

3 May 2022

Company Announcements Office
ASX Limited
Exchange Office
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

Presentation – Macquarie Australia Conference

Please find attached the Company's presentation to be presented by CEO and Managing Director Mark Schubert at the Macquarie Australia Conference today.

This announcement was authorised for lodgement by the Board of Cleanaway.

Yours sincerely



Dan Last
Company Secretary

Cleanaway Waste Management Limited is Australia's leading total waste management, industrial and environmental services company. Our team of more than 6,600 highly trained employees are supported by a fleet of over 5,000 specialist vehicles working from approximately 250 locations across Australia. With the largest waste, recycling and liquids collections fleets on the road - and supported by a network of recycling facilities, transfer stations, engineered landfills, liquids treatment plants and refineries - we are working hard to deliver on our mission of making a sustainable future possible together for all our stakeholders.



Making a sustainable future possible together

Cleanaway Waste Management Limited

Australia's leading total waste
management services provider

Twenty Fourth Annual Macquarie Australia Conference
3 May 2022

Presenter
Mark Schubert, Managing Director & CEO

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All amounts are in Australian dollars unless otherwise stated. A number of figures in the tables and charts in the presentation pages have been rounded to one decimal place. Percentages (%) have been calculated on actual whole figures.

Unless otherwise stated, all earnings measures in this presentation relate to underlying earnings.

Underlying earnings are categorised as non-IFRS financial information and therefore have been presented in compliance with ASIC Regulatory Guide 230 – Disclosing non-IFRS information, issued in December 2011. Refer to CWY’s Directors’ Report for the definition of “Underlying earnings”. The term EBITDA represents earnings before interest, income tax, and depreciation, amortisation and impairments and the term EBIT represents earnings before interest and income tax expense.

This presentation has not been subject to review or audit.

Snapshot of Cleanaway

Cleanaway is Australia's leading total waste management, industrial, environmental and health services company.

Cleanaway is vertically integrated through the waste value chain from waste collection, to resource and energy recovery, to waste treatment and disposal.

Our services are underpinned by a diversified portfolio of prized infrastructure assets operated by a committed workforce.



5,000+ Vehicles



~250 Sites Australia wide



125+ Prized infrastructure assets



130+ Municipal councils



150,000+ Business customers



Diversified revenue streams with cost inflation protection

Largely insulated from inflationary pressures with contract pass through mechanisms

FY21 Net Revenue



Solid Waste Services

- ✓ 130+ Municipal contracts & ~7-10 year duration
- ✓ 100k+ C&I contracts & 3+ year duration

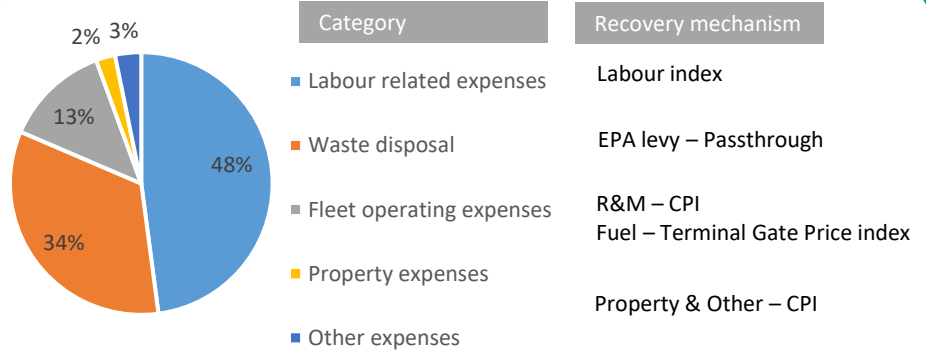
Liquid Waste & Health Services

- ✓ 40k+ Liquids & Hydrocarbons contracts & 3-5 year duration
- ✓ 10k+ Health contracts & 3-5 year contract duration

Industrial & Waste Services

- ✓ 2k+ Customers
- ✓ Contract duration – Infrastructure (0.5 - 2 years)
– Resources (3 - 5 years)

FY21 Operating Expenses



Price reviews

- ✓ Rise and fall clauses in contracts capture relevant labour, fuel and general CPI changes
- ✓ Increases to EPA levies are reflected in customer prices when they occur
- ✓ Price adjustments for municipal and national/mid-market accounts is the contract anniversary date and 1 July respectively
- ✓ Price adjustments for SME's are dynamic
- ✓ Fuel surcharge applied to SME effective 1 May 2022

Targeting increased workforce participation

Strategies developed to improve employee turnover and address impact of tight labour market



Female Driver Academy

- ✓ Paid program to train and recruit female drivers
- ✓ Commenced February 2022
- ✓ First Victorian cohort (8) graduated with all participants obtaining their Heavy Rigid vehicle licence. Second cohort being recruited
- ✓ Initiative being rolled out nationally
- ✓ Graduates paired with mentors that demonstrate Cleanaway's values and behaviours before transitioning to their own routes

NSW and QLD Flood Events

Wide ranging impacts of floods across the business



NSW and QLD collections

- Damage to property and equipment and loss of 41 trucks (expected to be covered by insurance)
- Ongoing inefficiency in the affected area as services have been disrupted
- Vehicles have been relocated from other regions with new fleet on order
- Significant effort to re-establish operations
- Supporting employees personally affected by floods

New Chum Landfill (QLD)

- Significant flood damage to new cell under construction (expected to be covered by insurance)
- Decision to close New Chum temporarily will impact QLD Resource Recovery operations and C&D collections business, with no further volumes being accepted in FY22
- Need to address site flood damage and develop water and leachate solutions before accepting further volume

Operational performance update

Lagging cost recoveries and one-off operational disruptions to impact FY22 EBITDA by ~\$15-20 million...

Lagging cost recoveries

- Higher fuel prices (\$10 million)
- Constraints on labour availability due to the pandemic continue to place pressure on the business, impacting our ability to service the customer and operate efficiently
- ✓ Contracts include specific rise and fall clauses that reference relevant fuel, labour and CPI indices

One-off operational disruptions

- Impact of floods including temporary closure of New Chum (\$5 – 7 million)
- Increased working costs in our Health Services business due to equipment failure (\$5-7 million)
- Additional costs and inefficiencies in Health Services from ongoing impact of COVID-19
- ✓ Partially offsetting the headwinds are continuing strong volumes into Sydney Resource Network and recent pricing adjustments

...with second half margins now expected to be lower than first half

BluePrint 2030

BluePrint 2030 is our **customer led** evolution of the Footprint 2025 strategy.

In BluePrint 2030 we will create superior shareholder value by **integrating and extending our leading network of infrastructure assets to provide high circularity, low-carbon solutions, seamless customer service and value for money** for our customers.

Our goal is to be recognized by our customers as the most innovative and sustainable waste management company, with a **foundation of zero harm** to people and the environment.



Strategy Evolution – BluePrint 2030



Four C's – the right market conditions for Cleanaway

- The waste industry plays a key role in the transition to a low-carbon and high-circularity world
- These trends provide significant growth opportunities for Cleanaway both within the existing portfolio and in new segments

Customers

Seeking cost-effective sustainable services with lower carbon footprint, improved landfill diversion and circularity

Climate

Energy transition creating new waste streams
New technologies to reduce waste's carbon footprint

Communities

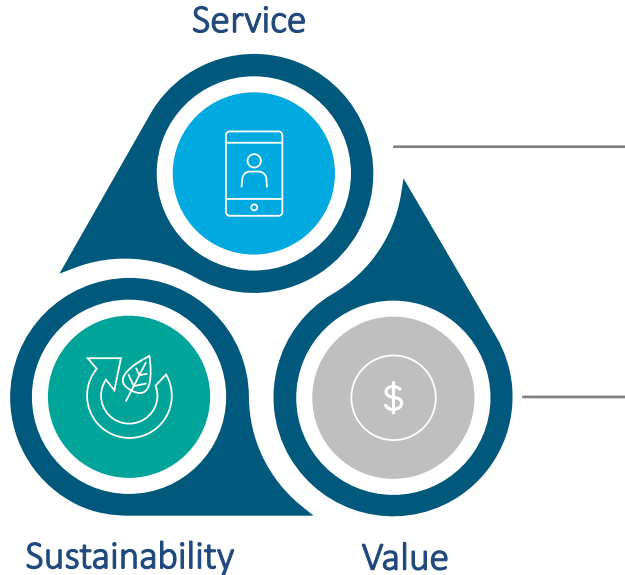
Increasing expectations of waste management industry
Embracing new recycling initiatives

Circularity

Emerging self-sufficiency trend
Increasing demand for recycled content

Supportive regulatory environment

Customer - Our proposition



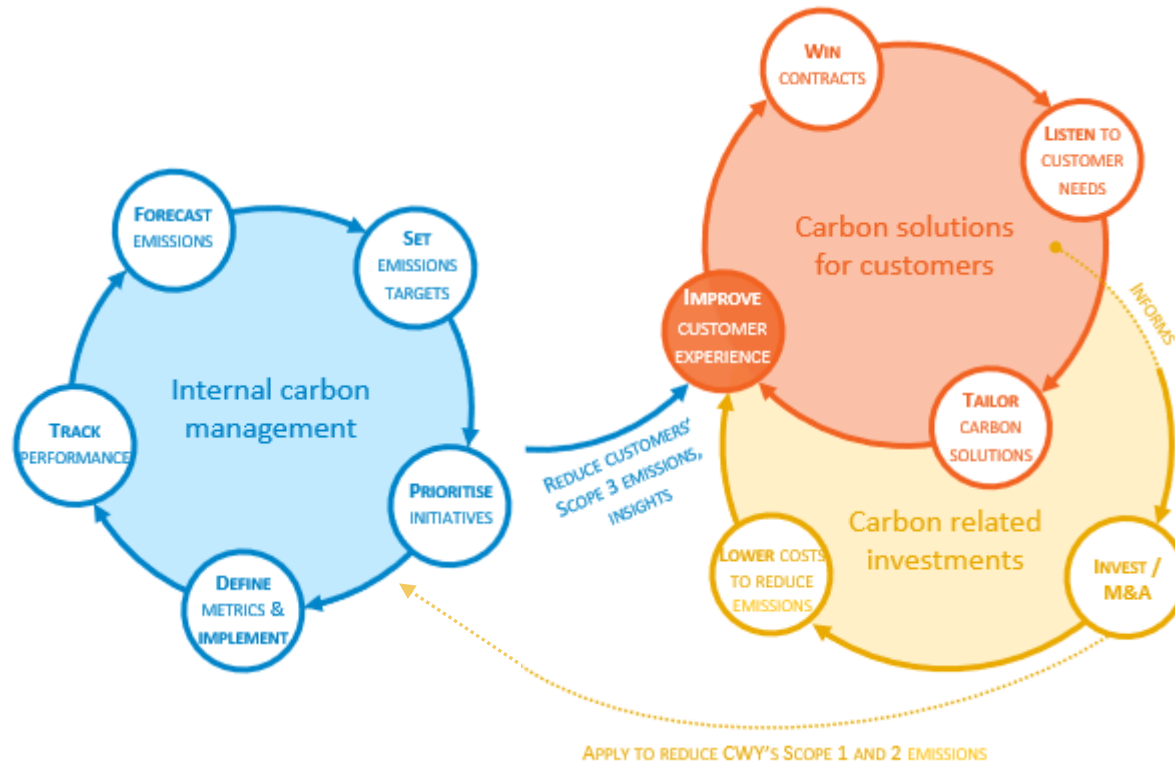
- Seamless, innovative customer experience enabled by digitisation and CustomerConnect
- Tailored proposition for key accounts

- Leverage our scale through route density, geographic coverage and proximity to infrastructure
- Internalisation to provide competitive integrated cost base
- Operating efficiency through digitisation and data analytics
- Modern, high-quality, large scale, automated infrastructure

- Integrated infrastructure network to provide circular, low carbon solutions
- In-house carbon expertise to decarbonise Cleanaway and support our customers
- Focus on innovation to lead in new and improved ways to process waste and increase resource recovery

Climate – Leadership in Carbon

Setting emissions targets consistent with climate science will drive investment and customer solutions



- Build capability and maturity in internal carbon management
- Establish and disclose 2030 and 2050 targets with FY22 Full Year Results
- Build and refine marginal abatement cost curve (MACC) for Cleanaway and identify and develop investment opportunities
- Uniquely positioned with strategic infrastructure to capture decarbonisation opportunities
- Develop carbon solutions that are aligned to customers' aspirations

Communities - Consumer Behaviours

Bin harmonisation, source separation and consumer education will advance a circular economy



WHAT MOTIVATES AUSTRALIANS TO RECYCLE

-  **79%**
To help the environment
-  **76%**
Minimise waste going to landfill
-  **76%**
It's the right thing to do
-  **65%**
Being a responsible citizen
-  **63%**
Contribute to a better future
-  **57%**
To preserve natural resources

WHAT WOULD ENCOURAGE AUSTRALIANS TO RECYCLE MORE

-  **56%**
Clearer product labelling
-  **54%**
Clear and consistent information
-  **46%**
Better understanding of how recycling is done
-  **41%**
Incentives (e.g., vouchers)
-  **40%**
More/bigger bins
-  **29%**
If it was easier

Circularity – transition to greater resource recovery



EfW

- Energy from Waste is a safe, proven way to capture energy from waste that cannot be recycled
- Targeting developments in Sydney (joint venture), Melbourne and Brisbane
- EfW helps provide our customers with the highest landfill diversion and lowest carbon solutions



C&D

- C&D is a large segment which remains relatively fragmented outside a few key competitors
- Currently under-represented and will invest in an integrated network of collections and processing facilities
- Delivers high resource recovery and landfill diversion, circular outcomes for customers



Organics

- Structural changes in the sector create the need for new organics processing infrastructure, including in-vessel composting (FOGO), anaerobic digestion and other innovative solutions
- Leverage relationships and collections to secure the feedstock required to support investments
- Organics infrastructure will provide ways to reduce emissions for our business and customers

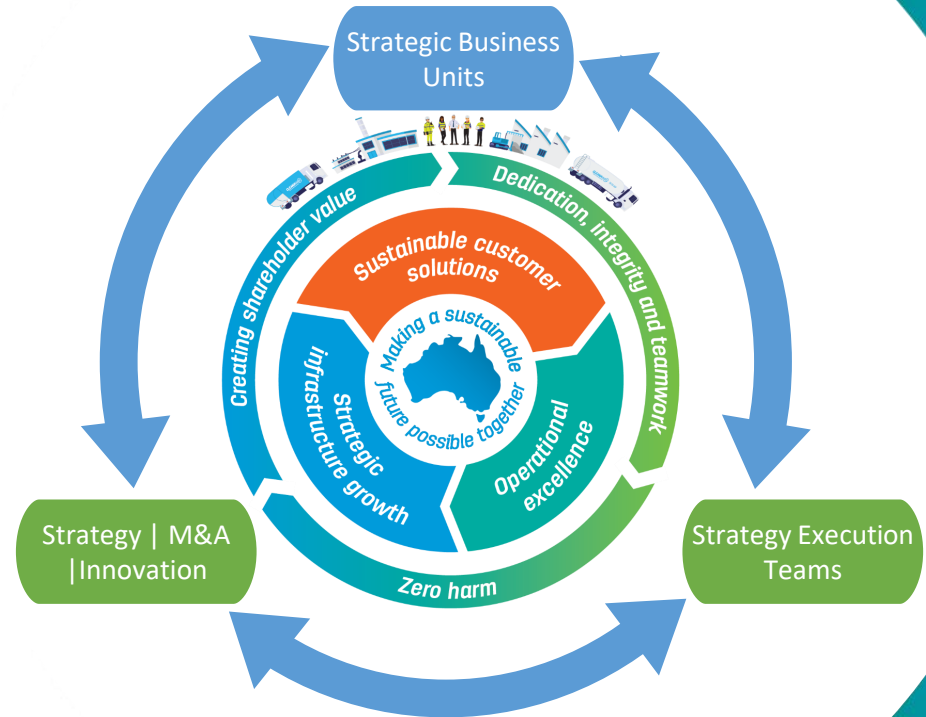


Landfills

- More volumes will be diverted, but landfills remain critical infrastructure
- Optimise the value of our airspace and selectively invest in new capacity
- Investments in gas capture & processing to reduce emissions and create renewable energy

Executing Blueprint 2030

- ✓ Blueprint 2030 comprises 14 Blueprints that describe our detailed targets and plans
- ✓ Installed value capture tracking methodology
- ✓ Blueprint 2030 execution reviews now part of Monthly Operating Reviews cadence



BluePrint 2030 Strategy Update

Deep dive on **Strategic Infrastructure Growth**

Date: Wed 7 June 2022

Time: 9.30AM

Location: Virtual

Presenters:

Mark Schubert, *MD and CEO*

Paul Binfield, *CFO*

Frank Lintvelt, *EGM Strategy and M&A*

James Pearce, *Project Director, Energy-from-Waste*

Taku Ide, *Head of Carbon*

