance the Company places on addressing our sustainability challenges and further highlights how sustainability is integral to our business model. Our Annual Report also achieved a Silver Award. I believe our 2020 Sustainability Report meets the same high standards, so I encourage you to read the report which can be found in our Annual Report or as a stand-alone document on the investor section of our website.

I will now hand over to Managing Director and Chief Executive Officer, Daniel Tartak, for his address.

Michael Coleman

Chairman

BINGO Industries Limited

CEO's Address

Thank you, Michael, and good morning everyone.

2020 has been a year like no other. Like most companies, BINGO's year was effectively split into two distinct parts: pre-COVID and COVID.

When COVID-19 arrived in Australia it had an immediate impact on our operating environment. The resulting market uncertainty led us to withdraw our FY20 financial guidance in March. Up until this point we were on track to deliver to our FY20 stated market guidance. Fortunately, waste management was designated by the Federal and state governments as an essential service, and as a result we were able to continue operating with relatively limited disruption.

Our strong fundamentals, coupled with our scale and vertically-integrated business model underline BINGO's resilience, enabling us to remain a low-cost operator despite the potential for near-term cyclical headwinds.

As the COVID-19 crisis evolved we introduced physical distancing and hygiene protocols across all our facilities, mandatory COVID safety training, adopted remote working arrangements, adjusted our leave policies to encourage testing and established a new contactless bin delivery system for our customers.

Despite our best endeavours, in July we recorded a number of positive cases at our West Melbourne recycling centre. We are thankful that all employees impacted have now recovered and are back at work.

The aim of our post-COVID strategy is to re-emerge from this current period as a bigger, better and stronger business.

As Mike has mentioned we made steady progress during the year towards our Zero Harm goals. The implementation of our refreshed approach to health and safety is paying dividends, showing improvements in all our key safety metrics. We delivered all our safety objectives for FY20 and we have exceeded all of our lead indicators, including conducting over 3,000 hazard and control reports, over 4,500 Leader Led Safety, Environment and Quality Conversations and over 2,800 Fatigue Management Audits. As we move into the second half of FY21 we remain relentless in our pursuit of Zero Harm for the environment, our people and those who come into contact with our operations.

In FY20 we successfully completed the integration of Dial a Dump into the BINGO Family and we began extracting the synergies and leveraging the efficiencies that this transformative acquisition has created. This has further increased our weighting towards Post-Collections and also our exposure to large-scale infrastructure assets.

A key element of the integration has been the reconfiguration of our New South Wales network. Our network now consists of centrally located transfer facilities and integrated recycling precincts for advanced processing, separation, manufacture of recycled content and disposal.

Our redevelopment program continued apace during the year. We completed our Mortdale transfer facility in February, providing an additional 220,000 tonnes of annual capacity to the network. The advanced recycling equipment at our Patons Lane Recycling and Landfill facility commenced operating in February 2020.

We secured approval for Modification 6 at Eastern Creek, expanding the annual landfill capacity to one million tonnes per annum and total capacity (including landfill and processing) to two million tonnes per annum and extending our operating hours at the site to 24-hours.

We also received approval to extend our operating hours at our West Melbourne recycling facility to 24-hours, increasing our operational capacity and deferring the need for further capital to enhance

recycling capacity in the short-term. Our total network capacity now stands at 4.6 million tonnes per annum, up from 3.8 million last year.

MPC 2 at Eastern Creek is nearing completion and we expect this to be operational early in the new year. We believe this state-of-the-art facility will be the largest and most advanced of its type in the world.

We've received feedback from NSW planning authorities on the approval pathway for the Master Plan for our Recycling Ecology Park at Eastern Creek and based on this feedback we are taking a staged approach to securing approval of the overall plan. Our plans for this facility will significantly enhance environmental outcomes by further increasing our recovery rates and will transform recycling in this country.

With a total network capacity of 4.6 million tonnes per annum across NSW and VIC, we now have approximately 35-40% of additional network capacity to support future growth with no requirement for new investment.

Last month BINGO provided an update on trading conditions for the first three months of FY21. Overall, there was solid momentum across the business in Q1, despite the impacts of COVID-19, particularly in Victoria.

Our views on the outlook for FY21 remain unchanged. While there may be further COVID-19-related economic and market headwinds ahead, we have started the year strongly and are seeing increasingly positive signs for our business.

In August we provided a number of observations on volume and price trends since the onset of COVID-19 and into early FY21. Our observations across the period are broadly in-line with these previous trends, including:

- Post-Collections, which continued its strong momentum in volumes throughout the first four months. July and September were record months for volumes with September average daily volumes 5% higher than July 2020.
- Average daily Collections volumes across the first four months ~10-15% below pre-COVID-19 levels, due mainly to COVID impacts on C&I and Victoria. Volumes have improved across September and October and we anticipate further improvement in activity as COVID-19 restrictions are lifted.
- Prices remained below pre-COVID-19 levels, however they have remained relatively stable across the business in the first four months, with a modest uplift occurring in September 2020.

BINGO's resilient business model positions us to respond to the current uncertain environment. We're seeing an increase in activity generally across the business in NSW. And continue to see increases in volumes with solid momentum in business performance maintained in the first four months of FY21. Infrastructure activity is expected to remain strong in FY21 and beyond, benefiting from the existing pipeline of committed projects and COVID-19 economic stimulus.

We expect GROUP EBITDA margin to decline in FY21 by approximately 200-300 basis points, before rebounding to its longer-term target of 30%.

Given the number of structural tailwinds and the forecast recovery in construction activity, FY22 and beyond has the potential to offer significant operational and financial upside and is expected to provide the springboard for sustained future growth.

We have a clear pathway to EBITDA in excess of \$250 million from our existing asset base.

This slide shows you that pathway. We have invested significantly in post-collections assets over the last few years. This existing asset base has the potential to deliver in excess of \$250 million per annum, with no new investment.

This will be driven by the completion of MPC2 at Eastern Creek, various regulatory tailwinds including rising state waste levies and the mandated use of recycled product, and long-term strength in our key market sectors.

Other growth drivers have the potential to push us beyond \$250m including the further development of our Recycling Ecology Park, further vertical integration in Victoria, the impact of waste to energy on diversion rates and our eventual entry into Queensland.

I would like to thank all our GOgetters for their efforts during FY20. It has been an unprecedented and difficult year for us all, but we have shown how resilient the BINGO Family can be when we pull together.

I would also like to thank our customers and our shareholders who continue to support us. We intend to repay the favour by continuing to adhere to our strategy and delivering on the commitments we have made to you.

We enter FY21 with confidence and in the knowledge that we are a stronger, more resilient business.

Daniel Tartak

Managing Director and Chief Executive Officer

BINGO Industries Limited

-ENDS-

This announcement has been authorised by the BINGO Continuous Disclosure Committee.

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